

SHIRE OF WEST ARTHUR

**Ordinary Council Meeting
17 March 2020
Minutes**

1.	DECLARATION OF OPENING	39
2.	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	39
3.	PUBLIC QUESTION TIME	39
4.	RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE.....	39
5.	PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS	39
6.	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	39
7.	ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION.....	39
8.	REPORTS	39
8.1	OFFICER REPORTS	39
	ITEM 8.1.1 – FINANCIAL REPORT FEBRUARY 2020	40
	ITEM 8.1.2 – ACCOUNTS FOR PAYMENT	50
	ITEM 8.1.3 – LOCAL GOVERNMENT HOUSE TRUST – DEED OF VARIATION.....	53
	ITEM 8.1.4 – LAKE TOWERRINNING MANAGEMENT PLAN.....	67
	ITEM 8.1.5 – BUDGET REVIEW – MARCH 2020	109
8.2	COMMITTEE REPORTS	114
	ITEM 8.2.1 – ADOPTION OF COMPLIANCE AUDIT RETURN 2018	114
	ITEM 8.2.2 – 2018-19 SIGNIFICANT ADVERSE TREND – OPERATING SURPLUS RATIO..	128
8.3	ELECTED MEMBER REPORTS.....	129
9.	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	130
10.	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING.....	130
11.	CONFIDENTIAL ITEMS	130
12.	CLOSURE OF MEETING	130

ORDINARY COUNCIL MEETING MINUTES

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS
Cr Kevin King, Chairperson, declared the meeting open at 6.05 pm.

2. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE
Nil.

3. PUBLIC QUESTION TIME
Nil.

4. RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE

Cr K King	Shire President
Cr N Morrell	Deputy Shire President
Cr N Manuel	
Cr A Squires	
Cr M Lloyd	
Cr G Peirce	
Nicole Wasmann	Chief Executive Officer
Bill Owen	Works Manager

Apologies

Cr J McFall

Leave of Absence

Nil.

5. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS
Nil.

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

6.1 Ordinary Meeting of Council held 18 February 2020.

That the Minutes of the Ordinary Meeting of Council held 18 February 2020 be confirmed.

COUNCIL DECISION – ITEM 6.1

Moved: Cr Neil Morrell

Seconded: Cr Adam Squires

That the Minutes of the Ordinary Meeting of Council held 18 February 2020 be confirmed.

CARRIED 6/0

7. ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION
Nil.

8. REPORTS

8.1 OFFICER REPORTS**ITEM 8.1.1– FINANCIAL REPORT FEBRUARY 2020**

LOCATION/ADDRESS:	N/A
NAME OF APPLICANT:	N/A
FILE REFERENCE:	N/A
DISCLOSURE OF INTEREST:	N/A
DATE OF REPORT:	12 March 2020

SUMMARY:

Consideration of the financial reports for the period ending 29 February 2020.

BACKGROUND:

The financial reports for the period ending 29 February 2020 are included as attachments.

COMMENT:

If you have any questions regarding details in the financial reports, please contact the office prior to Council meeting so that sufficient time is given to research the request. This will enable the information to be provided at the Council meeting.

CONSULTATION:

Not applicable.

STATUTORY ENVIRONMENT:

Section 34 (1) (a) of the Local Government (Financial Management) Regulations 1996 states that a Local Government is to prepare monthly statement of financial activity including annual budget estimates, monthly budget estimates, actual monthly expenditure, revenue and income, material variances between monthly budget and actual figures and net current assets on a monthly basis.

POLICY IMPLICATIONS:

Not applicable.

FINANCIAL IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

Not applicable.

VOTING REQUIREMENTS:

Simple majority

COUNCIL DECISION (OFFICER RECOMMENDATION) – ITEM 8.1.1

Moved: Cr Graeme Peirce

Seconded: Cr Neil Morrell

That the financial report for the period ending 29 February 2020 as presented be accepted.

CARRIED 6/0

ATTACHMENT:

- Financial Reports – 29 February 2020.

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 29 February 2020

	Note	Annual Budget 2019/2020 \$	YTD Budget (a) \$	YTD Actual (b) \$	Var. \$ (b)-(a) \$	Var. % (b)-(a)/(a) %	Var.
Opening Funding Surplus (Deficit)	2	1,162,096	1,162,096	1,162,096	0	0%	
Revenue from operating activities							
Rates		1,706,538	1,706,538	1,705,799	(739)	(0%)	
Operating Grants, Subsidies and Contributions	6	755,939	539,706	576,607	36,901	7%	
Fees and Charges		299,226	228,599	264,395	35,796	16%	▲
Interest Earnings		78,237	44,093	38,678	(5,415)	(12%)	
Other Revenue		76,597	14,242	47,221	32,979	232%	▲
Profit on Disposal of Assets		16,045	0	0			
		2,932,582	2,533,178	2,632,700			
Expenditure from operating activities							
Employee Costs		(1,670,536)	(1,429,528)	(1,299,290)	(130,238)	9%	
Less overhead and wage allocations			330,000	328,602			
Materials and Contracts		(669,779)	(464,028)	(478,229)	14,201	(3%)	
less Pdepn and POC allocations			180,680	179,915			
Utility Charges		(85,000)	(42,500)	(42,063)	437	1%	
Depreciation on Non-Current Assets		(2,082,163)	(351,216)	(342,979)	8,237	2%	
Interest Expenses		(35,389)	(18,293)	(18,293)	0	0%	
Insurance Expenses		(97,701)	(97,701)	(98,444)	(743)	(1%)	
Other Expenditure		(26,000)	(100)	(100)	0	0%	
Loss on Disposal of Assets		(1,666)	0	0			
		(4,668,234)	(1,892,685)	(1,770,881)			
Operating activities excluded from budget							
Add back Depreciation		2,082,163	351,216	342,979	(8,237)	(2%)	
Adjust (Profit)/Loss on Asset Disposal		(14,379)	0	0	0		
Adjust Provisions and Accruals		0	0	(9,507)			
Amount attributable to operating activities		332,132	991,709	1,195,291			
Investing activities							
Grants, Subsidies and Contributions	6	1,057,659	710,985	724,763	13,778	2%	
Proceeds from Disposal of Assets		86,000	0	0	0		
Land and Buildings	7	(271,525)	(12,000)	(12,360)	(360)	(3%)	
Infrastructure Assets - Roads	7	(1,395,630)	(895,000)	(889,746)	5,254	1%	
Infrastructure Assets - Other	7	(243,608)	0	0	0		
Plant and Equipment	7	(198,350)	(100,000)	(81,818)	18,182	18%	▲
Furniture and Equipment	7	(85,000)	0	0	0		
Amount attributable to investing activities		(1,050,454)	(296,015)	(259,161)			
Financing Activities							
Proceeds from Self Supporting Loan - repayments		26,290	13,036	13,036	0	0%	
Transfer from Reserves	5	393,059	0	0	0		
Repayment of Debentures		(90,698)	(44,750)	(44,750)	0	0%	
Transfer to Reserves	5	(772,425)	(15,000)	(13,149)	1,851	12%	▲
Amount attributable to financing activities		(443,774)	(46,714)	(44,863)			
Closing Funding Surplus (Deficit)	2	0	1,811,076	2,053,363	242,287	13%	▲

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

Refer to Note 1 for an explanation of the reasons for the variance.

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

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 1: Explanation of Material Variances

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

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

Operating Grants, Subsidies and Contributions

31012	General purpose grant income above budget. Will be \$41,349 above budget for full year.
(3,185)	Local roads grant income below budget. Will be \$4,246 less for full year.
4454	Culture grants received unbudgeted. Oral histories.
1000	Thank a volunteer grant received. Will be offset by expenditure.
3620	Age friendly, dementia grant received. Unbudgeted and will be offset by expenditure

Fees and Charges

29633	Kids Central Childcare income above budget. Budgeted for three months prior to transfer to REED.
5594	Caravan park income above budget. permanent variance

Other Revenue

20890	Insurance claims and reimbursements	permanent variance
10487	Diesel rebate additional claim	permanent variance

Employee Costs

(130,238)	Wages and associated employee expenses are lower than budget due to vacant positions. This is partly offset by kids central wages higher than budget due to later than anticipated handover to REED.
-----------	--

Materials and Contracts

16857	Museum expenditure shown as operating rather than capital. Review on project completion.
-------	--

Grants, Subsidies and Contributions

13778	Museum grant higher than budgeted. Will be offset by lower reserve transfer.
-------	--

Plant and Equipment

18182	Low loader was below budget.
-------	------------------------------

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 2: Net Current Funding Position

Positive=Surplus (Negative=Deficit)

		Last Years Closing	Current
	Note	30 June 2019	29 Feb 2020
		\$	\$
Current Assets			
Cash Unrestricted	3	1,175,057	1,760,346
Cash Restricted - Conditions over Grants	6	0	158,445
Cash Restricted	5	1,756,241	1,769,390
Receivables - Rates	4	107,730	187,890
Receivables - Other	4	41,818	41,881
Inventories		21,550	21,550
		3,102,396	3,939,502
Less: Current Liabilities			
Payables		(184,059)	(116,749)
		(184,059)	(116,749)
Less: Cash Reserves	5	(1,756,241)	(1,769,390)
Net Current Funding Position		1,162,096	2,053,363

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 3: Cash and Investments

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
(a) Cash Deposits							
Municipal Bank Account	151,194			151,194	NAB	0.01%	At Call
Municipal Bank - Bendigo	293,928			293,928	Bendigo	0.15%	At Call
Municipal Cash Maximiser	169,876			169,876	NAB	0.10%	At Call
Bendigo Cash Maximiser	200,040			200,040	Bendigo	0.05%	At Call
Trust Bank Account			30,712	30,712	NAB	0.01%	At Call
Trust Cash Maximiser			8,105	8,105	NAB	0.10%	At Call
Trust - Bendigo			1,780	1,780	Bendigo	0.05%	At Call
Reserve Cash Maximiser		9,622		9,622	NAB	0.10%	At Call
Bendigo Reserve		804		804	Bendigo	0.05%	At Call
(b) Term Deposits							
Municipal term deposit	300,000			300,000	NAB	1.6	28/04/2020
Municipal term deposit	803,353			803,353	Bendigo	1.55	23/03/2020
Reserve term deposit		750,000		750,000	NAB	1.52	26/06/2020
Reserve term deposit		1,008,964		1,008,964	Bendigo	1.55	26/06/2020
Trust term deposit			60,000	60,000	NAB	1.55	12/06/2020
(funds held in term deposit to be transferred to muni)			(25,146)				
Total	1,918,391	1,769,390	75,451	3,728,378			

Municipal Bank Account includes \$33,136 uncleared funds to be transferred from trust on term deposit maturity.

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 4: Receivables

Receivables - Rates Receivable	29 Feb 2020	30 June 2018	Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$		\$	\$	\$	\$	\$
Opening Arrears Previous Years	181,873	165,047	Receivables - General	38,598	829	306	2,142	41,875
Levied this year (incl rubbish & ESL)	1,801,030	1,769,903						
Less Collections to date	(1,720,870)	(1,753,077)	Balance per Trial Balance					
Equals Current Outstanding	262,033	181,873	Sundry Debtors					0
			Receivables - Other					0
Net Rates Collectable	262,033	181,873	Total Receivables General Outstanding					41,875
% Collected	86.79%	90.60%						
Less Recognised as doubtful	(74,143)	(74,143)						

Amounts shown above include GST (where applicable)

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 5: Cash Backed Reserve

Name	Opening Balance	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
		Interest Earned	Interest Earned	Transfers In (+)	Transfers In (+)	Transfers Out (-)	Transfers Out (-)	Transfers Out (-)	Transfers Out (-)
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	156,202	2,812	1,169	50,000	0	0	0	209,014	157,371
Plant Reserve	94,159	1,972	705	309,829	0	(112,350)	0	293,610	94,864
Building Reserve	631,562	11,368	4,729	50,000	0	(130,000)	0	562,930	636,291
Town Development Reserve	69,595	1,253	521	0	0	(45,000)	0	25,848	70,116
Recreation Reserve	31,202	562	234	100,000	0	(10,000)	0	121,764	31,436
Heritage Reserve	5,128	92	38	300	0	0	0	5,520	5,166
Community Housing Reserve	109,024	1,962	816	20,000	0	(25,000)	0	105,986	109,840
Waste Management Reserve	80,044	1,441	599	40,000	0	0	0	121,485	80,643
Darkan Swimming Pool Reserve	33,219	598	249	5,000	0	0	0	38,817	33,468
Information Technology Reserve	57,988	1,044	434	3,000	0	(15,000)	0	47,032	58,422
Darkan Sport and Community Centre Reserve	223,747	3,757	1,675	30,000	0	0	0	257,504	225,422
Arthur River Country Club Renewal Reserve	25,049	451	188	6,000	0	(3,000)	0	28,500	25,237
Museum Reserve	127,858	2,301	957	0	0	(25,620)	0	104,539	128,815
Moodiarrup Sports Club Reserve	7,879	142	59	4,000	0	0	0	12,021	7,938
Landcare Reserve	46,885	844	351	0	0	(27,089)	0	20,640	47,236
Corporate Planning and Valuation Reserve	34,000	612	255	0	0	0	0	34,612	34,255
Kids Central Members Reserve	429	8	3	0	0	0	0	437	432
The Shed Reserve	11,019	198	82	0	0	0	0	11,217	11,101
Recreation Trails Reserve	1,185	21	9	0	0	0	0	1,206	1,194
Community Gym Reserve	6,887	124	52	0	0	0	0	7,011	6,939
Economic Development Reserve	3,180	57	24	40,000	0	0	0	43,237	3,204
Road Reserve	0	0	0	82,677	0	0	0	82,677	0
	1,756,241	31,619	13,149	740,806	0	(393,059)	0	2,135,607	1,769,390

Note: Reserve transfers are generally completed at year end unless funds are required sooner.

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 6: Grants and Contributions	Grant Provider	Type	Opening Balance (a)	Budget Operating (b)	Capital (c)	YTD Actual Revenue (f)	(Expended) (g)	Unspent Grant (a)+(f)+(g)	Comment	
				\$	\$	\$	\$	\$		
General Purpose Funding										
	Grants Commission - General	WALGGC	Operating	0	242,289	0	212,729	0	0	Total anticipated 283,636. Paid quarterly.
	Grants Commission - Roads	WALGGC	Operating	0	244,114	0	179,901	0	0	Total anticipated 239,868. Paid quarterly.
	Grants Commission - Bridges	WALGGC	Operating - Tied	0	90,000	0	0	0	0	Won't be received this year. Project deferred.
Law, Order and Public Safety										
	FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating - Tied	0	38,500	0	31,118	(31,118)	0	Paid quarterly.
	Bushfire mitigation	Office of Emergency Management	Operating - Tied	0	5,000	0	0	0	0	Application not to be submitted.
Education and Welfare										
	Kids Central Quarterly Grant	Federal DEEWR	Operating	0	8,500	0	17,930	0	0	
	Age Friendly and Dementia Community Awareness	Department of Communities	Operating - Tied	0	0	0	3,620	0	3,620	
Recreation and Culture										
	Redevelopment of play and youth area	Lotterywest	Non-operating	0	0	65,000	0	0	0	
	Museum		Non-operating	0	0	20,000	33,778	(3,310)	30,468	March
	Oral Histories	Lotterywest	Operating - Tied	0	0	0	4,454	(2,720)	1,734	
	Thank a Volunteer	Department for Communities	Operating - Tied	0	0	0	1,000	(860)	140	February
Transport										
	Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	0	0	329,877	187,000	(64,517)	122,483	
	RRG Grants - Capital Projects	Regional Road Group	Non-operating	0	0	344,487	308,477	(308,477)	0	
	Commodity Route Funding	Regional Road Group	Non-operating	0	0	244,384	195,508	(195,508)	0	First and second payments received.
	Direct Grant	Main Roads	Operating	0	125,536	0	125,536	0	0	
Economic Development										
	Kylie Dam Project	Department of Water	Non-operating	0	0	53,911	0	0	0	Approved
TOTALS				0	753,939	1,057,659	1,301,051	(606,510)	158,445	
SUMMARY										
	Operating	Operating Grants, Subsidies and Contributions		0	620,439	0	536,096	0	0	
	Operating - Tied	Tied - Operating Grants, Subsidies and Contributions		0	133,500	0	40,192	(34,698)	5,494	
	Non-operating	Non-operating Grants, Subsidies and Contributions		0	0	1,057,659	724,763	(571,812)	152,951	
TOTALS				0	753,939	1,057,659	1,301,051	(606,510)	158,445	

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 7: Capital Acquisitions

Assets	Account	YTD Actual			Budget			Variance	Comment
		Wages and Plant	Materials and Contractors	Total YTD	Wages and Plant	Materials and Contractors	Total Budget	Total YTD to Budget	
		\$	\$	\$	\$	\$	\$		
Buildings									
Governance									
Shire office - solar power		0	(3,943)	(3,943)	0	(10,000)	(10,000)	6,057 Works completed. Final payment made in March.	
Housing									
Renovations to existing joint venture community housing units		0	0	0	0	(25,000)	(25,000)	25,000 No scheduled works.	
Recreation & Culture									
Football Changerooms Project		0	(8,140)	(8,140)	(2,000)	(22,625)	(24,625)	16,485 Some expenditure allocated to operating.	
Community Amenities									
Darkan Cemetery toilet		0	(277)	(277)	(20,000)	(10,000)	(30,000)	29,723 Will be completed in financial year.	
Challet		0	0	0	(46,900)	(80,000)	(126,900)	126,900 Scheduled to commence in March	
Other Property & Services									
Staff Housing		0	0	0	(5,000)	(50,000)	(55,000)	55,000 No scheduled works.	
	Buildings Total	0	(12,360)	(12,360)	(73,900)	(197,625)	(271,525)	259,165	
Infrastructure									
Recreation And Culture									
Darkan Railway Reserve - redevelopment of play and youth area		0	0	0	(15,000)	(150,000)	(165,000)	165,000 Scheduled for late in the year.	
Economic Development									
Kylie Dam Water Project		0	0	0	(12,608)	(66,000)	(78,608)	78,608 Funding approved. Land tenure negotiations in progress	
	Infrastructure Total	0	0	0	(27,608)	(216,000)	(243,608)	243,608	
Furniture & Office Equip.									
Governance									
Computer Server		0	0	0	0	(15,000)	(15,000)	15,000 Installation in March.	
Recreation & Culture									
Museum fit out		0	0	0	0	(70,000)	(70,000)	70,000 Works in progress with March completion anticipated. Expense to date shown in operating expenditure	
	Furniture & Office Equip. Total	0	0	0	0	(85,000)	(85,000)	85,000	
Plant , Equip. & Vehicles									
Transport									
Administration vehicle		0	0	0	0	(52,000)	(52,000)	52,000 To be purchased in March	
Works vehicle		0	0	0	0	(46,350)	(46,350)	46,350 To be purchased in March	
Low loader		0	(81,818)	(81,818)	0	(100,000)	(100,000)	18,182 Purchased in November	
	Plant, Equip & Vehicles Total	0	(81,818)	(81,818)	0	(198,350)	(198,350)	116,532	
Roads									
Regional Road Group									
Darkan Moodiarrup Road		(118,779)	(116,373)	(235,152)	(147,880)	(139,910)	(287,790)	52,638 Majority works completed.	
Bowelling Duranillin Road		(137,402)	(109,173)	(246,575)	(139,915)	(119,780)	(259,695)	13,120 Variation for additional works approved.	
Trigwell Bridge Road (Commodity Route Funding)		(165,665)	(153,768)	(319,433)	(167,945)	(198,670)	(366,615)	47,182 Intersection works to be completed.	
	Regional Road Group Total	(421,846)	(379,314)	(801,160)	(455,740)	(458,360)	(914,100)	112,940	

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 29 February 2020

Note 7: Capital Acquisitions

Assets	Account	YTD Actual			Budget			Variance	Comment
		Wages and Plant	Materials and Contractors	Total YTD	Wages and Plant	Materials and Contractors	Total Budget	Total YTD to Budget	
		\$	\$	\$	\$	\$	\$		
Roads to Recovery									
Boyup Brook Arthur Road		(44,590)	0	(44,590)	(85,255)	(33,130)	(118,385)	73,795 February/March	
Eulin Crossing Road		(6,893)	0	(6,893)	(37,877)	(15,000)	(52,877)	45,984 February/March	
Rutherford Road		(9,166)	0	(9,166)	(20,000)	(15,000)	(35,000)	25,834 February/March	
Shields Road		(2,478)	0	(2,478)	(46,866)	(9,255)	(56,121)	53,643 April	
Boyup Brook Arthur Road		(1,390)	0	(1,390)	(37,841)	(39,670)	(77,511)	76,121 February/March	
Roads to Recovery Total		(64,517)	0	(64,517)	(227,839)	(112,055)	(339,894)	275,377	
Shire Funded									
Growden Place		(4,313)	(1,915)	(6,228)	(46,010)	(51,172)	(97,182)	90,954 March	
Collie South East Road		(17,841)	0	(17,841)	(21,275)	(3,056)	(24,331)	6,490 March	
DustSuppressions		0	0	0	(16,305)	(3,816)	(20,121)	20,121 March	
Shire Funded Total		(22,154)	(1,915)	(24,069)	(83,590)	(58,044)	(141,634)	117,565	
	Roads Total	(508,517)	(381,229)	(889,746)	(767,169)	(628,459)	(1,395,628)	505,882	
Capital Expenditure Total		(508,517)	(475,407)	(983,924)	(868,677)	(1,325,434)	(2,194,111)	1,210,187	

ITEM 8.1.2 – ACCOUNTS FOR PAYMENT

LOCATION/ADDRESS: N/A
 NAME OF APPLICANT: N/A
 FILE REFERENCE: N/A
 DISCLOSURE OF INTEREST: N/A
 DATE OF REPORT: 11 March 2020

SUMMARY:

Council to note payments of accounts as presented.

BACKGROUND:

The schedule of accounts is included as an attachment for Council information.

COMMENT:

If you have any questions regarding payments in the listing please contact the office prior to the Council meeting.

CONSULTATION:

There has been no consultation.

STATUTORY ENVIRONMENT:

Section 12 of the Local Government (Financial Management) Regulations 1996 states that

- 12 (1) A list of creditors is to be compiled for each month showing –
- (a) The payee's name;
 - (b) The amount of the payment;
 - (c) Sufficient information to identify to transaction; and
 - (d) The date of the meeting of the council to which the list is to be resented.

POLICY IMPLICATIONS:

There are no policy implications.

FINANCIAL IMPLICATIONS:

There are no financial implications.

STRATEGIC IMPLICATIONS:

No strategic implications.

VOTING REQUIREMENTS:

Simple majority

COUNCIL DECISION (OFFICER RECOMMENDATION) – ITEM 8.1.2

Moved: Cr Neil Manuel

Seconded: Cr Neil Morrell

That in accordance with section 13 of the Financial Management Regulations of the Local Government Act 1995 and in accordance with delegation, payment of Municipal Fund vouchers 18022020.1 - 18022020.16, 20022020.1, 09032020.1 - 09032020.19, CHEQUES 10, 11 & 12, Licensing, Salaries and Wages and EFT Transfers, Direct Debit totalling \$22,6797.45 listed (attached) be noted as approved for payment.

CARRIED 6/0

ATTACHMENT:

- Cheque Listing

Date	Num	Name	Original Amount
18/02/2020	18022020.1	AFGRI EQUIPMENT AUSTRALIA PTY LTD	234.22
		SIDE MIRROR FOR JOHN DEERE	
18/02/2020	18022020.2	AIT SPECIALISTS	2,908.40
		PROFESSIONAL SERVICE FUEL TAX CREDITS (ENABLED THE SHIRE TO OBTAIN REFUND)	
18/02/2020	18022020.3	BLACKWOOD BASIN GROUP (INC)	323.40
		LANDCARE SUPPORT FOR JANUARY 2020	
18/02/2020	18022020.4	CAROL STANDISH	246.60
		REIMBURSE GOODS FOR SENIORS MEALS	
18/02/2020	18022020.5	FLEAYS STORE	40.00
		MILK, MARG AND SODA WATER (THANK A VOLUNTEER, AUST DAY BREAKFAST)	
18/02/2020	18022020.6	FUELS WEST PETROLEUM	15,493.81
		DIESEL 12000L	
18/02/2020	18022020.7	GREAT AUSSIE STOCK AIDS	138.99
		FUEL FOR ARTHUR RIVER FIRE TRUCK	
18/02/2020	18022020.8	JASON SIGNMAKERS	825.00
		RED & WHITE DELINEATORS	
18/02/2020	18022020.9	KERRY CHIA	81.25
		REIMBURSE FOR GOODS FROM SLIMLINE WAREHOUSE FOR MUESUM	
18/02/2020	18022020.10	MOTORPASS	49.50
		CARD FEES FOR FUEL CARDS FOR FIRE TRUCKS	
18/02/2020	18022020.11	OFFICEWORKS	109.91
		STATIONARY PURCHASED FOR THE MUSEUM	
18/02/2020	18022020.12	PUTLAND MOTORS	1,233.62
		TRUCK WASH, BATTERY - UTE, HOSES AND FITTINGS - FORKLIFT, AIR FILTER, OIL FILTER GLOBES	
18/02/2020	18022020.13	STARTRACK EXPRESS	31.75
		FREIGHT FROM AFGRI	
18/02/2020	18022020.14	TOLL TRANSPORT PTY LTD	22.66
		FREIGHT FOR LAKE & POOL SAMPLES & WESTRAC	
18/02/2020	18022020.15	WHITE BUILDING CO PTY LTD1	1,815.00
		REPAIRS TO 22 HILLMAN ST WATER LEAK FROM ONSUITE BATHROOM (PART INSURANCE)	
18/02/2020	18022020.16	WILMA MANN	300.00
		ORAL HISTORY - GRANT FUNDED	
20/02/2020	EFT	SALARIES & WAGES	53,241.18
		PAYROLL	
20/02/2020	20022020.1	WATER CORPORATION	1,281.01
		WATER USAGE FOR PROPERTY (HIGH CHARGES DUE TO LEAK ON RETIC, RETIC NOW DISCONNECTED)	
05/03/2020	EFT	SALARIES & WAGES	44,326.07
		PAYROLL	
09/03/2020	09032020.1	AIR LIQUIDE	214.83
		GAS CYLINDERS	
09/03/2020	09032020.2	BODDINGTON MEDICAL CENTRE	176.00
		COSTS OF MEDICAL PROVIDED BY DR FOR NEW STAFF MEMBER	
09/03/2020	09032020.3	CAROL STANDISH	337.53
		REIMBURSE GOODS AND EQUIPMENT FOR SENIORS MEALS	
09/03/2020	09032020.4	COLLIE MOWERS & MORE	87.00
		WHIPPER SNIPPER CORD PLUS 1X PRIMING BULB	
09/03/2020	09032020.5	DARKAN HOTEL	270.00
		THANK A VOLUNTEER SUNDOWNER REFRESHMENTS	
09/03/2020	09032020.6	DEPARTMENT OF FIRE AND EMERGENCY SERVICES	15,750.00
		2019/2020 QUARTER 3	
09/03/2020	09032020.7	EASIFLEET MANAGEMENT- MOUNTSVILLE PTY LTD	4,095.85
		SALARY SACRIFICE PAYMENTS - MARCH 2020	
09/03/2020	09032020.8	ELITE COMPLIANCE	440.00
		CERTIFICATION OF BUILDING PLANS - DARKAN CEMETERY TOILET	
09/03/2020	09032020.9	FLEAYS STORE	25.90
		MILK, DETERGENT, GARBAGE BAGS AND GLOVES	
09/03/2020	09032020.10	GAS-IT PIPE CONTRACTING	1,100.00
		SITE SPECIFIC TMP GROWDEN PLACE ROAD	
09/03/2020	09032020.11	JAMES WISNIEWSKI	60.00
		CONTRIBUTION TOWARDS MOBILE PHONE	
09/03/2020	09032020.12	JASON SIGNMAKERS	46.75
		STANDPIPE SIGNAGE	
09/03/2020	09032020.13	KATANNING PEST MANAGEMENT	9,570.00
		TERMITE TREATMENT OF HALLS AND TERMITE INSPECTIONS OF 16 BRIDGES	
09/03/2020	09032020.14	RAREBITS ON BURROWES 1	1,100.00
		DINNER SUPPLIED FOR COUNCIL MEETINGS, THANK A VOLUNTEER CATERING	

Date	Num	Name	Original Amount
09/03/2020	09032020.15	SHERIDAN'S FOR BADGES	646.80
		NICHE WALL	
09/03/2020	09032020.16	SOS OFFICE EQUIPMENT	171.44
		METER READINGS FOR PRINTER	
09/03/2020	09032020.17	STUDIO MILTON	21,873.50
		CABINETS FOR MUSEUM	
09/03/2020	09032020.18	THINKWATER BUNBURY	212.82
		PRESSURE SWITCH FOR DURA BORE & SPRINKLER	
09/03/2020	09032020.19	TOLL TRANSPORT PTY LTD	11.94
		FREIGHT FOR FIRE FIGHTING CLOTHING	
12/02/2020	B/PAY	SYNERGY	1,424.20
		ELECTRICITY USAGE AND SUPPLY CHARGE STREETLIGHTS	
12/02/2020	B/PAY	TELSTRA	318.21
		TELEPHONE CALLS AND CHARGES FOR THE hRC	
12/02/2020	B/PAY	TELSTRA	340.47
		VARIOUS TELEPHONE SERVICES AND CHARGES	
12/02/2020	B/PAY	TELSTRA	642.70
		VARIOUS TELEPHONE/INTERNET SERVICES AND CHARGES	
12/02/2020	B/PAY	WATER CORPORATION	5,804.93
		VARIOUS WATER USAGE & SERVICE CHARGES	
10/03/2020	B/PAY	SYNERGY	217.46
		ELECTRICITY USAGE AND SUPPLY CHARGE MOODIARRUP HALL	
10/03/2020	B/PAY	SYNERGY	539.65
		ELECTRICITY USAGE AND SUPPLY HRC	
10/03/2020	B/PAY	SYNERGY	107.28
		ELECTRICITY USAGE AND SUPPLY DURA WATER SUPPLY	
10/03/2020	B/PAY	SYNERGY	316.83
		ELECTRICITY USAGE AND SUPPLY LAKE TOWERRINNING	
25/02/2020	Debit	NATIONAL AUSTRALIA BANK	36.24
		NAB CONNECT FEE ACCESS AND USUAGE	
28/02/2020	Debit	NATIONAL AUSTRALIA BANK	40.90
		END OF MONTH BANK FEES	
19/02/2020	direct	AUSTRALIAN TAXATION OFFICE	22,994.00
		JAN 2019 BAS	
17/02/2020	10	CASH	278.10
		SHIRE PETTY CASH - 18/11/2019 TO 17/02/2020	
18/02/2020	11	BOND ADMINISTRATOR	520.00
		SECURITY BOND FOR UNIT	
10/03/2020	12	CASH	270.35
		SHIRE PETTY CASH - 17/02/2020 TO 09/03/2020	
		VOUCHERS	AMOUNT
MUNICIPAL FUND			
		18022020.1 - 18022020.16	23,854.11
		20022020.1	1,281.01
		09032020.1 - 09032020.19	56,190.36
		CHEQUES 10, 11 & 12	1,068.45
		EFT/DEBIT/BPAY	32,782.87
		SALARIES & WAGES	97,567.25
		LICENSING FEBRUARY 2020 TRANSFERS	14,053.40
		TOTAL	226,797.45

ITEM 8.1.3 – LOCAL GOVERNMENT HOUSE TRUST – DEED OF VARIATION
--

LOCATION/ADDRESS:	Local Government House, 107 Railway Parade
NAME OF APPLICANT:	Shire of West Arthur
FILE REFERENCE:	2.7
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	10 March 2020

SUMMARY:

Council's consent is sought, to a variation to the Trust Deed for the Local Government House Trust (The Trust) as the Shire of West Arthur is a unit holder and beneficiary to the Local Government House Trust, holding 3 units as advised in WALGA's recent Quarterly Report Q4 2019.

The Trust's Board of Management is seeking to vary the Trust Deed in order to assist the Trust's income tax exempt status. As stipulated by the Deed, the Trust requires consent of at least 75 per cent of all beneficiaries in order to execute this variation.

As a beneficiary, the Shire of West Arthur is requested to consent to the enclosed Deed of Variation supported by a resolution of Council (Attachment 1).

BACKGROUND:

The Local Government House Trust ("The Trust") exists primarily to provide building accommodation for the Western Australian Local Government Association (WALGA). Since January 2014, the Trust has provided WALGA with accommodation at 170 Railway Parade, West Leederville.

The trust deed commenced in 1993 and was amended in 2002 to reflect the merger of the metropolitan and country associations into WALGA. The current Trust Deed pronounces WALGA as Trustee and unit holders as Beneficiaries, with the Trustee holding property and associated monies "upon Trust" and in proportion to the units provided.

Commencement date of the current deed is 17 February 1993, with a vesting date 79 years from commencement - which means that the Trust ends in 2072.

The Trust is exempt from income tax on the basis of being a State / Territory Body (STB) pursuant to *Division 1AB of the Income Tax Assessment Act 1936*.

Trust Deed Variation

1. removing the existing Trustee's power to retire and appoint a new Trustee (Clause 2.1 and 2.2 (22.3) of the Deed of Variation)
2. enabling the beneficiaries to appoint and remove a Trustee (Clause 2.2 (22.4) of the Deed of Variation), and
3. ensuring that the Board of Management is the 'governing body' of the Trust (Clause 2.3 of the Deed of Variation)

The three proposed amendments when applied to the relevant clauses inserted by the Deed of Variation dated 5 June 2002 will subsequently read as follows (proposed amendments shown in red and shaded text):

1. Variation 2.1 amends clause 22.1 to point to additional clause:

22.1 Any Trustee of the Trust may retire as Trustee of the Trust. **The Subject to clause 22.3, the** right to appoint any new or additional trustee or trustees of the Trust is hereby vested in the retiring or continuing trustee. A corporation or incorporated association may be appointed as Trustee of the Trust.

2. Variation 2.2 inserts two new clauses:

22.3 The retiring or continuing trustee shall only be entitled to appoint any new or additional trustee of the Trust with the consent of not less than 75% of the Beneficiaries.

22.4 The Beneficiaries may at any time by Special Resolution:

- (a) Remove a Trustee from the office as Trustee of the Trust; and
- (b) Appoint such new or additional Trustee.

3. Variation 2.3 insert a new clause 13A

13A Delegation to the Board of Management

Unless the Beneficiaries otherwise direct (such direction to be given by not less than 75% of the Beneficiaries), the Trustees shall delegate all of the powers authorities and discretions contained in subclauses (a) to (x) of clause 12 to the Board of Management. The Trustees shall, at the direction of the Board of Management, do such things as may be necessary to give effect to the exercise of a power, authority or discretion by the Board of Management.

CONSULTATION:

No external consultation has been undertaken.

STATUTORY ENVIRONMENT:

There are no relevant statutory provisions.

POLICY IMPLICATIONS:

There are no relevant policy implications.

FINANCIAL IMPLICATIONS:

There are no relevant financial implications upon the Shire's Budget or Long Term Financial Plan.

One Seventy (170) Railway Parade, (local government house), where WALGA is located, is owned by the Association. The Shire of West Arthur owns three (3) units in the Trust that owns the 'local government house', which were valued at \$17,517.11 each (as at 30/6/18 as advised by WALGA). The Shire's asset register reflects three (3) units held by the Shire of West Arthur

Supporting the Deed of Variation will only strengthen WALGA's financial position. Of which the Shire of West Arthur is a financial member.

STRATEGIC IMPLICATIONS:

There are no relevant strategic provisions.

COMMENT:

The first two amendments outlined above remove powers granted to the Trustee in the 2002 Deed Variation resulting from the merger to a single Association representing WA Local Governments. These amendments which previously facilitated the transfer of trusteeship to the then new Western Australian Local Government Association are removed, but with the clarification that any appointment must be with the consent of the beneficiaries.

The final amendment intends to confirm that power rests with the Board of Management. As the Board of Management comprises Local Governments, this satisfies the requirements of a STB for tax purposes. This amendment reflects the actual operation of the Trustee in implementing the decisions of the Board of Management whilst retaining sufficient operational discretion to place and renew investments and pay suppliers.

These amendments provide greater power to beneficiaries through the Board of Management, and as such it is anticipated they will be considered acceptable.

VOTING REQUIREMENTS:

Simple majority.

COUNCIL DECISION (OFFICER RECOMMENDATION) – ITEM 8.1.3

Moved: Cr Neil Manuel

Seconded: Cr Graeme Peirce

That Council consents to a variation to the Trust Deed for the Local Government House Trust (The Trust) as follows:

1. Variation 2.1 amends clause 22.1 to point to additional clause:

22.1 Any Trustee of the Trust may retire as Trustee of the Trust. ~~The~~ Subject to clause 22.3, the right to appoint any new or additional trustee or trustees of the Trust is hereby vested in the retiring or continuing trustee. A corporation or incorporated association may be appointed as Trustee of the Trust.

2. Variation 2.2 inserts two new clauses:

22.3 The retiring or continuing trustee shall only be entitled to appoint any new or additional trustee of the Trust with the consent of not less than 75% of the Beneficiaries.

22.4 The Beneficiaries may at any time by Special Resolution:

- (a) Remove a Trustee from the office as Trustee of the Trust; and
- (b) Appoint such new or additional Trustee.

3. Variation 2.3 insert a new clause 13A

13A Delegation to the Board of Management

Unless the Beneficiaries otherwise direct (such direction to be given by not less than 75% of the Beneficiaries), the Trustees shall delegate all of the powers authorities and discretions contained in subclauses (a) to (x) of clause 12 to the Board of Management. The Trustees shall, at the direction of the Board of Management, do such things as may be necessary to give effect to the exercise of a power, authority or discretion by the Board of Management.

CARRIED 6/0**ATTACHMENTS:**

- Deed of Variation (Draft)
- Clause 12 of Trust Deed 1994

demands outgoings debts and liabilities incurred in respect of the Trust Fund.

10.2 The Trustees may subject to any law in force at the time in relation to this Deed so permitting accumulate all or any part of the income arisen or arising during an accounting period and such accumulation shall be dealt with as an accretion to the Trust Fund but so that the Trustees may at any time or times resort to all such accumulations and pay or apply the whole or any part or parts thereof as if they were income of the Trust Fund for the then current accounting period.

10.3 Subject to Clause 10.2 the Trustees may at any time at their discretion pay the whole or part of the income of the Trust Fund for any accounting period to the beneficiaries in proportion to the number of units of which they are respectively registered as holders at the last day of such accounting period.

11.0 **ADVANCEMENT OF CAPITAL**

The Trustees may at any time and from time to time set aside from the capital of the Trust Fund or raise therefrom any sum or sums of money and pay the same to the beneficiaries in proportion to the number of units in respect of which they are respectively registered at the date of each such payment for their own use and benefit. The payment of any such sum or sums of capital may be made in the same manner and subject to the same provisions as contained in Clause 10.3 in relation to the payment application or setting aside of any income of the Trust Fund.

12.0 **POWERS OF INVESTMENT AND MANAGEMENT**

The Trustees shall apply and invest the Trust Fund in any of the investments from time to time authorised by law for the investment of trust funds by trustees and in addition to and without limiting the powers authorities and discretions vested in the Trustees by law and notwithstanding the trusts hereinbefore declared shall have the following powers authorities and discretions which may be exercised by the Trustees at any time and from time to time in the

absolute and uncontrolled discretion of the Trustees in carrying out the trusts hereof:

- (a) to invest the Trust Fund and deal with manage transpose and realise the Trust Fund or any part thereof whether real or personal property with such powers in all respects as if the Trustees were the absolute owner thereof;
- (b) to purchase or otherwise acquire any investments for cash or otherwise and upon any terms and conditions and to make any such purchase or acquisition for a sum greater than the amount of the Trust Fund for the time being and to agree to pay for any such investments wholly or in part from any future moneys which may come into the Trustees' hands including dividends profits interest or other income payable in respect of any such investments;
- (c) to sell or otherwise dispose of any real or personal property or interest therein for the time being forming the whole or part of the Trust Fund by public auction tender or private treaty at such price or prices and whether for cash or on terms and generally upon any terms and conditions and to grant options for such sale or disposition as aforesaid;
- (d) (i) to borrow and raise moneys from; or
(ii) to secure by mortgage or otherwise howsoever the payment of or obligation to pay money to,

any person (including a beneficiary) upon any terms with or without security or interest;
- (e) to vary or transpose any investments and to vary the terms of or property comprised in any security;
- (f) to hold use purchase construct demolish maintain repair renovate reconstruct develop improve sell transfer convey surrender let lease exchange take and grant options or rights in alienate mortgage charge pledge reconvey release or discharge or otherwise deal with any real or personal

property PROVIDED THAT in the improvement or development of any part of the Trust Fund the Trustees shall not be bound by the limitation contained in Section 30(1)(c) of the Trustees Act and the Trustees shall not be bound to apply to any Court to exceed such limitation;

- (g) to pay out of the Trust Fund or the income thereof all costs charges and expenses of and incidental to the management of the Trust Fund or to the exercise of any power authority or discretion hereby or by law conferred on the Trustees or in carrying out or performing the trusts hereof which the Trustees may at any time incur including all taxes of whatever kind payable in respect of the Trust Fund and costs in any way connected with the preparation and execution of these presents;
- (h) to act as manager or to employ any persons (including a Trustee hereof or a unit holder) contractors managers solicitors accountants clerks workmen employees servants or agents to transact all or any business of whatever nature including the receipt and payment of money and to decide the remuneration to be allowed and paid and to pay all charges and expenses so incurred and to create or arrange any scheme or superannuation retirement benefit or pension for the benefit of any person so employed;
- (i) to partition or agree to the partition of or to subdivide or agree to the subdivision or strata title or agree to the strata-titling of any land or other property which or any interest in which may for the time being be subject to the trusts hereof and to pay any moneys by way of equality of partition;
- (j) to determine whether any real or personal property or any increase or decrease in amount number or value of any property or holdings of property or any profit loss receipt or payments from for or in connection with any real or personal property shall be treated as and credited or debited to capital or to income and generally to determine all matters as to which any doubt difficulty or question

may arise under or in relation to the execution of the trusts and powers of this Deed and every determination of the Trustees in relation to any of the matters aforesaid whether made upon a question formally or actually raised or implied in any of the acts or proceedings of the Trustees in relation to the Trust Fund shall bind all parties interested therein and shall not be objected to or questioned on any ground whatsoever;

- (k) to open accounts with any bank or building society and to operate by and in all usual ways any such accounts;
- (l) to give effectual receipts and discharges for any moneys received by or on behalf of the Trustees or otherwise relating to any of the acts matters and things provided for in these presents;
- (m) to provide and set aside out of the Trust Fund or the income thereof such sum of money as the Trustees shall consider is available or necessary for and to pay or apply the same in or towards the discharge or reduction of any encumbrance debt or other liability for the time being affecting the Trust Fund or any part thereof;
- (n) to let sub-let lease or sub-lease for any period (and including to any beneficiary) and at any rental any real or personal property comprised in the Trust Fund upon any terms conditions or covenants;
- (o) to purchase take on lease sub-lease assignment hire or otherwise acquire any estate or interest in any real or personal property for any price premium rental charge payment fee or other consideration and subject to any terms conditions and covenants;
- (p) to take such action as the Trustees shall think fit for the adequate protection of any part of the Trust Fund and to do all such other things as may be incidental to the exercise of any of the powers authorities and discretions hereby or by law conferred on the Trustees;

- (q) to take and act upon the opinion (given in writing) of a solicitor an attorney at law or counsel practising in any country where the Trust Fund or any part thereof may for the time being be or be proposed to be invested in relation to the interpretation or effect of these presents or any other document or statute or as to the administration of the trusts hereof without being liable to any of the beneficiaries in respect of any act done by the Trustees in accordance with such opinion PROVIDED THAT nothing in this provision shall prohibit or impede the Trustees from applying to any Court if it shall think fit or prohibit any unit holder from so doing;
- (r) to allow any beneficiary to occupy have custody of or use any part of the Trust Fund on any terms or conditions as to inventories repair replacement insurance outgoings or otherwise but the Trustees shall not be liable for any loss or damage which may occur to any such part of the Trust Fund during or by reason of any such occupation custody or use except insofar as such loss or damage shall be occasioned by the conscious and wilful default or neglect of the Trustees;
- (s) to permit any part of the Trust Fund to be held or registered in the name of any nominee of the Trustees and to deposit securities deeds and other documents belonging or related to the Trust Fund with any bank or solicitor;
- (t) in the event of any gift stamp or other duties fees or taxes becoming payable in any part of the world in respect of these presents or the Trust Fund or any part thereof in any circumstances to pay all or any part of such duties fees and taxes out of the Trust Fund notwithstanding that such duties fees or taxes or some part thereof are not or may not be recoverable from the Trust Fund by legal process;
- (u) to receive and accept any real or personal property by gift inter vivos or by Will or under the provisions of any other trust or otherwise from any other person as additions to the Trust Fund and to hold the same upon the trusts herein

set forth and to administer such additions under the provisions hereof;

- (v) at any time and from time to time to ascertain and fix the value of the Trust Fund in accordance with the provisions herein contained and for that purpose to engage such competent valuers or experts as the Trustees may select and the Trustees may cause the value so ascertained and fixed to be entered from time to time in a book kept for that purpose;
- (w) to appoint any date earlier than the Vesting Date to be the Vesting Date;
- (x) during an accounting period to nominate any date not more than 18 months after the date of commencement of the then current accounting period as the last day of that accounting period and thereafter the accounting period shall mean each succeeding 12 month period commencing on the day following such nominated date until the anniversary of such nominated date immediately preceding the Vesting Date and the period thereafter until the Vesting Date.

13.0 DELEGATION OF TRUSTEE POWERS

The Trustees if at any time they are more than one shall act jointly and may delegate the exercise of all or any of the powers authorities or discretions hereby or by law conferred on the Trustees:-

- (a) to the Board of Management constituted by clause 14.0 of this Deed, or
- (b) to any other person or persons,

and execute any power of attorney or other instrument necessary to effectuate such purpose.

DEED OF VARIATION

LOCAL GOVERNMENT HOUSE TRUST



LAW

PERTH

11 Mounts Bay Road, Perth WA 6000

Telephone (08) 9429 2222 Facsimile: (08) 9429 2434

eylawperth@au.ey.com www.ey.com

Our Ref: 4WAL / 2004 7043

THIS DEED dated the _____ day of _____ 2019

BY

WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION of Level 1, 170 Railway Parade, West Leederville in the State of Western Australia (the 'Trustee')

RECITALS

- A. By Deed of Trust undated but stamped 12 February 1980 ('Original Trust Deed') made between CHARLES WILSON TUCKEY, LYAL GORDON RICHARDSON, GORDON LAWRENCE KILPATRICK, HARRY STICKLAND and MAXWELL RAY FINLAYSON (the 'Original Trustees') and THE LOCAL GOVERNMENT ASSOCIATION OF WESTERN AUSTRALIA and the COUNTRY SHIRE COUNCILS ASSOCIATION (the 'Retired Trustees') the Original Trustees declared that they would hold the property therein referred to as the Headquarters and the monies therein referred to as the Trust Fund upon trust for the beneficiaries specified in the second schedule to the Original Deed upon the terms and conditions therein contained (the 'Original Trust').
- B. By Deed dated 2 October 1981 made between the Original Trustees and the Retired Trustees the Original Trustees retired and appointed the Retired Trustees as the trustees of the Original Trust in their place.
- C. By Deed dated 4 May 1994 (the 'New Deed') the Retired Trustees (in the New Deed referred to as THE LOCAL GOVERNMENT ASSOCIATION OF WESTERN AUSTRALIA (INC) and THE COUNTRY SHIRE COUNCILS' ASSOCIATION OF WESTERN AUSTRALIA (INC)) agreed that the proceeds from the sale of the Headquarters and the Trust Fund and the income thereof should be from 17 February 1993 held upon the terms and conditions set out in the New Deed (the 'Trust').
- D. By Deed of Variation dated 5 June 2002 the Retired Trustees varied the New Deed (collectively, the 'Trust Deed') to provide for a new Clause 22 which provides that any trustee of the Trust may retire as trustee of the Trust and appoint a new trustee to act as trustee of the Trust and that notwithstanding that the original number of trustees of the Trust was five where a corporation or incorporated association is appointed as trustee of the Trust then it shall not be obligatory to appoint more than one new trustee.
- E. By Deed dated 6 June 2002 made between the Retired Trustees and the Trustee, the Retired Trustees retired and appointed the Trustee as the trustee of the Trust.
- F. Clause 21.1 of the Trust Deed provides that the Trustees may at any time and from time to time (with the consent of not less than 75% of the Beneficiaries) by deed revoke add to or vary the trusts of the Trust Deed or declare (inter alia) any new or other powers, authorities or discretions concerning the management, control or investment of the Trust Fund upon the terms contained therein.
- G. The Trustee wishes to add to and vary the Trust Deed and declare (inter alia) new or other powers, authorities and discretions concerning the management, control or investment of the Trust Fund in accordance with the terms of this Deed.
- H. More than 75% of the Beneficiaries have consented in writing to the variations to the New Deed and the records relating to this consent will be placed with the original of this Deed.

NOW THIS DEED WITNESSES**1. DEFINITIONS AND INTERPRETATION**

In this Deed, unless the context otherwise requires:

- 1.1 a word importing the singular includes the plural and vice versa, and a word of any gender includes other genders;
- 1.2 another grammatical form of a defined word or expression has a corresponding meaning;
- 1.3 a reference to a clause, paragraph, recital, schedule or annexure is to a clause, paragraph or recital of, or schedule or annexure to, this Deed, and a reference to this Deed includes any schedule or annexure;
- 1.4 a reference to a document or instrument includes the document or instrument as varied, novated, altered, supplemented or replaced from time to time;
- 1.5 a reference to a person includes a natural person, the estate of an individual, a partnership, body corporate, the trustee of a trust (in the trustee's capacity as trustee of the trust), association, governmental or local authority or agency or other entity;
- 1.6 a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- 1.7 the meaning of general words is not limited by specific examples introduced by 'including, for example' or similar expressions;
- 1.8 Recitals A to H inclusive form part of and are included in this Deed;
- 1.9 headings are for ease of reference and do not affect interpretation;
- 1.10 'Deed' means this deed;
- 1.11 unless specified otherwise, terms which are defined in the Trust Deed and used in this Deed bear the same meanings in this Deed which are ascribed to them in the Trust Deed; and
- 1.12 in the event of any inconsistency between the provisions of the Trust Deed and the provisions of this Deed, the provisions of this Deed will prevail.

2. OPERATIVE PART

The Trustee in exercise of the power given to the Trustee by clause 21.1 of the Trust Deed and with the consent of more than 75% of the Beneficiaries hereby adds to and varies the Trust Deed and declares (inter alia) the following new or other powers authorities and discretions concerning the management, control or investment of the Trust Fund as follows:

- 2.1 delete the word "The" appearing after the words "Any trustee of the Trust may retire as trustee of the Trust." in the existing clause 22.1 and replace it with the words "Subject to clause 22.3, the";

2.2 insert after clause 22.2 the following:

“22.3 The retiring or continuing trustee shall only be entitled to appoint any new or additional trustee of the Trust with the consent of not less than 75% of the Beneficiaries.

22.4 The Beneficiaries may at any time by Special Resolution:

- (a) remove a Trustee from the office as trustee of the Trust; and
- (b) appoint such new or additional Trustee.

For the purposes of this clause 22.4, “Special Resolution” means a resolution passed or decision made by not less than 75% of the Beneficiaries.”

2.3 insert a new clause 13A as follows:

“13A **DELEGATION TO THE BOARD OF MANAGEMENT**

Unless the Beneficiaries otherwise direct (such direction to be given by not less than 75% of the Beneficiaries), the Trustees shall delegate all of the powers authorities and discretions contained in subclauses (a) to (x) of clause 12 to the Board of Management. The Trustees shall, at the direction of the Board of Management, do such things as may be necessary to give effect to the exercise of a power, authority or discretion by the Board of Management.”

3. SEVERABILITY

3.1 If any provision of this Deed is found by a competent authority (including without limitation a Court) to be void or unenforceable, then such finding shall not affect the other provisions of this Deed.

3.2 If making a subsequent amendment to this Deed avoids any invalidity or unenforceability of any provision of this Deed, the parties may elect to make that amendment, which shall be deemed for all purposes to be effective immediately prior to the occurrence of that invalidity or unenforceability.

4. FURTHER ASSURANCES

All parties shall make, execute and do all acts, deeds, documents and things and sign all documents which may reasonably be required to give full effect to this Deed, and the Trustee shall bear the costs of observing, performing and complying with this clause.

5. COSTS

The Trustee shall bear and pay the costs of and incidental to the preparation, execution and stamping of this Deed.

6. RATIFICATION AND CONFIRMATION

In all other respects the terms of the Trust Deed are hereby ratified and confirmed.

7. **PROPER LAW**

This Deed shall be governed by the laws of the State of Western Australia and the parties submit to the jurisdiction of the Courts of the State of Western Australia.

EXECUTED as a Deed

**THE COMMON SEAL of WESTERN)
AUSTRALIAN LOCAL GOVERNMENT)
ASSOCIATION is hereunto affixed in the)
presence of:)**

Signature of President

Signature of Chief Executive Officer

Name of President

Name of Chief Executive Officer

ITEM 8.1.4 – LAKE TOWERRINNING MANAGEMENT PLAN

LOCATION/ADDRESS: N/A
 NAME OF APPLICANT: N/A
 FILE REFERENCE:
 DISCLOSURE OF INTEREST: Nil
 DATE OF REPORT: 13 March 2020

SUMMARY:

Council to review and consider the adoption of the Lake Towerrinning Management Plan. The Plan was prepared from consultation with stakeholders during late 2019. The Plan is an informing strategy to the Shire's Corporate Plan.

BACKGROUND:

The 2017 Lake Towerrinning Management Plan has been revised and updated following assessment of assets and consultation with stakeholders.

The Plan includes the mission 'To create a sustainable recreational environment for use by everyone' and values of 'friendly, family orientated, consider the environment, low key, community benefit'.

There are five goals including

- Conservation of the Lake Towerrinning environment
- Maintain a high quality of facilities at Lake Towerrinning
- Maintain watercraft regulation and safety on the waters of Lake Towerrinning
- Maintain water quality and levels of Lake Towerrinning
- Implement a programme for the management of all visitors to Lake Towerrinning.

CONSULTATION:

The plan was prepared following a meeting of stakeholders held on 31st October 2019 and advertised for public comment in the Bleat, Shire website and Facebook.

Two responses were received, both from stakeholders at Lakeside Camping. Issues raised by these stakeholders included:

- Boat ramp repair
- Clearing of the channel from the dam to the inlet
- Consideration to increasing the capacity of the drain
- An entrance statement to the lake
- Wheelchair access to the BBQ area
- The consideration of artificial lawn in the BBQ area
- A safety railing or fence at the edge of the BBQ area
- Drainage from the outlet swamp to the Arthur River

STATUTORY ENVIRONMENT:

The management of the Lake needs to be undertaken in accordance with various Acts. A summary of the legislation is included on page 7 of the draft report.

POLICY IMPLICATIONS:

There are no policy implications.

FINANCIAL IMPLICATIONS:

Many of the actions included in the Plan relate to maintaining and monitoring the existing facilities and environment.

Specific actions that will have additional financial implications above current operations include:

- The installation of cement matting at the end of the boat ramp to prevent boats creating a hole at the end of the boat ramp
- Engineering examination of the jetty structures
- Repair of the jetty structures if required
- Replacement of the playground area
- All-access pathways
- Additional shade shelters at the boat ramp end of the lake
- Creation of an easement or legal agreement over the dam and drain
- Cleaning of the drain from the dam to the lake

Funding may be available for some of these projects.

STRATEGIC IMPLICATIONS:

The adopted Plan will be incorporated into the Shire's Corporate Plan which is due for review this financial year.

Priorities will be included in the four year plan.

COMMENT

The above list of actions that require financial input do not necessarily all have to be done within the next year. Priorities are the cement matting at the end of the boat ramp and examination of the jetty structures. Additionally funding could be sought to implement some of these actions.

VOTING REQUIREMENTS:

Simple majority

COUNCIL DECISION (OFFICER RECOMMENDATION) – ITEM 8.1.4

Moved: Cr Neil Morrell

Seconded: Cr Adam Squires

That Council endorse the Shire of West Arthur 2019 Lake Towerrinning Management Plan, and incorporate the actions identified in the Shire's Corporate Plan.

CARRIED 6/0

ATTACHMENT:

- Lake Towerrinning Management Plan



LAKE TOWERRINING
STRATEGIC MANAGEMENT PLAN



December 2019

LAKE TOWERRINNING STRATEGIC PLAN

TABLE OF CONTENTS

1.0	INTRODUCTION	3
1.1	Location.....	3
1.2	History of Lake Management	4
1.2.1	Local Management.....	5
1.2.2	Living Lakes Project	6
1.3	Legislation and relevant documents	7
2.0	PHYSICAL ENVIRONMENT.....	9
2.1	Climate	9
2.2	Soils and Landscape	9
2.3	Hydrology.....	9
3.0	NATURAL ENVIRONMENT	10
3.1	Vegetation and Flora	10
3.2	Weeds	12
3.3	Dieback.....	13
3.4	Fauna	13
4.0	SOCIAL ENVIRONMENT.....	14
4.1	Aboriginal Heritage	14
4.2	European heritage.....	14
4.3	Infrastructure	15
5.0	STRATEGIC MANAGEMENT PLAN	16
	APPENDIX 1 - FLORA LIST – LAKE TOWERRINNING.....	32
	APPENDIX 2 - SIGNIFICANT FAUNA LIST	34
	APPENDIX 3- SHIRE OF WEST ARTHUR SCHEDULE OF ACTIVITIES	36
	APPENDIX 4 - PROPOSED SALINITY SAMPLING SITE	38

Cover Photos

Top: Lake Towerrinning late 1980s.

Bottom: Lake Towerrinning 2014 (Photo: Astrid Volzke)

This page has been left blank intentionally

1.0 INTRODUCTION

1.1 Location

Lake Towerrinning is located 32km south of Darkan Figure 1 within the Shire of West Arthur in the Towerrinning Nature Reserve (24917). It is approximately 180ha of permanent brackish water (Cale et al., 2004) which is vested in the Conservation Commission of Western Australia and is managed by the Department of Biodiversity, Conservation and Attractions (DBCA). However, because of the significance of the Lake as a recreational facility, the Shire of West Arthur has for many years leased part of the reserve and used the water as a gazetted ski area. Public facilities have been provided by the Shire on land owned by the Shire adjacent to the Lake, for use by the community and tourists who visit this area.



Figure 1: Location of Lake Towerrinning

The Lake Towerrinning catchment covers an area of approximately 15,700ha (Raper and van Wyk, 2009) which includes the Capercup Nature Reserve. The Lake sits at the bottom of the catchment and discharges into the Arthur River (Figure 2). Water coming into the Lake comes in through an inlet swamp on the north western side and is released to the Arthur River through an Outlet swamp located to the south of the main water body of the Lake.

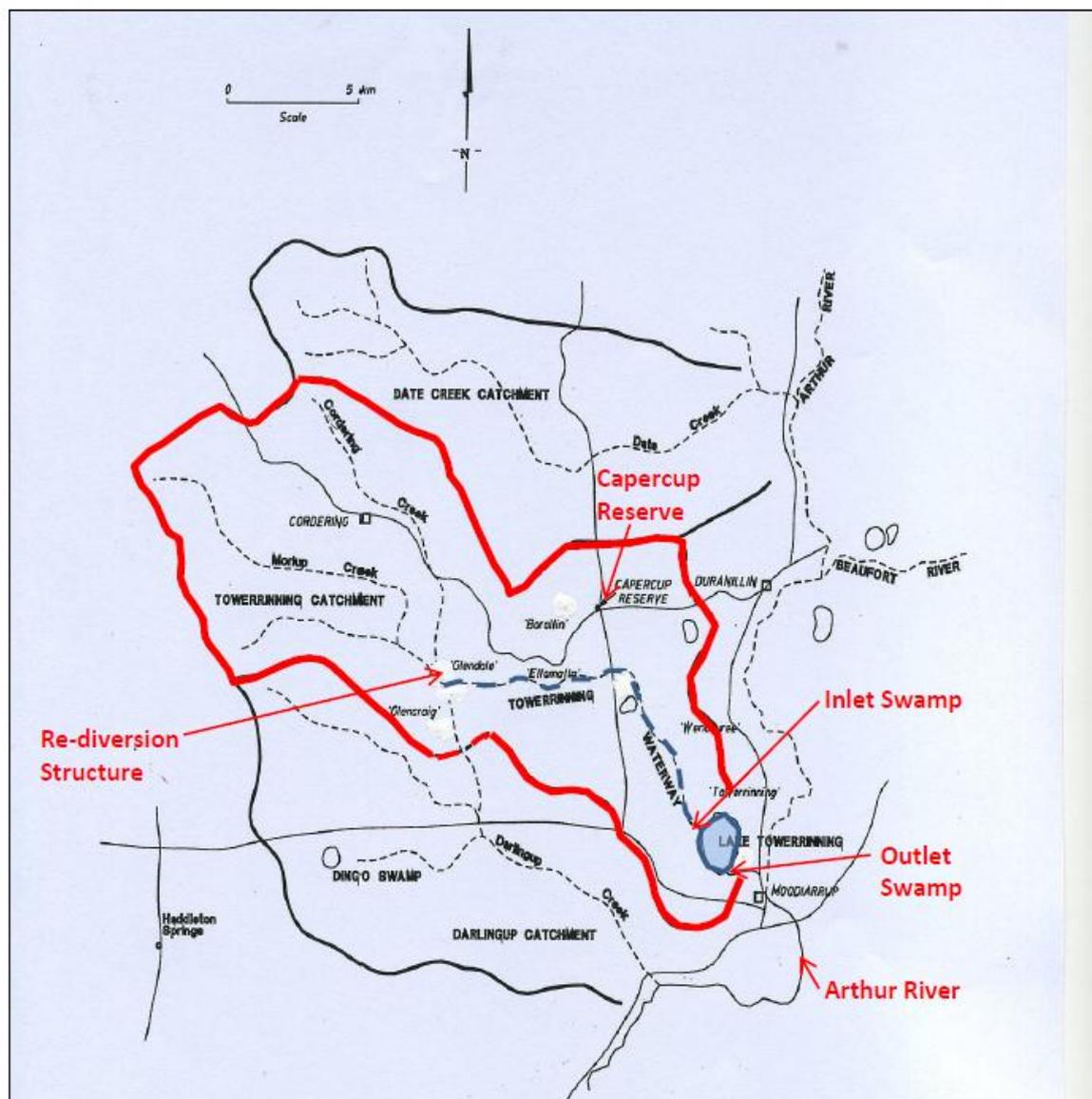


Figure 2: Lake Towerrinning catchment (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012b).

1.2 History of Lake Management

Lake Towerrinning was originally discovered by Captain Bannister on 5th January 1832 and he described it as a “rushy lagoon” (Lake Towerrinning Landcare Group, 1994). Extensive land clearing for agriculture in the 1950s and 60s resulted in an increase in salinity of the lake until the lake was receiving around 6500 tonnes of salt in 1993. In 1986 the lake was described as polluted by phosphorus and organic nitrogen, dirty and experiencing severe blue green algae blooms (Lake Towerrinning Landcare Group, 1994). Today around 90% of the Lake catchment is cleared and an obvious decline in the water quality was observed from 1973 onwards (Froend and McComb, 1991). From 1979-1981

lake levels were very low with the Lake completely drying out on occasions. Flooding caused by cyclonic activity during the summer months of 1982 resulted in the lake refilling and the lake has not dried out again since that time.

1.2.1 Local Management

Lake Towerrinning Catchment Landcare Group formed in 1989 to improve water quality in Lake Towerrinning by diverting fresher water into the Lake from the catchment area (George et al., 1995). Water originally flowed through the Cordering and Morlup creeks into Lake Towerrinning, however in the 1950s the erosion of a firebreak resulted in water from these creeks being diverted into Darlingup Creek and away from the Lake (Lake Towerrinning Landcare Group, 1994).

The Landcare group, together with the Department of Agriculture (now Department of Primary Industries and Regional Development) designed and constructed the Lake re- diversion at the confluence of the Cordering and Morlup Creeks in 1993 to re-divert water to the Lake. The re- diversion structure allows saltier water to bypass the lake and fresher water to be redirected through a 12km waterway into the Lake. The incorporation of gates at the outlet of the Lake controls lake levels and enables flushing of the Lake to be controlled manually. Since that time water quality has remained below 2500mS/m based on van Wyk and Raper 2008 (Raper and van Wyk, 2009). Even in 2015 (a well below average rainfall year), Lake salinity was still below 2500mS/m at 2300mS/m in December 2015.

Prior to the lease being renewed in 1999, the Shire of West Arthur, and the (formerly) Department of Conservation and Land Management's (CALM) request, organised a public meeting in August 1998 at Moodiarrup. The meeting discussed issues concerning the Lake and formed a management plan for the future direction of Lake Towerrinning. The need for management had arisen because of the pressures that were being put on the Lake by skiers, sailboats, commercial businesses and other recreational users of the Lake. The management plan would have a dual purpose in that it would ensure that CALM's (now DBCA's) interest of conservation in this reserve would be secured and it would give the Shire Council some direction in terms of what facilities and measures are required to satisfy all interested parties.

A committee was assembled to develop the Strategic Plan based on the issues raised at the public meeting and the first management plan was developed. This management plan has been reviewed a number of times over the years and this current review was undertaken in December 2019 after consultation with relevant stakeholders.

It is expected that after each update, and following public approval of the Plan, the Council will adopt the Plan as the official Strategic Management Plan for Lake Towerrinning. By

doing this Council will have satisfied DBCA's requirements and can implement any directions that are listed in the Plan.

1.2.2 Living Lakes Project

In addition to the management plan, the Department of Regional Development (DRD) identified Lake Towerrinning as wetland worthy of inclusion in the Living Lakes Project in 2011. The aim of the Living Lakes Project was to identify three existing lake systems in the Wheatbelt that would be suitable for investing government funds for enhancement in order to create permanent and accessible water bodies (JDA Consultant Hydrologists, 2011). This project resulted in detailed environmental surveys being undertaken including flora, fauna (Bamford Consulting, 2012), Aboriginal heritage, soils and landforms.

Following the surveys a feasibility study was undertaken to identify engineering Enhancement Options that would "future proof" the Lake (JDA Consultant Hydrologists, 2012). This report contains comprehensive details on water quality within Lake Towerrinning. The engineering enhancement options outlined in this report were:

- Increase the capacity of the re-diversion structure through the addition of an extra culvert which would result in more rapid filling of the Lake during early winter, greater flushing of salt from the Lake and a longer period of high Lake levels (ET1).
- A drain from Capercup Nature Reserve to the Lake in order to manage salinity within the reserve (ET2).
- Dredging of the Lake to create an island (ET3)
- Groundwater replenishment to increase water flow into the Lake (ET4)
- Rehabilitation of the re-diversion structure to reshape the 12km drain and the possible upgrade of the culverts under the roads that cross the drain (ET5).
- Refine outlet from outlet swamp to the Arthur River which involved an excavated drain to connect the outlet swamp more efficiently to the Arthur River (ET6).
- Modified outlet structure from the Lake to the outlet swamp to allow higher Lake water levels to be maintained (ET7).

Of these options the rehabilitation of the re-diversion structure through reshaping of the 12km of drains and increasing water flow beneath the roads (ET5) was considered to be the option that met the project objectives of increasing the Lake hydro-period and improving water quality. The estimated cost of construction for this option was \$137,000¹ and ongoing maintenance was \$13,770.

The Capercup Nature reserve drain (ET2), whilst not meeting the Living Lakes project objectives was noted as an opportunity to prevent further degradation of Capercup Nature

¹ This estimate was made in 2012.

Reserve. It was estimated that this would cost \$24,300¹ to construct and annual maintenance would be in the order of \$2,430.

Neither option (ET5 or ET2) was pursued due to lack of funding from the State Government.

Finally, a land use concept plan was developed by DRD for each of the lakes included in the Living Lakes Project including Lake Towerrinning (EPCAD Pty Ltd, 2016) with the aim of enhancing visitor experiences. Opportunities for enhancement identified in this report included:

- improved signage at the entrance of the Lake;
- reconstruction of the boat ramp to enable improved public access to the Lake;
- improvements to connectivity (in terms of revegetation) between the carpark and Lakeside Camping;
- installation of viewing towers;
- installation of a walking trail;
- development of land based recreation (e.g. BMX and mountain biking track);
- promotion of the Moodiarrup Sporting Complex to Lake visitors; and
- development of corporate-retreat facilities or lifestyle villas.

At this stage, there is no funding available for development of any of the concepts developed by DRD for Lake Towerrinning from the Living Lakes Project. Note that these options were developed by DRD and are not necessarily reflective of the opinions and ideas of the local community or the Shire of West Arthur.

1.3 Legislation and relevant documents

Management of Lake Towerrinning needs to be undertaken in accordance with various Federal and state legislation including the following:

- *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) (Commonwealth)
- *Native Title Act 1993* (Commonwealth)
- *Aboriginal Heritage Act 1972* (State)
- *Bushfires Act 1954* (State)
- *Biosecurity and Agriculture Management Act 2007* (State)
- *Conservation and Land Management Act 1984* (State)
- *Emergency Management Act 2005* (State)
- *Fire and Emergency Services Act 1998* (State)
- *Heritage of Western Australia Act 1990* (State)
- *Land Administration Act 1997* (State)
- *Wildlife Conservation Act 1950* (State)

- *Planning and Development (Local Planning Scheme) Regulations 2015.*

In addition, other documents, guidelines and policies relevant to management of Lake Towerrinning include:

- Australia and New Zealand Environment and Conservation Council (ANZECC) and Agriculture and Resource Management Council of Australia and New Zealand (ARMCANZ) (2000) Guidelines for Recreation Water Quality: Primary Contact
- Wetlands Conservation Policy of Western Australia 1997
- Wetlands Policy of the Commonwealth Government of Australia 1997
- National Health and Medical Research Council (NHMRC) 2008, Guidelines for Managing Risks in Recreational Water
- Department of Parks and Wildlife lease document signed by the Shire of West Arthur in 2009
- Bushfire Risk Management Planning – Guidelines for preparing a Bushfire Risk Management Plan (2015)
- Shire of West Arthur Bush Fire Risk Management Plan 2017
- Shire of West Arthur Local Emergency Management Arrangement (EMA) 2016
- Shire of West Arthur Strategic Plan 2017-2027

2.0 PHYSICAL ENVIRONMENT

2.1 Climate

Lake Towerrinning is located in an area with a Mediterranean climate (hot dry summers and wet winters). Rainfall at Duranillin (the closest rainfall station to the Lake) has decreased in recent years. An average of 561mm was recorded pre-1975 and this has reduced by 14% to 484mm post 1975 (Raper and van Wyk, 2009). More notably the winter rainfall (May-October) has fallen by 18%.

Climate change is expected to result in increases to average temperatures in all seasons and less rainfall in winter and spring months in the South west of Western Australia (<https://www.agric.wa.gov.au/climate-change/climate-projections-western-australia> accessed November 2019) which may impact on water inflow into Lake Towerrinning.

2.2 Soils and Landscape

The Lake catchment landscape is characterised by gently undulating rises, low hills, narrow incised valleys and broad flats. Soils are largely duplex sandy gravels within the Darkan System (gently undulating to rolling rises and low hills, and narrow alluvial plains of the Blackwood, Arthur and Hillman Rivers) (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012a).

There has been some work done to identify issues associated with increasing salinity in the catchment and the Lake (Raper and van Wyk, 2009). In 2009, salinity was estimated to cover 12% of the Lake Towerrinning catchment area and was estimated to rise to 20-25% by 2028 if no further action was taken. At the time local land holders agreed to contain salinity to 15% of the catchment by 2028.

2.3 Hydrology

Lake depth varies with seasonal rainfall and as part of the Living Lakes Project a number of measurements were made and average depth was recorded as 2.55m in February 2012. The water temperature in February averaged 24.9°C and was fully mixed throughout the water column.

Water quality in Lake Towerrinning has been highly variable over the years. Prior to the construction of the re-diversion structure, salinity levels ranged from <2000-10,000 mS/m. Since the construction of the re-diversion salinity levels within the lake have stabilised and range from <1,000-2,500 mS/m even in low rainfall years such as 2015 (Figure 3, data collected by Lakeside Camping). Water salinity in the outlet swamps is higher with

average salinity in the outlet swamp approaching sea water (JDA Consultant Hydrologists, 2012).

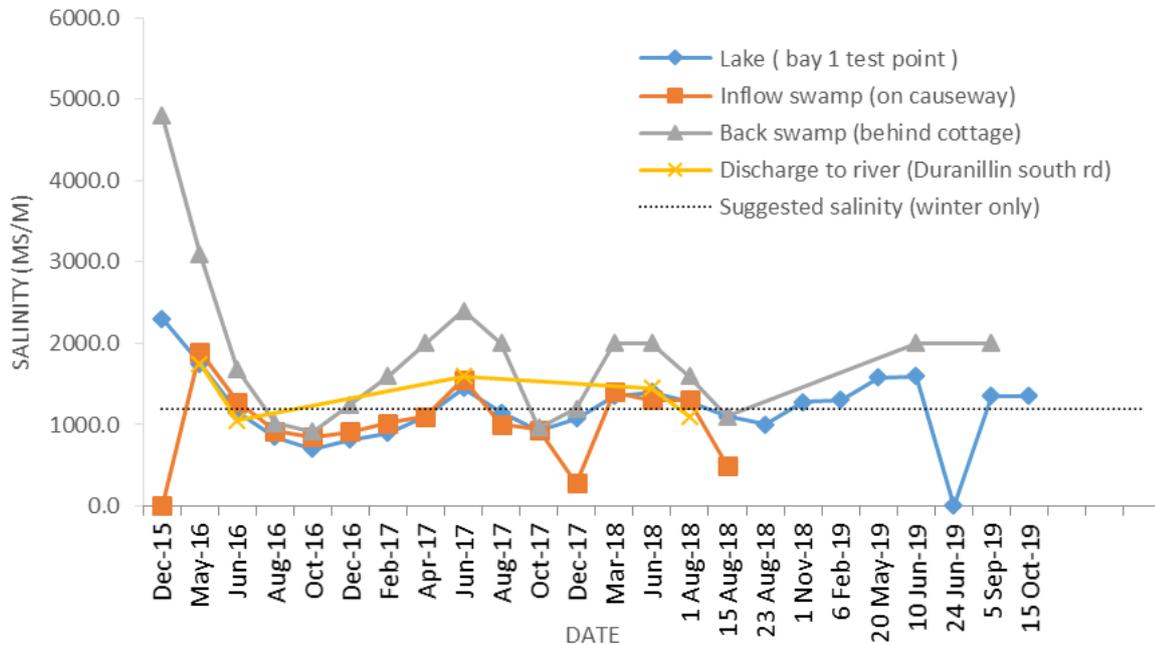


Figure 3: Salinity measures at Lake towerrinning from December 2015.

Detailed water quality analysis of the Lake was undertaken as part of the Living Lakes Project (JDA Consultant Hydrologists, 2012), and only Selenium (Se) was identified as being elevated above guidelines and it was recommended that sampling be undertaken during winter months to determine levels of Se.

Algal levels were also identified as exceeding guidelines however no toxigenic cyanobacteria species were identified.

The owner of the Caravan Park has indicated in the past that the smell emanating from the decomposition of sediment and restriction of water flow through the swamps is an issue. An investigation was undertaken by the then Landcare Officer at the Shire of West Arthur in 2008 (Shire of West Arthur, 2008a). There has been no resolution to this issue to date.

3.0 NATURAL ENVIRONMENT

3.1 Vegetation and Flora

Lake Towerrinning is located within the Beaufort Vegetation System which is dominated by marri (*Corymbia calophylla*) and wandoo (*Eucalyptus wandoo*) on undulating country and swamp yate (*E. occidentalis*) on clay valley floors (Beard, 1981). Large areas of land

around Lake Towerrinning have been cleared in the past for agricultural purposes. The vegetation remaining around the Lake was mapped as part of the Living Lakes Project and ten major vegetation formations were identified (Figure 4) (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012a). These vegetation associations consist of:

- woodlands around the main water body of the Lake of either flooded gums (*E. rudis*), rock sheoak (*Allocasuarina huegeliana*), mixed flooded gum/wandoo (*E. wandoo*), acorn banksia (*B. prionotes*), or freshwater paper bark (*Melaleuca raphiophylla*) with two small pockets of marri (*C. calophylla*) woodland.
- woodlands around the back swamps of saltwater paperbark (*M. cuticularis*), saltwater sheoak (*Casuarina obesa*), freshwater paperbark (*M. raphiophylla*), acorn banksia (*B. prionotes*), or flood gum (*E. rudis*); and
- freshwater paper bark (*M. raphiophylla*), rock sheoak (*A. huegeliana*), samphires (*Tecticornia* spp.), flooded gum (*E. rudis*), wandoo (*E. wandoo*) around the diversion drain entering the Lake.

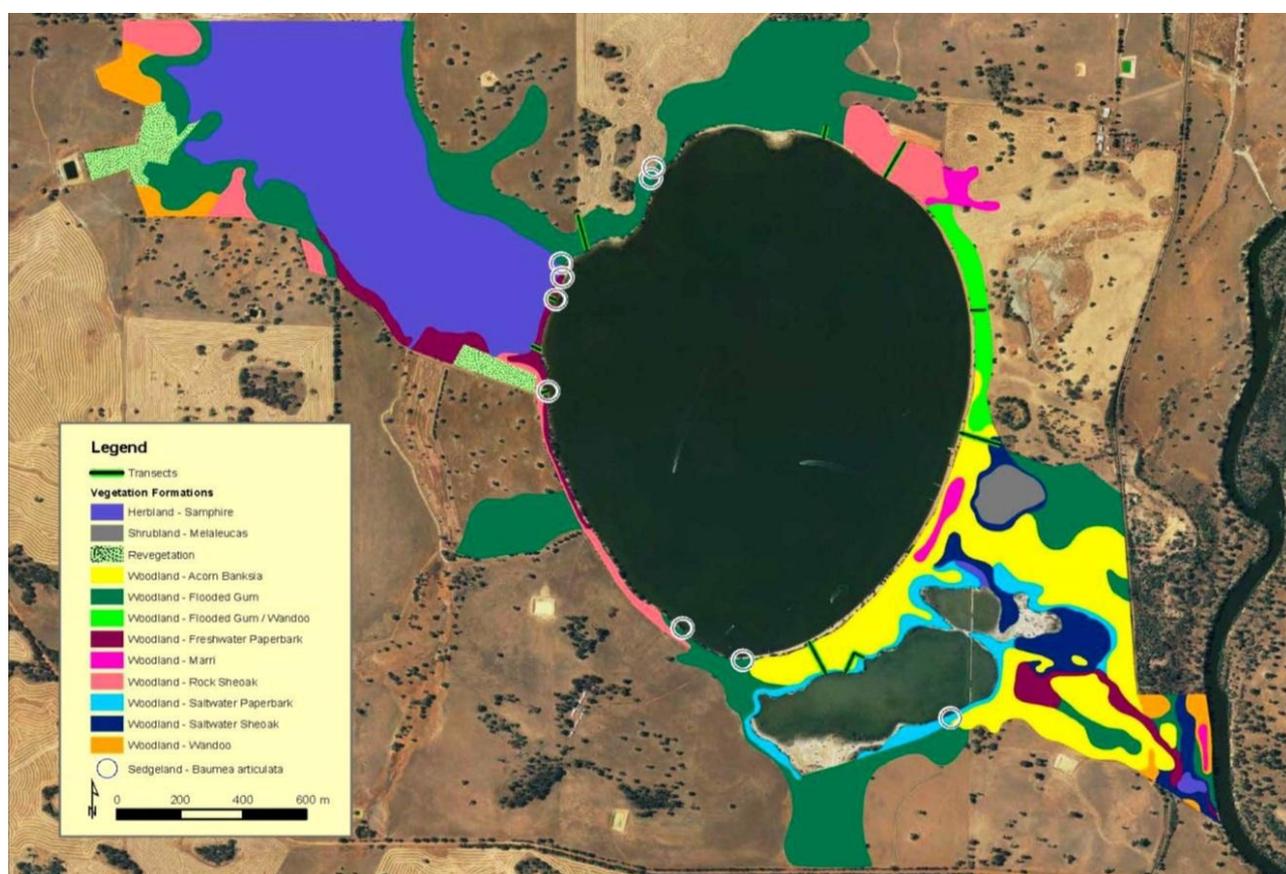


Figure 4: Vegetation associations around Lake Towerrinning (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012a)

None of the vegetation associations mapped around Lake Towerrinning are considered to be Threatened Ecological Communities (TEC) or Priority Ecological Communities (PEC).

Some of these communities may however be susceptible to dieback, in particular the *Banksia* communities.

A total of 50 species was recorded in the immediate vicinity of Lake Towerrinning during the flora surveys undertaken for the Living Lakes Project (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012b) and these are listed in Appendix 1. There are no known Declared Rare Flora (DRF) Threatened or Priority species that occur around the Lake.

In 2017, the Shire of West Arthur applied for a Community Action Grant through the State Natural Resource Management Program to undertake some work on the dune system around the public area of the lake and to install some pathways to ensure the lake vegetation is protected. The paths were constructed in 2018, fencing installed in the boat ramp car park area and over 900 seedlings planted on the dunes. Whilst survival of seedlings has not been high, those plants that have survived will increase vegetation cover on the dunes and the pathways will encourage people to stick to certain areas rather than making their own way through the dune systems.

3.2 Weeds

A number of introduced species were identified as occurring at Lake Towerrinning (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012b). *Asparagus asparagoides* (bridal creeper) was identified as occurring in the native vegetation adjacent to the fence line near private land at the northern end of the boat ramp car park (pers. obs.). It is also located near the rock steps at boat ramp and is prevalent in the ephemeral swamps on the north eastern side of the lake. Bridal creeper is listed as a Declared Pest in the *Biosecurity and Agriculture Management Act 2007* and is listed in the control category “C3 – Management” (i.e. organisms that should have some form of management applied that will alleviate the harmful impact of the organism, reduce the numbers or distribution of the organism or prevent or contain the spread of the organism).

Wild turnip is also known to be present at Lake Towerrinning and is considered to be a weed of agricultural crops (Shire of West Arthur, pers. obs.).

Ruppia megacarp is a native submerged aquatic plant that occurs in Lake Towerrinning. On occasions it has become quite dense and become a problem for recreational users of the Lake. High levels of nutrients and lower water levels (increased light availability ensure perfect growing conditions for weeds. Such conditions were evident in 2015 when rainfall and runoff was particularly low.

Lupins were also observed on the banks – if left unchecked these can become a serious weed also.

3.3 Dieback

Phytophthora dieback refers to the introduced plant disease caused by *Phytophthora cinnamomi*. Phytophthora dieback spends its entire life in the soil and in plant tissue and causes root rot in susceptible plants, thereby limiting or stopping the uptake of water and nutrients. The pathogen is able to survive within plant roots during the dry soil conditions commonly experienced during the summer months. *Banksia prinoites* (a species that occurs around Lake Towerrinning is highly susceptible to dieback. There have been no surveys undertaken to determine if dieback is present at Lake Towerrinning.

3.4 Fauna

A complete fauna survey has never been undertaken at Lake Towerrinning however a list of 252 species that could potentially occur at the Lake has been compiled by Bamford Consulting (specialist fauna consultants) as part of the Living Lakes Project. One fish species, 14 frog species, 43 reptile species, 171 bird species and 23 mammal species could potentially occur in or around Lake Towerrinning (Bamford Consulting, 2012). Of these species, a total of 14 are listed as significant (either Threatened or Priority Fauna) and are considered to be wetland dependant or reliant on fringing vegetation of wetlands (Appendix 2). All 14 of these species are considered to be resident or regular visitors to Lake Towerrinning.

Lake Towerrinning provides regionally significant habitat for birds by (Bamford Consulting, 2012):

- being part of an Important Bird Area (IBA) identified by Birdlife Australia because it supports more than 1% of the global population of the Blue billed Duck (*Oxyura australis*);
- providing significant habitat for diving waterbirds in the form of extensive areas of deep water;
- supporting regionally significant numbers of waterfowl (in the top 15 of 1017 wetlands in the south western Australia)
- providing a breeding ground for 14 different bird species.

In August 2019, the Shire of West Arthur was approached by Recfish West regarding the potential for introducing a native fish species into the lake environment for the purposes of recreational fishing. Recfish West are currently investigating if the Lake is a suitable place for a recreational fishery and are in discussions with relevant stakeholders such as DBCA.

4.0 SOCIAL ENVIRONMENT

4.1 Aboriginal Heritage

All of Lake Towerrinning including the inlet and outlet swamps is a registered Aboriginal Site (ID 964). This site is listed as a Ceremonial and Mythological site. The Lake was used as a meeting place, for camping, a hunting place and water source (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012b).

DIA advise that (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012a); *Lake Towerrinning is a place where traditional Aboriginal ceremony was practised and is associated with a sacred narrative. The site is described as 'winnaitch' (dangerous) due to events which occurred during the Dreaming at this place. It is also known as a place where corroborees used to be practised. As such it has previously been determined to be a place to which section 5(b) of the Aboriginal Heritage Act 1972 (AHA) applies. DIA is unaware of any Aboriginal heritage surveys which have been undertaken over the area of the Lake and there may be currently unrecorded Aboriginal heritage values which relate to the area of the Lake and its immediate surrounds.*

Lake Towerrinning is located within the Gnaala Karla Booja Native Title claim area. As part of the Living Lakes Project, the consultants met with Gnaala Karla Booja Working Group and Named Applicants. The working group expressed a strong interest in including interpretative signage and for the cultural heritage of the Lake to be acknowledged (JDA Consultant Hydrologists, 2012)

There is evidence of a connection between the Aboriginal people and the Lake. There have been reports of finding camp sites, hunting grounds and burial sites. Last recorded evidence of aboriginal settlement was in 1938 where temporary camps were set up to hunt for local bush food (Shire of West Arthur, 2008b).

4.2 European heritage

The clearing of agriculture lands saw water tables rise resulting in an increase in surface area run-off. Low lying areas became increasingly inundated with water, forming an almost permanent freshwater Lake. Local residents came to increasingly enjoy the opportunity for recreation in the area. The decline in the lake health in the 1960s resulted in the death of many of the reeds and rushes on the Lake's edge. The locals proceeded to remove more of the reeds and rushes to construct a boat ramp in the area (Pers. comm. B. Smith nee Whitaker). This decline in Lake health resulted in the idea for a re-diversion Project which was finally implemented by the Lake Towerrinning Catchment Group (formed by local landholders with technical support from the then named Department of Agriculture and Water Authority) in 1993. The group's approach and positive impact was

the subject of a State Landcare Award in 1993 and a National Landcare Award in 1994. The Lake is now used for by the local community and others for swimming, water skiing picnicking, camping bird watching and community events and other recreational pursuits.

The future of tourism at the lake is set to include Astrotoursim with the inclusion of Darkan and the Shire of West Arthur on the Astrotourism WA website (<https://astrotourismwa.com.au/darkan/>). Lake Towerrinning has been identified as an astrophotography hotspot and will be promoted through the Astrotoursim program.

4.3 Infrastructure

A privately owned and operated caravan park, located on the southern side of the Lake, commenced operation in 1992. Other facilities at the Lake are owned and maintained by the Shire of West Arthur and include:

- a picnic area with barbeques, picnic tables a playground (installed in 2009) and public amenities (toilets, shower and change rooms) located in a terraced recreation area on the top eastern wall of the Lake,
- two wooden jetties built around 1964-65 by Civil Defence (Pers. comm. B. Smith),
- permanent shade structures erected in 2009;
- car parking areas;
- a boat ramp on the eastern side of the Lake; and
- two pathways through the dunes at the boat ramp end of the jetty installed in 2018.

In addition, the Shire of West purchased two gates that were installed at the outlet of the lake to replace the original board structure that was installed as part of the re-diversion project. The gates were purchased as part of the Community Action Grant and were installed by Lakeside camping in 2018. The gates allow the water levels to be maintain manually without the need for someone to enter the water.

DBCA have advised that any further developments should be submitted for its approval to ensure there are no negative impacts on the nature reserve or nature conservation values (Land Assessment Pty Ltd and Woodgis Environmental Consultants, 2012b).

5.0 STRATEGIC MANAGEMENT PLAN

The development of a Strategic Management Plan has resulted in better management and decision making, identification of priorities, future planning and funding arrangements across a full range of issues that arise at Lake Towerrinning over the past 10 years.

The Plan was originally developed by establishing the issues at Lake Towerrinning through an extensive consultation process involving Council, community organisations, locals, government departments, and public meetings.

The Plan is reviewed regularly with input from relevant stakeholders and following the review there will be the opportunity for community input into the proposed management strategy.

A schedule for activities to be undertaken by the Shire of West Arthur is provided in Appendix 3.

The following definitions are provided to clarify the terms used in this plan.

- Goal: Is the overall aim of that component of the plan
- Objective: The outcomes that are to be achieved by the implementation of the plan
- Strategies: Means/methods by which the objective can be achieved
- How: Specific directives or tasks to be carried out to achieve the Objective
- When: Timing for these tasks or directives to be undertaken
- Who: The relevant person or authority required to undertake the tasks.

VISION, MISSION AND VALUES

In order to develop management goals, objectives and strategies a clear vision is required to ensure that these goals, objectives and strategies are aiming to create the environment that is expected by the local community. The vision, mission and values of the original committee established to manage Lake Towerrinning are listed below.

Vision

To maintain an aquatic environment, that is able to sustain a natural ecosystem as well as human recreational activity.

Mission

To create a sustainable recreational environment for use by everyone

Values

In determining this management plan the committee set itself certain considerations, here known as values, which are to be taken in account when assembling the plan.

Friendly

Family orientated

Consider the Environment

Low key

To community benefit

GOAL ONE: Conservation of the Lake Towerrinning environment

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To conserve the natural vegetation and flora found within the Lake Towerrinning Nature Reserve.	Management of human movement through terraced areas on the eastern side of the Lake to prevent damage to natural vegetation.	<ul style="list-style-type: none"> • Maintain pathways from terraced BBQ area through the vegetation on the lake banks to the swim area • Maintain the pathways from the boat parking area to local ski area • Monitor the movement of people through this area to ensure that they are travelling on the newly constructed pathways. 	Ongoing	Shire
	Continued education of the public on minimising disturbance to Lake vegetation.	<ul style="list-style-type: none"> • Maintain signage encouraging movement of foot traffic on pathways rather than through vegetation. 	Ongoing	Shire
	Prevent the introduction or spread of dieback through the native vegetation surrounding the Lake.	<ul style="list-style-type: none"> • Ensuring all machinery, equipment and footwear that will be entering areas of natural vegetation around the Lake is clean (through washing down and removal of all mud and soil. • Avoiding soil movement during wet periods • Use of certified dieback free construction materials (such as soil, mulch or plant material) 	Ongoing	Shire
	Re-vegetation of Lake banks to stabilise banks, reduce weed invasions and ensure an aesthetically pleasing environment.	<ul style="list-style-type: none"> • Continue to monitor the plantings undertaken in 2018 and continue to water and protect young seedlings and ensuring that care is taken when slashing weeds in revegetated areas. • Implement weed control on the banks of the Lake (see below). 	Ongoing	Shire/local community

Goal one cont'd

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
	Prevent the introduction of weeds and minimise the spread of current weeds.	<ul style="list-style-type: none"> • Remove/spray bridal creeper plants found on the terraced areas. • Remove and spray bridal creeper near steps at boat ramp • Continue with bridal creeper and lupin control on the dunes on the eastern side of the lake and in the ephemeral swamps on the eastern side of the lake. • Monitor Lake banks for weed invasions and control weeds as soon as noticed. • Ensure that all construction materials such as mulch or plant material is weed free. • Maintain the vegetation on the bank areas with natural vegetation to minimise weed invasion. 	<ul style="list-style-type: none"> • Immediate • Ongoing 	Shire
	Prevent the continued death of mature trees on the lake banks and in the BBQ area	<ul style="list-style-type: none"> • Continue monitoring trees around the terraced area of the lake and continue investigating potential causes of death • Plant new trees in the area if required to ensure a succession plan for trees that are dying. • Undertake dieback testing during the winter months • Investigate the potential of sourcing seeds from around the lake and growing seedlings from these trees (they may be more resilient than trees sourced from a nursery) 	Ongoing	Shire

Goal one cont'd

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To conserve fauna and fauna habitats found within the Lake Towerrinning Nature Reserve	Maintain a boat prohibited area (conservation area) to protect wildlife and some shoreline habitats.	<ul style="list-style-type: none"> Maintain buoys that define the ski area within the Lake. Maintain signage at the boat ramp and at the camping ground identifying the ski area and rules and regulations associated with boating and skiing. Ensure all visitors to the camping area are aware that skiing is restricted in the area for conservation of fauna. 	Ongoing	<ul style="list-style-type: none"> DoT DoT Lakeside camping
	Management of the Lake environment to ensure that habitats important for threatened fauna species that are resident or regularly present at Lake Towerrinning are maintained. The important habitat characteristics are salinity, shallows, open water, bare shoreline and fresh water sedges and seeps.	<ul style="list-style-type: none"> Monitor salinity within the Lake to ensure that fringing vegetation is protected. Monitor and maintain water levels (through the use and maintenance of the re-diversion structure) to ensure shallows and deep open water remains available for water birds. Open the gates at the Lake outlet to ensure that Lake water level and quality is maintained through regular flushing. In the event of fauna injury contact local volunteer qualified wildlife carer (Robyn Quill). (in accordance with Lease Schedule Item 8, Section 4.2) In the event of fauna death, the resultant animal will be disposed of appropriately (in accordance with Lease Schedule Item 8, Section 4.2). 	<ul style="list-style-type: none"> Quarterly Regularly in summer particularly in low rainfall years When levels reach the base level of the original Lake outlet (generally following winter rainfall) As required 	<ul style="list-style-type: none"> Lakeside camping Shire Lakeside camping in consultation with other land owners. Shire
	Ensure that any introduction of fish species to the Lake will not impact on the natural species	<ul style="list-style-type: none"> Liaise with Recfish West and DCBA regarding the possible introduction of a fish for the purposes of a fishery. 	Ongoing until resolved	Shire/DCBA/ Recfish West

	found in and around the Lake	<ul style="list-style-type: none"> Consult with the local community in relation to the development of a possibly fishery at the Lake. 		
--	------------------------------	--	--	--

Goal one cont'd

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To ensure that the Lake environment is protected from fire.	Prevent visitors from lighting fires	<ul style="list-style-type: none"> Maintain signage advising that there are no fires allowed in the public area of Lake Towerrinning. Regular slashing of grasses and work on a grass eradication program on the public reserve through control burning procedures. Regular assessment of fire fuel loads within the reserve, and implementation of appropriate control measures in accordance with relevant management policies and guidelines. Maintain records of fire locations and intensity to assist with tracking changes within the reserve over time. Notify DBCA in the event of a fire as per lease requirements. Include procedures to be carried out in the event of a dangerous or uncontrolled fire and/or significant environmental impacts as per lease requirements in the Shire Bush Fire Management Plan. 	<ul style="list-style-type: none"> Ongoing Ongoing Ongoing As required Annually 	<ul style="list-style-type: none"> Shire Community Emergency Services Manager Shire Shire

GOAL TWO: Maintain a high quality of facilities at Lake Towerrinning

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To maintain the present infrastructure at a level that is considered to be of a high standard.	Maintain and restore jetties which are considered to be an iconic structure within the Shire.	<ul style="list-style-type: none"> • Inspect jetties at the commencement of the summer season for any immediate repairs. • Undertake an engineering assessment of current jetty status to determine what work is required in order to restore or rebuild the jetties. • Investigate funding opportunities for restoration and improvements of jetties • Document history of the jetties through the Municipal Heritage Inventory 	<ul style="list-style-type: none"> • At commencement of the summer season each year • Within the next financial year (2020/21) • Within the next financial year • As part of next Heritage Inventory Review (2020) 	Shire
	Extend and maintain boat ramp and investigate improvements to boat ramp	<ul style="list-style-type: none"> • High pressure clean algae off the boat ramp to reduce the risks associated with slips and trips for users. Make this a high priority during low rainfall years. • Investigate options for improving boat ramp (including extension and possible hand rails) and funding for implementing the improvements (Recreational Boating Facilities Scheme (RBFS)) including extending it further into the Lake. Make this a high priority in low rainfall years. • Use a long reach excavator to fill the hole at the end of the ramp as a short term solution to the ramp issue 	<ul style="list-style-type: none"> • On request or on an as required basis particularly during low rainfall years • RBFS has regular grant rounds throughout the year • Towards the end of the 2019/20 summer if no further rainfall is received and in future years if required? 	Shire

Goal two cont'd

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
	Maintain ablution facilities (including pressure pump), BBQ's, car park, playground, shade structures, signage and old change rooms.	<ul style="list-style-type: none"> • Inspect and maintain facilities on a regular basis and in particular before major events held at the Lake such as the Australia Day breakfast. • Weekly refuse removal with more service in peak season (October – March). • Repair any broken playground equipment. • Investigate opportunities for replacing the playground, the fence and the retaining wall around the playground. • Replace the base of the existing shade structures with a stainless steel footing to minimise rust and degradation. • Update the signage in the picnic area using QR codes to enable it to stay up to date and making it reflect other Shire signage like the information bay in Darkan. • Continue to investigate options for the old change rooms and implement if suitable ideas are generated (ideas to date include storage facility, historical museum/panels, coffee shop) 	<ul style="list-style-type: none"> • Ongoing but more frequently during summer months • As soon as possible • Within the next 2-3 years. • 2019-2020 summer • Prior to the 2020-2021 summer season • Ongoing 	Shire
	Management of lawn area to ensure adequate grass coverage	Continue watering and maintenance programme as currently implement.	Ongoing	Shire
	Provide an attractive entrance to the Lake	<ul style="list-style-type: none"> • Ensure trees are trimmed and weeds slashed at the entrance of the Lake. 	At the commencement of the summer season.	Shire
	Provide report to DBCA regarding state of current facilities.	<p>Prepare a report outlining the following points to comply with Lease conditions:</p> <ul style="list-style-type: none"> • State and repair of any man-made structures at or within the lease area (including boat ramp and jetties). • Maintenance and repairs undertaken by the Shire • The condition of the leased premises in respect to known hazards and safety situations • Water quality and suitability for human contact and 	Annually as required by lease arrangements (i.e. seven days after the end of the lease year that is by the 7 th of October).	Shire

		aquatic activity.		
--	--	-------------------	--	--

Goal two cont'd

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
Continue to develop facilities at the Lake for the use of the general public.	Provide access to all areas of the lake for everyone within the community (including those with limited abilities).	Investigate an all-access pathway from the top terrace to both the swimming and ski area. Investigate the possibility of upgrading current all-access pathways from the ablutions to the top terrace and also the possibility of all access at the playground end of the terrace	When funding is available	Shire
	Provide shade structures on the Shoreline for users of the Lake	Investigate funding opportunities for construction of additional shade shelters at the boat ramp.	When funding is available	Shire

GOAL THREE: Maintain watercraft regulation and safety on the waters of Lake Towerrinning

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To ensure boat and user safety at Lake Towerrinning through the regulation of boat movements on the Lake.	Implement boat usage plan: <ul style="list-style-type: none"> • Ski in anticlockwise direction only. • Skiing permitted between sunrise and sunset only. • Skiing prohibited within 30m of shoreline except within designated take-off and landing areas. • Take-off and landing is restricted to the two designated areas only • Motorised Personal Water Craft (i.e. jet skis) are not permitted unless towing a skier. • In case of an emergency or incident dial 000 or contact the Shire on 9736 2222. 	<ul style="list-style-type: none"> • Include Boat usage plan and map on Shire Website • Prepare a brochure on Lake Towerrinning that is available on the Shire website and also in the Shire office that includes the Boat usage plan and other important information for visitors. Include a QR code on any signage at the Lake that links to the Shire website and the Boat usage plan. • Distribute boat usage plan to campers and other users of Lake Towerrinning • Direct complaints to the DoT using Marine Safety Form on the Departments website: http://www.transport.wa.gov.au/mediaFiles/marine/MAC_F_MarineSafetyComplaint.pdf 	<ul style="list-style-type: none"> • Ongoing • As soon as possible 	Shire/Lakeside camping
	Implement a safety education program to ensure all users are aware of safety issues at Lake Towerrinning.	<ul style="list-style-type: none"> • Update information and map on Shire website including the Boat Usage Plan as outlined above • Remind local boat users via Shire Facebook page at the beginning of the summer season of boating safety. • Information to be distributed to all campers regarding boat safety including boat usage plan. 	Ongoing but ensuring that the information is prominently available during summer months	Shire/Lakeside camping
	Ban on water craft when water levels are extremely low as per DoT recommendations of 1.6m depth.	<ul style="list-style-type: none"> • Measure water levels particularly during the summer months and during seasons of low rainfall. • Use signage at boat ramp and on the beach to close the Lake if required. • Communicate issues including closure of the Lake via the Shire website and Facebook page ensuring that public comments cannot be made on any posts if required. 	When required	DoT/Shire

GOAL FOUR: Maintain water quality and levels of Lake Towerrinning

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
Maintain the water levels to ensure that fauna habitats are protected, to prevent aquatic weed build up within the water body of the Lake and ensure that the Lake can continue to be used for recreational purposes.	Monitor the Cordering Creek re-diversion dam and associated re-diversion channels to ensure integrity of structures.	<ul style="list-style-type: none"> A visual inspection to be undertaken on a regular basis by the landowner. Should issues be identified, the landowner is required to contact the Shire for further inspections. 	Following heavy rainfall events or on a regular basis (3 monthly)	Landowner/ Shire
	Maintain and repair Cordering creek re-diversion dam and drainage system so that it effectively drains fresh water into Lake Towerrinning.	<ul style="list-style-type: none"> Clean sediment or silt out of the re-diversion dam structure during summer months Inspect the drainage channel from the re-diversion to the lake to ensure that it is clear of all debris and that water is able to flow to the lake. 	<ul style="list-style-type: none"> Prior to the next wet season As soon as possible 	Shire
	Investigate means of ensuring Shire has access to the re-diversion system in order to future-proof Lake Towerrinning.	<ul style="list-style-type: none"> Investigate possibility of creating an easement. Investigate possibility of a formal agreement with current land owner. 	As soon as possible	Shire
Maintain salinity levels in the Lake at <1200ms/m during winter months (Raper and van Wyk, 2009)	Monitor quality of water passing through the re-diversion system during the summer months.	<ul style="list-style-type: none"> Monitor the salinity annually at the road crossing on Scott Road (see Appendix 4). 	Once during winter	Shire
	Monitor salinity levels in the Lake.	<ul style="list-style-type: none"> Continue to monitor salinity at bimonthly intervals at 3m from the edge and at 30cm deep and provide results to the Shire annually. If significant increases are noticed contact Department of Agriculture and Food for further advice. 	Ongoing	Lakeside camping
Contain salinity to 15% of the Lake Towerrinning catchment in 2028 (Raper and van Wyk, 2009)	Encourage conservation measures further up the system before water enters Cordering creek.	<ul style="list-style-type: none"> Liaise with Landcare officer in relation to encouraging landholders to continue to manage salinity and to determine if funding is available to assist with reducing salinity within the catchment. Liaise with Department of Primary Industries and Regional Development in relation to water quality 	As soon as possible Annually	Shire of West Arthur

		measurements from bores within the Lake Towerrinning catchment area.		
--	--	--	--	--

Goal four cont'd

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To develop a database of information in relation to water quality at Lake Towerrinning	Develop a database of all references and studies associated with Lake Towerrinning.	<ul style="list-style-type: none"> Maintain a list of references as part of this Management Plan and keep a copy of all references in the Shire office. 	Ongoing	Shire
	Document changes in Lake water levels and quality.	<ul style="list-style-type: none"> Continue to sample water quality and measure water levels in Lake Towerrinning. Including sampling: <ul style="list-style-type: none"> ✓ Phosphorus (beginning of summer) ✓ Hydrocarbons (end of summer) Collate a database of all information relating to water quality and levels over time. In the event of an incident or emergency dial 000 which will activate emergency services in accordance with the Local Emergency Management Arrangement or contact the Shire on 9736 2222. 	<ul style="list-style-type: none"> Ongoing Ongoing 	<ul style="list-style-type: none"> DBCA Shire
To manage the water inflow and outflow through the outlet swamp to minimise smell associated with this area.	Ensure that water from the outlet swamp is able to drain to the Arthur River to ensure regular flushing of the outlet swamp.	<ul style="list-style-type: none"> Examine road culverts located on public land to ensure that they are not blocked by silt or debris. Slash weeds that may block water flow through the area. Subject to support from private land owners, assist with the development of a scope of works and sourcing of funds to implement proposed changes to improve drainage from outlet swamp to Arthur River. 	<ul style="list-style-type: none"> Following heavy rainfall and regularly throughout the year. As required. Ongoing 	<ul style="list-style-type: none"> Shire Shire/ Lakeside Camping/ Other Landowners
	Ensure regular flushing of the outlet swamps.	<ul style="list-style-type: none"> Opening of the gates at the outlet structure from Lake to outlet swamps. 	<ul style="list-style-type: none"> When levels reach the base level of the 	<ul style="list-style-type: none"> Lakeside camping

			original Lake outlet (generally following winter rainfall).	
--	--	--	---	--

GOAL FIVE: Implement a programme for the management of all visitors to Lake Towerrinning.

OBJECTIVE	STRATEGY	HOW	WHEN	WHO
To manage visitors and visitor movement at the public area of the Lake to ensure that the Lake environment is protected and that visitors have a positive experience.	Prevent camping on Shire owned land	<ul style="list-style-type: none"> Shire to maintain appropriate signage indicating that camping is not allowed Inform public of alternative arrangements at Lakeside Camping or Darkan Caravan Park. Information to be provided on Shire website. Collie Shire Ranger to visit when requested and enforce. 	Ongoing	Shire
	Provide the public with information relevant to the Lake and surrounds	<ul style="list-style-type: none"> Update the information on the signage at the Lake picnic area. Pre-visit information available to the public on Shire website. 	<ul style="list-style-type: none"> Update as soon as possible Update as soon as possible 	Shire
	Determine levels of visitor satisfaction with facilities at the Lake.	<ul style="list-style-type: none"> Obtain feedback from visitors in relation to facilities, future improvements etc. through the Shire website and Facebook page. 	Ongoing	Shire
	Minimise the impact on natural environment by visitors	<ul style="list-style-type: none"> Provision of rubbish bins and removal of refuse at least once a week and sometimes more during peak season Enforce no vehicles on beaches with signs 	Ongoing	Shire
To ensure that visitors are aware of risks associated with swimming or recreating in a natural water body	Provide public with information on water quality at Lake Towerrinning, particularly during low rainfall years.	<ul style="list-style-type: none"> Provide information on general signs around the public areas of the Lake Monitor levels of bacteria in accordance with Health Department Guidelines http://ww2.health.wa.gov.au/Articles/A_E/Bacterial-water-quality 	<ul style="list-style-type: none"> Ongoing Fortnightly Nov-May 	Shire
		<ul style="list-style-type: none"> Advise public if levels are considered dangerous through Shire website, signage and Shire Facebook page. In the event of a medical emergency, dial 000 which will activate emergency services in accordance with the Local Emergency Management Arrangement. 	<ul style="list-style-type: none"> As required Annually 	

REFERENCES

- BAMFORD CONSULTING 2012. Significant Fuana of Lakes Towerrinning, Ewlyamartup and Yearlerring: Assessment for the Department of Regional Development. Perth WA.
- BEARD, J. S. 1981. *Vegetation of the Swan Area Western Austrlia Map and Explanatory Memoir !:250,000 Series*. Perth: University of Western Australia.
- CALE, D. J., HALSE, S. A. & WALKER, C. D. 2004. Wetland monitoring in the Wheatbelt of south-west Western Australia: site descriptions, waterbird, aquatic invertebrate and groundwater data. *Conservation Science Western Australia*, 5, 20-135.
- EPCAD PTY LTD 2016. Living Lakes: Land Use Conept Plan, Concept Design Report. Perth: Department of Regional Development,.
- FROEND, R. & MCCOMB, A. 1991. An account of the decline of Lake Towerrinning, a wheatbelt wetland. *Journal of the Royal Society of Western Australia*, 73, 123-128.
- GEORGE, R. J., MCFARLANE, D. J. & SPEED, R. J. 1995. *The consequences of a changing hydrologic environment for native vegetation in southwestern Australia* Surrey Beatty and Sons.
- JDA CONSULTANT HYDROLOGISTS 2011. Living Lakes Project Stage 1: Part 1 Report. Feasibility Study in the Wheatbelt and Adjoining Regions.
- JDA CONSULTANT HYDROLOGISTS 2012. Living Lakes Project Stage 1 : Part 2 Report Feasibility Study of Lakes Towerrinning, Ewlyamartup, and Yearlering.
- LAKE TOWERRINNING LANDCARE GROUP. Looking Forward to a Productive Future 1994 Duranillin Hall.
- LAND ASSESSMENT PTY LTD AND WOODGIS ENVIRONMENTAL CONSULTANTS 2012a. Living Lakes Feasibility Study Environmental Report.
- LAND ASSESSMENT PTY LTD AND WOODGIS ENVIRONMENTAL CONSULTANTS 2012b. Living Lakes Feasibility Study Environmental Report: Lake Towerrinning Component. Department of Regional Development and Lands.
- RAPER, G. P. & VAN WYK, L. 2009. Setting targets for resource condition in Lake Towerrinning catchment. *Resource Management Technical Report*. Western Australia: Department of Agriculture and Food.
- SHIRE OF WEST ARTHUR 2008a. Investigation of the Lake Towerrinning Swamps 2007/2008.
- SHIRE OF WEST ARTHUR 2008b. Municipal Heritage Inventory.

APPENDIX 1 - FLORA LIST – LAKE TOWERRINNING

ASTERACEAE	<i>Angianthus preissianus</i>
ASTERACEAE	<i>Cotula coronopifolia</i>
ASTERACEAE	<i>Sonchus asper</i>
CARYOPHYLLACEAE	* <i>Cerastium comatum</i>
CARYOPHYLLACEAE	<i>Spergularia marina</i>
CASUARINACEAE	<i>Allocasuarina huegeliana</i>
CASUARINACEAE	<i>Casuarina obesa</i>
CHENOPODIACEAE	<i>Atriplex prostrata</i>
CRASSULACEAE	<i>Crassula natans</i>
CYPERACEAE	<i>Baumea articulata</i>
CYPERACEAE	<i>Baumea juncea</i>
CYPERACEAE	<i>Chorizandra enodis</i>
CYPERACEAE	<i>Ficinia nodosa</i>
CYPERACEAE	<i>Isolepis cernua</i> var. <i>setiformis</i>
CYPERACEAE	<i>Lepidosperma longitudinale</i>
CYPERACEAE	<i>Schoenus subfascicularis</i>
FABACEAE	<i>Eutaxia ?empetrifolia</i>
IRIDACEAE	<i>Romulea rosea</i>
JUNCACEAE	* <i>Juncus bufonius</i>
JUNCACEAE	<i>Juncus kraussii</i> subsp. <i>australiensis</i>
JUNCACEAE	<i>Juncus pallidus</i>
JUNCAGINACEAE	<i>Triglochin mucronata</i>
LOBELIACEAE	<i>Lobelia anceps</i>
LOBELIACEAE	<i>Monopsis debilis</i>
MIMOSACEAE	<i>Acacia acuminata</i>
MIMOSACEAE	<i>Acacia saligna</i> subsp. <i>lindleyi</i>
MYRTACEAE	<i>Corymbia calophylla</i>
MYRTACEAE	<i>Eucalyptus marginata</i>
MYRTACEAE	<i>Eucalyptus rudis</i>
MYRTACEAE	<i>Eucalyptus wandoo</i>
MYRTACEAE	<i>Eucalyptus wandoo</i> subsp. <i>orthostemon</i> x <i>wandoo</i>
MYRTACEAE	<i>Kunzea glabrescens</i>
MYRTACEAE	<i>Melaleuca cuticularis</i>
MYRTACEAE	<i>Melaleuca preissiana</i>
MYRTACEAE	<i>Melaleuca raphiophylla</i>
MYRTACEAE	<i>Melaleuca viminea</i> subsp. <i>viminea</i>
PHORMIACEAE	<i>Dianella revoluta</i>
POACEAE	* <i>Ehrharta longiflora</i>
POACEAE	* <i>Puccinellia ciliata</i>
POACEAE	<i>Bromus diandrus</i>

POACEAE	<i>Hordeum geniculatum</i>
POACEAE	<i>Lolium rigidum</i> complex.
POACEAE	<i>Paspalum vaginatum</i>
POACEAE	<i>Polypogon monspeliensis</i>
POTAMOGETONACEAE	<i>Ruppia megacarpa</i>
PRIMULACEAE	<i>Samolus junceus</i>
PROTEACEAE	<i>Banksia attenuata</i>
PROTEACEAE	<i>Banksia prionotes</i>
PROTEACEAE	<i>Banksia sessilis</i> var. <i>sessilis</i>
ZANNICHELLIACEAE	<i>Lepilaena cylindrocarpa</i>

*indicates weed or naturalised plant species

APPENDIX 2 - SIGNIFICANT FAUNA LIST

Extracted from Bamford Consulting (2012)

Species	Conservation significance*	Wetland Dependence	Distribution and Habitat	Status at Lake Towerrinning
Eastern Great Egret <i>Ardea modesta</i>	Migratory bird (EPBC Act) Schedule 3 (WA Act)	Aquatic	Fresh and occasionally brackish wetlands across much of Australia; highly mobile. Favours wetlands with extensive shallows. Forages on aquatic invertebrates and vertebrates.	Not recorded in large numbers but suitable habitat present.
Peregrine Falcon <i>Falco peregrinus</i>	Schedule 4 (WA Act)	Not dependant on wet land but hunts water fowl	Occurs across Australia, primarily in open woodland and especially where cliffs provide nesting sites.	Present at Lake Towerrinning and abundance of water birds may provide a major food source at times.
Hooded Plover <i>Thinornis rubricollis</i>	P4 (DEC)	Shorebird	Coastline and salt lakes of southern WA; another sub-species on coast of south-eastern Australia. Forages on invertebrates on the shoreline and sometimes shallows.	Not recorded at Lake Towerrinning and low salinity
Sandpipers (7 species)	Migratory (EPBC Act)	Shorebirds	Throughout Australia on marine tidal shorelines, estuaries and wetlands that provide extensive shallows. Forage on invertebrates on the shoreline and shallows.	Not recorded in large numbers but suitable habitat present.
Carnaby's Black Cockatoo <i>Calyptorhynchus latirostris</i>	Endangered (EPBC Act), Schedule 1 (WA Act)	Not dependant but may forage in fringing sheoaks	Forests and woodlands of the South-West, formerly widespread breeding visitor to woodlands n the Wheatbelt.	May utilise the 8ha of sheoak trees in outlet swamp. Likely to be a few nest hollows in Lake fringe.
Forest Red-tailed Black Cockatoo <i>Calyptorhynchus banksia naso</i>	Vulnerable (EPBC Act), Schedule 1 (WA Act)	Not dependant but may forage in fringing sheoaks	Forests of the lower South-West.	May utilise the 8ha of sheoak trees in outlet swamp. Likely to be a few nest hollows in Lake fringe.
Rufous Field wren (west) <i>Calamanthus campestris montanellus</i>	Priority 4 (DEC)	Not dependant, but may occur in samphire heaths	Heathlands; patchily distributed across much of southern Australia	Not recorded at Lake Towerrinning. If present likely to reside in samphire heaths and shrublands.

Species	Conservation significance*	Wetland Dependence	Distribution and Habitat	Status at Lake Towerrinning
Rakali <i>Hydromys chrysogaster</i>	Priority 4 (DEC)	Aquatic	Lakes, streams rivers and some coastlines throughout Australia.	Unlikely to in high abundance in immediate vicinity of Lake. More likely to occur east of Lake near the Arthur River where remnant vegetation is more extensive.

*Conservation significance definitions

Conservation Categories used for the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act)

Extinct: Taxa not definitely located in the wild during the past 50 years.

Extinct in the Wild: Taxa known to survive only in captivity.

Critically Endangered: Taxa facing an extremely high risk of extinction in the wild in the immediate future.

Endangered: Taxa facing a very high risk of extinction in the wild in the near future.

Vulnerable: Taxa facing a high risk of extinction in the wild in the medium-term future.

Near Threatened: Taxa that risk becoming Vulnerable in the wild.

Conservation Dependent: Taxa whose survival depends upon ongoing conservation measures.

Data Deficient (Insufficiently Known): Taxa suspected of being Rare, Vulnerable or Endangered, but whose true status cannot be determined without more information.

Least Concern: Taxa that are not threatened.

Schedules used in the *WA Wildlife Conservation Act 1950* (WA Act)

Schedule 1 Rare and Likely to become Extinct.

Schedule 2 Extinct.

Schedule 3 Migratory species listed under international treaties.

Schedule 4 Other Specially Protected Fauna Define Schedule 4, 3

Priority species listed by Department of Conservation and Environment (DEC)

Priority 1 Taxa with few, poorly known populations on threatened lands.

Priority 2 Taxa with few, poorly known populations on conservation lands; or taxa with several, poorly known populations not on conservation lands.

Priority 3 Taxa with several, poorly known populations, some on conservation lands.

Priority 4. Taxa in need of monitoring. Taxa which are considered to have been adequately surveyed, or for which sufficient knowledge is available, and which are considered not currently threatened or in need of special protection, but could be if present circumstances change.

Priority 5 Taxa in need of monitoring. Taxa which are not considered threatened but are subject to a specific conservation program, the cessation of which would result in the species becoming threatened within five years (IUCN Conservation Dependent).

APPENDIX 3- SHIRE OF WEST ARTHUR SCHEDULE OF ACTIVITIES

Immediate

- Clean silt out of re-diversion dam before the next rainfall season and whilst dam is low.
- Update business signs in BBQ area – it is currently out of date
- Inspect and clear *Banksia* tree that was identified as being hazardous at Lake entrance
- Investigate and prepare funding application for long term solution to boat ramp issues
- Inspect rediversion drainage channel and ensure all culverts are clear.

Ongoing

- Weed control – bridal creeper located near boat ramp steps and in the ephemeral swamp on the eastern side of the lake.
- Dieback management (through hygiene measures) – all soil removed from machines, equipment and footwear before using in areas that are not paved
- Lawn maintenance
- Inspection of visitor facilities (BBQ, toilets, pumps etc)
- Inspect pathways and undertake maintenance as required
- Monitor tree health in picnic area and on the dune systems

Annually

- Include Lake Towerrinning in bush fire management plan in accordance with lease conditions
- Assess fuel loads to minimise fire hazards
- Report to DBCA regarding state of current man made facilities and any repairs undertaken and water quality and suitability for human contact. Such a report is required by October 7th of each year.
- Contact Graeme Peirce and get salinity measures for past year and include in Shire database
- Advertise boat usage plan and encourage people to be courteous when skiing at Lake Towerrinning through Facebook posts.

Prior to summer swim/ski season

- Ensure weeds are slashed for fire prevention where required
- Check signage is in good condition and still relevant
- Inspect jetties and complete report for DBCA
- Ensure entrance from the road to the Lake is tidy (slash weeds and remove branches if required)
- Include boat usage plan on Shire website and Facebook page to remind users about boating safety

Summer

- Monitor water levels

- Clean sediment or silt out of re-diversion structure if required
- Monitor Phosphorous levels in the lake water at the beginning of summer
- Monitor hydrocarbons in the lake water at the end of summer
- Examine road culverts on Darkan Road south to ensure they are not blocked by debris or weeds and to allow the swamps to drain effectively (particularly after heavy summer rainfall)
- Monitor water quality for suitability for human contact in accordance appropriate guidelines (including bacteria) on a fortnightly basis
- Remove rubbish and check facilities on a weekly basis
- Recreational Waters Microbiological Sampling Program commences in November. Health Department will send a letter and detailed sampling program in October of each year.
- High pressure clean the algae off the boat ramp
- Use a long reach excavator to move soil at the end of the boat ramp to minimise the drop off at the end of the boat ramp.
- Water seedlings planted in 2018 over the summer period until well established.

Winter

- Monitor salinity of water flowing from the re-diversion at Scott Road during winter months to ensure salinity is not above 1200mS/m.
- Examine road culverts on Darkan Road south to ensure they are not blocked by debris or weeds and to allow the swamps to drain effectively
- Weed control – lupins and bridal creeper at boat ramp end of lake
- Sample soils around recently dead trees and get it tested for dieback

When required

- Clean algae from boat ramp
- Update map on shire website

When funding available

- All access pathway
- Engineering inspection of jetties
- Investigate funding for restoration of jetties
- Repair boat ramp
- Additional shade shelters at the ski take off area
- Investigate possibility of creating an easement to protect rediversion structure and allow shire access
- Seek funding for reducing salinity further upstream as part of Landcare within the Shire
- Upgrade playground fence and retaining wall
- Update signage in the picnic area

APPENDIX 4 - PROPOSED SALINITY SAMPLING SITE



ITEM 8.1.5 – BUDGET REVIEW – MARCH 2020

LOCATION/ADDRESS: N/A
NAME OF APPLICANT: N/A
FILE REFERENCE:
DISCLOSURE OF INTEREST: N/A
DATE OF REPORT: 12 March 2020

SUMMARY:

Consideration of the budget review for the eight month period from 1 July 2019 to 29 February 2020.

BACKGROUND:

Local governments are required to conduct at least one budget review between six and nine months into a financial year.

The budget review is a detailed comparison of the year to date actual results with the adopted budget.

The following reports are included for information:

Monthly Statement of Financial Activity with Projected Variances – 29 February 2020
Explanation of Variance – 29 February 2020

Comments are provided in Note 1: Explanation of Variance.

CONSULTATION:

Not applicable.

STATUTORY ENVIRONMENT:

Local governments are required to conduct a budget review between 1 January and 31 March each financial year. This is a requirement covered by Regulation 33A of the Local Government (Financial Management) Regulations 1996.

Regulation 33A(2) and (3) of the Financial Management Regulations requires the results of the budget review to be submitted to Council within 30 days of the review. Council is then to consider the review and determine whether or not to adopt the review. Regulation 33A(4) states that within 30 days after Council has made a determination a copy of the review and determination is to be provided to the Department.

POLICY IMPLICATIONS:

Not applicable.

FINANCIAL IMPLICATIONS:

Not applicable.

STRATEGIC IMPLICATIONS:

Not Applicable.

VOTING REQUIREMENTS:

Simple majority

COUNCIL DECISION (OFFICER RECOMMENDATION) – ITEM 8.1.5

Moved: Cr Graeme Peirce

Seconded: Cr Marie Lloyd

That the budget review as at 29 February 2020 for the 2019/20 financial year, as presented, be adopted.

CARRIED 6/0

ATTACHMENTS:

- Monthly Statement of Financial Activity with Projected Variances – 29 February 2020
- Explanation of Variance – 29 February 2020

**SHIRE OF WEST ARTHUR
STATEMENT OF BUDGET REVIEW
(NATURE OR TYPE)
FOR THE PERIOD ENDED 29TH FEBRUARY 2020**

	Budget v Actual		Predicted			
	Note	Annual Budget (a) \$	YTD Actual (b) \$	Variance Permanent (c) \$	Variance Timing (Carryover) (d) \$	
OPERATING ACTIVITIES						
Net current assets at start of financial year surplus/(deficit)		1,162,096	1,162,096	0	0	1,162,096
Revenue from operating activities (excluding rates)						
Operating grants, subsidies and contributions		755,939	576,607	(52,897)	0	703,042 ▼
Profit on asset disposals	4.1.1	16,045	0	0	0	16,045
Fees and charges	4.1.2	299,226	264,395	35,633	0	334,859 ▲
Service charges		0	0	0	0	0
Interest earnings	4.1.7	78,237	38,678	0	0	78,237
Other revenue	4.1.8	76,597	47,221	31,377	0	107,974 ▲
		1,226,044	926,901	14,113	0	1,240,157
Expenditure from operating activities						
Employee costs	4.2.1	(1,670,536)	(970,688)	172,000	0	(1,498,536) ▼
Materials and contracts		(669,779)	(298,314)	85,143	0	(584,636) ▼
Utility charges	4.2.3	(85,000)	(42,063)	0	0	(85,000)
Depreciation on non-current assets		(2,082,163)	(342,979)	0	0	(2,082,163)
Interest expenses		(35,389)	(18,293)	0	0	(35,389)
Insurance expenses		(97,701)	(98,444)	0	0	(97,701)
Loss on asset disposals	4.2.6	(1,666)	0	0	0	(1,666)
Other expenditure	4.2.7	(26,000)	(100)	0	0	(26,000)
		(4,668,234)	(1,770,881)	257,143	0	(4,411,091)
Operating activities excluded from budget						
Depreciation on assets		2,082,163	342,979	0	0	2,082,163
(Profit)/loss on asset disposal	4.4.3	(14,379)	0	0	0	(14,379)
Adjust provisions and accruals		0	(9,507)	0	0	0
Amount attributable to operating activities		(212,310)	651,588	271,256	0	58,946
INVESTING ACTIVITIES						
Non-operating grants, subsidies and contributions	4.1.3	1,057,659	724,763	13,778	(118,911)	952,526 ▼
Purchase land held for resale		0	0	0	0	0
Purchase land and buildings		(271,525)	(12,360)	(12,000)	135,000	(148,525) ▼
Purchase plant and equipment		(198,350)	(81,818)	18,182	0	(180,168) ▼
Purchase furniture and equipment		(85,000)	0	16,857	0	(68,143) ▼
Purchase and construction of infrastructure-roads		(1,395,630)	(889,746)	0	0	(1,395,630)
Purchase and construction of infrastructure-other		(243,608)	0	0	216,000	(27,608) ▼
Purchase of investments		0	0	0	0	0
Proceeds from disposal of assets		86,000	0	0	0	86,000
Proceeds from sale of investments		0	0	0	0	0
Amount attributable to investing activities		(1,050,454)	(259,161)	36,817	232,089	(781,548)
FINANCING ACTIVITIES						
Proceeds from new borrowings		0	0	0	0	0
Proceeds from advances		0	0	0	0	0
Proceeds from self supporting loans		26,290	13,036	0	0	26,290
Transfers from cash backed reserves (restricted assets)		393,059	0	(38,802)	(192,089)	162,168 ▼
Repayment of debentures		(90,698)	(44,750)	0	0	(90,698)
Advances to community groups		0	0	0	0	0
Transfers to cash backed reserves (restricted assets)		(772,425)	(13,149)	0	0	(772,425)
Amount attributable to financing activities		(443,774)	(44,863)	(38,802)	(192,089)	(674,665)
Budget deficiency before general rates		(1,706,538)	347,564	269,271	40,000	(1,397,267)
Estimated amount to be raised from general rates		1,706,538	1,705,799			1,706,538
Closing funding surplus(deficit)		0	2,053,363	269,271	40,000	309,271 ▲
Expected restricted cash at year end						0
Closing funding surplus(deficit) after restricted cash considered						309,271

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 29TH FEBRUARY 2020**

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
4.1 OPERATING REVENUE (EXCLUDING RATES)		
4.1.1 PROFIT ON ASSET DISPOSAL		
No Material Variance		
4.1.2 FEES AND CHARGES		
Kids Central income above budget. Handover to REED later than expected.	29,633	
Caravan Park income above budget	6,000	
4.1.3 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
General Purpose Grant will be above budget	41,349	
Local Roads Grant will be below budget	(4,246)	
Special Project Bridge Money will not be received	(90,000)	
4.1.7 INTEREST EARNINGS		
No Material Variance	0	
4.1.8 OTHER REVENUE		
Insurance claims and reimbursements received	20,890	
Diesel rebate expected to be above budget.	10,487	
	Predicted Variances Carried Forward	0
	Predicted Variances Brought Forward	0
4.2 OPERATING EXPENSES		
4.2.1 EMPLOYEE COSTS		
Wages and associated employee expenses are lower than budget due to vacant positions. This is partly offset by kids central wages which were higher than budget due to later than anticipated transfer to REED.	172,000	
4.2.2 MATERIAL AND CONTRACTS		
Museum expenditure shown as operating rather than capital.	(16,857)	
Football Club Changerooms - moved from capital (net result NIL)	12,000	
Bridge project will not occur (funds not received)	90,000	
4.2.3 UTILITY CHARGES		
No Material Variance		
4.2.4 DEPRECIATION (NON CURRENT ASSETS)		
No Material Variance		
4.2.4 INTEREST EXPENSES		
No Material Variance		
4.2.5 INSURANCE EXPENSES		
No Material Variance		
4.2.6 LOSS ON ASSET DISPOSAL		
No Material Variance		
4.2.7 OTHER EXPENDITURE		
No Material Variance	0	
	Predicted Variances Carried Forward	0

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 29TH FEBRUARY 2020**

4. PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	271,256	0
4.3 CAPITAL REVENUE		
4.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Museum Grant income higher than budgeted.	13,778	
Kylie Dam grant unlikely to be received this year		(53,911)
Darkan Railway Reserve Grant will not be received this year		(65,000)
4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS		
No Material Variance		
4.3.3 PROCEEDS FROM NEW DEBENTURES		
No Material Variance		
4.3.4 PROCEEDS FROM SALE OF INVESTMENT		
No Material Variance		
4.3.5 PROCEEDS FROM ADVANCES		
No Material Variance		
4.3.6 SELF-SUPPORTING LOAN PRINCIPAL		
No Material Variance		
Predicted Variances Carried Forward	285,034	(118,911)
Predicted Variances Brought Forward	285,034	(118,911)
4.4 CAPITAL EXPENSES		
4.4.1 LAND HELD FOR RESALE		
No Material Variance		
4.4.2 LAND AND BUILDINGS		
Joint Venture Housing renovations below budget		25,000
Football Oval Changerooms - some allocated to operating (net result NIL)	(12,000)	
Challet - will not be completed this year. (material component not spent)		60,000
Staff Housing expenditure will not be below budget (material component not spent).		
Wages not allocated to capital projects is included in the wages reported in the statement of budget review.		50,000
4.4.3 PLANT AND EQUIPMENT		
Plant purchase variances. Low Loader below budget	18,182	
4.4.4 FURNITURE AND EQUIPMENT		
Museum expenditure below threshold shown as operating rather than capital.	16,857	
4.4.5 INFRASTRUCTURE ASSETS - ROADS		
No Material Variance		
4.4.6 INFRASTRUCTURE ASSETS - OTHER		
Darkan Railway Reserve redevelopment - will not be completed this year		150,000
Kylie Dam Water project will not be completed this year		66,000
4.4.7 PURCHASES OF INVESTMENT		
No Material Variance		
4.4.8 REPAYMENT OF DEBENTURES		
No Material Variance		
4.4.9 ADVANCES TO COMMUNITY GROUPS		
No Material Variance		
Predicted Variances Carried Forward	308,073	232,089

**SHIRE OF WEST ARTHUR
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
FOR THE PERIOD ENDED 29TH FEBRUARY 2020**

4. PREDICTED VARIANCES

Comments/Reason for Variance

	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	308,073	232,089
4.5 OTHER ITEMS		
4.5.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)		
No Material Variance		
4.5.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
Plant purchase variances. Low Loader below budget	(18,182)	
Museum transfer will be lower partly due to grant funding received.	(20,620)	
Joint venture housing renovations will not be done this year		(25,000)
Staff housing renovations will not be done this year		(50,000)
Darkan Railway redevelopment will not be done this year		(45,000)
Kylie Dam balance of project less funding will not be transferred this year		(12,089)
Challet project will be started this year but not completed		(60,000)
4.5.1 RATE REVENUE		
No Material Variance		
4.5.2 OPENING FUNDING SURPLUS(DEFICIT)		
No Variance	0	
4.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS)		
No Material Variance	0	
Total Predicted Variances as per Annual Budget Review	269,271	40,000

8.2 COMMITTEE REPORTS

ITEM 8.2.1 – ADOPTION OF COMPLIANCE AUDIT RETURN 2018

LOCATION/ADDRESS: N/A
NAME OF APPLICANT: N/A
FILE REFERENCE: 2.21.1
DISCLOSURE OF INTEREST: N/A
DATE OF REPORT: 13 March 2020

SUMMARY:

Council to consider adopting the West Arthur Compliance Audit Return 2019, as presented, as the official return for the Council for the period 1 January 2019 to 31 December 2019.

BACKGROUND:

Each year, the local government is required to carry out a compliance audit for the period 1 January to 31 December of the previous year. The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

COMMENT

The Shire of West Arthur Audit Committee will review the Compliance Audit Return 2019 at its meeting on 17 March 2020 and make a recommendation from this meeting.

CONSULTATION:

There has been no consultation.

STATUTORY ENVIRONMENT:

It is a requirement that this return is included in the agenda papers and considered by Council in the February or March meeting of council following the year under review.

POLICY IMPLICATIONS:

Nil.

FINANCIAL IMPLICATIONS:

Nil.

STRATEGIC IMPLICATIONS:

Nil.

VOTING REQUIREMENTS:

Simple majority

COUNCIL DECISION (COMMITTEE RECOMMENDATION) – ITEM 8.2.1

Moved: Cr Adam Squires

Seconded: Cr Neil Manuel

That the West Arthur Compliance Audit Return 2019, as presented, be adopted as the official return for the Council for the period 01 January 2019 to 31 December 2019.

CARRIED 6/0

ATTACHMENT:

- Local Government Compliance Audit Return 2019



Department of
**Local Government, Sport
 and Cultural Industries**

West Arthur - Compliance Audit Return 2019

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2019?	N/A		Nicole Wasmann
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2019?	N/A		Nicole Wasmann
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2019?	N/A		Nicole Wasmann
4	s3.59(4)	Has the local government complied with public notice and publishing requirements of each proposal to commence a major trading undertaking or enter into a major land transaction for 2019?	N/A		Nicole Wasmann
5	s3.59(5)	Did the Council, during 2019, resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Nicole Wasmann



Department of
**Local Government, Sport
 and Cultural Industries**

Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority?	Yes		Nicole Wasmann
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing?	Yes		Nicole Wasmann
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17?	Yes		Nicole Wasmann
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations?	Yes		Nicole Wasmann
5	s5.18	Has Council reviewed delegations to its committees in the 2018/2019 financial year?	Yes		Nicole Wasmann
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act?	Yes		Nicole Wasmann
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority?	Yes		Nicole Wasmann
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing?	Yes		Nicole Wasmann
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Nicole Wasmann
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	N/A		Nicole Wasmann
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees?	Yes		Nicole Wasmann
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2018/2019 financial year?	Yes		Nicole Wasmann
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required?	Yes		Nicole Wasmann

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68)?	N/A		Nicole Wasmann
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings?	N/A		Nicole Wasmann



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made?	N/A		Nicole Wasmann
4	s5.73	Where the CEO had an interest relating to a gift under section 5.71A(1), was written notice given to the Council?	N/A		Nicole Wasmann
5	s5.73	Where the CEO had an interest relating to a gift in a matter in respect of a report another employee is providing advice on under section 5.71A (3), was the nature of interest disclosed when the advice or report was provided?	N/A		Nicole Wasmann
6	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day?	Yes		Nicole Wasmann
7	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day?	N/A		Nicole Wasmann
8	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2019?	Yes		Nicole Wasmann
9	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2019?	Yes		Nicole Wasmann
10	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return?	Yes		Nicole Wasmann
11	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76?	Yes		Nicole Wasmann
12	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28?	Yes		Nicole Wasmann
13	s5.89A Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under section 5.71A, in the form prescribed in Administration Regulation 28A?	N/A		Nicole Wasmann
14	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76?	Yes		Nicole Wasmann
15	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee?	Yes		Nicole Wasmann



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
16	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes?	N/A		Nicole Wasmann
17	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report?	Yes		Nicole Wasmann
18	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee?	Yes		Nicole Wasmann
19	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees?	Yes		Nicole Wasmann

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5))?	N/A		Nicole Wasmann
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A		Nicole Wasmann

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1) (2)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates?	Yes		Nicole Wasmann
2	Elect Reg 30G(3) & (4)	Did the CEO remove any 'disclosure of gifts' forms relating to an unsuccessful candidate or a successful candidate that completed the term of office from the electoral gift register, and retain those forms separately for a period of at least 2 years?	N/A		Nicole Wasmann



Department of
**Local Government, Sport
and Cultural Industries**

Finance						
No	Reference	Question	Response	Comments	Respondent	
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes		Nicole Wasmann	
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	Yes		Nicole Wasmann	
3	s7.3(1)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor, a registered company auditor?	N/A	Auditor appointed by OAG	Nicole Wasmann	
4	s7.3(1), 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council?	N/A		Nicole Wasmann	
5	Audit Reg 10	Was the Auditor's report(s) for the financial year(s) ended 30 June received by the local government within 30 days of completion of the audit?	Yes		Nicole Wasmann	
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2019 received by the local government by 31 December 2019?	Yes		Nicole Wasmann	
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government, ensure that appropriate action was undertaken in respect of those matters?	N/A		Nicole Wasmann	
8	S7.12A (4)	Where the auditor identified matters as significant in the auditor's report (prepared under s7.9(1) of the Act), did the local government prepare a report stating what action had been taken or it intended to take with respect to each of the matters and give a copy to the Minister within 3 months after receipt of the audit report?	N/A		Nicole Wasmann	
9	S7.12A (4)	Within 14 days after the local government gave a report to the Minister under s7.12A(4) (b), did the CEO publish a copy of the report on the local government's official website?	Yes		Nicole Wasmann	
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit?	Yes		Nicole Wasmann	
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit?	Yes		Nicole Wasmann	



Department of
**Local Government, Sport
 and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit?	Yes		Nicole Wasmann
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor?	Yes		Nicole Wasmann
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor?	Yes		Nicole Wasmann



Department of
**Local Government, Sport
 and Cultural Industries**

GOVERNMENT OF
 WESTERN AUSTRALIA

Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	27 June 2018	Nicole Wasmann
2	s5.56 Admin Reg 19DA (4)	Has the local government reviewed the Corporate Business Plan in the 2018-2019 Financial Year. If Yes, please provide date of Council meeting the review was adopted at?	Yes	18 June 2019	Nicole Wasmann
3	s5.56 Admin Reg 19C	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	27 June 2018	Nicole Wasmann
4	s5.56 Admin Reg 19C (4)	Has the local government reviewed the current Strategic Community Plan. If Yes, please provide date of most recent review by Council in Comments. Note: If the current Strategic Community Plan was adopted after 1/1/2016, please respond N/A and provide adoption date in Comments?	N/A	27 June 2018	Nicole Wasmann
5	S5.56 Admin Reg 19DA (3)	Has the local government developed an Asset Management Plan(s) that covers all asset classes. If Yes, please provide the date of the most recent Plan adopted by Council in Comments?	Yes	A plan has been developed (last review 2017) however it has not been "adopted" by Council. Further work is required on the Plan to clearly outline renewal and funding gaps.	Nicole Wasmann
6	S5.56 Admin Reg 19DA (3)	Has the local government developed a Long Term Financial Plan. If Yes, please provide the adoption date of the most recent Plan in Comments?	No	The Shire has a long term financial summary at the rear of its Corporate Business Plan including income and expenditure projections, rates, borrowings, fees and charges etc. however it does not include sustainability indicators etc.	Nicole Wasmann
7	S5.56 Admin Reg 19DA (3)	Has the local government developed a Workforce Plan. If Yes, please provide adoption date of the most recent Plan in comments?	Yes	The Shire has a workforce plan, however it has not been adopted by Council. It was last reviewed in 2015.	Nicole Wasmann



Department of
**Local Government, Sport
 and Cultural Industries**

Local Government Employees						
No	Reference	Question	Response	Comments	Respondent	
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A		Nicole Wasmann	
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A?	N/A		Nicole Wasmann	
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4)?	N/A		Nicole Wasmann	
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only)?	N/A		Nicole Wasmann	
5	s5.37(2)	Did the CEO inform Council of each proposal to employ or dismiss a designated senior employee?	N/A		Nicole Wasmann	



Department of
**Local Government, Sport
 and Cultural Industries**

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer?	N/A		Nicole Wasmann
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c)?	Yes		Nicole Wasmann
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made?	Yes		Nicole Wasmann
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint?	Yes		Nicole Wasmann
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred?	Yes		Nicole Wasmann
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c)?	Yes		Nicole Wasmann



Department of
**Local Government, Sport
and Cultural Industries**

Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Local Government (Financial Management) Regulation 5 (2)(c) within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	Yes	The report was presented to the audit committee on 22 March 2017	Nicole Wasmann
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulation 17 within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	No	Presented to audit committee on 5 December 2016. A review is scheduled in March 2020.	Nicole Wasmann
3	Financial Management Reg 5A.	Did the local government provide AASB 124 related party information in its annual report(s) tabled at an electors meeting(s) during calendar year 2019?	Yes		Nicole Wasmann
4	S6.4(3)	Did the local government submit to its auditor by 30 September 2019 the balanced accounts and annual financial report for the year ending 30 June 2019?	Yes		Nicole Wasmann

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2))?	N/A	The Shire had no tenders in 2019	Nicole Wasmann
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract?	N/A		Nicole Wasmann
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice?	N/A		Nicole Wasmann
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16?	N/A		Nicole Wasmann



Department of
**Local Government, Sport
 and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation?	N/A		Nicole Wasmann
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16?	N/A		Nicole Wasmann
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender?	N/A		Nicole Wasmann
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria?	N/A		Nicole Wasmann
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection?	N/A		Nicole Wasmann
10	F&G Reg 19	Did the CEO give each tenderer written notice advising particulars of the successful tender or advising that no tender was accepted?	N/A		Nicole Wasmann
11	F&G Reg 21 & 22	Did the local governments advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22?	N/A		Nicole Wasmann
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice?	N/A		Nicole Wasmann
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services?	N/A		Nicole Wasmann
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest, a notice in writing in accordance with Functions & General Regulation 24?	N/A		Nicole Wasmann
15	F&G Reg 24AC (1) & (2)	Has the local government established a policy on procurement of goods and services from pre-qualified suppliers in accordance with the regulations?	N/A		Nicole Wasmann
16	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice?	N/A		Nicole Wasmann
17	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE?	N/A		Nicole Wasmann



Department of
**Local Government, Sport
 and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
18	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application?	N/A		Nicole Wasmann
19	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, given notice of the variation?	N/A		Nicole Wasmann
20	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications?	N/A		Nicole Wasmann
21	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application (s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria?	N/A		Nicole Wasmann
22	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG?	N/A		Nicole Wasmann
23	F&G Reg 24AI	Did the CEO send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted?	N/A		Nicole Wasmann
24	F&G Reg 24E	Where the local government gave a regional price preference, did the local government comply with the requirements of F&G Reg 24E including the preparation of a regional price preference policy?	N/A		Nicole Wasmann
25	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy?	N/A		Nicole Wasmann
26	F&G Reg 11A	Does the local government have a current purchasing policy that comply with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less?	Yes		Nicole Wasmann



Department of
**Local Government, Sport
 and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
27	F&G Reg 11A	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract is, or is expected to be \$150,000 or less or worth \$150,000 or less?	Yes		Nicole Wasmann

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

 Signed Mayor / President, West Arthur

 Signed CEO, West Arthur

ITEM 8.2.2 – 2018-19 SIGNIFICANT ADVERSE TREND – OPERATING SURPLUS RATIO

LOCATION/ADDRESS: N/A
 NAME OF APPLICANT: N/A
 FILE REFERENCE:
 DISCLOSURE OF INTEREST: Nil
 DATE OF REPORT:

SUMMARY:

If a significant matter is reported in an audit report section 7.12A of the Local Government Act 1995 requires a response from the local government and a report to be prepared stating what action has been taken or is intended to be taken in respect to matters raised within the audit report. The operating surplus ratio of the Shire of West Arthur has been below the required level for two consecutive years and therefore has been included in this year's audit report.

BACKGROUND:

In November 2017, proclamation of the *Local Government Amendment (Auditing) Act 2017* introduced a number of reforms to auditing laws. The legislation requires local governments to examine an audit report it receives and implement appropriate action in respect to the significant matters raised.

The Auditor General's Independent Auditor's Report for 2018-19 identified a significant adverse trend in the financial position of the Shire (attached). Specifically, that the Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries ("the Department") standard for the past two years.

Local governments must prepare a report addressing the significant matters identified in their audit report, which is to be considered by the local government's audit committee before being adopted by council.

$$\text{Operating Surplus Ratio} = \frac{\text{(Operating Revenue MINUS Operating Expense)}}{\text{Own Source Operating Revenue}}$$

The purpose of this ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes. The Department has determined that a ratio below 0.01 (1%) is below the standard required.

The following table highlights the Shire's ratio as calculated for the last four financial years, including the figure for the 2018/19 financial year:

	2015/16	2016/17	2017/18	2018/19
Operating surplus ratio	-0.80	0.06	-0.14	-0.73

Own source operating revenue is made up of rates, fees and charges, interest income, profit on disposals of assets, reimbursements and recoveries, and other revenue. Small regional local governments are limited in their ability to increase own source revenue and are more reliant on grant funding for renewal of assets.

\$836,000 bridge expenditure was included in operating expenditure in the 2018/19 year. This income was recognised in the previous year and was reported as restricted cash. Changes in accounting regulations will now require income and expenditure to be recognised in the same year which will alleviate this timing issue in the future. Without recognition of the bridge expenditure the ratio in 2018/19 would have been -0.351, still outside the recommended standard. Council would need to increase income or decrease expenditure by a further \$809,552 to meet the recommended standard this year.

The ratio will also be affected by the timing of the Federal Assistance Grants. A substantial prepayment of the FAGS grants has been prepaid in recent years however if not consistently prepaid will influence the ratio.

A significant expense recognised in operating expenditure and included in the ratio calculation is depreciation. The depreciation expense recognised in 2018/19 was \$2,075,389 (including \$499,841 bridge depreciation).

The ratio does not recognise capital road or capital project funding and this income is specifically excluded from the ratio. Non-operating road grants from Roads to Recovery (Federal) and Regional Road Group (State) were \$779,552. These capital grants are used to fund asset renewal as recognised in the depreciation expense.

The ratio reflects a reliance on sources of funding other than Council's own source funds such as rates, to be sustainable. To have an operating surplus ratio which does not meet the minimum requirements is typical of many local governments.

CONSULTATION:

The report has been prepared in consultation with other local governments. The majority of local governments cannot meet the recommended standard.

STATUTORY ENVIRONMENT:

In November 2017, proclamation of the *Local Government Amendment (Auditing) Act 2017* introduced a number of reforms to auditing laws. The legislation requires local governments to examine an audit report it receives and implement appropriate action in respect to the significant matters raised.

POLICY IMPLICATIONS:

There are no policy implications.

FINANCIAL IMPLICATIONS:

The Operating Surplus Ratio is expected to be reported as having a significant adverse trend in the future. The ratio will continue to be monitored through the long term financial planning and budgeting process.

STRATEGIC IMPLICATIONS:

This item aligns with the community's vision and aspirations as contained in the Shire of West Arthur Corporate Plan 2019 to 2023. Specifically, it relates to the following strategy(s):

5.2 Financial management and decision making will be transparent, accountable and in an accessible format for the public

COMMENT

The Shire of West Arthur Audit Committee will review this Item at its meeting on 17 March 2020 and make a recommendation to Council from this meeting.

VOTING REQUIREMENTS:

Simple majority

COUNCIL DECISION (COMMITTEE RECOMMENDATION) – ITEM 8.1.5

Moved: Cr Adam Squires

Seconded: Cr Graeme Peirce

That Council:

1. Notes the significant adverse trends in the financial position of the Shire, as identified in the Auditor General's Independent Auditor's Report for 2018-19, stating that the Operating Surplus Ratio is below the Department of Local Government, Sport and Cultural Industries standard and that the Shire of West Arthur monitor through the long term financial planning and budgeting process; and
2. Authorises a copy of this report to be forwarded to the Minister for Local Government and be published on the Shire's official website.

CARRIED 6/0

ATTACHMENT

- Nil

8.3 REPORTS OF ELECTED MEMBERS

Cr K King

- Regional Road Group Meeting
- 8 March 2020 – attended the opening of the Betty Brown Historical Centre.
- 28 February 2020 – attended the West Arthur Astrotourism launch
- 17 March 2020 – participated in a webinar hosted by WALGA regarding local government's role in COVID 19 response.

Cr N Manuel
Nil.

Cr M Lloyd
Nil.

Cr A Squires

- 16 March 2020 – attended a West Arthur Cottage Homes Meeting.

Cr Neil Morrell

- 8 March 2020 – attended the opening of the Betty Brown Historical Centre.

Cr Graeme Peirce

- 10 March 2020 - attended a 4WDL VROC meeting in Wagin.

9. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

10. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil.

11. CONFIDENTIAL ITEMS

Nil.

12. CLOSURE OF MEETING

Cr King declared the meeting closed at 7:14 pm.

DISCLAIMER

The purpose of this council meeting is to discuss and, where possible, make resolutions about items appearing on the agenda.

Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on basis of such decision or on any advice or information provided by a member or officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the Local Government Act 1995 (section 5.25 (e)) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person.

The Shire of West Arthur expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the Council meeting.

These Minutes were confirmed at the ordinary council meeting on: 21 April 2020.

Signed: _____
Presiding Member at the meeting at which the Minutes were confirmed