

AGENDA NUMBER: 10.7  
SUBJECT: December Council Meeting Arrangements  
LOCATION/ADDRESS:  
NAME OF APPLICANT:  
FILE REFERENCE: ADM 18  
AUTHOR: Shane Collie – Chief Executive Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 5 November 2009

**BACKGROUND:**

Council has traditionally brought forward by a week its December meeting to avoid a clash with Christmas. The December meeting also normally coincides with a Council member/staff function and the meeting is held an hour earlier than normal to facilitate this in consideration of Council's outside workforce who finish earlier in the day.

The office and depot are also normally closed for three days between Christmas and New Year with staff taking rostered days off, annual leave or time in lieu.

**COMMENT:**

The purpose of this item is to confirm arrangements for the Christmas/New Year period 2009.

Looking at the fall of dates the fourth Thursday in December is Christmas Eve. Assuming that Council representatives do not want to attend a Council meeting on Christmas Eve it is recommended to change the date of the Council meeting by bringing it forward one week.

**STATUTORY ENVIRONMENT:** Nil.

**POLICY IMPLICATIONS:** Nil.

**FINANCIAL IMPLICATIONS:** Nil.

**STRATEGIC IMPLICATIONS:** Nil.

**RECOMMENDATION:**

1. That Council bring forward by a week to Thursday 17 December 2009 the December 2009 Council meeting.

2. That Council hold the December Council meeting one hour earlier commencing at 3.15pm holding a Christmas function at the Shire office following the conclusion of the meeting, generally around 6pm.
3. That Council per prior practice close the Shire office and depot between the Christmas and New Year public holidays for the three days 29, 30 and 31 December 2009 with staff taking rostered days off, annual leave or time in lieu. Normal emergency after hours callout services remain in place.

#### **8284 LORKIEWICZ/GILBERT**

1. That Council bring forward by a week to Thursday 17 December 2009 the December 2009 Council meeting.
2. That Council hold the December Council meeting one hour earlier commencing at 3.15pm holding a Christmas function at the Shire office following the conclusion of the meeting, generally around 6pm.
3. That Council per prior practice close the Shire office and depot between the Christmas and New Year public holidays for the three days 29, 30 and 31 December 2009 with staff taking rostered days off, annual leave or time in lieu. Normal emergency after hours callout services remain in place.

**CARRIED 8/0**

AGENDA NUMBER: 10.8  
SUBJECT: Regional and Local Community Infrastructure Program  
LOCATION/ADDRESS:  
NAME OF APPLICANT: Federal Minister for Infrastructure  
FILE REFERENCE: BLD 18  
AUTHOR: Shane Collie – Chief Executive Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 6 November 2009

Attachment: Letter from Hon. Anthony Albanese.

### **BACKGROUND:**

The Federal Government through the Hon. Anthony Albanese, Minister for Infrastructure, Transport, Regional Development and Local Government announced round 2 of the Regional and Local Community Infrastructure Program (RLCIP) by letter 9 October 2009.

### **COMMENT:**

This funding program is split into two parts and is probably going to be the last in the Rudd Government's economic stimulus package. Note that roads and bridges are not eligible for any of this funding.

The first part of the program is an "as of right" \$100 million package allocation to local governments throughout the country. This Council has been allocated an amount of \$30,000 and endorsement of the distribution of these funds is the subject of this report.

The second part of the RLCIP funding program is a \$120 million competitive round of funding for larger infrastructure projects. These projects must be a minimum of \$1 million for "ready to go" infrastructure projects and per item 10.5 it is recommended to submit an application for the balance of funds attributed to the TimeWood Centre. The deadline for submitting a funding application in this area is 15 January 2010.

The deadline for submitting a funding application for the \$30,000 allocation is 20 November 2009 and as such an application has been prepared and forwarded. The application was submitted to offset part of the cost to connect the Riversbend Ablution Block to sewerage. Council members would recall the cost estimate for this was \$60,000 and was approved by Council with the amount to be accounted for in Council's normal budget review process.

It makes sense to attribute these grant funds to this area as the works are eligible and Council has already approved the expenditure. The effect of this allocation is that half of the estimated cost is offset by this grant.

**STATUTORY ENVIRONMENT:** Nil.

**POLICY IMPLICATIONS:** Nil.

**FINANCIAL IMPLICATIONS:** \$30,000 unbudgeted income.

**STRATEGIC IMPLICATIONS:** Nil.

**RECOMMENDATION:**

That Council endorse the allocation of \$30,000 in grant funding under round 2 of the Regional and Local Community Infrastructure Program (RLCIP) to offset part of the cost to connect the Riversbend Ablution Block to sewerage.

**8285 PINKERTON/DEAN**

That Council endorse the allocation of \$30,000 in grant funding under round 2 of the Regional and Local Community Infrastructure Program (RLCIP) to offset part of the cost to connect the Riversbend Ablution Block to sewerage.

**CARRIED 8/0**

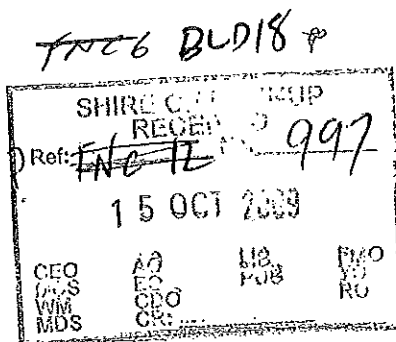


# The Hon Anthony Albanese MP

Minister for Infrastructure,  
Transport, Regional Development  
and Local Government  
Leader of the House

Reference: 09/12509

Cr Barbara Dunnet  
Shire President  
Shire of Nannup  
PO Box 11  
NANNUP WA 6275



9 OCT 2009

Dear President,

I am pleased to formally advise that Shire of Nannup is eligible to receive \$30,000 under Round Two of the Regional and Local Community Infrastructure Program (RLCIP).

On 25 June 2009 at the second meeting of the Australian Council of Local Government, the Prime Minister, the Hon Kevin Rudd MP, announced an additional \$220 million for Round Two of the RLCIP in 2009-10. This additional funding demonstrates an ongoing commitment to a partnership between the Australian Government and local government.

This funding will be distributed to all local governments, to support jobs whilst building and modernising infrastructure in communities across Australia. The investment builds on the \$800 million already provided to local councils and shires through Round One of the RLCIP in 2008-09.

The \$100 million component of this funding will be provided to local governments by way of a non-competitive allocation. This allocation will be provided subject to a number of conditions. These conditions include a requirement to enter into a funding agreement with the Commonwealth and to complete projects no later than 31 December 2010.

To claim your allocation, you are required to provide details of your proposed projects for Round Two of the RLCIP via an online application form. The Australian Government Department of Infrastructure, Transport, Regional Development and Local Government (my Department) will organise for further details on the application process to be emailed to your council in the near future.

Please note that funding will only be released for projects that meet the requirements of the RLCIP Round Two Guidelines.

Local governments are encouraged to include projects in their application that address the needs of the local Indigenous population. Local governments are also encouraged to consider

environmental sustainability when preparing project proposals, with particular focus on how activities will promote green building technologies, design practices and operations.

The Australian Government's additional funding for Round Two of the RLCIP will continue to address the substantial backlog in local infrastructure and improve the quality of life of residents in local communities.

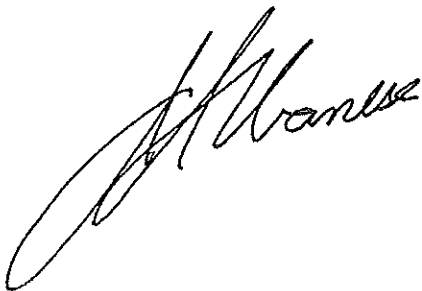
Some examples of community infrastructure eligible for funding under Round Two of the RLCIP include:

- social and cultural infrastructure, such as town halls, community centres, libraries, parks, and public squares;
- sport and recreation facilities, such as sporting grounds, stadiums, pools, walking tracks and playgrounds;
- tourism infrastructure, such as walkways and tourist information centres;
- access facilities, such as bus shelters, jetties and boat ramps; and
- environmental initiatives, such as water conservation infrastructure and recycling plants.

A copy of the new Guidelines for Round Two of the RLCIP, along with a list of frequently asked questions and answers can be downloaded from my Department's website at [<http://www.infrastructure.gov.au/local/index.aspx>](http://www.infrastructure.gov.au/local/index.aspx).

Please contact the RLCIP Information Line on 1800 005 494 if you require any further information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anthony Albanese', written in a cursive style.

ANTHONY ALBANESE

AGENDA NUMBER: 10.9  
SUBJECT: Recreation Trails Project Funding Contribution  
LOCATION/ADDRESS:  
NAME OF APPLICANT:  
FILE REFERENCE: ADM 18  
AUTHOR: Shane Collie – Chief Executive Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 5 November 2009

Attachment: Trails Contribution Invoice # 41 WBSA.

### **BACKGROUND:**

The following is an extract (in part) from Council's July 2009 Information Report:

*"There are two matters that have been raised over recent weeks which will be recommended for inclusion in Council's first budget review. The two items are the proposed Recreational Trails project (\$4,000) and a contribution toward the South West Zone of the WA Local Government Association (\$500). With the budget process completed, aside from adoption of the statutory format, it is very time consuming and therefore expensive to revisit the budget compilation process based on two relatively minor matters.*

*The Recreation Trails project was considered not to have been occurring based on the Shire of Boyup Brook not participating and with external grant funding not anticipated to be received. New information has arisen in the last few weeks indicating that grant funding through the South West Development Commission has been approved. Lotteries funding is also anticipated to be successful. Therefore it would make sense to proceed with the project rather than forego these funds. Full details will be provided at such time as Council is requested to make a contribution. Cr Pinkerton has more information on this project being actively involved. It is understood the Shire of Boyup Brook are reconsidering their position and will likely be a party to the project.*

### **COMMENT:**

The Trails project has commenced with the employment part time through the Warren Blackwood Strategic Alliance (WBSA) of a project officer. Both grants referred to above have come through and an invoice has been received from the WBSA for Council's contribution.

As the contribution amount was not included in Council's budget it is termed unbudgeted expenditure and a separate decision (or budget review/amendment) is needed to authorise payment of the invoice.

Given that Council had previously indicated strong support for this project the payment request is considered more of a procedural matter rather than a justification issue. Council may choose to debate the merits of participating in the project or seeking comment from Cr Pinkerton who is this Council's representative on the trails group.

**STATUTORY ENVIRONMENT:**

Local Government Act 1995 and Financial Management Regulations 1996.

**POLICY IMPLICATIONS:** Nil.

**FINANCIAL IMPLICATIONS:** Unbudgeted expenditure \$4,000.

**STRATEGIC IMPLICATIONS:** Nil.

**RECOMMENDATION:**

That Council authorise the payment of Warren Blackwood Strategic Alliance Invoice # 41, an amount of \$4,000 as unbudgeted expenditure, being Council's contribution toward the Warren Blackwood Regional Trails project.

**8286 PINKERTON/MELLEMA**

That Council authorise the payment of Warren Blackwood Strategic Alliance Invoice # 41, an amount of \$4,000 as unbudgeted expenditure, being Council's contribution toward the Warren Blackwood Regional Trails project.

**CARRIED 7/1  
BY ABSOLUTE MAJORITY**

Councillors voting for the motion: Boulter, Dean, Dunnet, Gilbert, Lorkiewicz, Mellema and Pinkerton.

Councillor voting against: Camarri.

Warren Blackwood Strategic Alliance  
 PO Box 389  
 Pemberton  
 Wa 6260

## Tax Invoice

A.B.N. 84 209 500 433  
 A.C.N.

Invoice #: 00000041  
 Date: 1/10/2009  
 Ship Via:  
 Page: 1

Bill To:

Ship To:

Shire of Nannup  
 15 Adam Street  
 Nannup WA 6275

Shire of Nannup  
 15 Adam Street  
 Nannup WA 6275

Description

Amount Code

Contribution to Rec Trails Project Officer

\$4,000.00 GST

Your Order #:	Customer ABN:			Freight:	\$0.00 GST
Shipping Date:	Terms: Net 30th after			GST:	\$400.00
COMMENT	CODE	RATE	GST	SALE AMOUNT	Total Inc GST:
	GST	10%	\$400.00	\$4,000.00	\$4,400.00
				Amount Applied:	\$0.00
				Balance Due:	\$4,400.00

Councillor Pinkerton declared an in impartiality interest in the following item.  
Councillor Gilbert declared an in impartiality interest in the following item.

AGENDA NUMBER: 10.10  
SUBJECT: Request for Fee Waiver  
LOCATION/ADDRESS:  
NAME OF APPLICANT: Nannup Play Pups  
FILE REFERENCE: ADM 30  
AUTHOR: Shane Collie – Chief Executive Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 17 November 2009

Attachments: 1. Council Policy HAB 2.  
2. Letter from Nannup Play Pups.

#### **BACKGROUND:**

The Nannup Play Pups have written to Council seeking a fee waiver for community based performances held on 6 and 7 November 2009 at the Town Hall as well as a number of other hire occasions where rehearsals were undertaken.

#### **COMMENT:**

Council Policy HAB 2 (clause 10) is applicable and reads as follows:

*"Council will consider the refund or waiver of any hire fees and/or bond payable on a case by case basis with the Chief Executive Officer having delegated authority to refund or waive hire fees and/or bond payable if the amount is less than or equal to one days facility hire."*

As the requested fee waiver is for greater than a single hire occasion it is submitted to Council for consideration.

Given the community and non profit nature of the hire a fee waiver is supported. Council members may recall that this group like Gentle Gym put any profits made back into the community including contributing to improvements to Council facilities such as the Town Hall.

The fee waiver is supported and if approved would be recorded as a community group donation in Council's books of account.

**STATUTORY ENVIRONMENT:** Nil.

**POLICY IMPLICATIONS:** Council Policy HAB 2 is applicable.

**FINANCIAL IMPLICATIONS:**

If a fee waiver was invoked Council would not realise income as follows:

20 by 1.5 hours hire @ \$18.30: \$549

3 days hire @ \$89: \$267

TOTAL: \$816

**STRATEGIC IMPLICATIONS:** Nil.

**RECOMMENDATION:**

That Council waive hire fees for the Nannup Play Pups for community based performances held on 6 and 7 November 2009 and various rehearsals at the Town Hall totalling an amount of \$816.

**8287 BOULTER/DUNNET**

That Council waive hire fees for the Nannup Play Pups for community based performances held on 6 and 7 November 2009 and various rehearsals at the Town Hall totalling an amount of \$816.

**CARRIED 7/1**

Councillors voting for the motion: Boulter, Dean, Dunnet, Gilbert, Lorkiewicz, Mellema and Pinkerton

Councillor voting against: Camarri.

# Use/Hire of Community Facilities

## HAB 2

1. Council encourages the self-management of community buildings and will endeavour to provide adequate support to community groups who are eager to maintain and develop community buildings and facilities.
2. The tenure of local controlling committees with their buildings and/or land shall be by way of lease agreement based on the Shire of Nannup Tenancy Agreement Standard Terms and Conditions, with each lease/agreement being endorsed by Council prior to the occupation of any premises. Council is to have regard to the individual circumstances of community groups when finalising any lease/agreement.
3. All facilities must be managed on a financially independent basis and fees, subscriptions, rentals, levies etc; must be sufficient to cover all operational outgoings which should include maintenance required as a result of normal wear and tear, as well as electricity, water and any other utilities.
4. Council reserves the right to provide annual operational grants to managing committees if such expenses are considered to be outside the resources of the organisation, is seen to be in the general interests of the community or is granted to assist an organisation in its establishment.
5. Council, upon receipt of Annual Financial Statements and Building Reports will consider budget allocations for expenses of a non-operational nature such as major repairs, additions or renovations in line with normal annual budget deliberations.
6. Council will undertake an inspection of all community buildings as part of its budget deliberations.
7. Council will not, at the expense of a community based not for profit group, enter into a lease/agreement with any organisation that is considered commercial in nature. If Council does enter into a lease/agreement with an organisation that is considered commercial in nature, commercial arrangements and conditions are to be put in place.

**HAB 2**  
(Page 1/2)

8. In relation to the short term hire of Community facilities, Council's adopted Schedule of Fees and Charges will apply.
9. Community based organisations may apply to Council for a refund of the cost of the hire and/or bond payable of Council facilities after the event or for a waiver of the applicable fees through the hire process.
10. Council will consider the refund or waiver of any hire fees and/or bond payable on a case by case basis with the Chief Executive Officer having delegated authority to refund or waive hire fees and/or bond payable if the amount is less than or equal to one days facility hire.
11. Council and the Chief Executive Officer in applying point 10 above will have regard to the perceived benefits to the community, and what is in the best interests of the community, when determining if any fee or charge should be refunded or waived.

*Policy Adopted at a Council Meeting on 17 December 1992.*

*Policy Reviewed at a Council Meeting on 9 June 1994.*

*Policy Reviewed at a Council Meeting on 28 February 2002.*

*Policy Reviewed at a Council Meeting on 23 August 2007.*

*Policy Reviewed at a Council Meeting on 26 February 2009.*

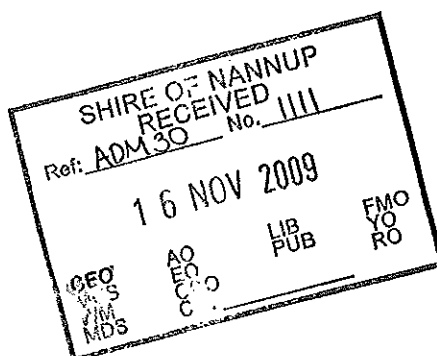
**HAB 2**  
(Page 2/2)

# **BLACKWOOD PLAY PUPS**

**c/o P O Box 40, NANNUP 6275**

12<sup>th</sup> November 2009

Mr Shane Collie  
Chief Executive Officer  
Nannup Shire  
Adam Street  
NANNUP 6275



Dear Shane,

The Play Pups recently performed their pantomime in the Town Hall on Friday 6<sup>th</sup> and Saturday 7<sup>th</sup> November. We also used the Town Hall for rehearsals and did not seek official waiver for the fees involved in hiring the Town Hall. This was because way back in 2006 I had received verbal agreement that the main Blackwood Playups could use these facilities in return for certain improvements made to the performing area in the Town Hall.

Recently two new bench-tops (costing \$2000) made from jarrah were installed in both dressing rooms and some time ago the stage was painted black with several new black curtains provided for the betterment of performance presentation. Blackwood Playups have paid for these additions to the stage and performing area.

The Play Pups performances were aimed at providing an entertaining night out for families and we did not charge at all for children and only \$5 for adults who attended. We had to pay \$395 for the script from a professional agency and therefore did not make any profit at all from the performances after we took all the children to see Wind in the Willows at Manjimup theatre.

I therefore ask for waiver of any hire fees attached to the production of this pantomime as it was an excellent pastime for the children involved and did provide a very affordable night out for the community.

Yours sincerely,

Carol Pinkerton

Councillor Gilbert declared an in impartiality interest in the following item.  
Councillor Dean declared an in impartiality interest in the following item.

AGENDA NUMBER: 10.11  
SUBJECT: Proposed Recreation Centre Upgrade  
LOCATION/ADDRESS:  
NAME OF APPLICANT: Nannup Sport and Recreation Association  
FILE REFERENCE: REC 2  
AUTHOR: Shane Collie – Chief Executive Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 19 November 2009

Attachment: Initial Concept Plans – Nannup Sport and Recreation Association  
will be on display in the Council Chambers.

### **BACKGROUND:**

Council resolved in May 2009:

*“That Council invites the Sportsman’s Association to present the concept plans of the proposed Sportsman’s Centre (as tabled at the Sport, Leisure and Recreation Advisory Committee meeting) and give in principle support to the tabled concept plans subject to:*

*the acknowledgement that the current Recreation Centre will also require structural modification to accommodate appropriate area for spectators around the basketball court and –  
the committee’s recommendations out of the Jill Powell report being incorporated into the facility as follows:*

*That an appropriate child care and crèche facility be included into the re-design of the Recreation Centre.*

*Additional storage (including janitor), cool room and upgraded kitchen and associated facilities to allow for catering of large functions to be incorporated into the Recreation Facility.*

*Additional toilets (including disabled facilities), change rooms and showers are incorporated into the re-design of the Recreation Facility.*

*An undercover licensed area is incorporated into the re-design of the Recreation facility.*

*Additional external storage facilities is incorporated into the Recreation facility re-design.*

*That improved external lighting be incorporated into the re-design of the facility and car parking areas.*

*That provision for lighting stacks, portable lighting, additional 3 phase power and green room are included in an upgrade to the main stage in the Recreation Centre.*

*That the centre column on the main stage be removed.*

*That an administration office be included in the plans of the Recreation facility re-design.*

*Moving the Bowling Club/Green is not seen as a high priority by the Sport, Leisure and Recreation Advisory Committee however would like provision for services and activities to be allocated within the Recreation area.*

*That car parking lighting and external lighting be considered further in the planning process.*

*A landscape plan is developed to ensure maximized visibility of the oval.*

*A parking plan is developed to ensure smooth flow through of traffic for residents and visitors, ensuring safety of children at all times.*

*The open drainage issue is resolved.*

*That the proposed building design is aesthetically pleasing.*

*That the project consolidates existing assets for reasons of cost savings and efficiencies of servicing.*

*That there is a difference between licensed kitchen and bar areas."*

**COMMENT:**

The concept plans have not as yet been presented to Council. They were viewed 19 November 2009 and copies have been obtained and will be on display in the Council Chambers.

Through the Royalties for Regions – South West Regional Grants Scheme \$50,000 was offered to Council and accepted at Council's meeting of 27 August 2009 to undertake architectural design work for the proposed Nannup Recreation Centre precinct upgrade.

In consultation with the Nannup Sport and Recreation Association and individual user groups a Needs Analysis and Business Plan are in the process of being

finalised though they are not yet considered to be at the point where they are ready to submit to Council for endorsement. Likewise a draft Architect's Brief has been developed however again without some fundamental aspects of the project being confirmed it is not yet ready for submission to Council and ultimately for presentation to prospective architects. These documents were originally intended to be submitted at today's meeting.

The fundamental aspects of this project that Council needs to confirm before approaching architects are considered to be as follows:

1. Is the vision for the upgrade to encompass the whole of the Recreation reserve area, or just specifically the buildings. This is critical in the initial development of concept plans which would include the location of buildings and other recreation facilities.
2. Is the priority to concentrate on the upgrade of the existing building such as the present basketball court, or the proposed new building sought by the Nannup Sport and Recreation Association, or both. What is Council's view on the proposed new building?
3. Given that Council's prior resolution in the background to this report is weighted toward upgrading the existing premises, what is the capacity of patrons that Council is considering?
4. Is the management of the facility going to be undertaken by an external body such as the Nannup Sport and Recreation Association, unmanned or by Council staff?
5. Though Council has previously indicated by virtue of its May 2009 decision that moving the Bowling Club/Green is not seen as a high priority is it a matter that needs to be allowed for in the concept drawings.

It is requested that Council consider these issues and that some direction is provided which will enable an initial concept drawing to be undertaken by an Architect. The example of the Foreshore Park development is cited where this occurred very successfully where Council adopted a set of concept drawings in 2001 and gradually worked through stages as funding became available.

Other documents required to be completed such as the Architect's Brief, Needs Analysis/Business Plan will continue to be developed until finalised and ready for submission to Council.

Input from Council representatives involved with the Nannup Sport and Recreation Association will be of benefit in Council determining its direction on this matter. It is also acknowledged that there may be a number of drawings undertaken until a concept plan is finalised.

**STATUTORY ENVIRONMENT: Nil.****POLICY IMPLICATIONS: Nil****FINANCIAL IMPLICATIONS:**

As a guide the Architect's Brief for the TimeWood Centre was just over \$50,000 to develop plans for construction (excluding engineering and other specialist services). This initial component of the project being concept drawings would not be expected to be any more than \$10,000 and the cost is covered by the Royalties for Regions – South West Regional Grants Scheme \$50,000 accepted by Council in August 2009.

**STRATEGIC IMPLICATIONS:**

The upgrade of the Nannup Recreation Centre precinct is a priority project of Council as identified in the Forward Plan 2008/09-2012/13.

Forward Plan 2008/09 -2012/13: Program 11 Recreation & Culture B:

*"Develop plans/design and seek funding for upgrade to the Recreation Centre."*

**RECOMMENDATION:**

That in respect of the proposed Recreation Centre upgrade Council proceed to concept drawings for the overall site only at this stage, pending resolution of the fundamental components of the upgrade inclusive of but not limited to:

1. Identifying the entire Recreation Reserve area and plotting all buildings and facilities existing and proposed.
2. Confirming whether the new building proposed by the Nannup Sport and Recreation Association is to be included in the upgrade proposed.
3. Consideration be given to the estimated capacity of patrons in the premises proposed (existing and/or new).
4. Confirming at the earliest possible stage the preferred management model for the upgraded facilities.
5. Confirming if a Bowling Club/Green is to be part of the upgraded concept plan and if so where it could be located.

**8288 DEAN/MELLEMA**

That in respect of the proposed Recreation Centre upgrade Council proceed to Concept drawings on the overall site only at this stage inclusive of but not limited to identifying the entire Recreation Reserve area and plotting all buildings and facilities existing and proposed.

**CARRIED 8/0**

**8289 DEAN/GILBERT**

That in respect of the proposed Recreation Centre upgrade Council proceed to Concept drawings on the overall site only at this stage inclusive of the new building proposed by the Nannup Sport and Recreation Association.

**Procedural Motion****8290 DEAN/MELLEMA**

That the motion be put.

**CARRIED 8/0**

**The motion was put**

**CARRIED 7/1**

Councillors voting for the motion: Boulter, Dean, Camarri, Gilbert, Lorkiewicz, Mellema and Pinkerton.

Councillor voting against the motion: Dunnet.

**8291 LORKIEWICZ/DEAN**

That in respect of the proposed Recreation Centre upgrade Council proceed to Concept drawings on the overall site only at this stage inclusive of an estimated area in the new premises proposed of approximately 250m<sup>2</sup> and confirming at the earliest possible stage the preferred management model for the upgraded facilities.

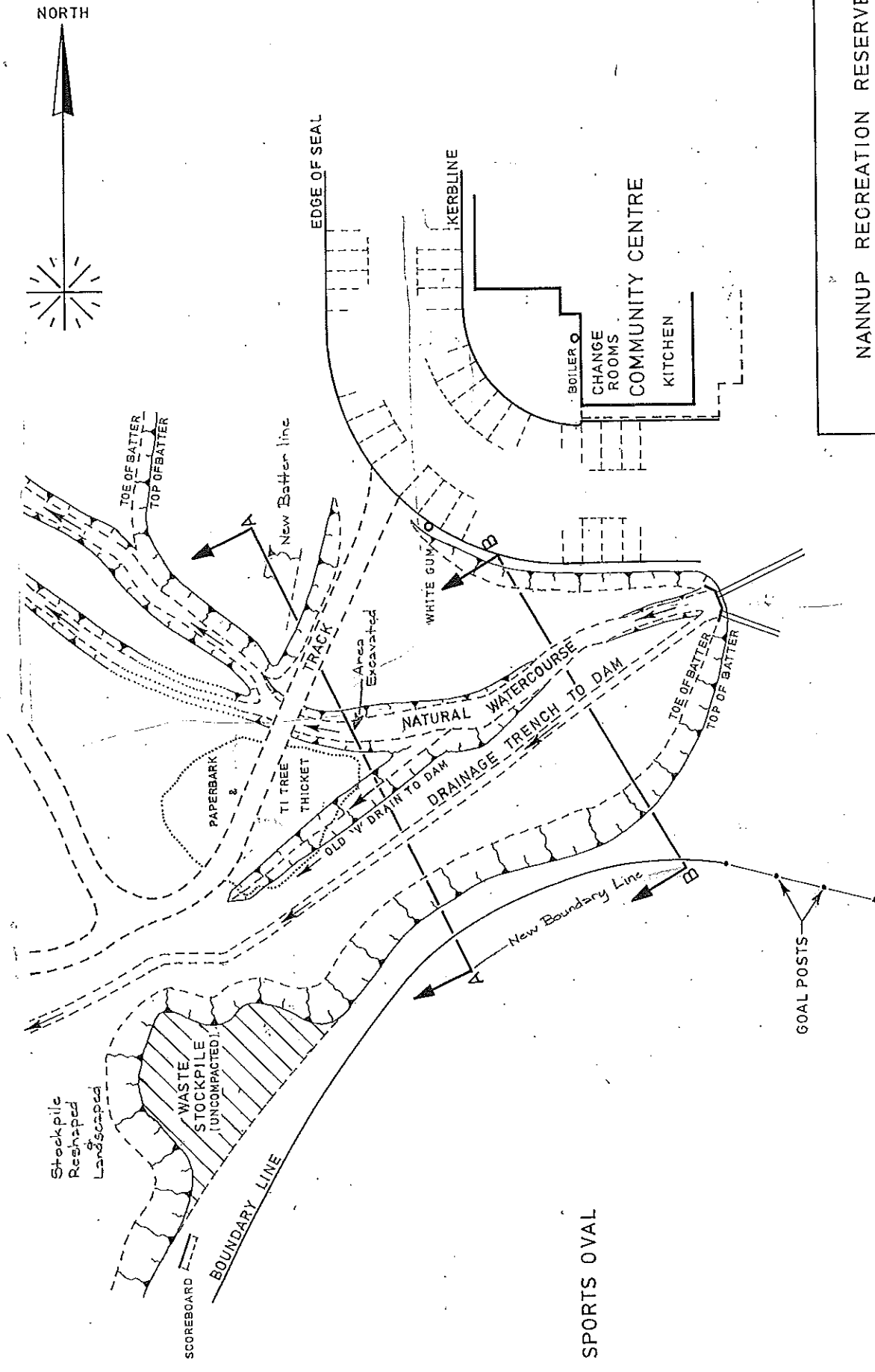
**CARRIED 8/0**

**8292 DEAN/LORKIEWICZ**

That in respect of the proposed Recreation Centre upgrade Council proceed to Concept drawings on the overall site only at this stage by including a Bowling Club/Green as to be part of the upgraded concept plan.

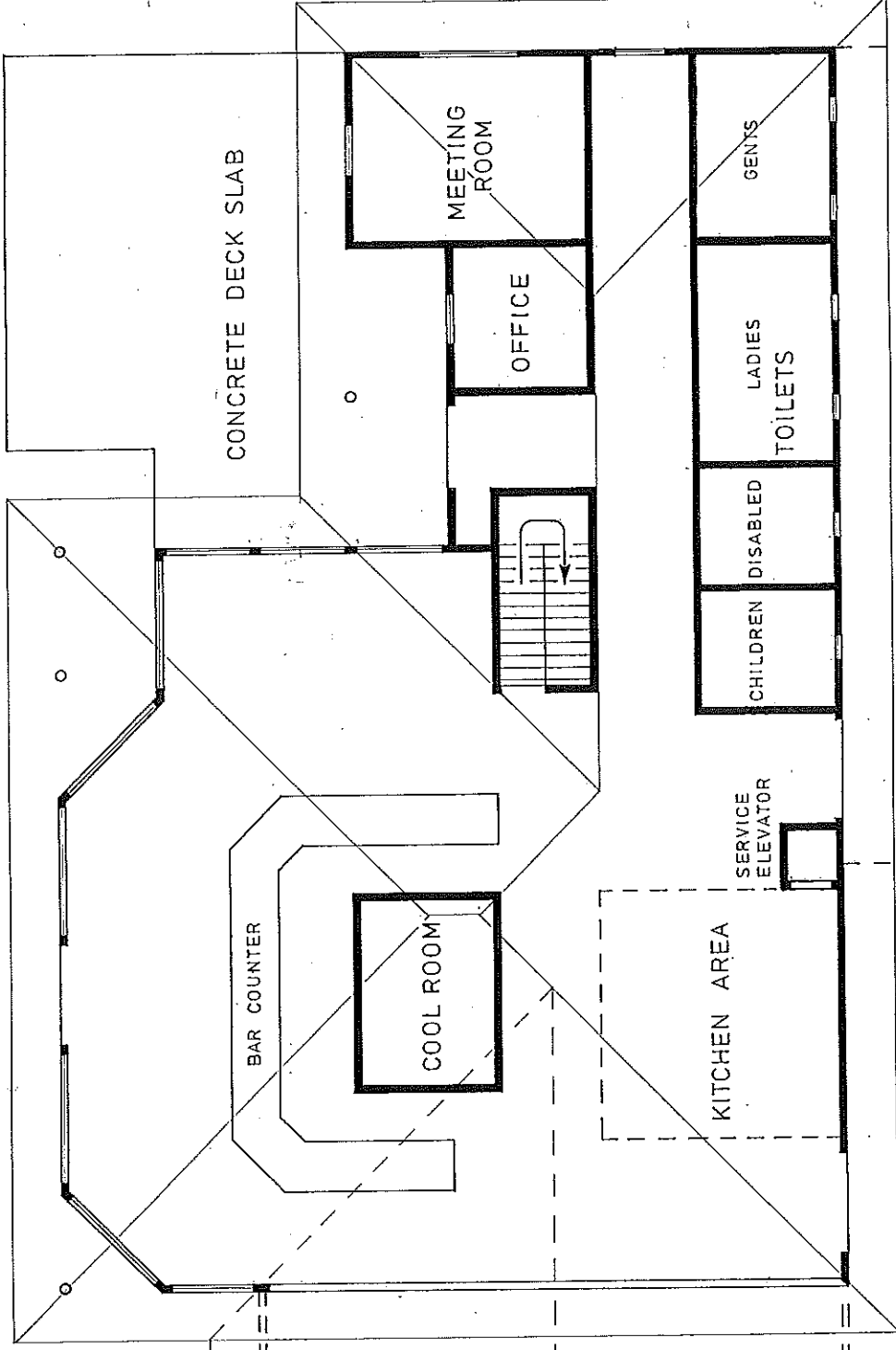
**CARRIED 8/0**

NANNUP RECREATION RESERVE  
FEATURE PLAN  
OF  
POSSIBLE CLUBHOUSE SITE  
SCALE 1:500 SURVEYED OCT 2004



STAGE 2

REED DECK AREA  
(MATCH TO EDGE OF OVAL)



DECK

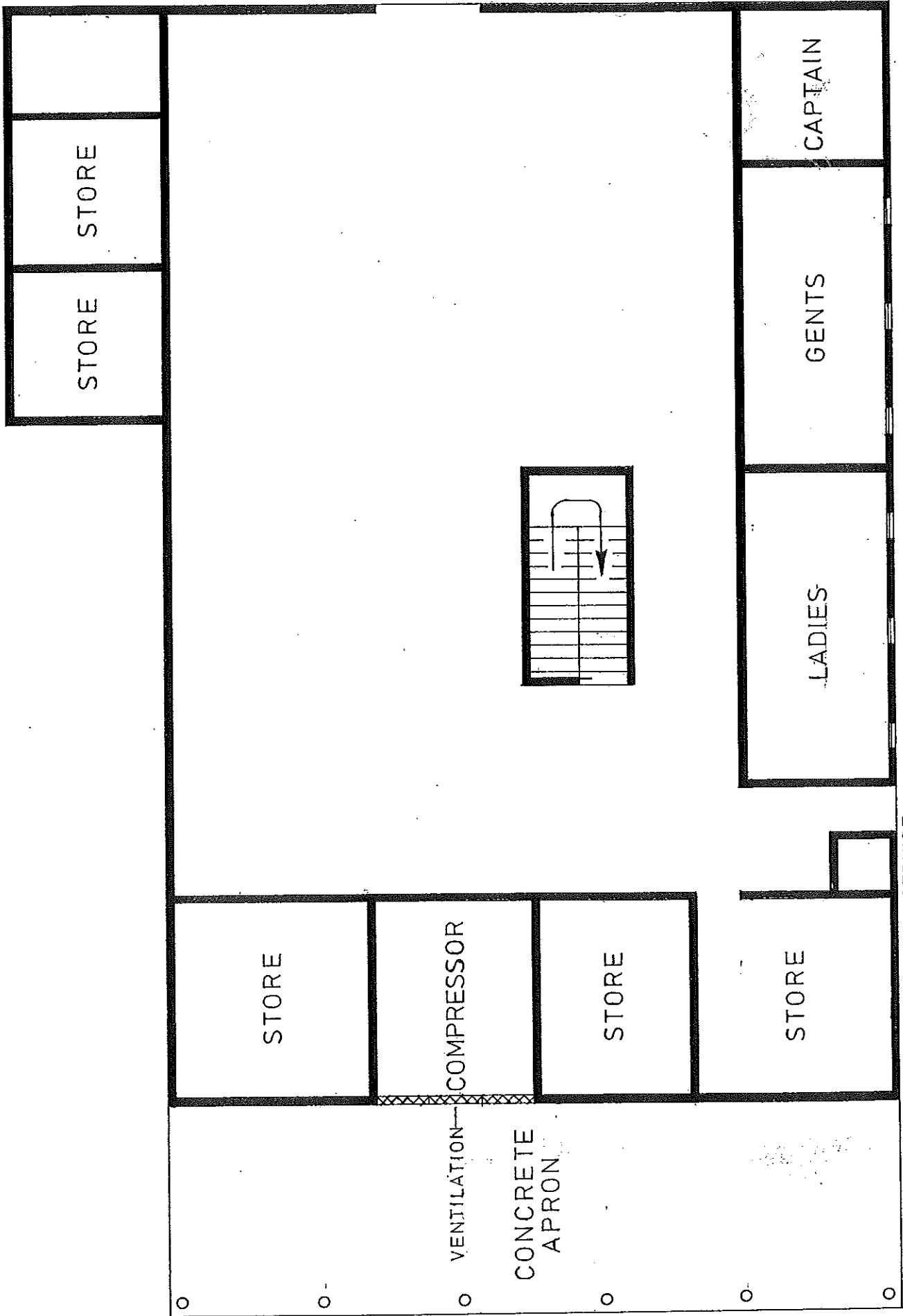
STAGE 2  
BUILDING EXTENSION

DECK

FUTURE BOWLS BALCONY

STAGE 2

STAGE 1



SERVICE  
ELEVATOR

The Manager Development Services returned to the meeting at 6.35pm.

AGENDA NUMBER: 10.12  
SUBJECT: Monthly Financial Statements for 31 October 2009  
LOCATION/ADDRESS: Nannup  
NAME OF APPLICANT:  
FILE REFERENCE: FNC 9  
AUTHOR: Craig Waddell – Manager Corporate Services  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 6 November 2009

Attachment: Monthly Financial Statements for the period ending 31 October 2009.

**COMMENT:**

The monthly Financial Statements for the period ending 31 October 2009 are attached.

**STATUTORY ENVIRONMENT:**

Local Government (Financial Management) Regulation 34 (1)(a).

**POLICY IMPLICATIONS:** Nil.

**FINANCIAL IMPLICATIONS:** Nil.

**STRATEGIC IMPLICATIONS:** Nil.

**RECOMMENDATION:**

That the Monthly Financial Statements for the period ending 31 October 2009 be received.

**8293 BOULTER/LORKIEWICZ**

That the Monthly Financial Statements for the period ending 31 October 2009 be received.

**CARRIED 8/0**

## SHIRE OF NANNUP

## STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2009 TO 31 OCTOBER 2009

	Y-T-D Actual	Y-T-D Budget	2009/10 Budget	Variances Y-T-D Budget to Actual %
<u>Operating</u>	\$	\$	\$	%
<b>Revenues/Sources</b>				
Governance	0	0	0	0%
General Purpose Funding	1,124,323	1,096,676	807,500	3%
Law, Order, Public Safety	20,447	22,600	89,690	(10%)
Health	622	664	2,000	(6%)
Education and Welfare	5,486	0	0	0%
Housing	10,156	10,308	30,940	(1%)
Community Amenities	70,972	74,060	82,400	(4%)
Recreation and Culture	10,869	1,464	1,691,742	642%
Transport	384,474	1,592,052	5,367,683	(76%)
Economic Services	9,954	5,664	17,000	76%
Other Property and Services	13,807	8,332	25,000	66%
	<u>1,651,110</u>	<u>2,811,820</u>	<u>8,113,955</u>	<u>(41%)</u>
<b>(Expenses)/(Applications)</b>				
Governance	(69,338)	(85,057)	(240,234)	(18%)
General Purpose Funding	(44,643)	(47,864)	(146,284)	(7%)
Law, Order, Public Safety	(59,027)	(48,132)	(212,889)	23%
Health	(10,547)	(10,844)	(32,970)	(3%)
Education and Welfare	(36,523)	(40,189)	(110,196)	(9%)
Housing	(5,575)	(12,286)	(46,556)	(55%)
Community Amenities	(91,379)	(177,312)	(510,493)	(48%)
Recreation & Culture	(163,347)	(195,447)	(626,026)	(16%)
Transport	(308,688)	(228,506)	(2,107,877)	35%
Economic Services	(41,269)	(75,071)	(230,376)	(45%)
Other Property and Services	31,580	10,028	(21,017)	215%
	<u>(798,756)</u>	<u>(910,680)</u>	<u>(4,284,918)</u>	<u>(12%)</u>
<b>Adjustments for Non-Cash</b>				
<b>(Revenue) and Expenditure</b>				
(Profit)/Loss on Asset Disposals	0	0	2,861	0%
Depreciation on Assets	469,890	431,594	1,782,936	9%
<b>Capital Revenue and (Expenditure)</b>				
Purchase Land and Buildings	(112,867)	(3,328)	(2,286,404)	3291%
Purchase Infrastructure Assets - Roads	(155,668)	(485,052)	(4,906,000)	(68%)
Purchase Plant and Equipment	(29,418)	(146,664)	(495,400)	(80%)
Purchase Furniture and Equipment	(1,216)	0	(12,500)	0%
Proceeds from Disposal of Assets	34,842	58,332	211,000	(40%)
Repayment of Debentures	(1,172)	(6,452)	(19,375)	(82%)
Proceeds from New Debentures	0	0	449,209	0%
Leave Provisions	136,165	136,165	136,165	0%
Depreciation - Plant Reversal	0	0	(56,542)	0%
Accruals	23,728	23,728	23,728	0%
Transfers to Reserves (Restricted Assets)	0	0	(265,000)	0%
Transfers from Reserves (Restricted Assets)	0	0	620,500	0%
<b>ADD</b> Net Current Assets July 1 B/Fwd	87,271	87,271	87,271	
<b>LESS</b> Net Current Assets Year to Date	2,274,008	0	0	
<b>Amount Raised from Rates</b>	<u>(970,099)</u>	<u>1,996,734</u>	<u>(898,514)</u>	

# SHIRE OF NANNUP

## STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2009 TO 31 OCTOBER 2009

	2009/10 Actual \$	Brought Forward 01-July-2009 \$
<b>NET CURRENT ASSETS</b>		
<b>Composition of Estimated Net Current Asset Position</b>		
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	2,272,155	327,890
Cash - Restricted	118,754	1,662,903
Cash - Reserves	907,622	900,232
Receivables	381,187	325,478
Inventories	0	0
	<u>3,679,718</u>	<u>3,216,503</u>
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	<u>(379,334)</u>	<u>(566,097)</u>
	3,300,384	2,650,406
Less: Cash - Reserves - Restricted	(1,026,376)	(2,563,135)
<b>NET CURRENT ASSET POSITION</b>	<u><u>2,274,008</u></u>	<u><u>87,271</u></u>

## **SHIRE OF NANNUP**

### **STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD 1 JULY 2009 TO 31 OCTOBER 2009**

#### **REPORT ON MATERIAL VARIANCES BETWEEN YEAR TO DATE BUDGET ESTIMATE AND YEAR TO DATE ACTUAL.**

All except nine of the variances shown in the above named statement of financial activity are outside of the adopted variance of 10%.

The main reason for the variances is that expenditure and income is not occurring as predicted by Officers during the budget development stage. This is due to a number of reasons, the main one being not accurately projecting cashflows throughout the year, i.e. predicting when the budgeted income or expenditure will occur as opposed to when it actually occurs. Other reasons are not receiving a grant for grant dependant expenditure, projects controlled by Advisory Committees, suppliers/contractors not having the capacity to undertake the works within Council's timeframes, altered Council priorities, etc.

The following provides the major reasons for the programs that have variances outside of the adopted variance:

#### **REVENUE:**

Recreation and Culture: An accrual for a grant for the refurbishment of the Town Hall chairs (\$10,000) has not been received when anticipated. Two grants for outdoor gym equipment (\$10,400) and bicycle racks (\$7,710) were not budgeted for.

Transport: Income from various Main Roads WA grants not received as predicted in budgeting process (\$1,208,000). Income from Sale of Assets not received as budgeted.

Economic Services: Received more fees for building licenses and sale of material than predicted in budgeting process (\$4,300).

Other Property and Services: Received more Private Works income than budgeted for (\$5,500).

#### **EXPENDITURE**

Governance: Councillor allowances (\$13,000) and conference expenses (\$3,000) expended not as predicted in budgeting process.

Law, Order and Public Safety: Insurance for various Bush Fire Brigade related categories more than predicted in budgeting process(\$10,000).

Housing: Maintenance expenditure not undertaken as predicted through the budget process (\$6,000).

Community Amenities: Expenditure not occurring as predicted in budgeting process in the areas of Contractors Collection Fees (\$4,000), Parking Strategy (\$8,000), Town Planning Scheme (-\$5,000), Town Planning services (\$40,000), Administration expenses (\$10,000), rubbish site maintenance (\$11,000), community infrastructure plan (\$5,000) and cemetery operations (\$7,000).

Recreation and Culture: Maintenance expenditure undertaken in Town Hall and Recreation Centre (\$39,000) not undertaken as scheduled through the budget process.

Transport: Expenditure not occurring as predicted in budgeting process in the area local road maintenance (\$80,000).

Economic Services: Expenditure not occurring as predicted in budgeting process in the areas of functions and events (\$6,000), salaries (\$10,000) and caravan parks and camping grounds (\$22,000).

Other Property and services: Recovery of expenses via Public Works Overheads and Plant Operating Costs not occurring as budgeted.

## **OTHER ITEMS**

Purchase Land and Buildings: Expenditure not occurring as predicted in budgeting process in the areas of co location building (\$22,000), foreshore Park and Balingup Rd Caravan Park ablution blocks (\$83,000) and depot construction (\$3,000).

Purchase Infrastructure Roads: Expenditure not occurring as predicted in budgeting process in the areas of Council Road Program (\$51,000), Mowen Road (\$34,000), MRWA bridge program (\$68,000), Balingup Rd blackspot (\$80,000) and TIRES projects (\$95,000).

Proceeds From Disposal of Assets: Sale of plant not occurring as budgeted (\$24,000).

Repayment of Debentures: Expenditure not occurring as predicted in budgeting process (\$5,000).

AGENDA NUMBER: 10.13  
SUBJECT: Acceptance of Shire of Nannup Annual Report 2008/09  
LOCATION/ADDRESS:  
NAME OF APPLICANT:  
FILE REFERENCE: ADM 17  
AUTHOR: Craig Waddell - Manager Corporate Services  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 6 November 2009

Attachment: Annual Report 2008/09 is included as a separate document with this agenda.

#### **BACKGROUND:**

Section 5.53 (1) of the Local Government Act 1995 stipulates that a Local Government is to prepare an Annual Report for each financial year. Council has delegated (Delegation 10) that task to the Chief Executive Officer and the Annual Report has been provided to Council members under separate cover and formed the basis of the Audit Committee meeting held earlier today.

#### **COMMENT:**

The Annual Report for the Shire of Nannup for the financial year 2008/09 will be circulated to members prior to the Audit Committee meeting scheduled to be prior to today's Council meeting. The Annual Report contains all statutory information required including the Annual Financial Statements for the year under review and will also form the main document for scrutiny at Council's Annual Electors Meeting.

#### **STATUTORY ENVIRONMENT:**

Section 5.54 (1) of the Local Government Act 1995 deals with the acceptance by Council of the Annual Report.

Section 5.27(2) states that a general meeting of electors is to be held on a day selected by the local government, but not more than 56 days after the local government accepts the annual report for the previous financial year. At least 14 days local public notice must be given for the holding of the meeting.

It is proposed to hold the Annual Electors Meeting at 6.00pm Monday 14 December 2009. This assumes the Annual Report is accepted at today's meeting.

An advertisement informing electors of the proposed timing of the Electors meeting has been prepared for The West Australian which will meet the statutory

requirement of the advertising period. It will also be placed in Nannup Telecentre Telegraph and the Busselton Margaret River Times and appropriate notices will be posted throughout the Townsite.

**POLICY IMPLICATIONS: Nil.**

**FINANCIAL IMPLICATIONS: Nil.**

**STRATEGIC IMPLICATIONS: Nil.**

**RECOMMENDATIONS:**

1. That Council accept the Annual Report for the Shire of Nannup for the financial year 2008/09 per section 5.54 (1) of the Local Government Act 1995.
2. That Council hold its Annual Electors Meeting on Monday 14 December 2009 in the Shire Function Room commencing at 6.00 pm.

**8294 CAMARRI/DEAN**

1. That Council accept the Annual Report for the Shire of Nannup for the financial year 2008/09 per section 5.54 (1) of the Local Government Act 1995.
2. That Council hold its Annual Electors Meeting on Monday 14 December 2009 in the Shire Function Room commencing at 6.00 pm.

**CARRIED 8/0  
BY AN ABSOLUTE MAJORITY**



# Shire of Nannup

Annual Report  
for  
2008/2009

# SHIRE OF NANNUP ANNUAL REPORT FOR 2008/2009

## CONTENTS

	Page
TABLE OF CONTENTS	1
INTRODUCTION	2
SHIRE PRESIDENT'S REPORT	3
SHIRE COUNCILLORS	5
BRIEF BACKGROUND ON NANNUP	6
COUNCIL STRUCTURE AND GENERAL FUNCTION	6
VISION STATEMENT	7
MISSION STATEMENT	7
VALUES	7
ORGANISATIONAL STRUCTURE	8
CHIEF EXECUTIVE OFFICER'S REPORT	9
DEVELOPMENT SERVICES REPORT	10
WORKS AND SERVICES REPORT	12
YOUTH AND COMMUNITY DEVELOPMENT REPORT	13
FINANCING OF NANNUP SHIRE	16
STATUTORY COMPLIANCE REPORT	16
ANNUAL FINANCIAL REPORT	(REMAINING PAGES – SEPARATELY NUMBERED)

## INTRODUCTION

Council's Annual Report is presented in a format which allows for the presentation of a user friendly, informative document. There are a number of statutory requirements that must be included in the report.

The statutory requirements of a local government's annual report are as follows:

The annual report is to contain:

- a. a report from the mayor or president;
- b. a report from the CEO;
- c. deleted (Local Government Act 1995).
- d. deleted (Local Government Act 1995).
- e. an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or continue in the next financial year
- f. the financial report for the financial year;
- g. such information as may be prescribed in relation to the payments made to employees;
- h. the auditors report for the financial year;
- ha. A matter on which a report must be made under section 29 (2) of the *Disability Services Act 1993*;
- hb. Information on complaints per Section 5.121 of the Local Government Act 1995. (This was nil for Nannup in the year under review).
- i. such other information as may be prescribed.

In meeting the above statutory requirements the following report should also be the provider of relevant, understandable information regarding the Shire of Nannup's activities for the financial year 2008/09.



**SHANE COLLIE**  
**CHIEF EXECUTIVE OFFICER**

## **SHIRE PRESIDENT'S REPORT REPORT 2008/2009**

I take pleasure in presenting to you the Shire President's Annual Report for the year 2008/09.

The year has been a mixed year for the Shire. The Shire had a busy year with infrastructure planning and road construction projects.

Mowen Road construction started in earnest at the Nannup end with 7km of bitumen being completed and the road verges cleared from Nannup to Sues Road. A substantial gravel stockpile has been achieved for future construction over the next few years. Work also commenced on Pneumonia Road which will in future be the only eastern access into Lake Jasper and Jasper Beach as the bridge over the Donnelly River will soon be closed as it reaches the end of its useful life with no bridge funding to replace it.

The "new" Revelly Bridge on Agg Rd was finally opened in May 2009. This saw the culmination of a rationalisation of having two bridges merge into one. Dudinalup and Revelly bridges were demolished and one bridge built beside where the old Revelly road bridge was to serve both communities. Council then had to find funding to upgrade the road to Dudinalup which runs parallel to the river to service the Brockman families.

Jalbarragup Bridge saw funds from the Auslink programme added to the target funds and the geotechnical work is completed but as yet insufficient funds have been accumulated to start work on the bridge.

The TimeWood Centre received a set back when planning approval could not be granted as flood mitigation measures, water pressure for the fire hydrants and heritage issues could not be satisfactorily resolved. Council decided on a redesign of the plans and an architect was appointed to oversee the redesign. Twenty two architects applied for the job and the TimeWood Centre committee went through a rigorous process of selection and Council appointed the firm MCG Architects.

The architect is confident that the flooding issue can be resolved as well as the other issues of streetscape and water hydrant pressure issues can also be resolved.

The Nannup Town hall improvements were finished and we now have a much more useful building that provides shelter and shade to help with festivals and event organisation.

The Minister for Local Government has told councils that they have to consider proposals for amalgamation or boundary realignments for the more efficient delivery of services to our communities. Council has been in attendance at many workshops and have commissioned consultants to look at whether there are benefits and cost savings for the Nannup community if they were to be amalgamated with one or more of our

neighbouring shires. This will be submitted to Council and the final decision for Nannup will be delivered to the minister by next August.

The Music Festival and the August Flower and garden Festivals were very successful and attracted large crowds.

There were no council elections this year and no changes to the number of elected members.

Once again I wish to thank the councillors who give up their time to make valued decisions and directions for their community's well being and our CEO Mr Shane Collie who has the job of overseeing the smooth running of the whole of the Nannup Shire. Thanks again to the staff who formulate the plans and policies that enable us to deliver infrastructure and services to the community and provide a friendly face for the public.

I would especially like to thank Margaret Bird who has been my deputy and will be retiring at the next elections in October.

I also wish to thank the outside work force for their work in making our gardens look great, constructing and maintaining our roads and playgrounds.

I look forward to leading Council for the year ahead and will continue to serve the community to meet the many challenges that lie ahead of us in matching community needs and wishes to the available funds that we have.

**CR BARBARA DUNNET  
SHIRE PRESIDENT**

## **NANNUP SHIRE COUNCILLORS 22 OCTOBER 2009**

SHIRE PRESIDENT:	Cr Barbara Dunnet
WARD:	South
RETIRING:	2013
ADDRESS:	PO Box 155 Nannup WA 6275
PHONE:	9758 2238 Fax 9758 2308
DEPUTY SHIRE PRESIDENT:	Cr Stephanie Camarri
WARD:	North
RETIRING:	2011
ADDRESS:	RMB 360 Cundinup Road Nannup WA 6275
PHONE:	9756 2011 Fax 9756 2123
COUNCILLOR:	Cr Charles Gilbert
WARD:	Central
RETIRING:	2013
ADDRESS:	17 Adam Street Nannup WA 6275
PHONE:	Ph/Fax 9756 1184
COUNCILLOR:	Cr David Boulter
WARD:	North
RETIRING:	2009
ADDRESS:	PO Box 94 Nannup WA 6275
PHONE:	Ph/Fax 9756 1093
COUNCILLOR:	Cr Carol Pinkerton
WARD:	Central
RETIRING:	2011
ADDRESS:	PO Box 40 Nannup WA 6275
PHONE:	Ph/Fax 9756 1363
COUNCILLOR:	Cr Tony Dean
WARD:	Central
RETIRING:	2011
ADDRESS:	Lot 139 Vasse Highway Nannup WA 6275
PHONE:	Ph/Fax 9756 0680
COUNCILLOR:	Cr Robin Mellema
WARD:	North
RETIRING:	2013
ADDRESS:	PO Box 9 Nannup WA 6275
PHONE:	Ph/Fax 9756 1156
COUNCILLOR:	Cr Joan Lorkiewicz
WARD:	South
RETIRING:	2011
ADDRESS:	East Nannup Road
PHONE:	Ph/Fax 9756 1129

## **BRIEF BACKGROUND ON NANNUP**

The Shire of Nannup covers over 3,000 square kilometres, and encompasses the localities of Nannup, Donnelly River, Bidellia, Carlotta, Cundinup, Scott River, Lake Jasper, Darradup, Barrabup, Nannup Brook and East Nannup with a total population of 1,260 (2006 Estimated Residential Population).

Nannup is situated 288km south of Perth, and is geographically in the centre of the South West. Nannup caters for most sporting and outdoor adventure enthusiasts offering basketball, netball, multi purpose skate park, walk trails, golf course, football club, tennis, canoeing, cricket, horse riding, 4WD tracks, beach and trout fishing. National Parks and State Forest are a prominent feature in the Shire being a significant tourist attraction for the region.

Nannup hosts several significant local events including the Nannup Music Festival, Flower and Garden Festival, Blackwood Power Boat Marathon and Forest Car Rally. Nannup boasts a variety of successful industries including beef cattle, horticulture, tourism, arts and crafts, floriculture, aquaculture, viticulture and timber processing.

Nannup has a long history with the predominant industries for many years being timber and agriculture. Recent diversification has seen this diluted somewhat with cottage type industries and tourism increasing.

## **COUNCIL STRUCTURE AND GENERAL FUNCTION**

The Shire of Nannup has three wards being North, Central and South. The North and Central Wards have three Council representatives and the South Ward two. This is in line with the number of electors in each Ward. Council elects the Shire President.

The general function of Council as provided in the Local Government Act of 1995 is to provide for the good government of people in the district. This is done through statutory methods, policy and community consultation, in order to apply the finances and resources of the Shire in the most appropriate manner.

The Shire of Nannup has common boundaries with the Shires of Busselton, Manjimup, Augusta-Margaret River, Bridgetown/Greenbushes and Donnybrook-Balingup. The Shire though small in population, is unique in its diversity and location. With 85% of the district National Park, Conservation Reserves or State Forest there is an ongoing battle to raise revenue with a small rate base and increasing demands on resources.

## **VISION STATEMENT**

“To foster a community that acknowledges its heritage, values and lifestyles whilst encouraging sustainable development.”

## **MISSION STATEMENT**

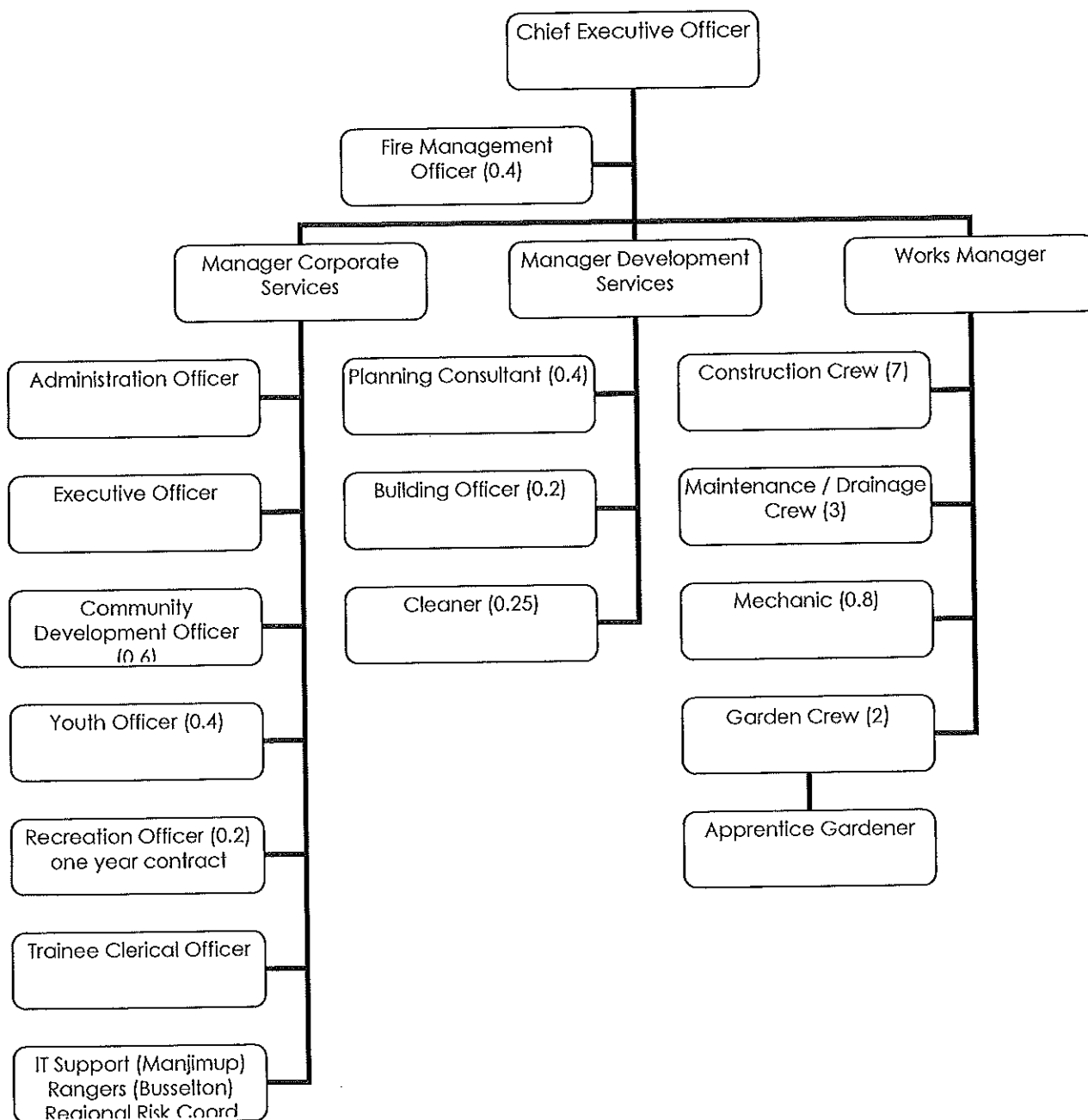
“The Shire of Nannup will deliver quality services, facilities and representation in order to achieve our Vision”

## **VALUES**

We will promote and enhance the following values in all our relationships with our community ...

- **Honesty** ... in our dealings
- **Integrity** ... in our actions
- **Consistency** ... in decision making
- **Teamwork** ... in our operations
- **Respect** ... for others and their decisions
- **Caring** ... for people in our community
- **Commitment** ... to decisions and roles
- **Responsive** ... to the needs of others
- **Effective communication** ... with all

# Shire of Nannup Organisational Chart as at 30 June 2009



## **CHIEF EXECUTIVE OFFICER REPORT**

The change in State Government in late 2008 saw the political landscape change in so far as local government in Western Australia is concerned. The new Minister for Local Government the Hon. John Castrilli made it clear that he was intending to embark on a reform process for local government and the formal announcement of this occurred in March 2009. While respecting the right to do this many local governments and their representative body, the WA Local Government Association, were effectively curtailed in continuing with the Systematic Sustainability Study that had commenced a few years prior.

The Minister has continued on with his agenda which a clear intent to reduce local governments, reduce elected member numbers and strive for perceived efficiencies that he believes the local government sector can achieve. This most important of issues continues on into 2009/10 and no doubt further. The Nannup Shire has submitted that it wishes to continue as an autonomous local government.

2008/09 saw Council successfully undertake the first stage of major road construction on Mowen Road. This project has been many years coming and the community finally has a high quality sealed road from the Nannup townsite to the entrance of the popular swimming/recreation area of Barrabup Pool. The works will continue commensurate with funding up until the job is completed at Sues Road. This project saw Council's turnover increase by a significant amount which is reflected in the attached document which compares this council with others of a like size and demographic.

Council also completed and adopted a site specific Coastal Management Plan for the south coast area of the shire. This plan was the culmination of a number of years' work and should serve Council well into the future in managing development at the south coast. Coupled with a new Local Planning Scheme Council is well positioned to manage sustainable development in the shire and in particular the coastal area.

Other initiatives undertaken throughout the year included the following in brief:

- Community Planning Day held 14 March 2009.
- Redesign of the Nannup TimeWood Centre
- Strategic and Organisational Review
- Securing of funding for Fire Management Officer
- Completion of Agg Road (Revelly) Bridge

Council continues to perform well financially with sound reserve investments, little debt and a positive end of financial year position. These key financial indicators were positively emphasised in recent regional reports which portrayed other shires as less attractive financially if mergers were to be considered. Of concern though is Council's level of rating which has been highlighted as being below capacity overall and disproportionate across the various rating category areas. Council is looking at establishing a rates committee to look into this matter.

With the economy at the global and Federal level receding there were many external funding opportunities made available to local governments and Nannup was no exception. The Royalties for Regions program will provide significant funding to this and other regional shires for at least the next three years and Council will have some challenges in allocating these funds. Major infrastructure will be the key target and projects such as upgrading the Recreation Centre and the drainage in the main street have attracted priority attention in this regard.

I would like to welcome Mr Ewen Ross to the position of Manager Development Services who commenced employment with Council in January 2009, taking over from Mr Leigh Guthridge. Leigh left Council's employment after ten years in a very demanding position and sincere thanks are extended.

I would like to take this opportunity to thank Shire President Cr Barbara Dunnet, outgoing Deputy Shire President Cr Margaret Bird who did not seek renomination for Council in October 2009, and all other elected members who volunteer their time on an ongoing basis to see the betterment of the Nannup community.

A handwritten signature in black ink, appearing to read 'Shane Collie', with a stylized, cursive script.

**SHANE COLLIE**  
**CHIEF EXECUTIVE OFFICER**

No two local governments are the same and accordingly staffing structures will vary between shires. However, there is often similarity in hierarchies and the shire's organisational structure and level of staffing is not dissimilar to other local governments of similar size. A comparison of shires and staffing levels is included in the following table:

#### COMPARISON OF 30 SELECTED SHIRES

SHIRE OF	AREA km2	SEALED ROADS km	UNSEALED ROADS km	POP'N	ELECTORS	RATES \$	TOTAL REVENUE \$	EMPLOYEES
<b>Nannup</b>	<b>2953</b>	<b>156</b>	<b>406</b>	<b>1192</b>	<b>1045</b>	<b>825,000</b>	<b>11,227,000</b>	<b>23.45</b>
Beverley	2310	241	516	1562	1785	1,896,000	3,953,000	25
Boddington	1900	102	184	1379	942	1,199,000	3,751,000	22.5
Boyup Brook	2838	210	788	1480	1158	1,604,000	4,063,000	27
Brookton	1626	203	440	978	701	1,026,000	6,211,000	26
Broomehill- Tambellup	2813	272	754	1137	843	1,303,000	4,771,000	26
Bruce Rock	2772	496	763	950	722	856,000	4,416,000	35
Carnamah	2835	167	469	749	432	994,000	4,340,000	24
Coorow	4137	301	662	1199	1161	1,925,000	4,663,000	28
Cranbrook	3390	345	762	1062	767	1,523,000	3,796,000	27
Cunderdin	1872	376	466	1250	895	1,192,000	3,314,000	21
Dowerlin	1867	196	773	702	570	691,000	3,375,000	25
Dumbleyung	2553	231	799	632	522	963,000	4,408,000	24
Goomalling	1845	219	470	935	754	1,114,000	4,153,000	29
Kellerberrin	1852	229	710	1183	880	950,000	3,305,000	25
Kent	6552	230	1200	574	480	1,366,000	4,530,000	23
Kondinin	7340	280	1189	968	686	1,402,000	7,105,000	27
Koorda	2662	245	840	430	327	668,000	3,256,000	19
Kulin	4790	294	1310	881	735	1,269,000	4,264,000	34
Mingenew	1927	191	327	471	365	884,000	2,929,000	18
Morowa	3528	195	850	824	496	889,000	3,644,000	24
Narembeen	3821	290	1150	906	628	1,085,000	4,475,000	27
Narrogin	1618	169	568	829	617	536,000	2,398,000	19
Pingelly	1223	203	384	1168	850	973,000	2,978,000	23
Quairading	2000	288	654	1022	750	1,148,000	2,317,000	26
Three Springs	2629	179	593	664	522	1,050,000	5,631,000	18
Victoria Plains	2563	230	586	903	789	1,628,000	3,665,000	17
West Arthur	2850	190	664	858	648	1,112,000	2,836,000	21
Wickepin	1989	157	717	716	533	973,000	4,301,000	20
Williams	2295	166	388	863	689	1,018,000	2,289,000	23
<b>Average of 30 selected shires</b>	<b>2845</b>	<b>235</b>	<b>679</b>	<b>949</b>	<b>743</b>	<b>1,135,400</b>	<b>4,212,133</b>	<b>24.2</b>

Source: WA Local Government Directory 2006/07, Australian Bureau of Statistics Census 2006 & respective published budgets

#### Comment

Whether the shire's staffing levels and staff mix is in line with what needs to be achieved will depend on the core business (statutory and discretionary) the council wishes to undertake and the level of service delivery proposed.

Clearly a limited budget and available staff resources will restrict council's service delivery. In a small rural local government recruitment into some specialized professions can be difficult and all staff including the chief executive officer and managers have to be "hands-on" and generally don't have the luxury of being able to delegate to subordinates. This restriction then often results in an unusual grouping of roles under one department whereas in a larger organisation there may be four or five separate departments/divisions where similar roles can be more closely aligned.

## **DEVELOPMENT SERVICES REPORT**

The Development Services area includes the majority of regulatory services (Environmental Health, Town Planning, and Building Control) together with projects, waste management and the maintenance of Council's building assets. The staff includes the Manager Development Services, Building Surveyor (0.1 FTE), Cleaner (0.5 FTE) and a range of consultants and contractors. During the year there was a staff change of manager, with Leigh Guthridge being replaced by Ewen Ross and the cleaner Janet being replaced by Kellie Pola.

### **Town Planning**

Planning is consuming the bulk of resources in this area with significant work during the year including:

- Embedding the Local Planning Scheme (LPS) No 3,
- Implementing the Augusta to Walpole Coastal Strategy,
- Processing nine scheme amendments with the "Folly" rezoning being the most significant and the "Health Retreat" attracting considerable public interest.
- Continuing submissions for subdivision with "Askino" being significant.
- Planning Approvals have increased with all property development being assessed for planning approval as required under the LPS. The most significant planning approval has been "Verve Energy Milyeannup Wind Farm".

In the planning area the expectation of development is increasing with further delegation of built subdivision to local government and indications that there will be a more streamlined approval process that enhances development. This area is a high risk to Council as it influences future development. Council is accepting a considerable risk with historically there being limited strategic planning occurring and the implementation of planning policy has also been limited due to operational demands. The need for an appointment of a specific planning officer to Nannup has been recognised by Council and is to be implemented in 2009/10.

### **Environmental Health**

Due to resources the inspection of food premises has been limited. Prioritisation has been to food recalls and advice on request.

The Food Act and Regulations are now in force and the expectation is that all food manufactures are to comply with the Australia New Zealand Food Standards Code. This provides for a hazard analysis approach requiring food manufactures to provide a food safety plan and that the premises comply with the recommended solutions with regards the risks identified within the food safety plan.

The trend has been for more responsibility to be placed on local government. An example of this is inspection and approval of food manufactured on residential premises which is now to be inspected and approved by local councils.

## Building Control

Building is being carried out through the employment of a building surveyor one day a fortnight. This area is growing and becoming more demanding through the increased density of housing now in Nannup and the growth within Western Australia.

Serial	Number	Activity	Cost
1	16	New Dwelling	\$3,464,624
2	24	New building under \$100K	\$862,876
3	3	Convert Shed	\$159,000
4	2	Ablutions	\$290,400
5	6	New shed/garage	\$128,629
6	16	Additions/extensions	\$1,228,466
7	3	Commercial	\$133,083
8	2	Demolitions	
9	63	Total	\$6,267,078

## Building Maintenance

The key maintenance items addressed during the year was the repainting of the Brockman Street Ablution Block (Internal), completion of the additions to the Town Hall and refurbishment of the Town Hall bench seats.

## Projects

The main project undertaken is the construction of ablution blocks at the Riversbend Caravan Park and Camping Ground and the toilets at the Foreshore Park. These were 50% completed and will be commissioned next financial year.

**EWEN ROSS**  
**MANAGER DEVELOPMENT SERVICES**

## **WORKS & SERVICES REPORT**

Staff changes have been minimal in 2008/09 with only one staff change. Staffing levels were 11 fulltime outside employees, two full time gardeners, one apprentice gardener and a part time plant mechanic.

Nannup – the Garden Village theme has continued with the ongoing purchase of tulip and daffodil bulbs. Nearly 12,000 tulip bulbs and 3,000 daffodil bulbs were planted in support of this years Flower and Garden Festival. New garden beds have also being established in town.

The construction of 7kms of Mowen Road and the clearing of a further 23kms was Council's works crew major project. Final sealing of Cundinup West Road 7kms and Milyeannup Coast Road 9kms were also completed. Gravel sheeting was carried out on numerous gravel roads.

The establishment of a large gravel stockpile at Six Mile Road occurred including rehabilitation. This resource was a new approach to gravel winning in the South West and completed with assistance and advice from The Department of Environment and Conservation.

Council's plant replacement program included the replacement of Council's Front End Loader and a utility.

**CHRIS WADE  
WORKS MANAGER**

## COMMUNITY DEVELOPMENT REPORT

Community consultation, development of major projects and implementing initiatives of the Community Planning Day have been the priorities of the past year.

Community Consultation has included the facilitation of a Community Planning Day in March and subsequent workshops, Advisory Committee reports to Council including: TimeWood Centre, Foreshore Park, Functions and Events, Sport, Leisure and Recreation and Streetscape. 'Cuppa with a Councillor' has been initiated and an email newsletter is sent out monthly with details of upcoming local activities and events.

Involvement in the three major projects of Council: TimeWood Centre project, the development of a child care and day care service and the proposed Recreation Centre upgrade has included assistance in developing strategic and business plans, community consultation and funding submissions.

A Senior's activity and recreation program has been implemented in conjunction with community organisations and individuals as an initiative of the Community Planning Day.

Event Management plans and documentation has been reviewed and updated to ensure that compliance with governance is not onerous for small events, whilst meeting the risk management needs of Council.

Nannup hosted an overnight stay for cyclists as part of the Bicycle Victoria Western Australian 'Great Escapade' Cycle tour, generating community interest in cycling, fundraising opportunities for organisations and providing economic and promotional stimulus for the Shire.

The Totem Pole entry statement project at the Nannup Amphitheatre was officially opened as part of the 2009 Nannup Music Festival by Hon. Nola Marino. This community project is a cultural icon of our landscape and attracts many favorable comments from visitors and residents.

Funding of \$123,725 has been applied for and received across seven projects in the past year to assist with the construction of cycle tracks and bike racks, community events and activities, the appointment of an Architect for the Recreation Centre upgrade and to assist with infrastructure at the Nannup Amphitheatre.

A recreation program with the aim to increase sport and leisure opportunities within the community has been implemented. Popular activities have included line dancing, circuit classes, gymnastics and yoga.

Council entered into a partnership with the Office for Crime Prevention in conjunction with the Shires of Donnybrook-Balingup and Greenbushes-Bridgetown to develop community safety and crime prevention plans at a local and regional level. The process included community consultation meetings and surveys to ascertain the perception of

Shire residents with regard to safety and crime issues. The plan was received by Council and funding has assisted the development of:

1. A lighting audit of the Foreshore Park, the main street, Basketball courts, Nannup cemetery and main traffic bridge.
2. A feasibility study conducted through the office of Crime Prevention into the establishment of an Off Road Vehicle Access Area within the Shire of Nannup.

The Youth Advisory Council (YAC) has been reinvigorated with the appointment of a dedicated Youth officer. This has resulted in some exciting projects for local youth including

- DVD Movie nights.
- Drummers Circle.
- School holiday programs
- Youth Rally Rides and Workshops

**LOUISE STOKES**  
**COMMUNITY DEVELOPMENT OFFICER**

## **FINANCING OF NANNUP SHIRE**

The financial records of the Shire of Nannup are prepared and kept in accordance with the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996.

Revenue for the Shire of Nannup for the 2008/098 year came from (approximately):

Rates	16%
General Purpose Grants	18%
Specific Purpose Grants	50%
Fees and Charges	6%
Other	10%

The Local Government Financial Management Regulations require that the principles of a balanced budget system be used and the Shire of Nannup sets its income and expenditure requirements in an endeavour to obtain a balanced budget.

## **STATUTORY COMPLIANCE REPORT**

This section has been reserved for the purpose of fulfilling any reporting requirements that may be imposed on the Shire of Nannup through State and Federal Statutes and subsidiary legislation.

### **Competitive Neutrality – Business Activities**

The Principals of National Competition Policy require councils to test, against the private enterprise sector, for efficiencies of all Council activities which generate annual user income in excess of \$200,000.

As no activities of the Shire of Nannup generate this level of income, no review of activities needs to be undertaken. Council does have an in house philosophy of constantly reviewing the way we work with the view to making our operations as efficient as possible.

### **Freedom of Information Act 1992 - Information Statement**

Council adopted its Information Statement on 24 July 1997. This Statement was prepared in accordance with the Freedom of Information Act 1992, and associated guidelines. The Statement was last reviewed by Council in October 2001.

### **Disability Access and Inclusion Plan**

The Disability Services Amendment Act 2004 has introduced new requirements for Council's Disability Access and Inclusion Plan. Council submitted a revised Disability

Access and Inclusion Plan to the Disability Services Commission who accepted the Plan. Council is well on track to achieving all objectives within appropriate time frames.

### **State Records Act 2000 – Record Keeping Plan**

The Shire of Nannup is committed to good record keeping practices compliant with the State Records Act 2000. As a requirement of the Act the Shire developed a Record Keeping Plan in 2003/2004 which was approved by the State Records Office in November 2004 for a period of five years. The Shire is continuing to finalise documentation to meet the requirements of the Record Keeping Plan.

### **Overview of Plan for the Future**

Council's adopted Forward Plan is due to be reviewed in 2009/10 and coupled with a number of significant initiatives will be a substantial review. The main issues are the impact any structural reform of local government may have on the Shire as well as Council's own Strategic and Organisational Review report which was adopted in August 2009. This report analysed a number of fundamental philosophies that Council operates by and a number of changes were recommended.

In terms of major initiatives proposed to commence or continue in the next financial year the TimeWood Centre is the main infrastructure project Council is involved with and this is continuing to the construction phase in 2009/10.

A significant number of the initiatives contained in Council's current Forward plan have been completed or are no longer relevant and these will be addressed when Council reviews the plan in 2009/10.

**SHIRE OF NANNUP**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**TABLE OF CONTENTS**

Statement by Chief Executive Officer	
Income Statement by Nature or Type	1
Income Statement by Program	2
Balance Sheet	3
Statement of Changes in Equity	4
Cash Flow Statement	5
Rate Setting Statement	6
Notes to and Forming Part of the Financial Report	7 to 42
Independent Audit Report	43 to 44

**SHIRE OF NANNUP**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Nannup being the annual financial report and other information for the financial year ended 30th June 2009 are in my opinion properly drawn up to present fairly the financial position of the Shire of Nannup at 30th June 2009 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 19TH day of November 2009.



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Shane Collie  
Chief Executive Officer

**SHIRE OF NANNUP  
INCOME STATEMENT  
BY NATURE OR TYPE  
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2009 Budget \$	2008 \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Rates	22	867,946	853,629	844,537
Operating Grants and Subsidies	28	1,169,079	1,047,174	985,229
Contributions		216,709	17,000	53,712
Fees and Charges	27	361,093	178,761	232,459
Interest Earnings	2(a)	315,575	424,500	497,998
Other Revenue		3,449	20,000	27,845
		<u>2,933,851</u>	<u>2,541,064</u>	<u>2,641,780</u>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs		(1,116,894)	(1,013,229)	(981,702)
Materials and Contracts		(811,013)	(804,832)	(889,255)
Utility Charges		(34,087)	(44,100)	(44,614)
Depreciation on Non-Current Assets	2(a)	(1,709,794)	(1,511,621)	(1,662,049)
Interest Expenses	2(a)	(4,798)	(4,304)	(5,917)
Insurance Expenses		(127,015)	(126,016)	(110,329)
Other Expenditure		(241)	(10,300)	(357)
		<u>(3,803,842)</u>	<u>(3,514,402)</u>	<u>(3,694,223)</u>
		(869,991)	(973,338)	(1,052,443)
 Non-Operating Grants, Subsidies and Contributions				
	28	11,091,558	7,852,506	2,676,738
Profit on Asset Disposals	20	21,214	15,208	532,196
Loss on Asset Disposal	20	<u>(17,245)</u>	<u>(7,857)</u>	<u>(36,290)</u>
<b>NET RESULT</b>		<u>10,225,536</u>	<u>6,886,519</u>	<u>2,120,201</u>

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

**SHIRE OF NANNUP**  
**INCOME STATEMENT**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2009 Budget \$	2008 \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Governance		388	0	168
General Purpose Funding		2,453,213	2,252,971	2,252,668
Law, Order, Public Safety		118,067	97,390	163,724
Health		2,326	3,500	4,307
Education and Welfare		3,644	0	2,867
Housing		28,526	30,840	30,947
Community Amenities		102,829	77,300	83,681
Recreation and Culture		881,640	1,737,303	22,793
Transport		10,275,750	6,098,297	3,072,442
Economic Services		45,244	81,963	100,689
Other Property and Services		117,509	25,000	78,952
	2 (a)	<u>14,029,136</u>	<u>10,404,564</u>	<u>5,813,239</u>
<b>EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE</b>				
Governance		(227,467)	(246,360)	(204,998)
General Purpose Funding		(180,483)	(121,378)	(115,580)
Law, Order, Public Safety		(244,582)	(202,848)	(187,784)
Health		(39,627)	(59,077)	(44,314)
Education and Welfare		(106,772)	(90,865)	(86,596)
Housing		(63,174)	(52,167)	(72,146)
Community Amenities		(335,664)	(397,323)	(292,645)
Recreation & Culture		(409,926)	(395,071)	(425,683)
Transport		(1,919,617)	(1,819,397)	(1,970,223)
Economic Services		(226,959)	(257,163)	(153,774)
Other Property and Services		(44,530)	127,908	(133,380)
	2 (a)	<u>(3,798,802)</u>	<u>(3,513,741)</u>	<u>(3,687,121)</u>
<b>BORROWING COSTS EXPENSE</b>				
Governance		(163)	(286)	(689)
General Purpose Funding		(1,167)	0	0
Law, Order, Public Safety		0	0	(291)
Housing		(2,212)	(2,427)	(2,958)
Transport		(1,256)	(1,591)	(1,979)
	2 (a)	<u>(4,798)</u>	<u>(4,304)</u>	<u>(5,917)</u>
<b>NET RESULT</b>		<u>10,225,536</u>	<u>6,886,519</u>	<u>2,120,201</u>

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

**SHIRE OF NANNUP  
BALANCE SHEET  
AS AT 30TH JUNE 2009**

	NOTE	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	2,891,679	7,168,872
Trade and Other Receivables	4	517,469	170,173
Inventories	5	0	0
<b>TOTAL CURRENT ASSETS</b>		<u>3,409,148</u>	<u>7,339,045</u>
<b>NON-CURRENT ASSETS</b>			
Other Receivables	4	11,870	1,562
Inventories	5	0	0
Property, Plant and Equipment	6	4,274,771	4,010,486
Infrastructure	7	89,342,615	81,535,727
<b>TOTAL NON-CURRENT ASSETS</b>		<u>93,629,256</u>	<u>85,547,775</u>
<b>TOTAL ASSETS</b>		<u>97,038,404</u>	<u>92,886,820</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	477,211	6,602,661
Long Term Borrowings	9	19,385	25,007
Provisions	10	285,841	209,337
<b>TOTAL CURRENT LIABILITIES</b>		<u>782,437</u>	<u>6,837,005</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	9	21,895	41,279
Provisions	10	0	0
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>21,895</u>	<u>41,279</u>
<b>TOTAL LIABILITIES</b>		<u>804,332</u>	<u>6,878,284</u>
<b>NET ASSETS</b>		<u>96,234,072</u>	<u>86,008,536</u>
<b>EQUITY</b>			
Retained Surplus		10,496,607	248,130
Reserves - Cash Backed	11	900,232	923,173
Reserves - Asset Revaluation	12	84,837,233	84,837,233
<b>TOTAL EQUITY</b>		<u>96,234,072</u>	<u>86,008,536</u>

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

**SHIRE OF NANNUP  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2008 \$
<b>RETAINED SURPLUS</b>			
Balance as at 1 July 2008		248,130	(1,181,865)
Net Result		10,225,536	2,120,201
Transfer from/(to) Reserves		22,941	(690,206)
Balance as at 30 June 2009		<u>10,496,607</u>	<u>248,130</u>
<b>RESERVES - CASH BACKED</b>			
Balance as at 1 July 2008		923,173	232,967
Amount Transferred (to)/from Retained Surplus		(22,941)	690,206
Balance as at 30 June 2009	11	<u>900,232</u>	<u>923,173</u>
<b>RESERVES - ASSET REVALUATION</b>			
Balance as at 1 July 2008		84,837,233	84,837,233
Revaluation Increment		0	0
Revaluation Decrement		0	0
Balance as at 30 June 2009	12	<u>84,837,233</u>	<u>84,837,233</u>
<b>TOTAL EQUITY</b>		<u>96,234,072</u>	<u>86,008,536</u>

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

**SHIRE OF NANNUP  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2009 Budget \$	2008 \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		849,116	853,629	846,724
Operating Grants and Subsidies		1,169,079	1,047,174	985,229
Contributions		216,709	17,000	53,712
Fees and Charges		423,679	178,761	185,584
Interest Earnings		315,575	424,500	500,558
Other Revenue		3,449	20,000	27,845
		<u>2,977,607</u>	<u>2,541,064</u>	<u>2,599,652</u>
<b>Payments</b>				
Employee Costs		(1,020,605)	(1,013,229)	(945,094)
Materials and Contracts		(1,418,802)	(772,332)	(335,738)
Utility Charges		(34,087)	(44,100)	(44,614)
Insurance Expenses		(127,015)	(126,016)	(110,440)
Interest expenses		(5,180)	(4,304)	(5,917)
Other Expenditure		(241)	(10,300)	(357)
		<u>(2,605,930)</u>	<u>(1,970,281)</u>	<u>(1,442,160)</u>
<b>Net Cash Provided By Operating Activities</b>	13(b)	<u>371,677</u>	<u>570,783</u>	<u>1,157,492</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Purchase of Property, Plant & Equipment		(681,826)	(360,000)	(751,013)
Payments for Construction of Infrastructure		(9,239,264)	(8,539,413)	(2,929,751)
Non-Operating Grants, used for the Development of Assets		5,153,136	3,127,306	2,237,848
Proceeds from Sale of Plant & Equipment		144,091	146,000	732,912
<b>Net Cash Provided By Investing Activities</b>		<u>(4,623,863)</u>	<u>(5,626,107)</u>	<u>(710,004)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures		(25,007)	(25,007)	(32,681)
Proceeds from New Debentures		0	327,896	0
<b>Net Cash Provided By Financing Activities</b>		<u>(25,007)</u>	<u>302,889</u>	<u>(32,681)</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>(4,277,193)</u>	<u>(4,752,435)</u>	<u>414,807</u>
Cash at Beginning of Year		7,168,872	6,999,485	6,754,065
<b>Cash and Cash Equivalents at the End of the Year</b>	13(a)	<u><u>2,891,679</u></u>	<u><u>2,247,050</u></u>	<u><u>7,168,872</u></u>

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

**SHIRE OF NANNUP  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2009 \$	2009 Budget \$
<b>REVENUES</b>			
Governance		388	0
General Purpose Funding		1,585,267	1,401,342
Law, Order, Public Safety		118,067	118,590
Health		2,326	3,500
Education and Welfare		3,644	0
Housing		28,526	30,840
Community Amenities		102,829	77,300
Recreation and Culture		881,640	1,737,303
Transport		10,275,750	6,087,303
Economic Services		45,244	60,763
Other Property and Services		117,509	25,000
		<u>13,161,190</u>	<u>9,541,941</u>
<b>EXPENSES</b>			
Governance		(227,467)	(249,905)
General Purpose Funding		(181,650)	(121,378)
Law, Order, Public Safety		(244,582)	(202,848)
Health		(39,627)	(59,077)
Education and Welfare		(106,772)	(90,865)
Housing		(63,174)	(64,044)
Community Amenities		(335,664)	(397,323)
Recreation & Culture		(409,926)	(395,071)
Transport		(1,936,080)	(1,829,643)
Economic Services		(226,959)	(257,163)
Other Property and Services		(44,530)	160,408
		<u>(3,816,432)</u>	<u>(3,506,909)</u>
<b>Adjustments for Cash Budget Requirements:</b>			
<b>Non-Cash Expenditure and Revenue</b>			
(Profit)/Loss on Asset Disposals	20	(3,969)	(7,351)
Depreciation and Amortisation on Assets	2(a)	1,709,794	1,511,621
<b>Capital Expenditure and Revenue</b>			
Purchase Land and Buildings	6	(288,840)	(2,417,149)
Purchase Infrastructure Assets	7	(9,239,266)	(6,103,264)
Purchase Plant and Equipment	6	(379,386)	(360,000)
Purchase Furniture and Equipment	6	(13,600)	(19,000)
Depreciation - Plant reversal		0	(103,110)
Accruals		(192,263)	148,503
Proceeds from Disposal of Assets	20	144,091	146,000
Repayment of Debentures	21(a)	(25,007)	(25,007)
Proceeds from New Debentures	21(b)	0	327,896
Transfers to Reserves (Restricted Assets)		(71,250)	(345,000)
Transfers from Reserves (Restricted Assets)		106,993	359,200
ADD Estimated Surplus/(Deficit) July 1 B/Fwd		(233,523)	0
LESS Estimated Surplus/(Deficit) June 30 C/Fwd		1,726,479	0
<b>Amount Required to be Raised from Rates</b>	<b>22</b>	<u><u>(867,946)</u></u>	<u><u>(851,629)</u></u>

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

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this financial report are:

**(a) Basis of Preparation**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

**Critical Accounting Estimates**

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

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

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 19 to this financial report.

**(c) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Balance Sheet are stated inclusive of applicable GST.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the balance sheet.

**(e) Trade and Other Receivables**

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

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

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Inventories**

***General***

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

**(g) Fixed Assets**

***Initial Recognition***

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed includes the cost of all materials, direct labour and variable and fixed overheads.

***Revaluation***

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ significantly from that determined using fair value at reporting date.

***Land under Roads***

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Depreciation of Non-Current Assets**

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

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

Buildings	2.50%	straight line
Furniture	10.00%	straight line
Office Equipment	20.00%	straight line
Plant and Equipment	10.00%	reducing balance
Infrastructure Assets		
clearing and earthworks	not depreciated	
pavement	2.00%	straight line
seal	6.70%	straight line
kerb	1.00%	straight line
drainage	2.00%	straight line
parks & gardens	2.00%	straight line
footpaths	2.00%	straight line

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Investments and Other Financial Assets**

***Classification***

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

***(i) Financial assets at fair value through profit and loss***

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

***(ii) Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

***(iii) Held-to-maturity investments***

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

***(iv) Available-for-sale financial assets***

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

***Recognition and derecognition***

Regular purchases and sales of financial assets are recognised on trade-date – the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Investments and Other Financial Assets (Continued)**

***Subsequent measurement***

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

***Impairment***

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss- measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

**(j) Estimation of Fair Value**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 'Impairment of Assets' and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(l) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(m) Employee Benefits**

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

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

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

**(ii) Long Service Leave (Long-term Benefits)**

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

**(n) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

**Borrowing Costs**

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

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(p) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(q) Joint Venture**

The municipality's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the Balance Sheet and Income Statement. Information about the joint venture is set out in Note 16.

**(r) Rates, Grants, Donations and Other Contributions**

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

**(s) Superannuation**

The Council contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(t) Current and Non-Current Classification**

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

**(u) Rounding Off Figures**

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

**(v) Comparative Figures**

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

**(w) Budget Comparative Figures**

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

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(x) New Accounting Standards and Interpretations**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2009

Council's assessment of these new standards and interpretations is set out below:

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(i) AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8	February 2007	1 January 2009	Nil – The Standard is not applicable to not-for-profit entities.
(ii) Revised AASB 123 Borrowing Costs (includes AASB 2009-1) and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	June 2007 and April 2009	1 January 2009	Nil – There have been two revisions to the Standard. The first removed the option to expense all borrowing costs and required the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. The second (AASB2009-1) reinstated the choice to either expense or capitalise in the case of not-for-profit entities. There will be no impact on the financial report of the Council as it already capitalises borrowing costs relating to qualifying assets and will continue to do so.
(iii) Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB	September 2007 and December 2007	1 January 2009	Nil – The revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If Council has made a prior period adjustment or has reclassified items in the financial statements, it is likely it will need to disclose a third balance sheet (Statement of Financial Position), being as at the beginning of the comparative period.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(x) New Accounting Standards and Interpretations (Continued)**

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(iv) AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project	July 2008	1 January 2009	Nil – The revisions are part of the AASBs annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs.
AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	July 2008	1 July 2009	The revisions embodied in these standards relate largely to terminology or editorial comments and will have a minimal effect on the accounting practices of the Council.  It is not anticipated the more significant changes will have any effect on the financial report as the topics are not relevant to the operations of the Council.
(v) AASB 2008-11 Amendments to Australian Accounting Standard – Business Considerations Among Not-for-Profit Entities	November 2008	1 July 2009	Nil – Whilst this standard has the effect of applying AASB 3 Business Combinations to the Not-for-Profit sector, specific provisions are provided in respect of local government. These specific provisions are very similar to the previous requirements of AAS 27.
(vi) AASB 2008-1 Amendments to Australian Accounting Standard – Share-Based Payments: Vesting Conditions and Cancellations	February 2008	1 January 2009	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2008-2 Amendments to Australian Accounting Standards Puttable Financial Instruments and Obligations Arising on Liquidation	March 2008	1 January 2009	

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(x) New Accounting Standards and Interpretations (Continued)**

<b>Title and Topic</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
(vi) (Continued)			
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	March 2008	1 January 2009	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2007-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	July 2008	1 January 2009	
AASB 2008-8 Amendments to Australian Accounting Standards – Eligible Hedged Items	August 2008	1 July 2009	
AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101	September 2008	1 January 2009	
AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-Cash Assets to Owners	December 2008	1 July 2009	
Interpretation 1 – Changes in Existing, Decommissioning, Restoration and Similar Liabilities	June 2008	1 January 2009	

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(x) New Accounting Standards and Interpretations (Continued)**

<b>Title and Topic (vi) (Continued)</b>	<b>Issued</b>	<b>Applicable (*)</b>	<b>Impact</b>
Interpretation 12 – Service Concession Arrangements	June 2007	1 January 2009	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
Interpretation 15 – Agreements for the Construction of Real Estate	August 2008	1 January 2009	
Interpretation 16 – Hedges of a Net Investment in a Foreign Operation	August 2008	1 October 2008	
Interpretation 17 – Distributions of Non-Cash Assets to Owners	December 2008	1 July 2009	
Interpretation 18 – Transfers of Assets from Customers	March 2009	Ending 1 July 2009	

**Notes:**

(\*) - Applicable to reporting periods commencing on or after the given date.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**2. REVENUES AND EXPENSES**

**(a) Result from Ordinary Activities**

The Result from Ordinary Activities includes:

(i) Charging as an Expense:	2009 \$	2008 \$
<b>Auditors Remuneration</b>		
- Audit	7,400	7,100
- Other Services	4,400	570
 <b>Depreciation</b>		
Buildings	61,484	58,304
Furniture and Equipment	7,566	16,791
Plant and Equipment	208,369	201,837
Roads	1,403,765	1,358,469
Footpaths	8,362	7,942
Drainage	20,248	18,706
	<u>1,709,794</u>	<u>1,662,049</u>
 <b>Interest Expenses</b>		
Finance Lease Charges	1,167	0
Debentures ( <i>refer Note 21(a)</i> )	3,631	5,917
	<u>4,798</u>	<u>5,917</u>
 (ii) Crediting as Revenue:	2009 \$	2009 Budget \$
 <b>Interest Earnings</b>		
Investments		
- Reserve Funds	12,802	9,804
- Other Funds	296,878	482,478
Other Interest Revenue ( <i>refer note 26</i> )	5,895	5,716
	<u>315,575</u>	<u>497,998</u>

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective**

The Shire of Nannup will deliver quality services, facilities and representation in order to achieve our Vision.

Council operations as disclosed in this report encompass the following service orientated activities/programs:

**GOVERNANCE**

Objective: To provide a decision making process for the efficient allocation of scarce resources.

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

**GENERAL PURPOSE FUNDING**

Objective: To collect revenue to allow for the provision of services.

Activities: Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

Objective: To provide services to help ensure a safer community.

Activities: Supervision of various by-laws, fire prevention, emergency services and animal control.

**HEALTH**

Objective: To provide an operational framework for good community health.

Activities: Food quality, building sanitation and sewage.

**EDUCATION AND WELFARE**

Objective: To meet the needs of the community in these areas.

Activities: Operation of pre-school, provision of youth support.

**HOUSING**

Objective: Help ensure adequate housing.

Activities: Maintenance of staff and rental housing.

**COMMUNITY AMENITIES**

Objective: Provide services required by the community.

Activities: Rubbish collection services, operation of tip, noise control, administration of the town planning scheme, maintenance of cemetery and maintenance of public conveniences.

**SHIRE OF NANNUP  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2009**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective (Continued)**

**RECREATION AND CULTURE**

Objective: To establish and manage efficiently infrastructure and resources which will help the social well being of the community.

Activities: Maintenance of halls, recreation centre and various reserves; operation of library.

**TRANSPORT**

Objective: To provide effective and efficient transport services to the community.

Activities: Construction and maintenance of streets, roads, bridges; cleaning of streets, depot maintenance.

**ECONOMIC SERVICES**

Objective: To help promote the Shire and improve its economic wellbeing.

Activities: Assistance to tourism, area promotion, building control, noxious weeds, vermin control.

**OTHER PROPERTY AND SERVICES**

Objective: To accurately allocate plant and labour costs across the various programs of Council.

Activities: Private works operations, plant repairs and operations costs.

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**2. REVENUES AND EXPENSES (Continued)**

	2009 \$	2008 \$
<b>(c) Conditions Over Contributions</b>		
Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period (ie opening balances).		
Foreshore Park Entry Statement Grant	0	17,589
Community Safety Program Grant (unexpended portion)	20,864	0
	<u>20,864</u>	<u>17,589</u>
Add:		
New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor.		
Community Safety Program Grant	0	20,864
WALGGC - Prepayment of 2009/10 grant	243,376	0
Royalties for Regions - Marinko Tomas Park	100,000	0
Royalties for Regions - Ablution Blocks	65,370	0
Royalties for Regions - Colocation Building	440,000	0
DOTARS - Mowen Rd	72,672	0
DOTARS - Jalbarragup Bridge	796,585	0
SWDC - Cundinup BFB	5,000	0
Regional Infrastructure Funds - Ablution Blocks	19,459	0
	<u>1,742,462</u>	<u>20,864</u>
Less:		
Grants which were recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor.		
Foreshore Park Entry Statement Grant	0	(17,589)
Community Safety Program Grant	(20,864)	0
	<u>(20,864)</u>	<u>(17,589)</u>
Closing balances of unexpended grants	<u><u>1,742,462</u></u>	<u><u>20,864</u></u>
Comprises:		
Community Safety Program Grant	0	20,864
WALGGC	243,376	0
Royalties for Regions - Marinko Tomas Park	100,000	0
Royalties for Regions - Ablution Blocks	65,370	0
Royalties for Regions - Colocation Building	440,000	0
DOTARS - Mowen Rd	72,672	0
DOTARS - Jalbarragup Bridge	796,585	0
SWDC - Cundinup BFB	5,000	0
Regional Infrastructure Funds - Ablution Blocks	19,459	0
	<u><u>1,742,462</u></u>	<u><u>20,864</u></u>

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

	2009 \$	2008 \$
<b>3. CASH AND CASH EQUIVALENTS</b>		
Unrestricted	204,321	436,911
Restricted - Reserves	900,232	923,173
Restricted - Other	1,787,126	5,808,788
	<u>2,891,679</u>	<u>7,168,872</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:		
<b>RESERVES</b>		
Recreation Centre	178,971	137,051
Balingup Rd Caravan Park	0	40,542
Long Service Leave	54,323	43,124
Plant & Machinery	2,084	(7,965)
Co Location Building	365,573	361,667
Foreshore Park Ablution Block	0	62,247
Office Equipment	20,024	22,414
Kindergarten	218,931	234,093
Main Street Upgrade	60,325	30,000
	<u>900,232</u>	<u>923,173</u>
<b>OTHER</b>		
Royalties for Regions - Marinko Tomas Park (Note 2(c))	100,000	0
Royalties for Regions - Ablution Blocks (Note 2 (c))	65,370	0
Royalties for Regions - Colocation Building (Note 2(c))	440,000	0
DOTARS - Mowen Rd (Note 2(c))	72,672	0
DOTARS - Jalbarragup Bridge (Note 2(c))	796,585	0
SWDC - Cundinup BFB (Note 2(c))	5,000	0
Regional Infrastructure Funds - Ablution Blocks (Note 2(c))	19,459	0
Restricted Assets	167,362	5,832,750
DPI Licensing	175	174
Youth Advisory Committee	620	2,038
Youth Co-ord Network	1,357	1,357
ATO liability	118,526	(27,531)
	<u>1,787,126</u>	<u>5,808,788</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Rates Outstanding	29,794	21,272
Accrued Income	283,364	11,747
Sundry Debtors	45,013	46,292
GST Receivable	159,298	90,862
	<u>517,469</u>	<u>170,173</u>
<b>Non-Current</b>		
Rates Outstanding - Pensioners	11,870	1,562
	<u>11,870</u>	<u>1,562</u>
<b>5. INVENTORIES</b>	<u>0</u>	<u>0</u>

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**6. PROPERTY, PLANT AND EQUIPMENT**

	2009 \$	2008 \$
Land and Buildings - Cost	3,008,254	2,719,414
Less Accumulated Depreciation	<u>(735,909)</u>	<u>(674,425)</u>
	2,272,345	2,044,989
 Furniture and Equipment - Cost	 151,574	 152,524
Less Accumulated Depreciation	<u>(125,815)</u>	<u>(132,799)</u>
	25,759	19,725
 Plant and Equipment - Cost	 3,071,603	 2,950,172
Less Accumulated Depreciation	<u>(1,094,936)</u>	<u>(1,004,400)</u>
	1,976,667	1,945,772
	<u><u>4,274,771</u></u>	<u><u>4,010,486</u></u>

**Movements in Carrying Amounts**

The following represents the movement in the carrying amounts of each class of property, plant and equipment between the current financial year.

	Land & Buildings \$	Furniture & Equipment \$	Plant & Equipment \$	Total \$
Balance as at 1 July 2008	2,044,989	19,725	1,945,772	4,010,486
Additions	288,840	13,600	379,386	681,826
(Disposals)	0	0	(140,122)	(140,122)
Revaluation - Increments	0	0	0	0
- (Decrements)				0
Impairment - (losses)	0	0	0	0
- reversals				0
Depreciation (Expense)	(61,484)	(7,566)	(208,369)	(277,419)
Other Movements	0	0	0	0
Balance as at 30 June 2009	<u><u>2,272,345</u></u>	<u><u>25,759</u></u>	<u><u>1,976,667</u></u>	<u><u>4,274,771</u></u>

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**7. INFRASTRUCTURE**

	2009 \$	2008 \$
Roads - management valuation 2008	99,833,114	99,833,114
Roads - Cost	8,578,919	
Less Accumulated Depreciation	<u>(21,657,709)</u>	<u>(20,280,548)</u>
	86,754,324	79,552,566
 Footpaths - Cost	 438,420	 416,256
Less Accumulated Depreciation	<u>(75,825)</u>	<u>(67,464)</u>
	362,595	348,792
 Drainage - Cost	 1,567,694	 962,694
Less Accumulated Depreciation	<u>(233,505)</u>	<u>(213,256)</u>
	1,334,189	749,438
 Parks & Ovals - Cost	 1,360,720	 1,327,538
Less Accumulated Depreciation	<u>(469,213)</u>	<u>(442,607)</u>
	891,507	884,931
	<u>89,342,615</u>	<u>81,535,727</u>

Council have adopted a policy of re-valuing roads with sufficient regularity to ensure the carrying amount of each road asset is fairly stated at reporting date.

This policy accords with the requirements of AASB 116.

**Movements in Carrying Amounts**

The following represents the movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Roads \$	Footpaths \$	Drainage \$	Parks and Ovals \$	Total \$
Balance as at 1 July 2008	79,552,565	348,793	749,438	884,931	81,535,727
Additions	8,578,919	22,165	605,000	33,182	9,239,266
(Disposals)	0	0	0	0	0
Revaluation - Increments - (Decrements)	0	0	0	0	0
Impairment - (losses) - reversals	0	0	0	0	0
Depreciation (Expense)	(1,377,160)	(8,362)	(20,248)	(26,605)	(1,432,375)
Other Movements	0	0	0	0	0
Balance as at 30 June 2009	<u>86,754,324</u>	<u>362,596</u>	<u>1,334,190</u>	<u>891,508</u>	<u>89,342,618</u>

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

2009	2008
\$	\$

### 8. TRADE AND OTHER PAYABLES

#### Current

Sundry Creditors	98,070	699,560
Restricted Assets	167,362	5,832,750
GST Payable	67,976	6,669
PAYG Tax Payable	50,550	20,862
YAC Funds	620	2,038
Youth Co-ord Network	1,357	1,357
Accrued Expenses	72,062	9,927
Accrued Interest on Loans	205	587
Accrued Salaries and Wages	18,834	28,737
DPI - Licensing	175	174
	<u>477,211</u>	<u>6,602,661</u>

### 9. LONG-TERM BORROWINGS

#### Current

<u>19,385</u>	<u>25,007</u>
---------------	---------------

#### Non-Current

<u>21,895</u>	<u>41,279</u>
---------------	---------------

Additional detail on borrowings is provided in Note 21.

### 10. PROVISIONS

#### Current

Provision for Annual Leave	177,277	136,762
Provision for Long Service Leave	108,564	72,575
	<u>285,841</u>	<u>209,337</u>

#### Non-Current

Provision for Long Service Leave	0	0
	<u>0</u>	<u>0</u>

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

	2009 \$	2009 Budget \$	2008 \$
<b>11. RESERVES - CASH BACKED</b>			
(a) Recreation Centre			
Opening Balance	137,051	137,051	25,973
Amount Set Aside / Transfer to Reserve	40,000	40,000	110,000
Interest	1,921	0	1,078
Amount Used / Transfer from Reserve	0	(25,000)	0
	<u>178,972</u>	<u>152,051</u>	<u>137,051</u>
(b) Balingup Rd Caravan Park			
Opening Balance	40,542	40,542	10,150
Amount Set Aside / Transfer to Reserve	0	0	30,000
Interest	569	0	392
Amount Used / Transfer from Reserve	(41,111)	(40,150)	0
	<u>0</u>	<u>392</u>	<u>40,542</u>
(c) Long Service Leave			
Opening Balance	43,124	43,124	39,057
Amount Set Aside / Transfer to Reserve	10,000	10,000	15,000
Interest	1,199	0	1,667
Amount Used / Transfer from Reserve	0	0	(12,600)
	<u>54,323</u>	<u>53,124</u>	<u>43,124</u>
(d) Plant & Machinery			
Opening Balance	(7,965)	(7,965)	1,937
Amount Set Aside / Transfer to Reserve	10,000	250,000	230,000
Interest	49	0	98
Amount Used / Transfer from Reserve	0	(272,000)	(240,000)
	<u>2,084</u>	<u>(29,965)</u>	<u>(7,965)</u>
(e) Co Location Building			
Opening Balance	361,667	361,667	40,000
Amount Set Aside / Transfer to Reserve	0	0	320,000
Interest	3,907	0	1,667
Amount Used / Transfer from Reserve	0	0	0
	<u>365,574</u>	<u>361,667</u>	<u>361,667</u>
(f) Foreshore Park Ablution Block			
Opening Balance	62,247	11,247	30,972
Amount Set Aside / Transfer to Reserve	0	0	30,000
Interest	636	0	1,275
Amount Used / Transfer from Reserve	(62,883)	0	0
	<u>0</u>	<u>11,247</u>	<u>62,247</u>
(g) Office Equipment			
Opening Balance	22,414	22,414	18,630
Amount Set Aside / Transfer to Reserve	0	15,000	20,000
Interest	609	0	784
Amount Used / Transfer from Reserve	(3,000)	(22,050)	(17,000)
	<u>20,023</u>	<u>15,364</u>	<u>22,414</u>

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

	2009 \$	2009 Budget \$	2008 \$
<b>11. RESERVES - CASH BACKED (Cont.)</b>			
(h) Kindergarten			
Opening Balance	234,093	234,093	66,250
Amount Set Aside / Transfer to Reserve	0	0	165,000
Interest	3,588	0	2,843
Amount Used / Transfer from Reserve	(18,750)	0	0
	<u>218,931</u>	<u>234,093</u>	<u>234,093</u>
(i) Main Street Upgrade Reserve			
Opening Balance	30,000	30,000	0
Amount Set Aside / Transfer to Reserve	30,000	30,000	30,000
Interest	325	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>60,325</u>	<u>60,000</u>	<u>30,000</u>
<b>TOTAL CASH BACKED RESERVES</b>	<u><u>900,232</u></u>	<u><u>857,973</u></u>	<u><u>923,173</u></u>

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

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

### Recreation Centre reserve

- to be used for the construction of a new recreation centre.

### Balingup Road Caravan Park Reserve

- to be used for the upgrade of the Balingup Road Caravan Park facilities.

### Long Service Leave Reserve

- to be used to fund long service leave requirements.

### Plant & Machinery Reserve

- to be used for the purchase of major plant.

### Co Location Building Reserve

- to be used for the construction of the Co Location building.

### Foreshore Park Ablution Block Reserve

- to be used for the construction of a new ablution block at the Foreshore Park.

### Office Equipment Reserve

- to be used to ensure that the administration office and computer system is maintained.

### Kindergarten Extension Reserve

- to be used for the extension of the kindergarten.

### Main Street Upgrade Reserve

- to be used for the provision of underground power in the main street..

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**12. RESERVES - ASSET REVALUATION**

No asset revaluation occurred during 2008/09.

**13. NOTES TO THE CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

For the purposes of the cash flow statement, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the balance sheet as follows:

	2009 \$	2009 Budget \$	2008 \$
Cash and Cash Equivalents	<u>2,891,679</u>	<u>2,502,423</u>	<u>7,168,872</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net Result	10,225,536	6,886,519	2,120,201
Depreciation	1,709,794	1,511,621	1,662,049
(Profit)/Loss on Sale of Asset	(3,969)	(7,351)	(495,906)
(Increase)/Decrease in Receivables	(357,604)	0	437,076
Increase/(Decrease) in Payables	(6,125,448)	32,500	(342,878)
Increase/(Decrease) in Employee Provisions	76,504	0	14,800
Grants/Contributions for the Development of Assets	(5,153,136)	(7,852,506)	(2,237,848)
<b>Net Cash from Operating Activities</b>	<u>371,677</u>	<u>570,783</u>	<u>1,157,494</u>

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank Overdraft limit	0	0
Bank Overdraft at Balance Date	0	0
Credit Card limit	0	0
Credit Card Balance at Balance Date	0	0
<b>Total Amount of Credit Unused</b>	<u>0</u>	<u>0</u>

**Loan Facilities**

Loan Facilities - Current	19,385	25,007
Loan Facilities - Non-Current	21,895	41,279
<b>Total Facilities in Use at Balance Date</b>	<u>41,280</u>	<u>66,286</u>
<b>Unused Loan Facilities at Balance Date</b>	<u>0</u>	<u>0</u>

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**14. CONTINGENT LIABILITIES**

The Shire of Nannup has no contingent liabilities as at 30 June 2009.

**15. CAPITAL AND LEASING COMMITMENTS**

The Shire of Nannup has no financial or operating lease commitments as at 30 June 2009.

**16. JOINT VENTURE**

The Shire of Nannup does not have any joint venture arrangements with any Shires.

**17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	2009 \$	2008 \$
Governance	368,542	367,611
General Purpose Funding	780,149	578,439
Law, Order, Public Safety	452,895	471,925
Health	23,979	27,131
Education and Welfare	253,930	271,874
Housing	381,897	391,745
Community Amenities	580,840	314,316
Recreation and Culture	1,839,444	1,149,061
Transport	90,210,372	87,325,020
Economic Services	200,125	143,546
Other Property and Services	1,836,231	1,733,503
Unallocated	110,000	112,649
	<u>97,038,404</u>	<u>92,886,820</u>

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

	2009	2008	2007
<b>18. FINANCIAL RATIOS</b>			
Current Ratio	1.44	0.66	1.08
Untied Cash to Unpaid Trade Creditors Ratio	3.79	1.37	-6.27
Debt Ratio	0.01	0.07	0.08
Debt Service Ratio	0.01	0.01	0.02
Gross Debt to Revenue Ratio	0.01	0.03	0.05
Gross Debt to Economically Realisable Assets Ratio	0.01	0.01	0.01
Rate Coverage Ratio	0.30	0.32	0.21
Outstanding Rates Ratio	0.03	0.03	0.03

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Untied Cash to Unpaid Trade Creditors Ratio	$\frac{\text{untied cash}}{\text{unpaid trade creditors}}$
Debt Ratio	$\frac{\text{total liabilities}}{\text{total assets}}$
Debt Service Ratio	$\frac{\text{debt service cost}}{\text{available operating revenue}}$
Gross Debt to Revenue Ratio	$\frac{\text{gross debt}}{\text{total revenue}}$
Gross Debt to Economically Realisable Assets Ratio	$\frac{\text{gross debt}}{\text{economically realisable assets}}$
Rate Coverage Ratio	$\frac{\text{net rate revenue}}{\text{operating revenue}}$
Outstanding Rates Ratio	$\frac{\text{rates outstanding}}{\text{rates collectable}}$

**SHIRE OF NANNUP**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2009**

**19. TRUST FUNDS**

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

	Balance 1-Jul-08 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30-Jun-09 \$
BCITF LEVY	3,976	10,228	(8,097)	6,107
BRB LEVY	1,240	3,311	(2,521)	2,030
BONDS	1,488	50,300	(50,990)	798
	<u>6,704</u>			<u>8,935</u>

**20. DISPOSALS OF ASSETS - 2008/09 FINANCIAL YEAR**

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
SEDAN FALCON #153	24,480	26,643	18,182	23,000	(6,298)	(3,643)
UTILITY 2WD #223	13,856	14,214	8,636	10,000	(5,220)	(4,214)
UTILITY DUAL CAB #227	28,000	19,387	22,273	23,000	(5,727)	3,613
LOADER #451	73,786	78,405	95,000	90,000	21,214	11,595
PHOTOCOPIER # F54	0	0	0	0	0	0
	<u>140,122</u>	<u>138,649</u>	<u>144,091</u>	<u>146,000</u>	<u>3,969</u>	<u>7,351</u>

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

## 21. INFORMATION ON BORROWINGS

## (a) Debenture Repayments

Particulars	Principal 1-Jul-08 \$	New Loans \$	Principal Repayments		Principal 30-Jun-09		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
<b>General Administration</b>								
L31 Office Extensions	6,902		6,902	6,902	0	0	163	286
<b>Housing</b>								
L21 Grange Rd	4,594		2,198	2,198	2,396	2,396	252	453
L36 Carey St	32,010		7,252	7,252	24,758	24,758	1,960	1,974
<b>Recreation &amp; Culture</b>								
LXX Colocation Centre		150,000	0	0	0	150,000	0	0
<b>Transport</b>								
L32 U/Ground Power	22,781		8,655	8,655	14,126	14,126	1,256	1,591
LXX Plant		177,896	0	0	0	177,896	0	0
	66,287	327,896	25,007	25,007	41,280	369,176	3,631	4,304
					19,385 Current			
					21,895 Non Current			
					<u>41,280</u>			

All loan repayments were financed by general purpose revenue.

## (b) New Debentures - 2008/09

Two new debentures were budgeted to be drawn upon for the financial year ended 30 June 2009, however Council resolved during budget review deliberations not to draw on the proposed new debentures.

## (c) Unspent Debentures

The Shire of Nannup has no unspent debentures as at 30 June 2009.

## (d) Overdraft

The Shire of Nannup has no formal overdraft facility as at 30 June 2009.

SHIRE OF NANNUP

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

22. RATING INFORMATION - 2008/09 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential General Rate											
GRV - GENERAL	9.9300	314	2,844,484	282,531	22,777		305,308	282,531	1,000		283,531
UV - GENERAL	0.2120	218	145,156,000	308,699	(7,812)		300,887	307,347	1,000		308,347
Sub-Totals		532	148,000,484	591,230	14,965	0	606,195	589,878	2,000	0	591,878
Minimum Rates	Minimum \$										
GRV - GENERAL	507.00	320	1,217,854	162,240			162,240	162,240			162,240
UV - GENERAL	521.00	193	25,554,762	99,511			99,511	99,511			99,511
Sub-Totals		513	26,772,616	261,751	0	0	261,751	261,751	0	0	261,751
Specified Area Rate (refer note 23)							867,946				853,629
Discounts (refer note 25)							867,946				853,629
Totals							867,946				853,629

## SHIRE OF NANNUP

### NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

#### 23. SPECIFIED AREA RATE - 2008/09 FINANCIAL YEAR

The Shire of Nannup imposed no specified area rates for the year ended 30 June 2009.

#### 24. SERVICE CHARGES - 2008/09 FINANCIAL YEAR

The Shire of Nannup imposed no service charges for the year ended 30 June 2009.

#### 25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2008/09 FINANCIAL YEAR

	Type	Disc %	Total Cost/ Value	Budget Cost/ Value
Council Function Room Hire	Waiver	100%	\$1,600 *	0
Photocopy Charge	Waiver	100%	\$200 *	0
Rate Assessment	Write-Off			

\* denotes approximate cost as accurate details are not kept.

##### 1. Council Function Room Hire

Council policy ADM7 details the criteria and the list of local organisations for which hire charges for the use of the function are waived. A copy of the policy can be viewed by request.

##### 2. Incentive Scheme (Rates)

Council has been donated four prizes as incentives for payment of rates in full by the due date. No cost was incurred by Council through this activity.

##### 3. Photocopy Charges

Photocopy charges are waived for certain community groups such as the local kindergarten and Volunteer Bush Fire Brigades. Council considers its support of these groups necessary for the overall benefit of the community.

##### 4. Write Offs

The Chief Executive Officer, under Delegation Number 71, wrote off five debts totalling \$240.61 for fees raised due to non returned library books during 2008/09.

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

### 26. INTEREST CHARGES AND INSTALMENTS - 2008/09 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		3,257	2,500
Interest on Instalments Plan	5.50%		2,638	2,000
Charges on Instalment Plan		5	2,830	2,500
			8,725	7,000

Ratepayers had the option of paying rates in four equal instalments, due on 5th December 2008, 5th February 2009, 6th April 2009 and 5th June 2009. Administration charges and interest applied for the final three instalments.

	2009 \$	2008 \$
<b>27. FEES &amp; CHARGES</b>		
Governance	0	0
General Purpose Funding	81,158	21,346
Law, Order, Public Safety	2,043	2,007
Health	2,295	4,294
Education and Welfare	0	0
Housing	28,497	30,934
Community Amenities	94,696	65,923
Recreation and Culture	5,364	5,172
Transport	0	0
Economic Services	29,530	25,498
Other Property and Services	117,510	77,285
	<u>361,093</u>	<u>232,459</u>

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

	2009 \$	2008 \$
<b>28. GRANT REVENUE</b>		
<b>By Nature and Type:</b>		
Operating Grants, Subsidies and Contributions	1,169,079	985,229
Non-Operating Grants, Subsidies and Contributions	11,091,558	2,676,738
	<u>12,260,637</u>	<u>3,661,967</u>
<b>By Program:</b>		
General Purpose Funding	0	840,162
Law, Order, Public Safety	115,887	161,659
Community Amenities	0	5,000
Recreation and Culture	869,593	6,817
Transport	10,090,993	2,573,556
Economic Services	15,085	74,773
	<u>11,091,558</u>	<u>3,661,967</u>

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30TH JUNE 2009

#### 29. COUNCILLORS' REMUNERATION

The following fees, expenses and allowances were paid to council members and/or the president.

	2009 \$	2009 Budget \$	2008 \$
Meeting Fees	9,530	17,760	10,950
President's Allowance	8,000	8,000	7,000
Deputy President's Allowance	0	2,000	1,750
Travelling Expenses	9,227	2,400	6,094
Telecommunications Allowance	5,144	12,840	1,800
	<u>31,901</u>	<u>43,000</u>	<u>27,594</u>

#### 30. EMPLOYEES' REMUNERATION

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$100,000 or more.

Salary Range \$	2009	2008
100,000 - 109,999	1	1
110,000 - 119,999	0	0
120,000 - 129,999	0	0
130,000 - 139,999	0	0
140,000 - 149,999	0	0
150,000 - 159,999	0	0
160,000 - 169,999	0	0

#### 31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

2009	2008
<u>23.8</u>	<u>25.0</u>

#### 32. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions during the 2008/09 financial year.

#### 33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2008/09 financial year.

# SHIRE OF NANNUP

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

### 34. FINANCIAL RISK MANAGEMENT

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	2,891,679	7,168,872	2,891,679	7,168,872
Receivables	529,339	171,735	529,339	171,735
	<u>3,421,018</u>	<u>7,340,607</u>	<u>3,421,018</u>	<u>7,340,607</u>
<b>Financial Liabilities</b>				
Payables	458,248	6,602,661	458,248	6,602,661
Borrowings	41,280	66,286	41,280	66,286
	<u>499,528</u>	<u>6,668,947</u>	<u>499,528</u>	<u>6,668,947</u>

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings – estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

## SHIRE OF NANNUP

### NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

#### (a) Cash and Cash Equivalents

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

	30-Jun-09	30-Jun-08
	\$	\$
Impact of a 1% (*) movement in interest rates on cash and investments:		
- Equity	28,917	71,689
- Income Statement	28,917	71,689

#### Notes:

(\*) Sensitivity percentages based on management's expectation of future possible market movements.

Recent market volatility has seen large market movements for certain types of investments.

## SHIRE OF NANNUP

### NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2009

#### 34. FINANCIAL RISK MANAGEMENT (Continued)

##### (b) Receivables

Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. Council manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Council's credit risk at balance date was:

	30-Jun-09	30-Jun-08
Percentage of Rates and Annual Charges		
- Current	0.0%	0.0%
- Overdue	100.0%	100.0%
Percentage of Other Receivables		
- Current	0.0%	45.9%
- Overdue	100.0%	54.1%

SHIRE OF NANNUP  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30TH JUNE 2009

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	<u>2009</u>				
	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
Payables	458,248	0	0	458,248	458,248
Borrowings	19,385	21,895	0	41,280	41,280
	<u>477,633</u>	<u>21,895</u>	<u>0</u>	<u>499,528</u>	<u>499,528</u>
	<u>2008</u>				
Payables	6,602,661	0	0	6,602,661	6,002,661
Borrowings	25,007	41,279	0	66,286	66,286
	<u>6,627,668</u>	<u>41,279</u>	<u>0</u>	<u>6,668,947</u>	<u>6,068,947</u>

**SHIRE OF NANNUP**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**34. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Borrowings (Continued)**

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

						Weighted Average Effective Interest Rate	
	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Year Ended 30 June 2009</b>							
<b>Fixed Rate</b>							
Debentures	2,396	14,126	24,758				41,280
Weighted Average Effective Interest Rate	8.90%	6.85%	6.50%				6.76
<b>Year Ended 30 June 2008</b>							
<b>Fixed Rate</b>							
Debentures	6,902	4,593	54,791				66,286
Weighted Average Effective Interest Rate	6.27%	8.90%	6.68%				7.13

**35. ECONOMIC DEPENDENCY**

A significant portion of revenue is received by way of grants from the State and Federal Government. The total of grant revenue from government sources is disclosed in Note 28.

## INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF NANNUP

Resident Partners:  
Clifton M. Anderson F.C.A.  
Stephen F. J. Down C.A.  
Shaun G. O'Callaghan C.A.  
Peter Manolas C.P.A.  
(Master of Taxation Law)  
Stuart Fricker C.P.A.  
Tim Partridge C.A.  
Dean Rob C.A.

### Scope

#### ***The Financial Report and Council's Responsibility***

The financial report comprises the income statement by nature or type, income statement by program, balance sheet, statement of changes in equity, cash flow statement, rate setting statement and accompanying notes to the financial statements for the Shire of Nannup for the year ended 30 June 2009.

Council is responsible for the preparation and fair presentation of the financial report in accordance with the Local Government Act 1995 (as amended) and Accounting Standards. This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### ***Audit Approach***

We have conducted an independent audit in order to express an opinion to the electors of the Shire of Nannup. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995 Part 6 and Australian Accounting Standards so as to present a view which is consistent with our understanding of the Shire's financial position, the results of its operations, its changes in equity and its cashflows.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates made by the Council.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

The audit opinion expressed in this report has been formed on the above basis.

### Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

### Audit Opinion

In our opinion, the financial report presents fairly in accordance with the requirements of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended), applicable Accounting Standards and other mandatory professional reporting requirements, the financial position of the Shire of Nannup as at 30 June 2009 and the results of its operations, its changes in equity and its cash flows for the year then ended.



## **Statutory Compliance**

During the course of our audit we became aware of the following instances where Council did not comply with the Local Government (Financial Management) Regulations 1996 (as amended) during the 12 months ending 30 June 2009:

### **2008/09 Budget Disclosures**

We note that the adopted budget for the year ending 30 June 2009:

- did not include an estimate of the prior year net current assets brought forward as required by the Local Government (Financial Management) Amendment Regulation 31, paragraph 1 and 2.
- did not include all prior year comparative figures as required by the Local Government (Financial Management) Amendment Regulation 30, paragraph 1 and 2.
- did not indicate the due dates of each rate instalment under each available option as required by the Local Government (Financial Management) Amendment Regulation 27(c)(i).
- did not include an estimate of the repayment term for each borrowing or an estimate of the interest rate and other charges payable as required by the Local Government (Financial Management) Amendment Regulation 29(d)(iv) and (v).

### **Monthly Financial Reporting**

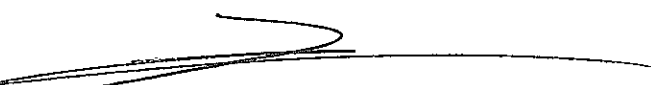
Council has prepared Financial Activity Statement Reports; however reports prepared during the year ending 30 June 2009 on occasion were not presented to Council within the timeframe required by the Local Government (Financial Management) Amendment Regulation 34.

## **Other Matters**

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no material matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) There are not other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) All necessary information and explanations were obtained by us.
- d) All audit procedures were satisfactorily completed during our audit.

## **AMD Chartered Accountants**



**TIM PARTRIDGE**  
Partner

Bunbury, Western Australia

19 November 2009

19 November 2009

Cr Barbara Dunnet  
Shire President  
Shire of Nannup  
PO Box 11  
NANNUP WA 6275

Resident Partners:  
Clifton M. Anderson F.C.A.  
Stephen F. J. Down C.A.  
Shaun G. O'Callaghan C.A.  
Peter Manolas C.P.A.  
(Master of Taxation Law)  
Stuart Fricker C.P.A.  
Tim Portridge C.A.  
Dean Rob C.A.

Dear Barbara,

### 30 JUNE 2009 MANAGEMENT REPORT

We are pleased to provide our Management Report and audit recommendations following the completion of our recent 30 June 2009 audit.

#### 1.0 General Comments

Our audit procedures included a review of the accounting systems and testing of procedures and internal controls. Our procedures were performed for audit purposes, with testing designed solely for the purpose of expressing an opinion on the financial statements of Shire of Nannup, and therefore did not include a complete review of all controls.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our management report is on an exception basis, and therefore we have not commented on the many strong internal controls in place within your accounting systems.

Inevitably in the environment of an organisation with a limited number of employees available to undertake accounting and administration roles, it is impracticable to have good division of duties and internal checks in place in relation to the receipting of cash, processing and preparation of payments, recording of transactions and payroll preparation.

As a result, there is increased risk that errors or omissions may go undetected. To offset this potential weakness, we recommend that the Board pay close attention to the approval of payments, and analysis of the monthly financial reports.

#### 2.0 Specific Comments

##### 2.1 *Recommendations Arising from our Audit*

Please find specific comments and recommendations arising from our audit attached at Appendix 1.

##### 2.2 *Compliance Matters raised within our audit report*

Compliance matters raised within our audit report for the year ending 30 June 2009 are as follows:

###### 2.2.1 2008/09 Budget Disclosures

We note that the adopted budget for the year ending 30 June 2009:

- did not include an estimate of the prior year net current assets brought forward as required by the Local Government (Financial Management) Amendment Regulation 31, paragraph 1 and 2.
- did not include all prior year comparative figures as required by the Local Government (Financial Management) Amendment Regulation 30, paragraph 1 and 2.



- did not indicate the due dates of each rate instalment under each available option as required by the Local Government (Financial Management) Amendment Regulation 27(c)(i).
- did not include an estimate of the repayment term for each borrowing or an estimate of the interest rate and other charges payable as required by the Local Government (Financial Management) Amendment Regulation 29(d)(iv) and (v).

We understand that there were exceptional circumstances which resulted in the above compliance matters, however as your auditors we are required to report these to Council.

### **2.2.2 Monthly Financial Reporting**

Council has prepared Financial Activity Statement Reports; however reports prepared during the year ending 30 June 2009 on occasion were not presented to Council within the timeframe required by the Local Government (Financial Management) Amendment Regulation 34.

The above related to the July, August and September monthly reports.

### **2.3 Financial Ratio Performance Measures**

A review of the Shire's financial ratios as included within Note 18 of the annual report indicate Council continues to be in a sound financial position, with no adverse trends noted.

A current ratio of greater than 1.0 demonstrates the ability of a Council to readily fund short term liabilities, and we note the Shire of Nannup's current ratio of 1.44 at 30 June 2009.

### **2.4 Adjusted Audit Differences**

On completion of our audit fieldwork, we requested adjustments noted during the course of our audit to be reflected in the final audited Financial Report. A summary of audit adjustments identified by us has been included at Appendix 2.

### **Other Comments**

We would like to take this opportunity to thank Craige and Tracie for the assistance provided to us during our audit.

Should you have any questions concerning the above or would like to discuss any other aspect of our recent audit, please do not hesitate to contact me.

Yours sincerely

**AMD Chartered Accountants**



**TIM PARTRIDGE**

Partner

## APPENDIX 1

### Audit Recommendations for the year ended 30 June 2009

---

#### GUIDANCE TO FINDINGS RATING / IMPLICATION

*Findings identified during the final audit have been weighted in accordance with the following scale:*

- Significant - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly.*
- Moderate - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as possible.*
- Minor - Those findings that are not of primary concern but still warrant action being taken.*

#### AUDIT FINDINGS

##### 1. ROADS DATABASE AND VALUATION

*Finding Rating: Moderate*

We noted that the last Roads revaluation was conducted at 30 June 2007.

##### **Recommendation**

We recommend an internal review be performed, or alternatively consultants be engaged to assess the Romans database to ensure road valuation data provided by the system is consistent with Council's understanding of its road network and is materially correct.

We also recommend that unit costs and road conditions are updated, with a complete road revaluation booked at 30 June 2010.

##### **Management Comment**

A review of our Romans database and road conditions will be undertaken this financial year with the result being incorporated into the accounts as at 30 June 2010.

##### 2. RATES – IDENTIFIED DIFFERENCES

*Finding Rating: Moderate*

Our rates testing identified the following differences at 30 June 2009:

- Interim rates as per the general ledger trial balance (system) were \$17,148 compared to \$14,965 as disclosed in Note 22 of the Annual Financial Report;
- Rates debtors per the Annual Financial Report indicated current debtors of \$29,794 and deferred debtors of \$11,870 resulting in total rates debtors of \$41,664. The rates trial balance report as provided from the rates system at 30 June 2009 indicated rates debtors of \$45,271, representing a difference of \$3,607 noted; and
- The Pensioner and Non-Pensioner Deferred Rates Report as per the rating system indicates deferred rates of \$13,608 at 30 June however the general ledger trial balance and Annual Financial Report indicate deferred rates of \$11,870, representing a difference of \$1,738 noted.

##### **Recommendation**

While the above differences are not material to the overall presentation of the Annual Financial Report, we recommend that they be investigated and the necessary action taken to correct the differences.

Furthermore, we recommend that rate system reports are regularly reviewed and reconciled to the general ledger to ensure differences are identified and correct in a timely manner.

**APPENDIX 1**  
**Audit Recommendations for the year ended 30 June 2009**

---

**Management Comment**

The cause of this problem has now been identified with the assistance from our software supplier, along with a resolution. When corrected, the regular checks that are part of our monthly process will confirm the accuracy of these sub ledgers.

**3. UNRECORDED CREDITORS**

***Finding Rating: Moderate***

As raised in the prior year management report, we noted numerous creditors that were not brought to account in the creditors ledger at 30 June 2009. The total of those identified from our sample testing were \$20,964.27. As a result an audit adjustment was raised to bring these creditors to account within the 30 June 2009 financial report.

**Recommendation**

Supplier invoices should be brought to account in the correct period as to what date the service/goods were rendered. For examples invoices dated July but relating to June or prior should be recorded as trade creditors or committed expenses at year end. Please ensure that all creditors of this nature received form year end to the time of the audit are brought to account as trade creditors at year end.

**Management Comment**

Agree, this will be undertaken for the current and future years.

**4. PLANT OPERATING COSTS**

***Finding Rating: Moderate***

During our review of plant operating cost ("POC") allocations, we noted that allocations were significantly under allocated during the year ending 30 June 2009, resulting in an allocation adjustment of (approximately \$47,000 as at 30 June 2009.

**Recommendation**

We recommend that POC allocations be reviewed regularly (at least on a quarterly basis) to ensure plant costs are accurately costed to jobs and divisions.

**Management Comment**

Agree, we do check the plant operating cost and public works overheads on a quarterly basis, and shall continue to do so.

**5. KEY RECONCILIATIONS INDEPENDENT REVIEW**

***Finding Rating: Moderate***

During the review of monthly account reconciliations for debtors (both sundry and rates debtors), creditors and bank reconciliations, we noted there was no independent review or evidence of this review.

**Recommendation**

All key reconciliations should be independently reviewed and signed off as evidence of this independent review. Whilst we understand that the Shire of Nannup has limited segregation of duties as a result of the small office environment, as your auditors we are required to report this deficiency within internal controls.

**APPENDIX 1**  
**Audit Recommendations for the year ended 30 June 2009**

---

**Management Report**

The independent review is undertaken however no evidence of this is performed. The four above mentioned reconciliations shall now be evidenced by signature of their review.

**6. SEGREGATION OF RECEIPTING AND BANK DUTIES**

***Finding Rating: Moderate***

During receipts testing, we noted that the end of day till reconciliation and banking receipting functions are completed by the same employee with Tracie reviewing the reconciliation at month end or if a variance occurs.

**Recommendation**

In order to enhance controls over the receipting function, we recommend that all daily banking reconciliations and till reconciliations be reviewed by some one independent to the preparation.

**Management Comment**

This is very difficult to undertake in our small office environment. The daily bank and till reconciliations are reviewed by a second person, however this person does have some input into the receipting process during the day.

**7. INVOICE APPROVAL**

***Finding Rating: Moderate***

During payments testing we noted numerous occasions where invoices were not signed as evidence of review and authorisation.

**Recommendation**

In accordance with best practice and to comply with Shire of Nannup stated payment procedures, we recommend all invoices are signed and authorised correctly before payment is processed.

**Management Comment**

Our process is such that all invoices should be authorised correctly. This process will be reinforced throughout the office to ensure compliance.

## APPENDIX 2 Audit Adjustments

---

### **Summary of Audit Adjustments**

The following audit adjustments were raised following our audit and are reflected within Shire of Nannup 30 June 2009 Financial Report.

### SHIRE OF NANNUP AUDIT ADJUSTMENTS 30 June 2009

<u>Account Number</u>	<u>Description</u>	<u>\$ Debit</u>	<u>\$ Credit</u>
Various	Expense Accounts (various)	20,965	
161300	Sundry Creditors		20,965
	<i>Record unrecorded creditors at 30 June 2009</i>		

No further audit adjustments were identified in the course of our audit.

AGENDA NUMBER: 10.14  
SUBJECT: Councillor Fees & Reimbursements  
LOCATION/ADDRESS:  
NAME OF APPLICANT:  
FILE REFERENCE: ADM 18  
AUTHOR: Craige Waddell – Manager Corporate Services  
DISCLOSURE OF INTEREST: Section 5.63 (1) (c) of the Local Government Act 1995 Specifically Exempts Council Members from Declaring an Interest Relating to Fees & Reimbursements  
DATE OF REPORT: 6 November 2009

Attachment: Current Policy ADM 10.

### **BACKGROUND:**

Current Policy ADM 10 Councillor Fees and Reimbursements was scheduled for review in October this year as per the policy itself which states that it will be reviewed by Council at the ordinary Council meeting held in October of each election year.

### **COMMENT:**

Meeting attendance fees for attending Council meetings per Local Government Administration Regulation 30(1) stipulates that a minimum of \$60 and a maximum of \$140 must be observed when setting fees. The current level for Council members is set at \$80.

Meeting attendance fees for attending Council Committee meetings per Local Government Administration Regulation 30(2) stipulates that a minimum of \$30 and a maximum of \$70 must be observed when setting fees. The current level for Council members is set at \$40.

The Shire President is also entitled to a meeting attendance fee per Local Government Administration Regulation 30(4), a minimum of \$120 up to a maximum of \$280 per meeting. The current level is \$150 per meeting.

The stipulated minimum for the annual Shire President's allowance is \$600 with a maximum of \$12,000 or 0.002 of the local government's operating revenue, whichever is the greater amount, but in any case no more than \$60 000 per Local Government Administration Regulation 33(1). The current level is \$8,000 per annum. The Deputy Shire President's allowance is 25% of the Shire President's entitlement.

Council would recall discussing the introduction of an annualised payment in lieu of meeting fees of Shire Councillors at the June 2009 meeting. After much

discussion, Council maintained the status quo, i.e. did not introduce annualised payments. Council budgets accordingly to cover the cost of fees and charges associated with the various allowances, meeting attendance fees and reimbursements. Mileage claims are also covered by the policy.

If Council wishes to amend any of the meeting fees or allowances a motion should be put from the floor for consideration by members. There can be no objective staff recommendation on this matter as it remains at Council discretion as to what fee levels it wishes to set.

Council members are also reminded that fees and allowances are considered assessable income under the Income Tax Assessment Act.

#### **STATUTORY ENVIRONMENT:**

Local Government Act 1995 and Administration Regulations.

#### **POLICY IMPLICATIONS:**

Dependant on Council decision as to whether the Policy is updated.

#### **FINANCIAL IMPLICATIONS:**

Council includes an amount in each year's budget to cover these costs.

#### **STRATEGIC IMPLICATIONS: Nil.**

#### **RECOMMENDATION:**

That Councillors be entitled to \$\_\_\_\_\_ for attendance at each Council meeting.

That Councillors be entitled to \$\_\_\_\_\_ for attendance at each Committee meeting.

That the Shire President be entitled to \$\_\_\_\_\_ for attendance at each Council meeting.

The Presidential Annual Allowance shall be \$\_\_\_\_\_ per annum.

#### **8295 GILBERT/PINKERTON**

That Councillor's fees and reimbursements remain as they currently are.

**CARRIED 8/0**

# COUNCILLOR FEES AND REIMBURSEMENTS

## ADM 10

### Meeting Attendance Fees

That Councillors be entitled to \$80 for attendance at each Council meeting as per Local Government Act 1995 S5.98 (1).

That Councillors be entitled to \$40 for attendance at each Committee meeting as per Local Government Act 1995 S5.98 (1).

That the Shire President be entitled to \$150 for attendance at each Council meeting as per Local Government Act 1995 S5.98 (1).

### Prescribed Expenses for Reimbursement

That prescribed expenses as per Local Government Act Section 5.98 (2)(a) be:

3. Rental charges incurred by a member in relation to one telephone line.
4. Childcare expenses necessarily incurred by a member to attendance at Council meetings and whilst on business authorised by Council.
5. Expenses associated with conference attendance as per current Council Policy ADM 6.

That prescribed expenses as per Local Government Act Section 5.98 (2)(b) be:

1. The reimbursement of all Council related phone calls for the Shire President from the Presidential Allowance.
2. An annual allocation of \$1,300 for the Shire President and \$1,100 to Councillors to offset the expenses associated with private ownership of a computer and associated peripherals and software.

### Presidential Annual Allowance

The Presidential Annual Allowance shall be \$8,000 per annum

ADM 10  
(Page 1/2)

### Deputy Presidential Annual Allowance

The Annual Allowance payable to the Deputy Shire President shall be 25% of the allowance payable to the Shire President in accordance with the requirements of the Local Government (Administration) Regulations.

### Councillors' Mileage

A Council vehicle will be made available to transport members to meetings at which Council is a delegate provided that the car is driven by a Councillor or a staff member, and that the use does not clash with other Council business.

A Council vehicle may be driven by a Councillor's partner while travelling to and from Nannup and while the Councillor is attending Council business provided that such use only shall be made if the vehicle is not required for the business of Council. Mileage reimbursement is applicable when Councillors use their private vehicles whilst on Council business. Councillors shall check the availability of a Shire vehicle for use whilst on Council business prior to using their private vehicle. The rate to be reimbursed will be that as stated in the Local Government Officers (WA) Award 1988 (Federal) as updated from time to time.

### Generally

The Councillor Fee and Reimbursement Claim Form shall be used when claiming fees and reimbursements. Claims should be submitted by Councillors on a quarterly basis.

All claims for reimbursement of expenses such as telephone rental, childminding fees etc must be supported by a copy of the paid account. This policy will be reviewed by Council at the Ordinary Council meeting held in October of each election year.

*Policy Adopted at a Council Meeting on 22 May 1997.*

*Policy Reviewed at a Council Meeting on 24 September 1998.*

*Policy Reviewed at a Council Meeting on 27 May 1999.*

*Policy Reviewed at a Council Meeting on 26 August 1999.*

*Policy Reviewed at a Council Meeting on 22 June 2000.*

*Policy Reviewed at a Council Meeting on 22 March 2001.*

*Policy Reviewed at a Council Meeting on 20 December 2001.*

*Policy Reviewed at a Council Meeting on 22 May 2003.*

*Policy Reviewed at a Council Meeting on 26 May 2005.*

*Policy Reviewed at a Council Meeting on 22 November 2007.*

*Policy Reviewed at a Council Meeting on 24 January 2008.*

**ADM 10**  
(Page 2/2)

The Chief Executive Officer declared an impartiality interest in the following item.

AGENDA NUMBER: 10.15  
SUBJECT: Jobs Fund – National Bike Path Project Grant  
LOCATION/ADDRESS: Warren Road & Brockman Highway  
NAME OF APPLICANT:  
FILE REFERENCE: FNC 60  
AUTHOR: Louise Stokes – Community Development Officer  
DISCLOSURE OF INTEREST: Mr Shane Collie (Impartiality)  
DATE OF REPORT: 3 November 2009

Attachment: Letter of Funding Offer.

#### **BACKGROUND:**

Funding acknowledgement has been received from the Federal Department of Infrastructure, Transport, Regional Development and Local Government through their Jobs Fund program in the category of bike paths.

A submission was forwarded for the construction of a cycleway to the Cockatoo Valley and The Valley subdivision areas comprising some 50 lots just south of the Nannup townsite. The total value of the project was estimated at \$190,000 and application sought assistance of \$90,000. The submission was an outcome of the Community Planning Day held 14 March 2009.

Nannup was one of only four projects in rural Western Australia that received funding through this competitive program.

#### **COMMENT:**

This application was submitted in April 2009 in partnership with the Munda Biddi Foundation who received \$3 million funding in the recent Royalties to Regions allocations to construct a cycle and walk path from Nannup to Albany. Works will commence shortly on this project. Due to budget constraints they are proposing to use existing road networks within the Shire of Nannup and their cycle path will commence at Gold Gully Road.

In consultation with the Munda Biddi Foundation it was viewed that the construction of a cycle path from the cemetery along Warren Road and Brockman Highway would assist to ensure safety of cyclists and walkers. The path also passes the Light Industrial Area and Nannup Timber Processing ensuring safe access to town and offers an opportunity to create a network of trails throughout the region as more funding becomes available. The works would mostly be compacted gravel standard.

Currently there is no pedestrian access across the Nannup and Carlotta Brooks, similar to the Main Traffic Bridge entering Nannup from Busselton, though the Old Railway Bridge now serves a pedestrian purpose to the north side of town.

Within this funding approved there is an allocation to purchase purpose made small bridges to provide pedestrian access over Carlotta and Nannup Brooks off the main road.

There is a requirement of the grant that Council (or another source) contributes 50% funding of the project cost. The Water Corporation has indicated that they will contribute \$24,000 towards this project, in lieu of the proposed picnic area on Vasse Highway. This was a contribution that had been negotiated as a result of the Bridgetown Regional Water Supply Scheme. Other non cash contributions for the project are estimated at \$14,545.

Therefore an amount of \$61,454 is the balance of funds required for the project to proceed. This represents 32% of the total project cost.

In looking at how the above amount could be funded reference was made to Council's resolution in relation to Royalties for Regions of 17 March 2009 which was as follows:

*"That Council accept the funding of \$605,370 offered under the State Royalties for Regions Program (Country Local Government Fund) for 2008/09 advising the Department of Local Government and Regional Development of the intention to allocate the funding to "Buildings" specifically the proposed ablution blocks located at the Foreshore Park and the Balingup Road Caravan Park \$65,370 with any remaining funds to be allocated to "Infrastructure – Footpaths and Cycleways" specifically Council's footpath program."*

Initially it was thought that the \$65,370 mentioned would have been a perfect fit to provide the balance of funds for this project. However upon closer reading of the resolution it is clear that the priority was first and foremost to fund any outstanding balance of funds for the two ablution blocks, and that footpaths/cycleways was a "back up" if there were any funds remaining.

Unfortunately it is looking like there will be minimal funds remaining after the full allocation to the ablution blocks is complete. Note this includes connecting pathway links, headworks costs, service connections, landscape works and variations. Therefore there is no current budget allocation that could be used to raise the \$61,454 required to initiate this project.

The options for Council would appear to be as follows:

1. Accept the Federal funding of \$90,000 and allocate the required matching funds of \$61,454 at Council's forthcoming budget review, and the project proceeds.
2. Accept the Federal funding of \$90,000 and designate a portion of Council's Royalties for Regions funding 2010/11 (\$61,454) to the project, allowing the project to proceed.
3. Not accept the \$90,000 in Federal funding and not undertake the project.

Given that this is an opportunity to significantly improve pedestrian access along one of the major transport corridors into Nannup, and that Council is required to allocate only 32% of the total cost, it is recommended that the project be undertaken. The funding source required from Council is recommended to be a part allocation from the infrastructure specific Royalties for Regions fund 2010/11.

**STATUTORY ENVIRONMENT:** Nil.

**POLICY IMPLICATIONS:** Nil

**FINANCIAL IMPLICATIONS:**

Royalties for Regions funding 2010/11 (\$61,454). The total allocation "direct" to Council for 2010/11 is \$302,685 and no allocation or commitments has been considered for these funds at this stage. These funds should not be confused with the Regional body allocation which Council has previously determined made a determination on allocation.

**STRATEGIC IMPLICATIONS:**

Forward Plan 2008/09 – 2010/13 Project Priorities:

*To Develop Appropriate Infrastructure that is a priority for Nannup.*

**RECOMMENDATIONS:**

1. The Jobs Fund – National Bike Path Project grant from the Department of Infrastructure, Transport, Regional Development and Local Government of \$90,000 be accepted.
2. That Council allocate part Royalties for Regions funds 2010/11, an amount of \$61,454 to the construction of a cycle path to Cockatoo Valley/The Valley along Warren Road/Brockman Highway inclusive of crossings of Carlotta and Nannup Brooks.

**8296 CAMARRI/LORKIEWICZ**

1. The Jobs Fund – National Bike Path Project grant from the Department of Infrastructure, Transport, Regional Development and Local Government of \$90,000 be accepted.

**CARRIED 8/0**

**8297 MELLEMA/DEAN**

2. That Council allocate part Royalties for Regions funds 2008/09, an amount of \$61,454 to the construction of a cycle path to Cockatoo Valley/The Valley along Warren Road/Brockman Highway inclusive of crossings of Carlotta and Nannup Brooks.

**CARRIED 8/0**

**8298 LORKIEWICZ/MELLEMA**

That a needs analysis for future dual use footpaths be developed.

**CARRIED 7/1**

Councillors voting for the motion: Boulter, Dean, Dunnet, Lorkiewicz, Mellema, Pinkerton and Gilbert.

Councillor voting against: Camarri.



# Australian Government

Department of Infrastructure, Transport,  
Regional Development and Local Government

File Reference: 09/8033

Mr Shane Collie  
Chief Executive Officer  
Shire of Nannup  
PO Box 11  
NANNUP WA 6275

SHIRE OF NANNUP			
RECEIVED			
Ref: LNC 67	No. 1061		
30 OCT 2009			
CEO MCS WM MDS	AO EO GDO CR:	LIB PUB	FMO YO RO

Dear Mr Collie

## RE: JOBS FUND - NATIONAL BIKE PATH PROJECTS – NBP121 COCKATOO VALLEY CYCLE PATH

On behalf of the Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon Anthony Albanese MP, I am pleased to advise you that your project has been approved funding up to \$90,000 (GST exclusive) under the Jobs Fund - National Bike Path Projects to be negotiated with the Shire of Nannup for the Cockatoo Valley Cycle Path project.

Provision of funding is dependent on the preparation and execution by both parties of a Funding Agreement [contract] that sets out the terms and conditions under which the funding is provided, and the settling of other details, including:

- the provision of final plans; and
- the confirmation of the final project Budget.

You must enter a Funding Agreement within eight weeks of the project being approved otherwise the offer of funding will be reviewed and may be withdrawn.

You will shortly be contacted by an officer from the Australian Government Department of Infrastructure, Transport, Regional Development and Local Government (the Department) to discuss the Funding Agreement.

No financial commitments should be entered into based on this offer of funding from the Australian Government until the Funding Agreement is fully executed. You should also be aware that work commenced on your project without a properly executed Funding Agreement will be at your own risk.

The funding amount is provided on the basis that it does not attract GST as the payment will be made by one government-related entity to another government-related entity. This circumstance is specifically covered by an appropriation under

Australian law and falls within the terms of Australian Tax Office (ATO) ruling GSTR 2006/11. You may wish to seek guidance from the ATO or your tax advisor on the impact of National Bike Path Projects funding on your organisation's taxation liabilities.

Should you wish to conduct a project launch at the conclusion of the project, or at another suitable time, please liaise with Sharon Burrell, on 02 6274 7946, to arrange a suitable date. Closer to the planning phase of any launch you may wish to hold, you should provide three possible launch dates and at least four weeks notice to the Department to make the appropriate arrangements for representatives attending the launch.

Congratulations on your successful application. I wish you every success with the project.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Richard Wood', written over a diagonal line.

Richard Wood  
General Manager  
Regional Development Programs Branch

23 OCT 2009

## West Australia – Jobs Fund: National Bike Path Projects

Grant Recipient	Project Name	Federal Contribution	Total Project Cost	Project Description
City of Belmont	Belmont Avenue Shared Path	\$29,941		This project, located in Cloverdale, will construct a 500m shared path along the eastern side of Belmont Avenue from Campbell Street to Alexandra Road.
City of Canning	Perth to Armadale Bike Path	\$775,000		This project located in Welshpool, Queens Park and East Cannington will provide a 4 km bike path to connect several local schools, a future library and recreation centre and the Cannington Regional centre. The route is adjacent to the existing Perth to Armadale rail line and traverses three railway stations and a bus transfer station.
City of Geraldton-Greenough	City of Geraldton - Greenough Implementation of Local Bike Rack Program	\$30,000		This project will manufacture and install bike racks in nine local areas across the City of Geraldton-Greenough in Western Australia.
City of Geraldton-Greenough	City of Geraldton - Greenough Implementation of Local Bike Plan Pathway Program	\$202,200		This project will fast track construction of 10 off-road concrete pathways spanning 4.075 km in Western Australia's City of Geraldton-Greenough. Locations include Blencowe Road (1,200 m), Eastern Road (530 m), Maitland Street (240 m), Spalding Park (250 m), Chapman Road (880m), Kultown Drive (140 m and 230 m), Tallarook Way (170m), Tamba (60 m), and Wahn Avenue (375 m).
City of Geraldton-Greenough	Implementation of Local Bike Plan Bike Path Program Bike Lane Program	\$40,000		This project in Geraldton will establish three bike lanes on Chapman Road from Phelps Street to Mabel Street, and on Durlacher Street from Highbury Street to Keane Drive and from Maitland Street to Hutchinson Street.
City of Joondalup	Coastal Shared Path Re-enhancement: Burns Beach 1.6km South	\$120,634		This project located in Joondalup is Stage 2 of a two-stage project to upgrade specific sections of the 12km coastal shared path which starts at Hillarys Boat Harbour through to Burns Beach. Stage 2 will upgrade 1.6km of shared path south of Burns Beach.
City of Joondalup	Hillarys Boat Harbour to 1km North - Coastal Shared path re-enhancement	\$124,940		This project located in Joondalup is Stage 1 of a two-stage project to upgrade specific sections of the 12km coastal shared path which starts at Hillarys Boat Harbour through to Burns Beach. Stage 1 will upgrade 1km of shared pathway north of Hillarys Boat Harbour.

## West Australia – Jobs Fund: National Bike Path Projects

Grant Recipient	Project Name	Federal Contribution	Total Project Cost	Project Description
City of Mandurah	Old Coast Road Cycle Path Construction	\$124,091		This project, located in Mandurah, will construct cycle path linkages along the National Highway (H002) within the City of Mandurah to help connect public transport, business and facilities helping to create a practical and usable path network.
City of Nedlands	Stephenson Avenue/Underwood Avenue Cycle Link	\$101,012		This project will complete the cycling infrastructure between Challenge Stadium and Underwood Avenue/Brockway intersection. The City of Nedlands proposes to complete this section by providing a 3m wide, fully lit, off-road cycling facility.
City of South Perth	Sir James Mitchell Park New Cycle Only Path	\$297,913		This project in South Perth involves the construction of 824m of new dedicated off-road cycle path, thereby enabling the existing path to be a pedestrian only path. The project will also include landscape rehabilitation works, line marking and signage.
City of South Perth	Sir James Mitchell Park Cycle Path Refurbishment	\$48,750		This project in South Perth will refurbish one side of an existing cycle path to 1.6m wide, for a distance of 584m.
Shire of Augusta-Margaret River	Flinders Bay Shared Pathway	\$21,500		This project, located in Augusta, will extend the existing pathway along a roadway, around the perimeter of a foreshore caravan park and into a popular foreshore reserve. The project will also include realignment of a complex intersection to provide a safe crossing point for pedestrians and cyclists.
Shire of Merredin	Roy Little Park Bike Path	\$88,000		This project located in Merredin, will complete Stage Two of the development of Roy Little Park by establishing a 900m dual-use path around Roy Little Park and lake area - connecting to other town attractions.
Shire of Nannup	Cockatoo Valley Cycle Path	\$90,000		This project, located in Nannup, will construct a 2.5 km cycle path from the Cockatoo Valley residential subdivision to the town centre.

## West Australia – Jobs Fund: National Bike Path Projects

Grant Recipient	Project Name	Federal Contribution	Total Project Cost	Project Description
Shire of Northam	Northam Dual Use Bike Path	\$133,324		This project, located in Northam, involves the construction of a 2.3km dual use asphalt bike path between the Northam caravan Park and the Northam Recreation Grounds. The new path will join with an existing bike path, thereby safely connecting the outskirts of the community with the central business district.
Town of Kwinana	Town of Kwinana Bike Paths	\$611,659		This project located in Kwinana, will construct 8,210 metres of new bike paths that are between 2 and 2.5 metres in width and replace 1,928 metres of old concrete slab footpaths with 2 metre wide bike paths.
<b>WA - TOTAL</b>		<b>\$2,838,964</b>	<b>\$5,700,000*</b>	

☐ = Total Project Costs to yet be announced (as of 28 October 2009)

\* Not final figure for Total Project Costs in West Australia.

AGENDA NUMBER: 10.16  
SUBJECT: Nannup Bike Rack Project  
LOCATION/ADDRESS:  
NAME OF APPLICANT:  
FILE REFERENCE: ASS 2  
AUTHOR: Louise Stokes – Community Development Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 11 November 2009

Attachment: Design of Bike Rack by Mr Rod Laws.

### BACKGROUND:

A grant application was submitted to Country Arts WA through their Residencies and Projects round to design and construct a creative bike rack. The bike rack was to be installed within the streetscape of Nannup through community participation workshops under the tutelage of Mr Rod Laws. \$7,710 was granted, being the full amount requested and was accepted by Council at the July 2009 meeting (Resolution 8232).

The idea of creative bike racks installed within the townsite was initiated by Mr Charley Cannon and assists to promote Nannup as a cycle friendly town. The installation of bike racks throughout the townsite assists to encourage visitors and residents to become more active and cycle instead of driving cars. A positive partnership is being developed with the Munda Bidli Foundation and the installation of functional creative bike racks is a promotional tool for Nannup.

This project is also complementary to the Council resolution (Agenda Item 10.8 May 2009),

*“that Council accept the designs for public artwork bike racks:*

- *Spider (Attachment A) by artist Irene Osborne*
- *Leaves (Attachment B) by artist Irene Osborne*
- *Park bench (Attachment D) by artist Russell Fuller-Hill*

*for construction once full funding has been sought and approved by Council.”*

This design has been developed in community workshops and chosen through a public comment period. It has been tabled at prior Streetscape Advisory Committee meetings and is now presented to Council for consideration and endorsement.

**COMMENT:**

A risk management analysis of the design will be undertaken prior to its construction to minimise the risk of any design flaws that may be inherent in it. Subject to Council accepting this design, a workshop will be scheduled for January 2010 to construct the bike rack, which will then be installed in the streetscape.

The location of the bike rack will be determined once constructed; however prior discussion at the Streetscape Advisory Committee indicated that the preferred locations were either at the Anglican Church or near Nannup Handy Foods on Warren Road.

**STATUTORY ENVIRONMENT:** Nil.

**POLICY IMPLICATIONS:** Nil.

**FINANCIAL IMPLICATIONS:** Fully funded through Country Arts WA.

**STRATEGIC IMPLICATIONS:**

Forward Plan 2008/09 2012/13 Program 11 Recreation & Culture 11.A states:

*"Develop concept plans for artistic bike racks as tourist features and pursue funding for implementation."*

**RECOMMENDATION:**

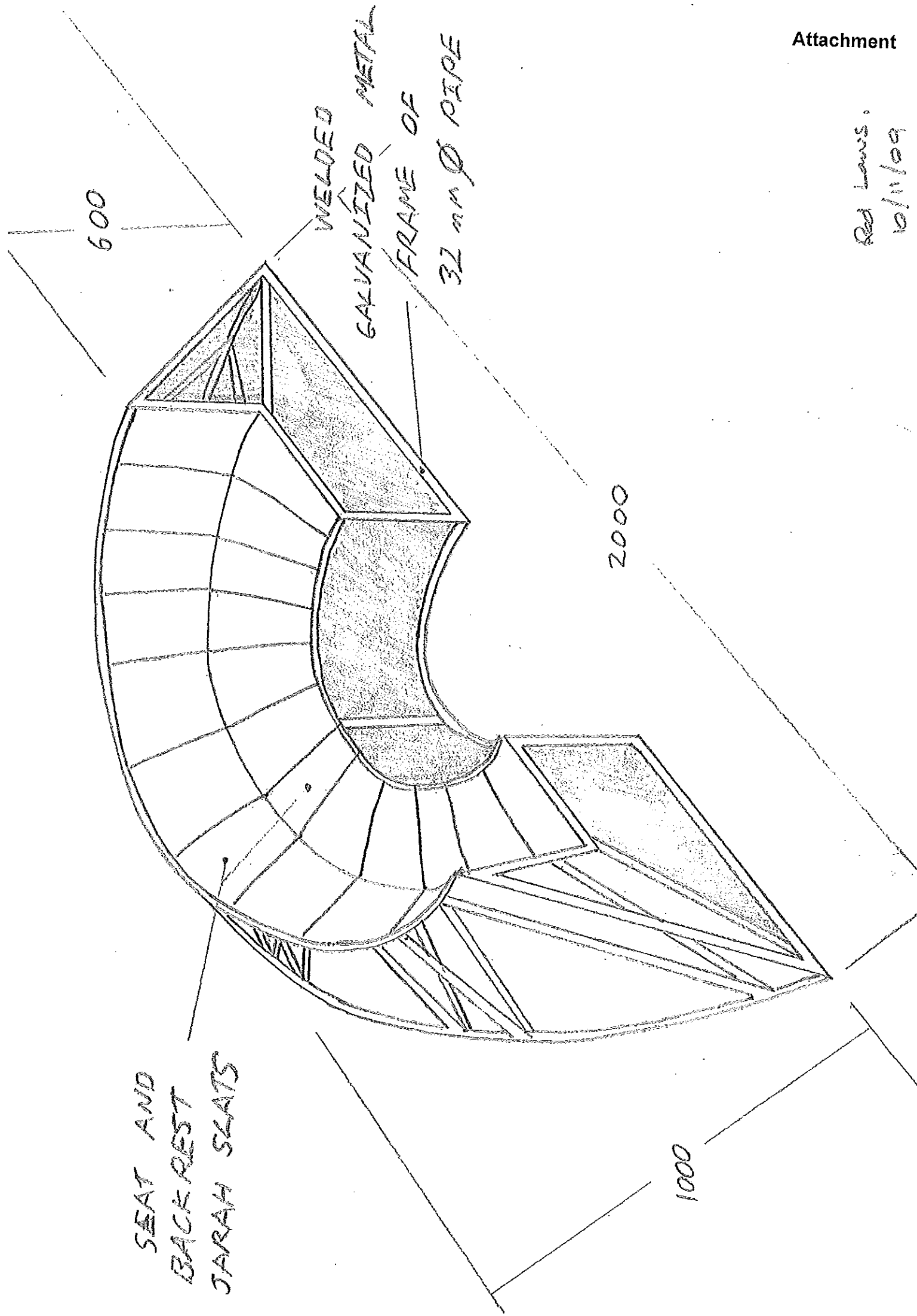
That the design submitted as an attachment to this item by Mr Rod Laws for the Nannup Bike Rack Project be accepted by Council.

**8299 LORKIEWICZ/PINKERTON**

That the design submitted as an attachment to this item by Mr Rod Laws for the Nannup Bike Rack Project be accepted by Council.

**CARRIED 8/0**

Red Lines.  
10/11/09



AGENDA NUMBER: 10.17  
SUBJECT: Accounts for Payment  
LOCATION/ADDRESS: Nannup Shire  
FILE REFERENCE: FNC 8  
AUTHOR: Tracie Bishop – Administration Officer  
DISCLOSURE OF INTEREST:  
DATE OF REPORT: 13 November 2009

Attachment: Schedule of Accounts for Payment.

**COMMENT:**

The Accounts for Payment for the Nannup Shire Municipal Account fund and Trust Account fund are detailed hereunder and noted on the attached schedule are submitted to Council.

**Municipal Account**

Accounts Paid By EFT EFT 951- 1018	\$199,283.95
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Accounts Paid By Cheque Vouchers 17817 – 17893	\$119,865.91
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Direct Debits Vouchers 99144 – 99147	\$ 14,371.36
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**Trust Account**

Accounts Paid By Cheque Vouchers 22712 - 22718	\$ 480.00
Eft payments EFT 972	\$ 80.00

**STATUTORY ENVIRONMENT:**

Local Government (Financial Management) Regulation 13

**POLICY IMPLICATIONS:** Nil.

**FINANCIAL IMPLICATIONS:**

As indicated in the Schedule of Accounts for Payment.

**STRATEGIC IMPLICATIONS:** Nil.

Signed:

Dated: 17 December 2009

**RECOMMENDATION:**

That the List of Accounts for Payment for the Nannup Shire Municipal Account fund totalling \$334,080.82 in the attached schedule be accepted.

**8300 BOULTER/MELLEMA**

That the List of Accounts for Payment for the Nannup Shire Municipal Account fund totalling \$334,080.82 in the attached schedule be accepted.

**CARRIED 8/0**

Signed:

Dated: 17 December 2009

**SCHEDULE OF ACCOUNTS PAYABLE**  
**SHIRE OF NANNUP**  
**SUBMITTED TO COUNCIL'S NOVEMBER 2009 MEETING**

Chq/EFT	Name	Description	Amount
<b>Municipal Payments</b>			
EFT951	AUSTRALIAN TAXATION OFFICE	SEPT BAS	\$5,398.00
EFT952	WADIFARM CONSULTANCY SERVICES	CONSULTANCY FEES	\$1,512.50
EFT953	COUNTRY COMFORT - INTER CITY PERTH	ACCOMODATION	\$557.00
EFT954	ROB PAULL AND ASSOCIATES	PROFESSIONAL SERVICES	\$870.00
EFT955	WILLIAM JAMES LANDSCAPE ARCHITECT	VERVE ENERGY REVIEW OF VISUAL ASSESSMENT	\$1,936.00
EFT956	TRADEMARK PUBLISHER	PUBLICATION OF TRADEMARK	\$2,900.00
EFT957	COURIER AUSTRALIA	FREIGHT CHARGES	\$223.45
EFT958	GEOGRAPHE SAWS & MOWERS	SUNDRY SPARE PARTS	\$525.80
EFT960	GL HAPP PTY LTD	FUEL	\$232.14
EFT961	MIDALIA STEEL	STEEL	\$287.47
EFT962	TRADE HIRE	HIRE OF A DRILL	\$85.20
EFT963	RED 11	BACKUP TAPES	\$952.69
EFT964	CHIFLEY BUSINESS SCHOOL	LEGISALTION AND GOVERANCE SHORT COURSES 2009	\$600.00
EFT965	CORPORATE EXPRESS	STATIONERY SUPPLIES	\$37.17
EFT966	FIRE AND EMERGENCY SERVICES AUTHORITY	ESL FOR COMMUNITY CENTRE	\$898.87
EFT967	NANNUP TELECENTRE	SHIRE NOTES	\$990.00
EFT968	SW PRECISION PRINT	STATIONERY SUPPLIES	\$336.00
EFT969	RICOH BUSINESS CENTRE	PHOTOCOPIER MAINTENANCE	\$682.51
EFT970	SOUTH WEST RUBBER STAMPS	SELF INKING STAMPS	\$113.30
EFT971	WARREN BLACKWOOD WASTE	MONTHLY BIN CONTRACT	\$5,603.78
EFT973	WA LOCAL GOVERNMENT SUPERANNUATION PLAN	SUPERANNUATION CONTRIBUTIONS	\$10,453.12
EFT974	WITCHCLIFFE FARM SERVICE	SUNDRY SUPPLIES	\$1,073.78
EFT975	COURIER AUSTRALIA	FREIGHT CHARGES	\$24.35
EFT976	LANDGATE	GRV SCHEDULES G2009/9	\$613.82
EFT977	K & C HARPER	BUILDING MAINTENANCE	\$313.50
EFT978	LGIS WORKCARE	WORKCARE	\$23,501.50
EFT979	LGIS LIABILITY	LGIS LIABILITY	\$8,882.50
EFT980	NANNUP HARDWARE & AGENCIES	GENERAL HARDWARE SUPPLIES	\$860.80
EFT981	SW PRECISION PRINT	STATIONERY SUPPLIES	\$240.00
EFT982	SUGAR MOUNTAIN ELECTRICAL SERVICES	MAINTENANCE WORKS	\$8,398.98
EFT983	GREENWAY ENTERPRISES	TOOLS AND FERTILISER	\$441.26
EFT984	NANNUP SURVEYS	SURVEY MOWEN ROAD - STAGE ONE	\$3,850.00
EFT985	WILTON'S BISTRO	COUNCIL DINNER	\$348.00
EFT986	JP REPAIRS	SUPPLY AND FIT 4 X NEW TYRES	\$1,196.00
EFT987	MCG ARCHITECTS PTY LTD	DESIGN DEVELOPMENT	\$15,345.00
EFT988	SPLIT TEAM	AIR CONDITIONER ALTERATIONS TO DARRADUP VBFB	\$594.00
EFT989	COURIER AUSTRALIA	FREIGHT CHARGES	\$7.32
EFT990	GEOGRAPHE SAWS & MOWERS	SUNDRY SPARE PARTS	\$238.00
EFT991	CUTTS ENGINEERING	REPAIRS TO 432D BACKHOE BUCKET	\$5,980.96
EFT992	NANNUP HARDWARE & AGENCIES	SUNDRY SUPPLIES	\$87.95
EFT993	NANNUP TOURIST ASSOCIATION	DIRECTORY LISTING - NANNUP EXPERIENCE BOOKLET	\$33.00
EFT994	PICTON TYRE CENTRE PTY LTD	2 X TYRES	\$1,192.00
EFT995	LGIS RISK MANAGEMENT	REGIONAL CO ORDINATOR FEE JULY - DEC 09	\$2,402.40
EFT996	AMD CHARTERED ACCOUNTANTS	AUDIT 2009	\$4,400.00
EFT997	GL HAPP PTY LTD	FUEL EXPENSES	\$222.81
EFT998	INSIGHT CCS PTY LTD	MONTHLY SERVICE FEE	\$72.27
EFT999	MUIRS MANJIMUP	FORD FG XT SEDAN	\$12,758.79
EFT1000	PRESTIGE PRODUCTS	CLEANING PRODUCTS	\$420.20
EFT1001	RICOH BUSINESS CENTRE	PHOTOCOPIER METER PLAN	\$563.92
EFT1002	SOUTH WEST FIRE	VEHICLE REPAIRS TO NP3260	\$3,867.60
EFT1003	LOUISE STOKES	REIMBURSEMENT OF EXPENSES	\$827.40
EFT1004	WARREN BLACKWOOD WASTE	BIN PICKUPS OCTOBER 09	\$4,950.60
EFT1005	WADIFARM CONSULTANCY SERVICES	ADMINISTRATION ASSISTANCE	\$165.00
EFT1006	MJB INDUSTRIES	CONCRETE PIPE WORKS	\$9,830.30
EFT1007	PHOENIX BUILDING COMPANY	MARINKO TOMAS UPGRADE	\$9,608.33
EFT1008	MCG ARCHITECTS PTY LTD	CONTRACT DOCUMENTATION - TIMWOOD CENTRE	\$10,230.00
EFT1009	HIP POCKET WORKWEAR	SAFETY WEAR - SCOTT RIVER JASPER FIRE BRIGADE	\$899.70
EFT1010	COURIER AUSTRALIA	FREIGHT CHARGES	\$32.53
EFT1011	D & J COMMUNICATIONS	INSTALLATION OF MOBILE PHONE ANTENNA	\$119.90
EFT1012	HOLCIM AUSTRALIA PTY LTD	SEALING AGG	\$9,610.18
EFT1013	GEOGRAPHE SAWS & MOWERS	SUNDRY SUPPLIES	\$50.00
EFT1014	LANDGATE	HEADWORKS COSTING - RIVERBEND CARAVAN PARK	\$110.00
EFT1015	METAL ARTWORK CREATIONS	NAME PLATES AND BADGES - COUNCILLORS	\$73.70
EFT1016	GREG MADER EARTHWORKS	BIRD ROAD GRAVEL PIT	\$13,475.98
EFT1017	NANNUP HARDWARE & AGENCIES	GENERAL HARDWARE SUPPLIES	\$3,148.15
EFT1018	NANNUP NEWSAGENCY	PRINTING AND STATIONERY	\$3,026.47
<b>TOTAL EFT PAYMENTS:</b>			<b><u>\$199,283.95</u></b>

**SCHEDULE OF ACCOUNTS PAYABLE**  
**SHIRE OF NANNUP**  
**SUBMITTED TO COUNCIL'S NOVEMBER 2009 MEETING**

Chq/EFT	Name	Description	Amount
17817	BAILEYS FERTILISERS	SOIL ANALYSIS	\$115.50
17818	CJD EQUIPMENT PTY. LTD.	PARTS	\$594.98
17819	JEM TRUCK SALES	FUEL FILTERS	\$75.39
17820	NANNUP HANDY FOODS	FUELS AND REFRESHMENTS	\$220.00
17821	DEPARTMENT FOR PLANNING AND INFRASTRUCTURE	VEHICLE REGISTRATION	\$72.65
17822	GT BRAKE & CLUTCH REPAIRS	BRAKE BOOSTER	\$115.50
17823	SUNNY BRUSHWARE SUPPLIES	TRACTOR BROOMS	\$3,000.80
17824	WORK CLOBBER	WORK BOOTS	\$409.00
17825	THE GRYGLICKI FAMILY TRUST	BUS HIRE FOR BUNBURY YAC TRIP	\$909.25
17826	BLACKWOOD VALLEY BUS SERVICE	MANJIMUP MEANDER	\$420.00
17827	TATHRA WINERY RESTAURANT	AFTERNOON TEA - SENIORS PROGRAM	\$90.00
17828	AUSTRALIA POST	STRUCTURAL REFORM SURVEYS - REPLY PAID	\$81.00
17829	COUNTRY WOMEN'S ASSOCIATION	COUNCIL DINNER	\$240.00
17830	NANNUP EZIWAY SELF SERVICE STORE	REFRESHMENTS AND CLEANING	\$231.74
17831	PIONEER CREDIT MANAGEMENT SERVICES	LEGAL FEES	\$56.87
17832	SHIRE OF NANNUP	REIMBURSEMENT OF PETTY CASH	\$143.95
17833	SHIRE OF BUSSELTON	RANGER REQUESTS	\$222.50
17834	SHIRE OF MANJIMUP	INSTALLATION OF OFFICE SCAN	\$192.50
17835	WALGA	TOWN PLANNING AND DEVELOPMENT	\$1,108.42
17836	DEPARTMENT FOR PLANNING AND INFRASTRUCTURE	REGISTRATION OF VEHICLE	\$283.75
17837	AMP LIFE LTD	SUPERANNUATION CONTRIBUTIONS	\$660.17
17838	AUSTRALIAN SUPER	SUPERANNUATION CONTRIBUTIONS	\$277.46
17839	WESTSCHEME	SUPERANNUATION CONTRIBUTIONS	\$318.89
17840	NORWICH UNION SUPERANNUATION TRUST	SUPERANNUATION CONTRIBUTIONS	\$277.46
17841	COMMONWEALTH SUPER SELECT	SUPERANNUATION CONTRIBUTIONS	\$301.59
17842	IIML ACF IPS APPLICATION TRUST	SUPERANNUATION CONTRIBUTIONS	\$302.40
17843	HOSTPLUS EXECUTIVE	SUPERANNUATION CONTRIBUTIONS	\$105.82
17844	SHIRE OF NANNUP	PAYROLL DEDUCTIONS	\$100.00
17845	L & A SANZONE	GARDEN ENTRY AND GUIDED WALK TOUR	\$540.00
17846	SUNNYHURST ESTATE	GARDEN ENTRY AND GUIDED WALK TOUR	\$136.00
17848	CHIP'N'GALES	CHIPS - MOVIE NIGHT	\$45.00
17849	EVANS GLAZING	REGLAZE WINDOW AT COMMUNITY CENTRE	\$216.15
17850	CJD EQUIPMENT PTY. LTD.	SUNDRY SUPPLIES	\$135.69
17851	FOREST PRODUCTS COMMISSION	EUCALYPTUS AND CORYMBIA CALAPHYLLA SEEDLINGS	\$334.80
17852	FENNESSY'S	NEW VEHICLE PURCHASE - HOLDEN COMMODORE	\$14,110.11
17853	NANNUP LIQUOR STORE	REFRESHMENTS	\$203.89
17854	DEPARTMENT FOR PLANNING AND INFRASTRUCTURE	VEHICLE REGISTRATION	\$24.05
17855	TOTAL EDEN WATERING SYSTEMS	IRRIGATION SUPPLIES	\$297.51
17856	AJ & MC DAVIS	GARDEN ENTRY FEE - SENIORS WEEK ACTIVITY	\$228.00
17857	ANTHONY DEAN	RECOUP OF EXPENSES	\$1,420.00
17858	CJD EQUIPMENT PTY. LTD.	HOUSING FOR FRONT END LOADER	\$13.28
17859	AUSTRALIA POST	REPLY PAID LETTER - STRUCTURAL REFORM SURVEYS	\$28.35
17860	BLACKWOOD CAFE - ARIHIA PTY LTD	YAC SCHOOL HOLIDAY PROGRAM	\$100.00
17861	DF & DJ BOULTER	RECOUP OF EXPENSES NO 10	\$1,100.00
17862	BDA TREELOPPING SERVICE	TREE LOPPING NANNUP CARAVAN PARK	\$31,680.00
17863	BIDELLIA BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$1,000.00
17864	BALINGUP ROAD BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$1,800.00
17865	CUNDINUP BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$2,300.00
17866	CARLOTTA BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$2,500.00
17867	CJD EQUIPMENT PTY. LTD.	FUEL PUMP	\$892.19
17868	DARRADUP VOLUNTEER BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$13,700.00
17869	EAST NANNUP BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$3,000.00
17870	THE GOOD FOOD SHOP	REFRESHMENTS	\$150.00
17871	NANNUP BROOK BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$3,400.00
17872	NORTH NANNUP BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$5,400.00
17873	NANNUP LIQUOR STORE	REFRESHMENTS	\$29.98
17874	DEPARTMENT FOR PLANNING AND INFRASTRUCTURE	VEHICLE REGISTRATION	\$368.15
17875	SYNERGY	ELECTRICITY EXPENSES - DEPOT	\$353.50
17876	SOUTH WEST REGIONAL COLLEGE OF TAFE	COURSE FEES SEMESTER 2 2009 - TYRON SWAIN	\$130.00
17877	SCOTT RIVER JASPER BUSH FIRE BRIGADE	FUNDING ALLOCATION 09/10	\$3,200.00
17878	LGIS INSURANCE BROKING	INSURANCE - PWO	\$3,498.35
17879	NATURALISTE HYGIENE SERVICES	SANITARY SERVICE	\$1,089.00
17880	THE GRYGLICKI FAMILY TRUST	BUS HIRE TO BRIDGETOWN	\$441.65
17881	TRUE TRACK TRUCK ALIGNING	WHEEL ALIGNMENT AND BALANCE	\$264.00
17882	BLACKWOOD CAFE - ARIHIA PTY LTD	REFRESHMENTS	\$27.00
17883	GEOGRAPHE TIMBER AND HARDWARE SUPPLIES	PINE TIMBER SUPPLIES	\$143.10
17884	JEM TRUCK SALES	SUNDRY SUPPLIES	\$726.23
17885	NANNUP HANDY FOODS	FUELS AND REFRESHMENTS	\$32.00
17886	NANNUP EZIWAY SELF SERVICE STORE	REFRESHMENTS AND CLEANING	\$360.65
17887	NANNUP STATE EMERGENCY SERVICE	OPERATING GRANT 09/10	\$9,230.00
17888	NANNUP LIQUOR STORE	REFRESHMENTS	\$256.88
17889	DEPARTMENT FOR PLANNING AND INFRASTRUCTURE	VEHICLE REGISTRATION	\$1,338.40
17890	STEWART & HEATON CLOTHING CO. PTY LTD	SAFETY WEAR - TROUSERS	\$77.31
17891	T. LEVICK GODWIN	REIMBURSEMENT OF EXPENSES	\$32.50
17892	WATER CORPORATION	HEADWORKS CHARGES RIVERBEND CARAVAN PARK	\$2,361.20
17893	WORK CLOBBER	SAFETY WEAR	\$223.00

TOTAL CHEQUE PAYMENTS: \$119,865.51

**SCHEDULE OF ACCOUNTS PAYABLE**  
**SHIRE OF NANNUP**  
**SUBMITTED TO COUNCIL'S NOVEMBER 2009 MEETING**

Chq/EFT	Name	Description	Amount
99144	BP AUSTRALIA	FUEL EXPENSES - SEPTEMBER 09	\$344.30
99145	CALTEX AUSTRALIA	FUEL EXPENSES - SEPT 09	\$12,818.74
99146	TELSTRA	TELEPHONE EXPENSES	\$1,038.48
99147	WESTNET	INTERNET EXPENSES	\$169.84
<b>TOTAL DIRECT CREDITS:</b>			<b><u>\$14,371.36</u></b>

**TRUST PAYMENTS:**

22712	CHERYLE BROWN	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
22713	ROBERT LONGMORE	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
22714	DF & DJ BOULTER	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
22715	CHARLES GILBERT	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
22716	ROBIN MELLEMA	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
22718	R TAYLOR	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
<b>TOTAL CHEQUE PAYMENTS:</b>			<b><u>\$480.00</u></b>

EFT972	BARBARA DUNNET	BOND REFUND - LOCAL GOVT ELECTIONS 2009	\$80.00
<b>TOTAL EFT PAYMENTS:</b>			<b><u>\$80.00</u></b>

**TOTAL MUNICIPAL PAYMENTS: \$333,520.82**

**TOTAL TRUST PAYMENTS: \$560.00**

**TOTAL PAYMENTS FOR THE MONTH OF NOVEMBER: \$334,080.82**

## **11. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

Nil.

## **12. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Cr Dean has put forward the following three Notices of Motion:

### **12.1 Notice of Motion 1**

*"That this council declines an offer of a seat on the Board of the Nannup Visitor Centre and seeks to conduct its business with the Nannup Tourism Association through a newly signed lease agreement"*

### **OFFICER COMMENT**

In discussions with Cr Dean it was considered that this Notice of Motion is a rescission motion as the action sought is substantially different (contrary) to that passed by Council at the last meeting when Council nominated Cr Pinkerton to the Visitor Centre Board. This being the case the proposed motion needs the support of 3 members to be introduced and an absolute majority (5) to pass.

The chairman of the Nannup Tourism Association Inc advised by email on 29 October the following which is relevant:

*"The Board of the Nannup Tourism Association Inc ("NTA") unanimously resolved at its Board Meeting on 22 October 2009 not to accept the appointment of Councillor Carol Pinkerton's as the Shire representative to NTA Board meetings.*

*At a NTA Board meeting held on 15 March 2009 it was decided unanimously that it was unnecessary to have Shire representation at each meeting. The Board resolved that it would informally meet with Shire Councillors on a tri- monthly basis to discuss NTA issues. The Board would like to continue on this basis.*

*In the past Councillor Pinkerton has been relentlessly antagonistic towards staff of the Visitors Centre and Board members and the Board questions her enthusiasm and reasons at being appointed Shire representative. Councillor Pinkerton has publicly displayed her antagonism towards our previous Visitors Centre Manager and one of our Board members and her appointment as Shire representative presents a conflict of interest.*

*The Board suggests that it continue with tri- monthly meetings with interested Shire Councillors and if this is not satisfactory to the Shire then the Board would*

*be happy to have a Shire councillor (preferably not Councillor Pinkerton) to attend Board meetings tri-monthly."*

The Nannup Tourism Association constitution stipulates that the Board of Management shall consist of eight members plus voting representatives from CALM (DEC), the Nannup Shire and the volunteer's representative. The constitution does not authorise the Board to determine who the Shire, DEC or Volunteer representatives are. The "decision" made by the board to reject Cr Pinkerton's nomination has no effect under the Visitor Centre constitution.

Per Cr Dean's Notice of Motion it is for Council to determine how it wishes to address the appointment.

In terms of a new lease document Council's solicitors have provided an interpretation of the current document which was very helpful and are waiting on further instructions to draft a new document. An inspection of the caravan parks for the purposes of licensing was undertaken on 23 October 2009 and this is fundamental to the terms of any proposed new agreement. Both caravan parks must be licensed to be operated (by lease or other arrangement) by an entity external to Council.

A request to meet with Nannup Tourism Association representatives on this matter was forwarded 22 October 2009 and followed up 3 November 2009. It is understood the lease agreement was the subject of discussion at the NTA Board meeting held 12 November 2009. Council's Manager Development Services has been requested to meet with Visitor Centre Board representatives regarding the licensing of the caravan parks.

Councillors Dean, Boulter and Lorkiewicz supported this Notice of Motion to be introduced for discussion.

#### **8301 DEAN/BOULTER**

That this council declines an offer of a seat on the Board of the Nannup Visitor Centre and seeks to conduct its business with the Nannup Tourism Association through normal Council procedure.

**CARRIED 8/0  
BY AN ABSOLUTE MAJORITY**

#### **12.2 Notice of Motion 2**

*"that this Council disbands the TIMEWOOD ADVISORY COMMITTEE and all power and decision making reverts back to elected representatives"*

#### **OFFICER COMMENT**

This again is considered a rescission motion and needs the support of 3 members to be introduced and an absolute majority (5) to pass.

**MOTION WITHDRAWN**

**12.3 Notice of Motion 3**

*"that this Council adopt at its December meeting a comprehensive set of standing orders"*

**OFFICER COMMENT**

This motion if passed would be *"ultra vires"* that is beyond the powers of Council in terms of legal timing. A formal advertising period must be observed and submissions considered prior to Council adopting any local law. This would be unable to be achieved by the December 2009 meeting. To achieve the result of introducing a Standing Orders Local Law Council could adopt the recommendation contained in current agenda item 10.6.

**MOTION WITHDRAWN**

**13. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

Nil.

**14. CLOSURE OF MEETING**

There being no further business to discuss the Shire President declared the meeting closed at 7.00pm.