



## **MINUTES**

### **ORDINARY COUNCIL MEETING**

**HELD ON**

**THURSDAY, 21 December 2017**

**5.30<sup>PM</sup>**

**SHIRE COUNCIL CHAMBERS**



**WESTERN AUSTRALIA'S  
WILDFLOWER COUNTRY**

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Nil

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## **1 Declaration of Opening**

The Shire President declared the meeting open at 5:30pm.

### **1.1 Recording of Those Present**

Cr K J Chappel	President
Cr D S Carslake	Deputy President
Cr D B Collins	
Cr J M Coaker	
Cr D S Agar	
Cr M J Thornton	
Cr K Stokes	

Mr C Linnell	Chief Executive Officer
Ms S Appleton	Executive Manager Development & Administration
Mrs F Gledhill	Executive Manager Corporate & Community Services
Ms E Cuthbert	Economic Development Manager
Mr P Buist	Principal Works Manager

### **1.2 Apologies**

Nil

### **1.3 Approved Leave of Absence**

Nil

### **1.4 Welcoming of Visitors to the Meeting**

Nil

### **1.5 Announcements by the Presiding Member without Discussion**

The President made the following announcements:

As 2017 draws to an end I wish to sincerely thank the Deputy President Cr Carslake, Cr Agar, Cr Coaker, Cr Collins, Cr Stokes, Cr Thornton for your support to me and your continuing commitment to the Shire of Morawa.

Mr Chris Linnell, Acting CEO Sean Fletcher, Senior Staff Paul Buist, Fred Gledhill, Sam Appleton and all staff, I thank you on behalf of Council for your endeavours throughout 2017. It does not go unnoticed that each of you has this year strived toward the success of the Shire of Morawa and the satisfaction of our community. I look forward to working with you all in 2018 as we continue to seek to be the best we can be as a Local Government.

May you and your loved ones have a safe and happy festive season and return in the New Year excited to be a part of the Shire of Morawa as we embrace a bright and positive future.

Can I please acknowledge and offer a special thankyou to Fred Gledhill as this is Fred's last Ordinary Council Meeting. All the best in your retirement.

## **2 Public Question Time**

### **2.1 Response to previous public questions taken on notice**

Nil

### **2.2 Public question time**

Nil

## **3 Declaration of Interest**

Cr Carslake declared a proximity interest in item 7.2.2.4 as an owner of the refuse contractor is a member of his staff.

Cr Thornton declared a financial interest in item 7.2.2.4 as he is the owner of the refuse contracting service.

Cr Thornton declared a financial interest in item 12.1.1 as he has submitted a tender for the matter to be considered.

Cr Carslake declared a proximity interest in item 12.1.1 as an owner of the refuse contractor is a member of his staff.

Cr Stokes declared an impartiality interest in item 12.1.1 due to a friendship with one of the tenderers.

## **4 Confirmation of Minutes of Previous Meetings**

### **COUNCIL RESOLUTION**

**1712003**                      **Moved:        Cr Stokes**  
   **Seconded:   Cr Coaker**

**That the minutes of the following meetings be confirmed:**

**4.1 Ordinary Council Meeting – 16 November 2017**

**4.2 Special Council Meeting – 23 November 2017**

**4.3 Special Council Meeting – 12 December 2017**

**CARRIED 7/0**

**5 Public Statements, Petitions, Presentations and Approved Deputations**

Nil

**6 Method of Dealing with Agenda Business**

Nil

**7 Reports**

**7.1 Reports from Committees**

Nil

**7.2 Reports from the Chief Executive Officer**

**7.2.2 Executive Manager Corporate & Community Services**

**7.2.3 Executive Manager Development & Administration**

**7.2.4 Economic Development Manager**

Nil

**7.2.5 Principal Works Manager**

Nil

## 7.2.2 Executive Manager Corporate & Community Services

<i>Item No/Subject:</i>	<b>7.2.2.1 Accounts Due For Payment – November 2017</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>14 December 2017 — Candice Smith Senior Finance Officer</b>
<i>Responsible Officer:</i>	<b>Fred Gledhill – Executive Manager Corporate &amp; Community Services</b>
<i>Applicant/Proponent:</i>	<b>Executive Manager Corporate &amp; Community Services</b>
<i>File Number:</i>	<b>FM.CRD.1</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

A list of accounts is attached for all payments made for the month of November 2017 (Attachment 1).

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Attachment 1 - 7.2.2.1a List of accounts due and submitted

### **BACKGROUND INFORMATION**

Local Government (Financial Management) Regulations 1996 – Reg 13

The local government has delegated to the CEO the exercise of power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to prepare each month showing for each account paid since the last such list was prepared.

### **OFFICER'S COMMENT**

Nil

## **COMMUNITY CONSULTATION**

Nil

## **COUNCILLOR CONSULTATION**

Nil

## **STATUTORY ENVIRONMENT**

Local Government (Financial Management) Regulations 1996 – Reg 13

## **POLICY IMPLICATIONS**

Section 3 – Finance 3.6 Use of Corporate Credit Cards Policy

## **FINANCIAL IMPLICATIONS**

As per list of accounts

## **STRATEGIC IMPLICATIONS**

Nil

## **RISK MANAGEMENT**

As per Policy Section 3 – Finance 3.11 Risk Management Controls

## **VOTING REQUIREMENT**

Simple Majority

## **OFFICER'S RECOMMENDATION**

That Council endorses the list of accounts paid by the Chief Executive Officer under delegated authority, represented by:

- Municipal EFT Payment Numbers EFT 10220 to EFT 10305 inclusive, amounting to \$147,774.22
- Municipal Cheque Payments Numbered 11761 to 11770 amounting to \$33,195.46 and Cheque Payment Numbered 25 amounting to \$351.20
- Municipal Direct Debit Payments Numbers DD5849.1 to DD5913.2 amounting to \$19,995.79
- Payroll for November 2017

01/11/2017 - \$ 55,284.70

15/11/2017 - \$ 56,369.71

29/11/2017 - \$ 46,836.94



## 7.2.2.1a Accounts due and submitted

EFT10220	16/11/2017	Shire of Morawa	Petty Cash Recoup November 2017	1	351.20
EFT10221	06/11/2017	Star Track Express	Freight	1	1,478.23
EFT10222	06/11/2017	Kats Rural	Purchases	1	47.00
EFT10223	06/11/2017	Morawa Traders	Purchases	1	21.60
EFT10224	06/11/2017	Morawa Roadhouse	Buns for BBQ Mental Health Week	1	78.00
EFT10225	06/11/2017	Midwest Chemical & Paper Distributors	Toilet Rolls Caravan Park	1	231.00
EFT10226	06/11/2017	McDonalds Wholesalers	Purchases	1	48.40
EFT10227	06/11/2017	S & K Electrical Contracting Pty Ltd	Swimming Pool Pump Room	1	707.85
EFT10228	06/11/2017	Geraldton Toyota	Service OM0	1	253.95
EFT10229	06/11/2017	Bunnings Group Limited	Purchases	1	395.11
EFT10230	06/11/2017	Geraldton Mower & Repairs Specialists	Parts	1	96.00
EFT10231	06/11/2017	Aerodrome Management Services Pty Ltd	Annual Inspection	1	4,642.00
EFT10232	06/11/2017	Neverfail Springwater Limited	Rental	1	14.30
EFT10233	06/11/2017	PB & SJ OFFSZANKA	Canna Ablutions tourist season	1	450.00
EFT10234	06/11/2017	AFGRI	Purchases	1	205.61
EFT10235	06/11/2017	Asphalt in a bag	Neagle and Manning Intersection	1	3,437.50
EFT10236	06/11/2017	Morawa Rural Enterprises Two	Purchahses	1	630.90
EFT10237	06/11/2017	Karen Jeanette Chappel	Sitting Fees July - September 2017	1	8,250.00

EFT10237	06/11/2017	Mark & Bronwyn Thornton	Sitting Fees July to Sept 2017	1	2,000.00
EFT10238	06/11/2017	Ken Stokes	Sitting Fees July to Sept 2017	1	2,000.00
EFT10239	06/11/2017	Jane Coaker	Sitting Fees July to Sept 2017	1	2,000.00
EFT10240	06/11/2017	Dean Carslake	Sitting Fees July to Sept 2017	1	3,062.50
EFT10241	06/11/2017	Darren S Agar	Sitting Fees July to Sept 2017	1	2,000.00
EFT10242	08/11/2017	Australian Services Union	Payroll deductions	1	82.35
EFT10243	08/11/2017	Department of Human Services	Payroll deductions	1	348.92
EFT10244	10/11/2017	Rose Fox Studios	3 day Film Making Workshop – Youth Centre Holiday Programme	1	1,200.00
EFT10245	10/11/2017	DALLYWATER CONSULTING	EHO Contract services	1	3,212.00
EFT10246	10/11/2017	Incite Security	Service	1	261.36
EFT10247	13/11/2017	Cataby Investments	Rates refund for assessment A727	1	92.42
EFT10248	13/11/2017	John C Stephens	Rates refund for assessment A10241	1	243.68
EFT10249	13/11/2017	James D Wilson	Rates refund for assessment A821	1	279.47
EFT10250	14/11/2017	Morawa Golf & Bowling Club	Refreshments – Tom O'Toole Event	1	372.00
EFT10251	14/11/2017	Star Track Express	Freight	1	324.15
EFT10252	14/11/2017	Department of Fire and Emergency Services	2017/2018 ESL	1	3,562.18
EFT10253	14/11/2017	Kats Rural	Purchases	1	397.70
EFT10254	14/11/2017	Morawa Drapery Store	Work boots	1	129.95
EFT10255	14/11/2017	Morawa Traders	Purchases	1	38.35

EFT10256	14/11/2017	Landmark Operations Limited	Purchases	1	231.70
EFT10257	14/11/2017	Everlastings Guest Homes Morawa	Accommodation for Vet program	1	1,170.00
EFT10258	14/11/2017	Refuel Australia	Bulk purchases, oil purchases on PO# 66 and card purchases	1	12,809.43
EFT10259	14/11/2017	Hitachi Construction Machinery (Australia) Pty Ltd	Purchases	1	281.24
EFT10260	14/11/2017	S & K Electrical Contracting Pty Ltd	Repairs – Rec Centre, Swimming Pool and Hanley Street	1	4,750.20
EFT10261	14/11/2017	Canine Control	Additional Visit – Murdoch Vet programme	1	1,965.44
EFT10262	14/11/2017	WA Local Government Association	Training – LG Act	1	1,579.00
EFT10263	14/11/2017	Austral Mercantile Collections Pty Ltd	Payments – Debt recovery	1	1,404.81
EFT10264	14/11/2017	Vidguard Security Systems	Monitoring Fees	1	115.50
EFT10265	14/11/2017	Winchester Industries	Washed stone – Neagle and Manning Intersection	1	3,603.60
EFT10266	14/11/2017	Greenfield Technical Services	Services	1	176.00
EFT10267	14/11/2017	Bob Waddell & Associates Pty Ltd	Consultancy – Annual Report	1	297.00
EFT10268	14/11/2017	Alinta Sales Pty Ltd	Usage	1	597.26
EFT10269	14/11/2017	Covs Parts Pty Ltd	Parts	1	1,261.18
EFT10270	14/11/2017	Herrings Coastal Plumbing & Gas	Repairs	1	420.75
EFT10271	14/11/2017	Safe Roads WA	Repairs – Various town streets	1	24,002.00
EFT10272	14/11/2017	Great Southern Fuel Supplies	Fuel card purchases	1	1,375.59
EFT10273	14/11/2017	Zircodata Pty Ltd	Archive boxes	1	143.00

EFT10274	14/11/2017	Sandy Adams	Reimbursements - training	1	913.87
EFT10275	14/11/2017	Debbie Collins	Refund on Bus hire	1	300.00
EFT10276	14/11/2017	WINC Australia	Printing	1	759.97
EFT10277	14/11/2017	Grant Woodhams	Chair of MEITA Meeting	1	662.20
EFT10278	14/11/2017	Colliers	Rent	1	423.85
EFT10279	14/11/2017	PMH Insights	Training - Envisio	1	2,500.00
EFT10280	14/11/2017	Morawa News & Gifts	Purchases for October 2017	1	330.50
EFT10281	14/11/2017	Metal Artwork Creations	Purchases	1	66.00
EFT10282	14/11/2017	Midwest Chemical & Paper Distributors	Purchases	1	415.26
EFT10283	14/11/2017	BL & MJ Thornton Waste Removal Services	Waste collection October 2017	1	9,272.28
EFT10284	14/11/2017	Everlastings Guest Homes Morawa	Pool Manager accommodation	1	300.00
EFT10285	14/11/2017	Conway Highbury	Workshops – Local Laws	1	2,126.30
EFT10286	14/11/2017	LGIS Workcare	Property adjustment	1	144.17
EFT10287	14/11/2017	State Law Publisher	Advertising – Local Planning	1	664.00
EFT10288	14/11/2017	IGA Morawa	Purchases for October 2017	1	788.62
EFT10289	17/11/2017	Prestige Pty Ltd	Clenaing contract	1	4,325.00
EFT10290	17/11/2017	Paul Buist	Reimbursement – Roads Congress Albany	1	515.90
EFT10291	17/11/2017	Gearing Butchers	Meals – Murdoch Vet Programme	1	111.60
EFT10292	17/11/2017	Morawa Rural Enterprises Two	Tyres – Tip Truck and Semi Trailer	1	7,805.00

EFT10293	21/11/2017	Australian Services Union	Payroll deductions	1	82.35
EFT10294	21/11/2017	Department of Human Services	Payroll deductions	1	348.92
EFT10295	22/11/2017	Moore Stephens	Audit	1	660.00
EFT10296	22/11/2017	Canine Control	Ranger visit	1	982.72
EFT10297	22/11/2017	GH Country Courier	Freight	1	274.11
EFT10298	22/11/2017	Courier Australia	Freight	1	10.87
EFT10299	22/11/2017	Wesfarmers Kleenheat Gas Pty Ltd	Yearly Gas bottle rental	1	372.90
EFT10300	22/11/2017	Shire of Perenjori	Training x 2 staff	1	1,561.60
EFT10301	22/11/2017	Leading Edge Computers Dongara & Geraldton	Additional RAM	1	1,488.20
EFT10302	22/11/2017	Totally Workwear	Uniform	1	94.55
EFT10303	22/11/2017	IGA Morawa	IGA Purchases 1 Nov to 17th Nov 17	1	195.05
EFT10304	22/11/2017	MEEDAC Incorporated	Tip Attendant	1	6,056.25
EFT10305	23/11/2017	DALLYWATER CONSULTING	Onsite EHO services plus travel and mileage 20/11/17-24/11/17	1	4,444.00
11761	06/11/2017	Water Corporation	Water consumption all meters 11 Aug to 19 October 17	1	14,876.02
11762	06/11/2017	Shire of Morawa	12 months registration - licence	1	472.20
11763	06/11/2017	Synergy	Useage	1	148.15
11764	09/11/2017	Anne Williams	REFUND BOND UNIT 2 MORAWA AGED CARE	1	200.00
11765	10/11/2017	Shire of Dalwallinu	BiosecurityMembership	1	10,000.00
11766	16/11/2017	Synergy	usage	1	3,555.35

DD5849.1	16/11/2017	Telstra Corporation Limited	Mobile phone usage	1	539.09
DD5849.2	16/11/2017	Henry Dalgetty	Refund rent received. Tenant did not move into unit	1	408.30
DD5849.3	22/11/2017	Telstra Corporation Limited	Usage	1	2,614.24
DD5849.4	22/11/2017	Morawa Licensed Post Office Emmlee's	Postage for October 2017	1	382.11
DD5849.5	01/11/2017	WA Local Government Superannuation Plan	Payroll deductions	1	8,057.21
DD5849.6	01/11/2017	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	1	655.93
DD5849.7	01/11/2017	BT FINANCIAL GROUP	Superannuation contributions	1	398.38
DD5849.8	01/11/2017	MLC Super Fund	Superannuation contributions	1	296.94
DD5877.1	01/11/2017	Commonwealth Bank Group Super	Superannuation contributions	1	82.78
DD5877.2	01/11/2017	Concept One	Superannuation contributions	1	283.48
DD5877.3	01/11/2017	Australian Super	Superannuation contributions	1	288.53
DD5877.4	01/11/2017	LGIA Super	Superannuation contributions	1	321.54
DD5877.5	15/11/2017	WA Local Government Superannuation Plan	Payroll deductions	1	7,290.90
DD5877.6	15/11/2017	AMP LIFE LTD - SUPERANNUATION	Superannuation contributions	1	403.81
DD5877.7	15/11/2017	BT FINANCIAL GROUP	Superannuation contributions	1	313.37
DD5877.8	15/11/2017	MLC Super Fund	Superannuation contributions	1	232.34
DD5877.9	15/11/2017	Commonwealth Bank Group Super	Superannuation contributions	1	68.82
DD5877.10	15/11/2017	Concept One	Superannuation contributions	1	220.34
DD5877.11	15/11/2017	Australian Super	Superannuation contributions	1	223.97

D05877.8	15/11/2017	LGIA Super	Superannuation contributions	1	321.54
D05913.1	01/11/2017	Westnet Pty Ltd	Nov Charges 2017	1	234.75
D05913.2	13/11/2017	BOQ Finance	Copier Lease payment Nov 2017	1	301.16

**REPORT TOTALS**

<b>EFT</b>	<b>\$ 147,774.22</b>
<b>Cheque</b>	<b>\$ 33,546.66</b>
<b>Direct Debits</b>	<b>\$ 19,995.79</b>
<b>Payroll</b>	<b>\$ 158,491.35</b>
<b>Credit Card</b>	<b>\$ 1,485.25</b>
<b>TOTAL</b>	<b>\$361,293.27</b>

**Oct-17**

**Business Credit Card - Sean Fletcher Bankwest MasterCard**

Date	Description	Accounts	Account Description	Amount	GST
23/10/2017	Sandy Adams Accommodation - Letter Writing Training	1146210.520	Accommodation and Travel	480.33	
23/10/2017	Sandy Adams Accommodation - Training LG Act	1146210.520	Accommodation and Travel	454.92	

	<b>Total Purchases for J. Roberts</b>	935.25	0.00
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**Business Credit Card - Fred Gledhill Bankwest MasterCard**

Date	Description	Accounts	Account Description	Amount	GST
3/10/2017	Gold Membership 17/18	1042010.520	Public Relations	550.00	
				0.00	
			<b>Total Purchases for F. Gledhill</b>	550.00	0.00

**Business Credit Card - Sam Appleton**

Date	Description	Accounts	Account Description	Amount	GST
				0.00	
			<b>Total Purchases for F. Gledhill</b>	0.00	0.00
			<b>Total Fees and Charges</b>	1485.25	0.00



<i>Item No/Subject</i>	<b>7.2.2.2 Reconciliations - November 2017</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>6 December 2017 - Candice Smith – Senior Finance Officer</b>
<i>Responsible Officer:</i>	<b>Fred Gledhill – Executive Manager Corporate &amp; Community Services</b>
<i>Applicant/Proponent:</i>	<b>Executive Manager Corporate &amp; Community Services</b>
<i>File Number:</i>	<b>FM.ACC.1</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

Local Government (Financial Management) Regulation 34 (1) (a) states that a Local Government must prepare financial statements monthly.

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Nil

### **BACKGROUND INFORMATION**

The information provided is obtained from the Bank Reconciliations carried out for Municipal Bank/Reserves Bank and the Trust Bank to ensure all transactions have been accounted for.

### **OFFICER'S COMMENT**

The Shire of Morawa's financial position is as follows:-

**BANK BALANCES AS AT 30 November 2017**

<b>Account</b>	<b>2017</b>
Municipal Account #	\$1,852,756.35
Trust Account	\$15,980.75
Business Telenet Saver (Reserve) Account	\$3,420,644.65
WA Treasury O/night Facility (Super Towns) Account	\$600,476.09
Reserve Term Deposit (Community Development)	\$500,000.00
Reserve Term Deposit (Future Funds 1)	\$800,000.00
Reserve Term Deposit (Future Funds 2)	\$800,000.00

**BANK RECONCILIATION BALANCES**

The Bank Reconciliation Balances for 30 November 2017 with a comparison for 30 November 2016 is as follows:

<b>Account</b>	<b>2016</b>	<b>2017</b>
Municipal Account #	\$721,229.50	\$1,929,073.66
Trust Account	\$13,058.29	\$18,453.40
Reserve Account	\$6,009,221.62	\$6,121,120.74

## **RESERVE ACCOUNT**

The Reserve Funds of \$6,121,120.74 as at 30 November 2017 were invested in:-

- Bank of Western Australia \$3,420,644.65 in the Business Telenet Saver Account and
- \$600,476.09 in the WA Treasury O/Night Facility
- Term Deposit (Future Funds 1) \$800,000.00
- Term Deposit (Future Funds 2) \$800,000.00
- Term Deposit (Community Development Fund) \$500,000.00

Breakdown for November 2017 with a comparison for November 2016 is as follows:

	<b>2016</b>	<b>2017</b>
Sports Complex Upgrade Reserve	\$0.00	\$0.00
Land & Building Reserve	\$79,543.38	\$100,430.93
Plant Reserve	\$985,969.28	\$909,633.4
Leave Reserve	\$288,458.43	\$282,415.22
Economic Development Reserve	\$108,715.55	\$109,804.39
Sewerage Reserve	\$145,512.90	\$217,288.35
Unspent Grants & Contributions Reserve	\$24,782.64	\$58,183.57
Community Development Reserve	\$1,183,834.45	\$1,205,551.02
Water Waste Management Reserve	\$0.00	\$0.00
Future Funds Reserve	\$2,150,814.05	\$2,134,360.29
Morawa Future Funds Interest Reserve	\$55,049.60	\$125,804.00
Aged Care Units Reserve Units 6-9	\$9,081.68	\$9,172.73
Aged Care Units Reserve Units 1-4	0	\$68,272.45
Aged Care Units Reserve Unit 5	0	\$54,805.72
Transfer Station Reserve	\$28,966.33	\$27.18
S/Towns Revitalisation Reserve	\$175,287.13	\$37,433.81
ST Solar Thermal Power Station Reserve	\$555,603.46	\$563,042.28
Business Units Reserve	\$61,626.16	\$82,334.24
Legal Reserve	\$15,094.51	\$20,268.41
Road Reserve	\$140,882.07	\$142,293.01
<b>TOTAL</b>	<b>\$6,009,221.62</b>	<b>\$6,121,120.74</b>

## **TRANSFER OF FUNDS**

- \$521,430.00 from Unspent Grants to Municipal Fund being for General FAGS paid in advance June 2017. 17 July 2017
  - \$299,042.00 from Unspent Grants to Municipal Fund being for Roads FAGS paid in advance June 2017. 10 August 2017
  - \$140,000.00 from S/Towns Revitalisation Reserve to Municipal Fund being for monies spent on project 16/17. 26 October 2017
  - \$37,368.00 from Future Funds Reserve to Morawa Future Funds Interest Reserve being for 85% of interest from Term Deposit that matured October 2017 and was accrued as at the 30<sup>th</sup> June 2017. For the year 2016/17
- **Investment Transfers**
  - \$800,000.00 from Future Funds to Term Deposit Future Funds1 for 8 months @ 2.50% interest
  - \$800,000.00 from Future Funds to Term Deposit Future Funds2 for 8 months @ 2.50% interest

## **COMMUNITY CONSULTATION**

NIL

## **COUNCILLOR CONSULTATION**

NIL

## **STATUTORY ENVIRONMENT**

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996

## **POLICY IMPLICATIONS**

Section 3 – Finance 3.11 Risk Management Controls  
Section 3 – Finance 3.4.3 Investment Policy – Delegated Authority

## **FINANCIAL IMPLICATIONS**

As presented

## **STRATEGIC IMPLICATIONS**

Nil

## **RISK MANAGEMENT**

As per Policy Section 3 – Finance 3.11 Risk Management Controls

## **VOTING REQUIREMENTS**

Simple Majority

## **OFFICER'S RECOMMENDATION**

That Council receive the bank reconciliation report for 30 November 2017.

<i>Item No/Subject:</i>	<b>7.2.2.3 Monthly Financial Statements – November 2017</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>6 December 2017 - Candice Smith – Senior Finance Officer</b>
<i>Responsible Officer:</i>	<b>Fred Gledhill – Executive Manager Corporate &amp; Community Services</b>
<i>Applicant/Proponent:</i>	<b>Executive Manager Corporate &amp; Community Services</b>
<i>File Number:</i>	
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

Local Government (Financial Management) Regulation 34(1) (a) states that a Local Government must prepare financial statements monthly.

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Attachment 1 – 7.2.2.3a November Monthly Financial Activity Report.

### **BACKGROUND INFORMATION**

Nil

### **OFFICER'S COMMENT**

As per Attachment 1 a copy of the schedules is available if required.

### **COMMUNITY CONSULTATION**

Nil

### **COUNCILLOR CONSULTATION**

Nil

## **STATUTORY ENVIRONMENT**

Local Government Act 1995 and Local Government (Financial Management) Regulations.

## **POLICY IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

As presented

## **STRATEGIC IMPLICATIONS**

Nil

## **RISK MANAGEMENT**

Nil

## **VOTING REQUIREMENTS**

Simple Majority

## **OFFICER'S RECOMMENDATION**

That Council receive the Statement of Financial Activity and the Variance Report for the period ending the 30 November 2017.

## **COUNCIL RESOLUTION**

**1712004**                      **Moved:     Cr Thornton**  
   **Seconded: Cr Agar**

**That items 7.2.2.1 to 7.2.2.3 be moved en bloc.**

**CARRIED 7/0**

## **COUNCIL RESOLUTION**

**Item 7.2.2.1**

**That Council endorses the list of accounts paid by the Chief Executive Officer under delegated authority, represented by:**

- **Municipal EFT Payment Numbers EFT 10220 to EFT 10305 inclusive, amounting to \$147,774.22**
- **Municipal Cheque Payments Numbered 11761 to 11770 amounting to \$33,195.46 and Cheque Payment Numbered 25 amounting to \$351.20**
- **Municipal Direct Debit Payments Numbers DD5849.1 to DD5913.2 amounting to \$19,995.79**
- **Payroll for November 2017**

**01/11/2017 - \$ 55,284.70**

**15/11/2017 - \$ 56,369.71**

**29/11/2017 - \$ 46,836.94**

### **COUNCIL RESOLUTION**

#### **Item 7.2.2.2**

**That Council receive the bank reconciliation report for 30 November 2017.**

### **COUNCIL RESOLUTION**

#### **Item 7.2.2.3**

**That Council receive the Statement of Financial Activity and the Variance Report for the period ending the 30 November 2017.**





**SHIRE OF MORAWA**

**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

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## SHIRE OF MORAWA

## STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

	NOTE	NOVEMBER 2017 Actual \$	NOVEMBER 2017 Y-T-D Budget \$	2017/18 Budget \$	Variances Actuals to Budget \$	Variances Actual Budget to Y-T-D %	
<b>Operating</b>							
<b>Revenues/Sources</b>	1,2						
Governance		545	0	20,010	545	0.00%	
General Purpose Funding		382,054	434,740	897,142	(52,686)	(12.12%)	▼
Law, Order, Public Safety		15,259	11,678	26,230	3,581	30.66%	
Health		2,393	1,250	5,350	1,143	91.44%	
Education and Welfare		5,126	46,907	133,899	(41,781)	(89.07%)	▼
Housing		46,198	25,180	147,761	21,018	83.47%	▲
Community Amenities		436,417	485,176	554,091	(48,759)	(10.05%)	▼
Recreation and Culture		11,464	10,950	69,214	514	4.69%	
Transport		679,129	387,862	1,092,694	291,267	75.10%	▲
Economic Services		64,858	60,740	223,319	4,118	6.78%	
Other Property and Services		77,284	35,495	139,184	41,789	117.73%	▲
		1,720,727	1,499,978	3,308,894	220,749	14.72%	
<b>(Expenses)/(Applications)</b>	1,2						
Governance		(212,668)	(177,730)	(491,640)	(212,668)	0.00%	
General Purpose Funding		(125,142)	(67,905)	(174,282)	(57,237)	(84.29%)	▲
Law, Order, Public Safety		(34,102)	(38,087)	(84,223)	3,985	10.46%	
Health		(87,528)	(90,717)	(210,604)	3,189	3.52%	
Education and Welfare		(45,157)	(196,039)	(800,015)	150,882	76.97%	▼
Housing		(96,699)	(106,416)	(313,270)	9,717	9.13%	
Community Amenities		(198,115)	(323,457)	(741,202)	125,342	38.75%	▼
Recreation & Culture		(421,240)	(497,166)	(1,136,614)	75,926	15.27%	▼
Transport		(484,606)	(676,798)	(1,598,634)	192,192	28.40%	▼
Economic Services		(197,644)	(323,829)	(794,594)	126,185	38.97%	▼
Other Property and Services		(31,533)	(60,672)	(36,296)	29,139	48.03%	▼
		(1,934,434)	(2,558,816)	(6,381,374)	446,652	(24.40%)	
<b>Net Result Excluding Rates</b>		(213,707)	(1,058,838)	(3,072,480)	667,401		
<b>Adjustments for Non-Cash (Revenue) and Expenditure</b>							
(Profit)/Loss on Asset Disposals	4	0	(5,415)	(13,000)	5,415	100.00%	
Movement in Leave Reserve (Added Back)		1,278	0	0	1,278	0.00%	
Movement in Deferred Pensioner Rates/ESL (non-c)		0	0	0	0	0.00%	
Movement in Employee Benefit Provisions (non-c)		0	0	0	0	0.00%	
Rounding Adjustment		0	0	0	0	0.00%	
Depreciation on Assets		0	609,695	1,463,496	(609,695)	100.00%	▼
<b>Capital Revenue and (Expenditure)</b>							
Purchase of Investments		0	0	0	0	0.00%	
Purchase Land Held for Resale	3	0	(8,330)	(20,000)	8,330	100.00%	
Purchase Land and Buildings	3	(397)	(25,500)	(155,000)	25,103	98.44%	▼
Purchase Plant and Equipment	3	0	(20,000)	(155,000)	20,000	100.00%	▼
Purchase Furniture and Equipment	3	0	(2,870)	(22,870)	2,870	100.00%	
Purchase Infrastructure Assets - Roads	3	(302,918)	(772,323)	(1,631,978)	469,405	60.78%	▼
Purchase Infrastructure Assets - Footpaths	3	0	0	(27,937)	0	0.00%	
Purchase Infrastructure Assets - Drainage	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Parks & Ovals	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Airfields	3	0	(10,000)	(10,000)	10,000	100.00%	
Purchase Infrastructure Assets - Play Equip	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Sewerage	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Dams	3	0	0	0	0	0.00%	
Purchase Infrastructure Assets - Other	3	(58,357)	(28,335)	(137,500)	(30,022)	(105.95%)	▲
Proceeds from Disposal of Assets	4	0	0	15,000	0	0.00%	
Repayment of Debentures	5	(40,957)	(47,485)	(70,815)	6,528	13.75%	
Proceeds from New Debentures	5	0	0	0	0	0.00%	
Advances to Community Groups		0	0	0	0	0.00%	
Self-Supporting Loan Principal Income	5	0	0	0	0	0.00%	
Transfers to Restricted Assets (Reserves)	6	(120,945)	(80,862)	(278,751)	(40,083)	(49.57%)	▲
Transfers from Restricted Asset (Reserves)	6	997,840	1,131,797	1,892,170	(133,957)	(11.84%)	▼
ADD Net Current Assets July 1 B/Fwd	7	558,952	428,376	428,376	130,576	30.48%	
LESS Net Current Assets Year to Date	7	2,612,047	1,912,555	564	699,492	(36.57%)	
<b>Amount Raised from Rates</b>	8	(1,791,258)	(1,802,645)	(1,796,852)	11,387	(0.63%)	

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

**Material Variances Symbol**

Above Budget Expectations ▲ Greater than 10,000 and greater than 10%  
Below Budget Expectations ▼ Less than 10,000 and less than 10%

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Accounting**

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

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

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

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

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 9.

**(c) Rounding Off Figures**

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

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

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

**(e) Goods and Services Tax**

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

**(f) Superannuation**

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

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities 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 and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities on the statement of financial position.

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

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

##### (h) Trade and Other Receivables

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

##### (i) Inventories

###### *General*

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

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

###### *Land Held for Resale*

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is complete are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

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

##### (j) Fixed Assets

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation or impairment losses.

###### *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 by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

###### *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 the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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 materially from that determined using fair value at reporting date.

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

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

##### (j) Fixed Assets (Continued)

###### **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 AASB 1051 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 this 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.

###### **Depreciation of Non-Current Assets**

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

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

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

Buildings	50 to 100 years
Furniture and Equipment	10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and major re-surfacing	
- bituminous seals	20 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	12 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years

###### **Depreciation of Non-Current Assets (Continued)**

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets (Continued)

**Capitalisation Threshold**

Expenditure under the thresholds listed below is not capitalised. Rather, it is recorded on an asset

- Land	Nil (All Land Capitalised)
- Buildings	2,000
- Plant & Equipment	2,000
- Furniture & Equipment	1,000
- Infrastructure	5,000

**Capitalisation Threshold**

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(k) Financial Instruments

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

**Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (b) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial Instruments (Continued)

**Classification and Subsequent Measurement (Continued)**

*(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 and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which are classified as current assets.

If the 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.

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

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months of the end of the reporting period (classified as current assets).

*(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Impairment**

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

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

**(l) 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 reporting 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.

**(m) 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 statement of comprehensive income.

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.

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

**(n) Trade and Other Payables**

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



## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

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

##### (o) 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 Council has a present obligation to pay resulting from employees' services provided to reporting date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the 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.

##### (p) 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.

##### (q) Provisions

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result to settle the obligation; and
- c) that outflow can be reliably measured.

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

Provisions are not recognised for future operating losses.

##### (r) 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.

##### (s) Comparative Figures

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

## SHIRE OF MORAWA

### NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

#### 2. STATEMENT OF OBJECTIVE

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

##### **GOVERNANCE**

Includes members of Council, Civic Functions & Public Relations, Council Elections, Training/Education. Objective is to provide a management & administrative structure to service Council & the community.

##### **GENERAL PURPOSE FUNDING**

Includes Rates, Loans, Investments & Grants. Objective is to manage Council's finances.

##### **LAW, ORDER, PUBLIC SAFETY**

Includes Emergency Services & Animal Control. Objective is to provide, develop & manage services in response to community needs.

##### **HEALTH**

Includes Environmental Health, Medical & Health facilities. Objective is to provide, develop & manage services in response to community needs.

##### **EDUCATION AND WELFARE**

Includes Education, Welfare & Children's Services. Objective is to provide, develop & manage services in response to community needs.

##### **HOUSING**

Includes Staff & Other Housing. Objective is to ensure quality housing and appropriate infrastructure is maintained.

##### **COMMUNITY AMENITIES**

Includes Refuse Collection, Sewerage, Cemetery, Building Control, Town Planning & Townscape. Objective is to provide, develop & manage services in response to community needs.

##### **RECREATION AND CULTURE**

Includes Pools, Halls, Library, Oval, Parks & Gardens & Recreational Facilities. Objective is to ensure the recreational & cultural needs of the community are met.

##### **TRANSPORT**

Includes Roads, Footpaths, Private Works, Machine Operating Costs, Outside Wages & Airstrip. Objective is to effectively manage transport infrastructure.

##### **ECONOMIC SERVICES**

Includes Tourism, Rural Services, Economic Development & Caravan Park. Objective is to foster economic development, tourism & rural services in the district.

##### **OTHER PROPERTY & SERVICES**

Includes Private Works, Public Works Overheads, Plant Operating Costs, Administration Overheads and Unclassified Items. Objective is to provide control accounts and reporting facilities for all other operations.

## SHIRE OF MORAWA

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

3. ACQUISITION OF ASSETS	2017/18 Budget \$	NOVEMBER 2017 YTD Budget \$	NOVEMBER 2017 Actual \$
The following assets have been acquired during the period under review:			
<b><u>By Program</u></b>			
<b>Governance</b>			
Upgrade to Old Council Chambers	50,000	0	396.56
<b>General Purpose Funding</b>			
<b>Law, Order, Public Safety</b>			
New fire truck	0	0	0.00
<b>Housing</b>			
Aged Person Units x 4 - water metres	60,000	18,000	0.00
<b>Community Amenities</b>			
Construction of Refuse Transfer Station	0	0	0.00
New Tip Site Construction	70,000	0	0.00
Closure/Rehabilitation Old Tip Site	0	0	940.10
Community Bus	135,000	0	0.00
Refuse Transfer Station - Storage Shed	0	0	0.00
Purchase Land For New Waste Site	0	0	0.00
<b>Recreation and Culture</b>			
Blowup Swing for Games	0	0	0.00
Diving Blocks	10,000	0	4,880.00
Swimming Pool Bowls (Adults/Childrens Pools) - Grant Expenses	0	0	0.00
Swimming Pool Bowls (Adults/Childrens Pools) - Shire Expenses	0	0	0.00
Sports Complex Water upgrade	0	0	0.00
<b>Transport</b>			
Road Construction			
- Rural Roads Construction	1,483,543	682,315	249,661.39
- Townsite Roads Construction	148,435	90,008	53,256.40
Plant & Equipment - Road Plant Purchases	0	0	0.00
Airfield Lighting Upgrade	10,000	10,000	0.00
<b>Economic Services</b>			
Caravan Park Camp Kitchen/Caretakers Cabin	25,000	7,500	0.00
Caravan Park Concept Plan	12,500	12,500	0.00
Morawa Gateway Project	25,000	7,500	0.00
Industrial Land Development	20,000	8,330	0.00
Phase 1 - Civic Square/Pedestrian Crossing	0	0	19,713.00
Construction of Footpath - Jubilee Park	0	0	32,824.28
Phase 2 - Road Freight Alignment	0	0	0.00
<b>Other Property &amp; Services</b>			
Purchase of Lot 9000, White Ave	0	0	0.00
Administration Furniture & Equipment	2,870	2,870	0.00
CEO/DCEO/MAF Vehicles	20,000	20,000	0.00

2,160,285	867,358	361,671.73
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**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

<b>3. ACQUISITION OF ASSETS (Continued)</b>	<b>2017/18 Budget \$</b>	<b>NOVEMBER 2017 YTD Budget \$</b>	<b>NOVEMBER 2017 Actual \$</b>
The following assets have been acquired during the period under review:			
<b><u>By Class</u></b>			
Land Held for Resale	20,000	8,330	0.00
Investments	0	0	0.00
Land	0	0	0.00
Buildings	155,000	25,500	396.56
Plant and Equipment	155,000	20,000	0.00
Furniture and Equipment	22,870	2,870	0.00
Infrastructure Assets - Roads	1,631,978	772,323	302,917.79
Infrastructure Assets - Footpaths	27,937	0	0.00
Infrastructure Assets - Drainage/Dams	0	0	0.00
Infrastructure Assets - Parks & Ovals	0	0	0.00
Infrastructure Assets - Airfields	10,000	10,000	0.00
Infrastructure Assets - Playground Equipment	0	0	0.00
Infrastructure Assets - Sewerage	0	0	0.00
Infrastructure Assets - Dams	0	0	0.00
Infrastructure Assets - Other	137,500	28,335	58,357.38
	<b>2,160,285</b>	<b>867,358</b>	<b>361,671.73</b>

SHIRE OF MORAWA  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
 FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

**4. DISPOSALS OF ASSETS**

The following assets have been disposed of during the period under review:

By Program	Written Down Value		Sale Proceeds		Profit(Loss)	
	2017/18 Budget \$	NOVEMBER 2017 Actual \$	2017/18 Budget \$	NOVEMBER 2017 Actual \$	2017/18 Budget \$	NOVEMBER 2017 Actual \$
Law, Order & Public Safety						0.00
Transport						0.00 0.00 0.00 0.00
Other Property & Services						0.00 0.00
	2,000	0.00	15,000	0.00	13,000	0.00

By class of asset	Written Down Value		Sale Proceeds		Profit(Loss)	
	2017/18 Budget \$	NOVEMBER 2017 Actual \$	2017/18 Budget \$	NOVEMBER 2017 Actual \$	2017/18 Budget \$	NOVEMBER 2017 Actual \$
Plant & Equipment	0 0 0 0 0 0 0 0	0 0.00 0 0 0 0 0 0	15,000 0 0 0 0 0 0 0	0 0.00 0 0 0 0 0 0	13,000 0 0 0 0 0 0 0	0 0.00 0.00 0.00 0.00 0.00 0.00 0.00
	2,000	0.00	15,000	0.00	13,000	0.00

Summary	NOVEMBER 2017	
	Budget \$	Actual \$
Profit on Asset Disposals	13,000	0.00
Loss on Asset Disposals	0	0.00
	13,000	0.00

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

6 INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1-Jul-16	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		2017/18 Budget \$	2017/18 Actual \$	2017/18 Budget \$	2017/18 Actual \$	2017/18 Budget \$	2017/18 Actual \$	2017/18 Budget \$	2017/18 Actual \$
<b>Housing</b>									
Loan 133 - GEHA House	70,621	0	0	34,156	16,799	36,465	53,822	4,076	
Loan 134 - 2 Broad Street	49,838	0	0	24,158	24,158	25,680	25,680	3,090	
Loan 136 - 24 Harley Street - Staff Housing	332,137	0	0	12,501	0	319,636	332,137	12,931	
	452,596	0	0	70,814.62	40,957	381,781.38	411,639	20,097	0

All debenture repayments are to be financed by general purpose revenue.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

	2017/18 Budget \$	NOVEMBER 2017 Actual \$
<b>6. RESERVES - CASH BACKED</b>		
<b>(a) Leave Reserve</b>		
Opening Balance	281,137	281,138
Amount Set Aside / Transfer to Reserve	7,611	1,278
Amount Used / Transfer from Reserve	<u>(80,000)</u>	<u>0</u>
	<u>208,748</u>	<u>282,415</u>
<b>(b) Sports and Recreation Facilities Reserve</b>		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	0	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
<b>(c) Plant Reserve</b>		
Opening Balance	905,518	905,518
Amount Set Aside / Transfer to Reserve	108,411	4,115
Amount Used / Transfer from Reserve	<u>(60,000)</u>	<u>0</u>
	<u>953,929</u>	<u>909,633</u>
<b>(d) Building Reserve</b>		
Opening Balance	99,976	99,977
Amount Set Aside / Transfer to Reserve	20,929	454
Amount Used / Transfer from Reserve	<u>(50,000)</u>	<u>0</u>
	<u>70,905</u>	<u>100,431</u>
<b>(e) Economic Development Reserve</b>		
Opening Balance	109,308	109,308
Amount Set Aside / Transfer to Reserve	1,015	497
Amount Used / Transfer from Reserve	<u>(25,000)</u>	<u>0</u>
	<u>85,323</u>	<u>109,804</u>
<b>(f) Community Development Reserve</b>		
Opening Balance	1,187,559	1,187,559
Amount Set Aside / Transfer to Reserve	11,030	17,992
Amount Used / Transfer from Reserve	<u>(10,000)</u>	<u>0</u>
	<u>1,188,589</u>	<u>1,205,551</u>
<b>(g) Sewerage Reserve</b>		
Opening Balance	216,306	216,305
Amount Set Aside / Transfer to Reserve	34,528	983
Amount Used / Transfer from Reserve	<u>(70,000)</u>	<u>0</u>
	<u>180,834</u>	<u>217,288</u>
<b>(h) Unspent Grants and Contributions Reserve</b>		
Opening Balance	877,391	877,390
Amount Set Aside / Transfer to Reserve	8,149	1,266
Amount Used / Transfer from Reserve	<u>(832,972)</u>	<u>(820,472)</u>
	<u>52,568</u>	<u>58,184</u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

	<b>2017/18 Budget \$</b>	<b>NOVEMBER 2017 Actual \$</b>
<b>6. RESERVES (Continued)</b>		
<b>(i) Business Units Reserve</b>		
Opening Balance	81,961	81,962
Amount Set Aside / Transfer to Reserve	20,761	372
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>
	<u>102,722</u>	<u>82,334</u>
<b>(j) Morawa Future Funds Interest</b>		
Opening Balance	88,036	88,036
Amount Set Aside / Transfer to Reserve	12,050	37,768
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>
	<u>100,086</u>	<u>125,804</u>
<b>(k) Morawa Community Future Funds Reserve</b>		
Opening Balance	2,121,127	2,121,127
Amount Set Aside / Transfer to Reserve	19,703	50,601
Amount Used / Transfer from Reserve	<u>(36,000)</u>	<u>(37,368)</u>
	<u>2,104,830</u>	<u>2,134,360</u>
<b>(l) Refuse Transfer Station Reserve</b>		
Opening Balance	27	27
Amount Set Aside / Transfer to Reserve	0	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>
	<u>27</u>	<u>27</u>
<b>(m) Aged Care Units Reserve - Units 6-9</b>		
Opening Balance	9,131	9,131
Amount Set Aside / Transfer to Reserve	85	42
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>
	<u>9,216</u>	<u>9,173</u>
<b>(n) ST-N/Midlands Solar Thermal Power</b>		
Opening Balance	559,632	558,966
Amount Set Aside / Transfer to Reserve	5,198	3,410
Amount Used / Transfer from Reserve	<u>(550,000)</u>	<u>0</u>
	<u>14,830</u>	<u>562,376</u>
<b>(o) ST-Morawa Revitalisation Reserve</b>		
Opening Balance	176,558	176,348
Amount Set Aside / Transfer to Reserve	1,640	875
Amount Used / Transfer from Reserve	<u>(178,198)</u>	<u>(140,000)</u>
	<u>0</u>	<u>37,224</u>
<b>(p) Legal Fees Reserve</b>		
Opening Balance	20,177	20,177
Amount Set Aside / Transfer to Reserve	5,187	92
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>
	<u>25,364</u>	<u>20,268</u>



**SHIRE OF MORAWA**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

	2017/18 Budget \$	NOVEMBER 2017 Actual \$
<b>6. RESERVES (Continued)</b>		
<b>(q) Road Reserve</b>		
Opening Balance	141,649	141,649
Amount Set Aside / Transfer to Reserve	1,316	644
Amount Used / Transfer from Reserve	0	0
	<u>142,965</u>	<u>142,293</u>
<b>(r) Aged Care Units 1-4</b>		
Opening Balance	67,964	67,964
Amount Set Aside / Transfer to Reserve	631	309
Amount Used / Transfer from Reserve	0	0
	<u>68,595</u>	<u>68,272</u>
<b>(s) Aged Care Unit 5</b>		
Opening Balance	54,558	54,558
Amount Set Aside / Transfer to Reserve	507	248
Amount Used / Transfer from Reserve	0	0
	<u>55,065</u>	<u>54,806</u>
<b>(t) Swimming Pool Reserve</b>		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	20,000	0
Amount Used / Transfer from Reserve	0	0
	<u>20,000</u>	<u>0</u>
<b>Total Cash Backed Reserves</b>	<b>5,384,596</b>	<b>6,120,244</b>
<b>Summary of Transfers To Cash Backed Reserves</b>		
<b>Transfers to Reserves</b>		
Leave Reserve	7,611	1,278
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	108,411	4,115
Building Reserve	20,929	454
Economic Development Reserve	1,015	497
Community Development Reserve	11,030	17,992
Sewerage Reserve	34,528	983
Unspent Grants and Contributions Reserve	8,149	1,266
Business Units Reserve	20,761	372
Morawa Community Future Funds Interest	12,050	37,768
Morawa Community Future Fund Reserve	19,703	50,601
Refuse Transfer Station Reserve	0	0
Aged Care Units Reserve - Units 6-9	85	42
ST-N/Midlands Solar Thermal Power	5,198	3,410
ST-Morawa Revitalisation Reserve	1,640	875
Legal Fees Reserve	5,187	92
Road Reserve	1,316	644
Aged Care Units 1-4	631	309
Aged Care Unit 5	507	248
Swimming Pool Reserve	20,000	0
	<u>278,751</u>	<u>120,945</u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

**6. RESERVES (Continued)**

<b>Transfers from Reserves</b>		
Leave Reserve	(80,000)	0
Sports and Recreation Facilities Reserve	0	0
Plant Reserve	(60,000)	0
Building Reserve	(50,000)	0
Economic Development Reserve	(25,000)	0
Community Development Reserve	(10,000)	0
Sewerage Reserve	(70,000)	0
Unspent Grants and Contributions Reserve	(832,972)	(820,472)
Business Units Reserve	0	0
Morawa Community Future Funds Interest	0	0
Morawa Community Future Fund Reserve	(36,000)	(37,368)
Refuse Transfer Station Reserve	0	0
Aged Care Units Reserve - Units 6-9	0	0
ST-N/Midlands Solar Thermal Power	(550,000)	0
ST-Morawa Revitalisation Reserve	(178,198)	(140,000)
Legal Fees Reserve	0	0
Road Reserve	0	0
Aged Care Units 1-4	0	0
Aged Care Unit 5	0	0
Swimming Pool Reserve	0	0
	<u>(1,892,170)</u>	<u>(997,840)</u>
<b>Total Transfer to/(from) Reserves</b>	<u>(1,613,419)</u>	<u>(876,895)</u>

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

**Leave Reserve**

To be used to fund leave requirements.

**Sportsground Complex Upgrade Reserve**

To be used to upgrade the Sporting Complex Facilities.

**Plant Reserve**

To be used to upgrade, replace or purchase new plant and equipment.

**Building Reserve**

To be used to refurbish, replace, extend or establish Council owned buildings.

**Economic Development Reserve**

To be used to create economic development initiatives in the local community.

**Community Development Reserve**

To be used for Community Projects within the Shire of Morawa

**Sewerage Reserve**

To be used to repair, replace or extend the sewerage facility.

**Unspent Grants and Contributions Reserve**

To be used as a quarantine for unspent committed funds.

**Business Units Reserve**

To be used to upgrade, refurbish or purchase new Business Units

**Morawa Community Future Funds Interest**

To be used for Morawa Community Projects

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

**6. RESERVES (Continued)**

**Morawa Community Future Fund Reserve**

To be used to provide an ongoing conduit for benefits to the people and environment of the Morawa Shire through the Sinosteel Midwest Corporation Morawa Future Fund Foundation Memorandum

**Refuse Transfer Station Reserve**

To be used for Morawa Landfill closure and Refuse Transfer Station implementation project - R4R

**Aged Persons Units Reserve**

To be used for the maintenance of 4 Aged Care Units at the Morawa Perenjori Health Centre

**ST - N/Midlands Solar Thermal Power**

**Reserves**

Super Town funds to be used for the N/Midlands Solar Thermal Power feasibility Study Project

**ST-Morawa Revitalisation Reserve**

Super Town funds to be used for the Morawa Town Revitalisation Project

**Legal Fees Reserve**

to be utilised for unforeseen Legal Fees

**Road Reserve**

to be utilised for future Road Construction and Maintenance

Except for the Unspent Grants and Contributions Reserve, the Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

	2016/17 B/Fwd Per 2017/18 Budget \$	2016/17 B/Fwd Per Financial Report \$	2017/18 Actual \$
<b>7. NET CURRENT ASSETS</b>			
<b>Composition of Estimated Net Current Asset Position</b>			
<b>CURRENT ASSETS</b>			
Cash - Unrestricted	48,420	(176,517)	1,929,724
Cash - Restricted Unspent Grants	0	317,600	0
Cash - Restricted Unspent Loans	0	0	0
Cash - Restricted Reserves	6,998,015	6,997,139	6,120,244
Rates - Current	0	487,406	833,166
Sundry Debtors	542,642	48,351	115,857
GST Receivable	0	76,915	52,456
Accrued Income/Prepayments	0	109,256	0
Provision for Doubtful Debts	0	(722)	(722)
Other Current Debtors	0	0	0
Inventories	1,335	1,119	1,119
	<u>7,590,412</u>	<u>7,860,547</u>	<u>9,051,844</u>
<b>LESS: CURRENT LIABILITIES</b>			
Sundry Creditors	(60,497)	(92,665)	(59,526)
Income Received in Advance	0	0	(19,455)
GST Payable	0	(44,535)	(26,346)
Payroll Creditors	0	0	(9,202)
Accrued Expenditure	0	(1,634)	0
Other Payables	0	(5,953)	(18,357)
Withholding Tax Payable	0	0	0
Payg Payable	0	(43,671)	(86,837)
Accrued Interest on Debentures	0	(3,509)	0
Accrued Salaries and Wages	0	(8,965)	0
Current Employee Benefits Provision	(384,662)	(384,662)	(384,662)
Current Loan Liability	6,938	(70,815)	(29,858)
	<u>(438,221)</u>	<u>(656,409)</u>	<u>(634,243)</u>
<b>NET CURRENT ASSET POSITION</b>	<b>7,152,191</b>	<b>7,204,138</b>	<b>8,417,601</b>
Less: Cash - Reserves - Restricted	(6,998,015)	(6,997,139)	(6,120,244)
Less: Cash - Unspent Grants - Restricted	0	0	0
Less: Land Held for Resale	0	0	2,417
Add Back : Component of Leave Liability not Required to be Funded	281,138	281,138	282,415
Add Back : Current Loan Liability	(6,938)	70,815	29,858
<b>SURPLUS/(DEFICIENCY) C/FWD</b>	<u><b>428,376</b></u>	<u><b>558,952</b></u>	<u><b>2,612,047</b></u>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2017/18 Rate Revenue \$	2017/18 Interim Rates \$	2017/18 Back Rates \$	2017/18 Total Revenue \$	2017/18 Budget \$
<b>General Rate</b>								
GRV Residential/Commercial	0.07571	269	2,912,592	212,543	0	0	212,543	214,220
UV Rural	0.02304	205	63,004,000	1,451,801	0	0	1,451,801	1,451,801
UV Mining	0.28968	15	472,333	136,826	0	0	136,826	136,826
<b>Sub-Totals</b>		489	66,388,925	1,801,170	0	0	1,801,170	1,802,847
<b>Minimum Rates</b>								
GRV Residential/Commercial	290	45	26,778	13,340			13,340	13,050
UV Rural	290	6	53,200	1,740			1,740	1,740
UV Mining	656	11	11,311	7,216			7,216	7,216
<b>Sub-Totals</b>		62	91,289	22,296	0	0	22,296	22,006
<b>Discounts</b>							1,823,466	
<b>Total amount raised from general rates</b>							(32,209)	(28,000)
Ex-Gratia Rates							1,791,257	1,796,853
Rates Written Off							5,914	5,792
Specified Area Rates							(61)	(2,000)
Movement in Excess Rates							0	0
							(36,284)	0
<b>Total Rates</b>							1,760,826	1,800,645

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

The general rates detailed above for the 2017/18 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

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

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**

**9. TRUST FUNDS**

Funds held at balance date over which the Municipality has no control and which are not included in this statement are as follows:

<b>Detail</b>	<b>Balance 01-Jul-17 \$</b>	<b>Amounts Received \$</b>	<b>Amounts Paid (\$)</b>	<b>Balance \$</b>
Housing Bonds	2,000	0	0	2,000
Dreghorn Unit Bonds	1,164	0	0	1,164
Bonds Hall/Rec Centre Hire	100	800	0	900
Aged Care - Bond Karl Strudwick Number 5	1,266	0	0	1,266
Youth Centre	865	0	0	865
Council Nominations	0	320	0	320
Bill Johnson Unit 1 Bond	0	0	0	0
Haulmore Trailers Land Dep	4,641	0	0	4,641
Social Club Payments	0	0	0	0
Local Drug Action Group	660	0	0	660
BCITF/BRB Training Levy	1,818	57	(2,217)	(342)
Daphne Little - Excess Rent	1,704	0	0	1,704
Morawa Oval Function Centre	1,763	500	0	2,263
	<b>15,981</b>	<b>1,677</b>	<b>(2,217)</b>	<b>15,441</b>

## SHIRE OF MORAWA

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

## 10. OPERATING STATEMENT

	NOVEMBER 2017 Actual \$	2017/18 Budget \$	2016/17 Actual \$
<b>OPERATING REVENUES</b>			
Governance	545	20,010	40
General Purpose Funding	2,173,311	2,693,995	4,202,543
Law, Order, Public Safety	15,259	26,230	396,038
Health	2,393	5,350	3,328
Education and Welfare	5,126	133,899	33,333
Housing	46,198	147,761	661,358
Community Amenities	436,417	554,091	439,329
Recreation and Culture	11,464	69,214	329,087
Transport	679,129	1,092,694	4,971,279
Economic Services	64,858	223,319	156,934
Other Property and Services	77,284	139,184	231,249
<b>TOTAL OPERATING REVENUE</b>	<b>3,511,984</b>	<b>5,105,747</b>	<b>11,424,518</b>
<b>OPERATING EXPENSES</b>			
Governance	212,668	491,640	449,851
General Purpose Funding	125,142	174,282	196,911
Law, Order, Public Safety	34,102	84,223	146,986
Health	87,528	210,604	155,117
Education and Welfare	45,157	800,015	176,028
Housing	96,699	313,270	152,845
Community Amenities	198,115	741,202	585,147
Recreation & Culture	421,240	1,136,614	1,164,884
Transport	484,606	1,598,634	5,175,238
Economic Services	197,644	794,594	415,210
Other Property and Services	31,533	36,296	62,476
<b>TOTAL OPERATING EXPENSE</b>	<b>1,934,434</b>	<b>6,381,374</b>	<b>8,680,694</b>
<b>CHANGE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b><u>1,577,550</u></b>	<b><u>(1,275,627)</u></b>	<b><u>2,743,824</u></b>

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

11. BALANCE SHEET

	NOVEMBER 2017 Actual \$	2016/17 Actual \$
<b>CURRENT ASSETS</b>		
Cash Assets	8,049,968	7,138,222
Receivables	1,000,757	721,205
Inventories	1,119	1,119
<b>TOTAL CURRENT ASSETS</b>	<u>9,051,844</u>	<u>7,860,546</u>
<b>NON-CURRENT ASSETS</b>		
Receivables	16,559	16,559
Inventories	0	0
Property, Plant and Equipment	23,105,503	23,105,106
Infrastructure	44,432,985	44,071,710
<b>TOTAL NON-CURRENT ASSETS</b>	<u>67,555,047</u>	<u>67,193,375</u>
<b>TOTAL ASSETS</b>	<u>76,606,891</u>	<u>75,053,921</u>
<b>CURRENT LIABILITIES</b>		
Payables	219,724	200,933
Interest-bearing Liabilities	29,858	70,815
Provisions	384,662	384,662
Trust Imbalance	(2,417)	239,867
<b>TOTAL CURRENT LIABILITIES</b>	<u>631,827</u>	<u>656,410</u>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing Liabilities	381,781	381,782
Provisions	26,386	26,386
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>408,167</u>	<u>408,168</u>
<b>TOTAL LIABILITIES</b>	<u>1,039,994</u>	<u>1,064,578</u>
<b>NET ASSETS</b>	<u>75,566,897</u>	<u>73,989,343</u>
<b>EQUITY</b>		
Retained Surplus	36,791,665	34,337,220
Reserves - Cash Backed	6,120,244	6,997,139
Reserves - Asset Revaluation	32,654,987	32,654,987
<b>TOTAL EQUITY</b>	<u>75,566,896</u>	<u>73,989,346</u>



SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017

12. FINANCIAL RATIO

	2017 YTD	2016	2015	2014
Current Ratio	8.390	4.220	3.530	7.880

The above rates are calculated as follows:

Current Ratio equals

$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

**Purpose**

The purpose of the Monthly Variance Report is to highlight circumstances where there is a major variance from the YTD Monthly Budget and YTD Actual figures. These variances can occur because of a change in timing of the activity, circumstances change (eg a grants were budgeted for but was not received) or changes to the original budget projections. The Report is designed to highlight these issues and explain the reason for the variance.

**The Materiality variances adopted by Council are:**

Actual Variance to YTD Budget up to 5%:	Don't Report
Actual Variance exceeding 10% of YTD Budget	Use Management Discretion
Actual Variance exceeding 10% of YTD Budget and a value greater than \$10,000:	Must Report

**REPORTABLE OPERATING REVENUE VARIATIONS**

**General Purpose Funding - Variance below budget expectations**

Timing - Variance in Grants income

**Law, Order, Public Safety - Variance above budget expectations**

**Education and Welfare - Variance below budget expectations**

Youth Centre income decreased due to changes to operations of the Youth Centre -  
Timing on grant income

**Housing - Variance above budget expectations**

18B Evans insurance claim received - unbudgeted for. Offset by expense. Aged Care  
income above YTD budget expectations - timing

**Community Amenities - Variance below budget expectations.**

Timing - Waiting for answer on Grant for Community Bus

**Transport - Variance above expectations.**

Timing - Main Roads income

**Other Property & Services - Variance above budget expectations.**

TAFE training offset with expenses, use of our equipment

**REPORTABLE OPERATING EXPENSE VARIATIONS**

**Note:** Depreciation is not raised until after the audit is completed.  
This affects variations across all programs

**General Purpose Funding - Variance above budget expectations**

Administration allocations higher than budget expectations

**Education and Welfare - Variance below budget expectations**

Industry Training centre yet to commence

**Community Amenities - Variance below budget expectations.**

Tip maintenance costs and Public Toilet Amenities expenses under budget expectations

**Recreation and Culture - Variance below budget expectations.**

Timing - Programmes to proceed in second half of the financial year

**Transport - Variance below budget expectations.**

Timing Variance on Rural Road Maintenance

**Economic Services - Variance below budget expectations**

Timing Variance on Caravan Park operation expenses

**SHIRE OF MORAWA**  
**FOR THE PERIOD 1 JULY 2017 TO 30 NOVEMBER 2017**  
**Report on Significant variances Greater than 10% and \$10,000**

***Other Property & Services - Variance above budget expectations.***

Envisio Programme to be adjusted at the Budget Review  
Consultancy Fees higher than anticipated budget due to leave - arrangements for Senior Officers will be adjusted and reallocated to correct accounts

**REPORTABLE NON-CASH VARIATIONS**

***(Profit)/Loss on Asset Disposals - Variance above budget expectations.***

**REPORTABLE CAPITAL EXPENSE VARIATIONS**

***Purchase of Land & Buildings - Variance below budget expectations.***

Purchase of land for tip site - Timing

***Purchase of Plant & Equipment - Variance above budget expectations.***

Purchases overall under budget expectations

***Purchase of Infrastructure Assets Roads - Variance below budget expectations.***

Capital Road Works for roads under budget - timing

***Purchase Infrastructure Assets - Other- Variance above budget expectations.***

Timing Variance on Road Construction  
Morawa Gateway Project awaiting grants  
Morawa Perenjori Trails Project awaiting grants

***Transfer to Reserves - Variance below budget expectations.***

Transfers to Reserves - timing

**REPORTABLE CAPITAL INCOME VARIATIONS**

***Proceeds from Disposal of Assets - Variance within budget expectations.***

***Transfer from Reserves - Variance below budget expectations.***

Transfers to Municipal Fund - timing on completion of projects

Cr Thornton left the chamber at 5.34pm having declared a financial interest.  
Cr Carslake left the chamber at 5.34pm having declared a proximity interest.

<i>Item No/Subject:</i>	<b>7.2.2.4 Suspension of Refuse Charges – Morawa Bakery</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>20 November 2017 - Katrina Kingston – Rates Officer</b>
<i>Responsible Officer:</i>	<b>Fred Gledhill – Executive Manager Corporate &amp; Community Services</b>
<i>Applicant/Proponent:</i>	<b>Maryanne Milloy-Rakich and Milton Milloy</b>
<i>File Number</i>	<b>A706</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

Correspondence has been received from Maryanne Milloy-Rakich and Milton Milloy, (owners of the Morawa Bakery), requesting that both domestic and commercial refuse charges be suspended from rates Assessment 706 (Morawa Bakery) until the property is sold and also requesting a refund for all refuse charges dating back to 2015.

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Attachment 1 - 7.2.2.4a Correspondence from Maryanne Milloy-Rakich and Milton Milloy

### **BACKGROUND INFORMATION**

In March 2014 a request was received to have the commercial and domestic refuse service levy suspended from the rates Assessment 706 (Morawa Bakery) due to the building being unoccupied and no rubbish was generated.

Approval was granted to remove the domestic rubbish service for the 2013/2014 financial year and also for the 2014/2015 financial year.

The owners of the Morawa Bakery did not realise that the domestic refuse service refund was only valid for the above two financial years, and that the commercial refuse service levy was not suspended.

### **OFFICER'S COMMENT**

The domestic refuse service was implemented when prospective “buyers” were residing at the location of the Morawa Bakery.

As the Morawa Bakery is a Commercial Building that is unoccupied a refund of the domestic refuse service for the three financial years expanding from the 15/16 financial year to the current financial year with a total refund of \$1088.00 is warranted as the Domestic Refuse Service is deemed to be raised in error.

The commercial refuse charge is also an annual charge for all Commercial Properties and given that the service is applicable to all Commercial Properties and regardless whether the service is utilised, the fees are across the board to offset outgoings for the fees Council pays to provide the service.

Morawa Bakery has been closed since early 2013 and offer to refund all or partial of the Commercial Rubbish levies then implement for future years a suspended levy until the building is sold.

The breakdown of the Commercial refuse is:

- 14/15            \$697.20
- 15/16            \$718.00
- 16/17            \$718.00
- 17/18            \$760.00

### **COMMUNITY CONSULTATION**

Nil

### **COUNCILLOR CONSULTATION**

Nil

### **STATUTORY ENVIRONMENT**

**Local Government Act 1995 and Local Government (Financial Management) Regulations.**

#### **6.12. Power to defer, grant discounts, waive or write off debts**

- (1) Subject to subsection (2) and any other written law, a local government may —
  - (a) when adopting the annual budget, grant\* a discount or other incentive for the early payment of any amount of money; or

- (b) waive or grant concessions in relation to any amount of money; or
  - (c) write off any amount of money,
- which is owed to the local government.

*\* Absolute majority required.*

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

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

The refund on the domestic refuse of \$1088.00 will see the income which is on budget be reduced by this amount.

The commercial refuse levy is below budget expectations by \$3,000 however with all outgoings in the Sanitation Areas the Tip maintenance costs are expected to be around \$35,000 less than budgeted for.

### **STRATEGIC IMPLICATIONS**

Nil

### **RISK MANAGEMENT**

Nil

### **VOTING REQUIREMENTS**

Absolute Majority

### **OFFICER'S RECOMMENDATION**

That with regard to the 'Suspension of Refuse Charges – Morawa Bakery', that Council:

1. Resolve to refund of all Domestic Refuse Charges totalling \$1088.00 expanding three financial years.
2. Resolve to refund of Commercial Refuse Charges of \$760.00 for 17/18 financial year.

3. Resolve that in future budgets refuse charges are suspended on A706 – Morawa Bakery - until the building is sold or utilised.

**Note: Awaiting advice from WALGA as to the Shire being able to suspend refuse charges in future budgets.**

### **COUNCIL RESOLUTION**

**1712005**                      **Moved:        Cr Stokes**  
   **Seconded: Cr Agar**

**That with regard to the ‘Suspension of Refuse Charges – Morawa Bakery’, that Council:**

- 1. Resolve to refund of all Domestic Refuse Charges totalling \$1088.00 expanding three financial years.**
- 2. Resolve to refund of Commercial Refuse Charges of \$760.00 for 17/18 financial year.**

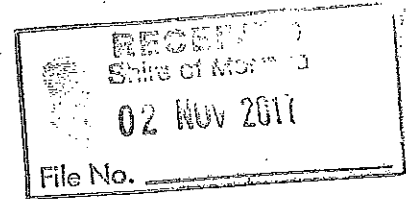
**CARRIED 5/0**

**Motion amended following the receipt of advice from WALGA.**

Cr Thornton and Cr Carslake returned to the chamber at 5.35pm.

2<sup>nd</sup> November, 2017

Shire of Morawa  
Mr Chris Linnell  
Chief Executive Officer  
Winfield Street  
Morawa WA 6623



Dear Chris,

Re: Refuse collection for 16 Winfield Street Morawa (formerly Morawa Bakery) Assessment A706

We contacted council on the 31<sup>st</sup> March, 2014 (please see attached letter) requesting we have the charges for refuse pick suspended. This had been handled on our behalf by the former Environmental Health Officer, Mr Dave Williams. From our conversations with Mr Williams we had thought this matter settled – but we have again been asked to write again to council to request suspension of the refuse collection charges, and to also request a refund for all charges dating back to 2015.

We hadn't realised our last request, and subsequent approval, was only valid for that financial year and we had overlooked the charges reappearing on the rates notice until we read it more thoroughly this year.

So we would like to again request having the commercial and domestic refuse service levy suspended from our rates Assessment A706 (Morawa Bakery). There has not been any rubbish collected from the property since April 2013.

As there is no one occupying the building and until it is sold there will be no rubbish generated there, and we don't understand why we are attracting two charges – domestic and commercial.

This whole process has been drawn out, confusing, convoluted and at times caused us a lot of unnecessary stress. We have at all times made sure all our rates, and any outstanding rates left by the previous owner, are paid in a timely manner.

We are hoping the Shire can assist us in this matter and finally bring it to a conclusion.

Regards

A handwritten signature in black ink, appearing to be "R".

A handwritten signature in black ink, appearing to be "M Milloy".

Maryanne Milloy-Rakich and Milton Milloy



31<sup>st</sup> March, 2014

**FILE COPY**

Morawa Shire Council  
Winfield Street  
Morawa WA 6623

To all Shire Councilors,

We would like to request having the commercial and domestic rubbish service levy suspended from our rates Assessment A706 (Morawa Bakery). We came into the shire in August (2013) last year and asked that service officially be cancelled as there had not been any rubbish collected from the property since April 2013.

As there is no one occupying the building and until it is sold there will be no rubbish generated there we are hoping the Shire can assist us in this manner.

We are endeavoring to pay off the outstanding rates with regularly fortnightly payments, and will increase these payments when it is financially viable for us to do so.

Regards

Maryanne Milloy-Rakich and Milton Milloy

<i>Item No/ Subject:</i>	<b>7.2.2.5 Application for Rates Exemption – Murchison Region Aboriginal Corporation</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>6 December 2017- Fred Gledhill</b>
<i>Responsible Officer:</i>	<b>Fred Gledhill – Executive Manager Corporate &amp; Community Services</b>
<i>Applicant/Proponent:</i>	<b>Murchison Region Aboriginal Corporation</b>
<i>File Number:</i>	<b>RV.RAT.2</b>
<i>Previous minute/s &amp; Reference:</i>	

## **SUMMARY**

Murchison Region Aboriginal Corporation have submitted an application for rates exemption to 15 (Lot 341) Stokes Road, Morawa – Assessment 212 - to be deemed as ‘non-rateable’ land by reason of Section 6.26(2)(g) of the *Local Government Act 1995* (“LGA”) (being land used exclusively for charitable purposes) and therefore exempt from paying rates.

## **DECLARATION OF INTEREST**

Nil

## **ATTACHMENTS**

Attachment 1 - 7.2.2.5a Application Letter - 20 September 2017  
Attachment 2 -7.2.2.5b Email Agreement of ex-gratia payment of 20% of GRV  
Attachment 3 -7.2.2.5c Article from Guardian News – Tuesday 5 December 2017

## **BACKGROUND INFORMATION**

Council had received an application for rates exemption in February 2017 for 15 (Lot 341) Stokes Road, Morawa under Section 6.26(2) (g) of the Local Government Act 1995, being land used exclusively for charitable purposes.

The property is freehold tenure in the name of Murchison Region Aboriginal Corporation (MRAC), and is currently leased under the MRAC Housing Eligibility policy dated 15 November 2016.

At the Ordinary meeting of Council of 18 May 2017 Council resolved to decline that request as did other Councils around the region.

MRAC subsequently applied to the State Administrative Tribunal (SAT) to challenge the City of Greater Geraldton's decision and it was found that –

- *On the law as it currently stands, and having regard to precedent decisions, the provision of housing for Aboriginal people is seen by the Courts and SAT to satisfy the provisions of the Local Government Act as to 'charitable purpose'.*

As the City of Greater Geraldton and MRAC have come to an agreement for an 80% rates concession MRAC have also offered to agree to pay 20% of the rate imposed on 15 Stokes Road, Morawa.

### **COMMUNITY CONSULTATION**

Nil

### **COUNCILLOR CONSULTATION**

Nil

### **STATUTORY ENVIRONMENT**

Local Government Act 1995 Section-

#### **Concessions**

**6.47.** Subject to the *Rates and Charges (Rebates and Deferments) Act 1992*, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive\* a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.

\* *Absolute majority required.*

### **FINANCIAL IMPLICATIONS**

The value of the rates and service charges on the property for 2017/2018 financial year is \$1671.77. Broken down as -

- Rates \$622.01 (80% concession \$487,60)
- Domestic Refuse \$380.00
- ESL \$ 75.00
- Sewerage Levy \$594.76

All rates have been paid.

## **STRATEGIC IMPLICATIONS**

Nil

## **RISK MANAGEMENT**

Council by not approving the application for rate exemption and agreement to pay 20% of the rates on the property, may be required to defend its decision if the matter were to be appealed by the applicant to State Administrative Tribunal.

The legal costs that would be as a result would in effect cost more than the 80% of the rate that Council would write off – being \$497.60.

## **VOTING REQUIREMENTS**

Absolute Majority

## **OFFICER'S RECOMMENDATION**

That with regard the application for Rates Exemption by the Murchison Region Aboriginal Corporation Council and pursuant to Section 6.47 of the Local Government Act 1995, Council:

1. Resolve to grant an 80% Rates concession for the 2017/2018 financial year for the property owned by Murchison Region Aboriginal Corporation (MRAC) – 15 Stokes Road, Morawa; and
2. Authorise payment of a refund of rates of 80% of the rates paid for the 2017/2018 financial year.

## **COUNCIL RESOLUTION**

**1712006**                      **Moved:      Cr Stokes**  
   **Seconded: Cr Coaker**

**That with regard the application for Rates Exemption by the Murchison Region Aboriginal Corporation Council and pursuant to Section 6.47 of the Local Government Act 1995, Council:**

- 1. Resolve to grant an 80% Rates concession for the 2017/2018 financial year for the property owned by Murchison Region Aboriginal Corporation (MRAC) – 15 Stokes Road, Morawa; and**
- 2. Authorise payment of a refund of rates of 80% of the rates paid for the 2017/2018 financial year.**

**CARRIED 6/1**

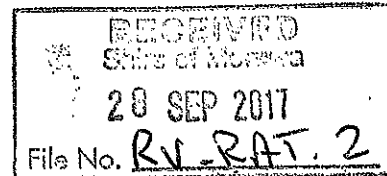


## MURCHISON REGION ABORIGINAL CORPORATION

25 Crawford Street,  
P.O. Box 2072, Geraldton W.A. 6531  
Tel: (08) 9923 0055  
Fax: (08) 9923 0066  
E-mail: office@mrac.net.au  
ABN 48 700 809 001 ICH 500

20 September 2017

Chief Executive Office  
Shire of Morowa  
P O Box 14  
MORAWA WA 6623



Dear Sir/Madam

### Application for rates exemption

#### 1 Background

Murchison Region Aboriginal Corporation (**MRAC**) is a member based, not-for-profit dedicated Aboriginal community housing organisation operating in the Mid West and Gascoyne regions of Western Australia.

One of MRAC's properties is located within the Shire of Morowa.

MRAC has received rate notices from the Shire of Morowa for this property.

MRAC objects to the rate records for this property located within the Shire of Morowa under section 6.76(1)(a)(ii) of the *Local Government Act 1995 (WA)* (**LG Act**) on the ground that there is an error in the rate records as this property does not constitute rateable land.

MRAC is of the view that its property located within the Shire of Morowa does not constitute rateable land as it satisfies the criteria in section 6.26(2)(g) of the LG Act and MRAC is accordingly applying for a rate exemption under section 6.26(2)(g) of the LG Act with respect to its property located within the Shire of Morowa.

#### 2 Grounds for exemption

MRAC is applying for a rates exemption on the basis that its property located within the Shire of Morowa is used exclusively for charitable purposes.

Please find enclosed the following documents in support of MRAC's application:

- (a) an extract from the Office of the Registrar of Indigenous Corporations for MRAC as at 20 February 2017;
- (b) an extract from the Australian Charities and Not-for-profits Commission's Charity Register for MRAC as at 8 February 2017 evidencing that MRAC is a registered charity;

- (c) a letter from the ATO dated 19 January 2017 confirming MRAC is endorsed for charity tax concessions;
- (d) a letter from the ATO dated 19 January 2017 confirming MRAC is endorsed as a deductible gift recipient;
- (e) a copy of MRAC's rule book dated 2 December 2016;
- (f) a copy of MRAC's financial report for the year ended 30 June 2016;
- (g) a copy of MRAC's housing eligibility criteria dated 29 April 2017; and
- (h) an operational overview of MRAC's activities.

Please also find enclosed Property Details Forms setting out the relevant details with respect to the MRAC property located within the Shire of Morowa. We note that plans for the property has not been provided as MRAC does not possess these and they are too costly to have prepared. Instead, we have provided a brief description and photo for each property.

As demonstrated by the enclosed materials:

- (a) MRAC provides safe, secure and affordable housing to:
  - (i) Aboriginal persons, Torres Strait Islander persons, persons who have a partner who is either Aboriginal or Torres Strait Islander or non-Aboriginal persons with custody of Aboriginal children;
  - (ii) who are resident within the Midwest or Gascoyne region for a period of 6 months;
- (b) This MRAC property located within the Shire of Morowa is leased to tenants who meet MRAC's housing eligibility criteria;
- (c) MRAC charges its tenants rent on either a percentage of market rent basis or on a cost recovery basis and any moneys generated through rental revenue is reinvested in upgrading its properties or purchasing additional housing stock to meet the high level of demand for housing; and
- (d) most of MRAC's tenants rely on full or partial benefits from Centrelink and are unable to obtain housing in the private rental market due to a lack of access to suitable employment, their Aboriginality, previous tenancy history, long waiting lists for social housing and the lack of housing in remote areas which are close to their cultural homeland and/or close to other family members.

Accordingly, as:

- (a) MRAC uses its property located within the Shire of Morowa for the purpose of improving the economic position, social condition and traditional ties of an Aboriginal community; and

## Enclosures

- 1 An extract from the Office of the Registrar of Indigenous Corporations for MRAC as at 20 February 2017
- 2 An extract from the Australian Charities and Not-for-profits Commission's Charity Register for MRAC as at 8 February 2017
- 3 A letter from the ATO dated 19 January 2017 confirming MRAC is endorsed for charity tax concessions
- 4 A letter from the ATO dated 19 January 2017 confirming MRAC is endorsed as a deductible gift recipient
- 5 A copy of MRAC's rule book dated 2 December 2016
- 6 A copy of MRAC's financial report for the year ended 30 June 2016
- 7 A copy of MRAC's housing eligibility criteria dated 29 April 2017
- 8 An operational overview of MRAC's activities
- 9 One Property Details Forms, together with the following attachments:
  - (a) a title search for the property;
  - (b) the rates notice for the property;
  - (c) any applicable tenancy agreement; and
  - (d) a description and photo for the property.

- (b) it is generally accepted that Aboriginal people as a class are in need of protection and assistance, and purposes directed towards the advancement of Aboriginal people are charitable,

MRAC clearly satisfies the requirements of section 6.26(2)(g) of the LG Act and should be granted a rate exemption for its property located within the Shire of Morowa.

If you require any further information in order to process MRAC's applications, please contact me.

Yours sincerely



**Mary Marshall**

Chief Executive Officer

Murchison Region Aboriginal Corporation

T +61 8 9923 0055

M +61 408 973 946

[mmarshall@mrac.net.au](mailto:mmarshall@mrac.net.au)



## Fred Gledhill

---

**Subject:** FW: Rates exemption application  
**Attachments:** Morowa Shire signed rates exemption application 20 Sept 2017.pdf

**From:** Mary Marshall  
**Sent:** Tuesday, 14 November 2017 3:31 PM  
**To:** 'emcccs@morowa.wa.gov.au' <emcccs@morowa.wa.gov.au>  
**Subject:** Rates exemption application

Good afternoon

Please see attached letter that was sent priority paid mail on 20 September 2017. Please advise whether if you can locate the letter and attachments that were sent with it as detailed in the letter.

Please advise when you believe Council will consider this application. As with other local government areas, where a rates exemption is granted, MRAC agrees to pay an ex gratia payment of 20% of the GRV amount, which would mean that in future years, Shires would charge rubbish collection and fire service levy and advise MRAC independently of the GRV amount so the 20% could be calculated. MRAC appreciates this does not apply to vacant land. If MRAC proceeds to SAT, no ex gratia payment will be offered.

I also refer to our email correspondence dated 2 September 2016 regarding a claim for domestic rubbish collection charged on assessment A41, which is a vacant block of land. MRAC is claiming the amount of \$2,749.30 dating back to 2012 where you have charged two bins for collection on a vacant block of land. This matter has been going on for well over 12 months and an early resolution to this would be appreciated.

Kind regards

**Mary Marshall**  
**Chief Executive Officer**  
**Murchison Region Aboriginal Corporation**  
**25 Crawford Street**  
**GERALDTON WA 6530**

**Tel:** (08) 9923 0055  
**Mobile:** 0408 973 946  
**Email:** [mmarshall@mrac.net.au](mailto:mmarshall@mrac.net.au)



**MURCHISON REGION  
ABORIGINAL CORPORATION**

geraldtonguardian.com.au  
Tuesday, December 5, 2017

## 4 Guardian News

# Aboriginal group wins rates cut

■ Francesca Mann

Murchison Region Aboriginal Corporation will receive an 80 per cent rates concession for its properties for a three-year period.

At the City of Greater Geraldton council meeting on Tuesday, councillors voted 10-2 in favour of the recommendation, which suggested granting an 80 per cent rates concession for the 2017-18 financial year for the corporation's 68 properties.

The concession amount will be \$75,808.92, and the corporation will still pay imposed charges for waste

and the Emergency Services Levy. The 80 per cent rates concession will also be granted for the 2018-19 and 2019-20 financial years.

Councillor Steve Douglas moved the motion. If the City declined, the corporation would likely make an application to the State Administrative Tribunal.

"If it is taken to the tribunal, we will lose," he said.

"We've had that advice a few times now, and even though it's not what we'd like to adopt it's prudent we support (the motion).

"We're not in the position to not give the concession, and this gives

us time to renegotiate after three years. Hopefully in a few years we can seek a better outcome."

Earlier this year the corporation made a submission to the council seeking a rates exemption on the grounds the properties were exclusively used for charitable purposes, namely providing housing for Aboriginal people.

The council declined the request and the corporation appealed to the tribunal to challenge the City's decision.

After mediation the corporation agreed to withdraw its appeal if the City agreed to provide a rates con-

cession for the 2016-17 financial year.

According to agenda briefing notes, the City believes it has reasonable grounds to question a blanket year-long rates exemption on the properties as there is no evidence the land is used for a charitable purpose every day of the year.

Briefing notes also suggest ratepayers should be entitled to evidence as they are "left to subsidise the provision of municipal services, facilities and amenities" for those living on land excluded from rates. Councillor Michael Raymond, who voted against the

motion, said this was unfair. "In principle I can't support this," he said.

"Ratepayers are asked to subsidise it. The corporation could have accepted the decision based on what is best for all ratepayers."

Deputy Mayor Neil McIlwaine seconded the motion, reminding the council that if the Local Government Act's definition of "charitable purpose" were changed, the City would be able to review previously approved rates concessions and exemptions.

Councillor Graeme Bylund also voted against the motion.

<i>Item No/ Subject:</i>	<b>7.2.2.6 Morawa Country Women’s Association – Service Charges</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>13 December 2017 – Chris Linnell</b>
<i>Responsible Officer:</i>	<b>Fred Gledhill – Executive Manager Corporate &amp; Community Services</b>
<i>Applicant/Proponent:</i>	<b>Country Women’s Association</b>
<i>File Number:</i>	<b>RV.RAT.2</b>
<i>Previous minute/s &amp; Reference:</i>	<b>OCM 23 February 2017 – Item 7.2.2.9</b>

**SUMMARY**

In the 2017/2018 rating year the Shire received a letter (Attachment 1) from the Country Women’s Association (CWA) stating that they are struggling with low membership, going through hardship and are having trouble paying for their building at 24 Dreghorn St Morawa. Currently the CWA have 10 members. The CWA have made a payment of the first instalment on their rates notice and are requesting Council waive the remaining instalments and reimburse their first instalment.

**DECLARATION OF INTEREST**

Nil

**ATTACHMENTS**

Attachment 1 – 7.2.2.6a Letter requesting remaining monies due to be waived.

**BACKGROUND INFORMATION**

Under section 6.47 of the Local Government Act 1995 a council may waive a service charge. When a property does not fall into any category of Section 6.26 but the Council may wish to waive a service charge because of the nature of the undertaking of the organisation. This would be a case by case decision and for each individual Council to determine.

Council resolved in February 2017 to waive all fees being sewerage (\$772.10), ESL (\$71.00) and interest (\$24.47) for the 2016/2017 billing cycle.

## **OFFICER'S COMMENT**

As the CWA is a 'Not-for-profit' organisation & membership is low, it would be appropriate for council to consider waiving all fees for this organisation.

## **COMMUNITY CONSULTATION**

Nil

## **COUNCILLOR CONSULTATION**

Nil

## **STATUTORY ENVIRONMENT**

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996, (Section 6.47)

Subject to the Rates and Charges (*Rebates and Deferments Act 1992*), a local government may at the time of imposing a rate or service charge or at a later date resolve to waive a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.

*Absolute majority required.*

## **POLICY IMPLICATIONS**

Section 3 – Finance

## **FINANCIAL IMPLICATIONS**

As presented

## **STRATEGIC IMPLICATIONS**

Nil

## **RISK MANAGEMENT**

Nil

## **VOTING REQUIREMENTS**

Absolute Majority

## **OFFICER'S RECOMMENDATION**

That with respect to the request from the Morawa Country Women's Association for the waiving of service charges, Council:

- 1(a) Resolve to waive all fees, and interest incurred, for the Morawa CWA for the 2017/2018 billing cycle:

Sewerage:	\$779.80
ESL:	\$75.00
Interest as at 21 December 2017:	\$6.85;

**OR**

- 1(b) Resolve to waive sewerage and interest, for the Morawa CWA for the 2017/2018 billing cycle:

Sewerage:	\$779.80
Interest as at 21 December 2017:	\$6.85

and to donate the sum of \$75 towards the ESL as this charge does not belong to the Shire of Morawa and cannot be waived.

### **COUNCIL RESOLUTION**

**1712007**                      **Moved: Cr Thornton**  
   **Seconded: Cr Carslake**

**That with respect to the request from the Morawa Country Women's Association for the waiving of service charges, Council:**

**Resolve to waive sewerage and interest, for the Morawa CWA for the 2017/2018 billing cycle:**

<b>Sewerage:</b>	<b>\$779.80</b>
<b>Interest as at 21 December 2017:</b>	<b>\$6.85</b>

**and to donate the sum of \$75 towards the ESL as this charge does not belong to the Shire of Morawa and cannot be waived.**

**CARRIED 7/0**

COPY



Mrs Karen Chappel  
Shire President  
Morawa Shire Council  
Winfield St  
Morawa 6623  
WA

Morawa Branch CWA  
P.O. Box 186  
Morawa 6623  
WA

20th October 2017

Dear Mrs Chappel and Shire Councillors,

The Morawa Branch of the CWA continues to face financial difficulties in 2017, which is of grave concern to our members.

The yearly expense of Annual Levy Rates to the Shire of Morawa is the prime reason for our financial difficulties. We are a service organisation with limited membership (10 members) and few fundraising opportunities due to the age or work status of our members.

We enclose a cheque as payment for the first instalment of the rates, for the amount of \$220.25.

However it is unlikely that we can pay the remaining instalments and therefore we seek support from the Shire for our volunteer service organisation by exempting our group from further payments.

Yours Sincerely,

Mrs Helen Walter  
Hon. Treasurer  
Morawa Branch CWA

cc Karen Chappel, Shire President  
CEO Shire of Morawa

## 7.2.3 Executive Manager Development & Administration

<i>Item No/ Subject:</i>	<b>7.2.3.1 Child Care Centre Lease</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>4 December 2017- Samantha Appleton</b>
<i>Responsible Officer:</i>	<b>Samantha Appleton – Executive Manager Development and Administration</b>
<i>Applicant/Proponent:</i>	<b>Marie Gamble</b>
<i>File Number:</i>	<b>CP.LSO.4</b>
<i>Previous minute/s &amp; Reference:</i>	<b>Resolution OCM 1606013 - 16 June 2016</b>

### **SUMMARY**

Council to consider the assignment of a lease on the child care centre located at 27 Dreghorn Street for a period of three years and to sign an agreement for the provision of child care services.

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Attachment 1 -7.2.3.1a Lease Agreement  
Attachment 2 -7.2.3.1b Day Care Services Agreement  
Attachment 3 -7.2.3.1c Letter from Ngala/Brightstars  
Attachment 4 -7.2.3.1d Plan of Buildings to be Leased

### **BACKGROUND INFORMATION**

Currently Tiny Tigers Childcare services operate from the transportable building at 25 Dreghorn Street. This service will cease at the end of this year.

A proposal has been received to lease the brick building (27 Dreghorn Street) at the child care centre for the purposes of the provision of family day care services.

### **OFFICER'S COMMENT**

The proposal is from Marie Gamble who will be operating with the support of Ngala that operates as Brightstars Family Day Care. Ms Gamble has indicated she would like possession of the building on 7 January 2017.

When the properties have previously been leased the arrangement is have been as follows:

- Weekly lease fee of \$50 per week;
- Shire of Morawa to fund the first \$1,000 for water and electricity annually;
- Shire of Morawa to pay line rental on a phone line to the building;
- Shire of Morawa to maintain gardens.

As the building has not been occupied for some time there will be some maintenance required prior to occupation. The building was inspected earlier this month by Shire of Morawa staff, a representative of Ngala and the potential lessee. Following site inspection there are only minor maintenance and cleaning works to be undertaken, additional to works already identified in the budget.

A commercial lease agreement and a services agreement has been prepared and is included in the Attachments 1 and 2 to the report.

### **COMMUNITY CONSULTATION**

Nil

### **COUNCILLOR CONSULTATION**

Nil

### **STATUTORY ENVIRONMENT**

#### **Local Government Act 1995**

#### **3.58. Disposing of property**

- (1) In this section —  
**dispose** includes to sell, lease, or otherwise dispose of, whether absolutely or not;  
**property** includes the whole or any part of the interest of a local government in property, but does not include money.
- (2) Except as stated in this section, a local government can only dispose of property to —
  - (a) the highest bidder at public auction; or
  - (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.
- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —
  - (a) it gives local public notice of the proposed disposition —
    - (i) describing the property concerned; and
    - (ii) giving details of the proposed disposition; and



- (iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;
  - and
  - (b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.
- (4) The details of a proposed disposition that are required by subsection (3)(a)(ii) include —
- (a) the names of all other parties concerned; and
  - (b) the consideration to be received by the local government for the disposition; and
  - (c) the market value of the disposition —
    - (i) as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or
    - (ii) as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.
- (5) This section does not apply to —
- (a) a disposition of an interest in land under the *Land Administration Act 1997* section 189 or 190; or
  - (b) a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or
  - (c) anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or
  - (d) any other disposition that is excluded by regulations from the application of this section.

[Section 3.58 amended by No. 49 of 2004 s. 27; No. 17 of 2009 s. 10.]

## **Local Government Act 1995**

### **Division 3 — Documents**

#### **9.49A. Execution of documents**

- (1) A document is duly executed by a local government if —
- (a) the common seal of the local government is affixed to it in accordance with subsections (2) and (3); or
  - (b) it is signed on behalf of the local government by a person or persons authorised under subsection (4) to do so.

- (2) The common seal of a local government is not to be affixed to any document except as authorised by the local government.
- (3) The common seal of the local government is to be affixed to a document in the presence of —
  - (a) the mayor or president; and
  - (b) the chief executive officer or a senior employee authorised by the chief executive officer,each of whom is to sign the document to attest that the common seal was so affixed.
- (4) A local government may, by resolution, authorise the chief executive officer, another employee or an agent of the local government to sign documents on behalf of the local government, either generally or subject to conditions or restrictions specified in the authorisation.
- (5) A document executed by a person under an authority under subsection (4) is not to be regarded as a deed unless the person executes it as a deed and is permitted to do so by the authorisation.
- (6) A document purporting to be executed in accordance with this section is to be presumed to be duly executed unless the contrary is shown.
- (7) When a document is produced bearing a seal purporting to be the common seal of the local government, it is to be presumed that the seal is the common seal of the local government unless the contrary is shown.

*[Section 9.49A inserted by No. 17 of 2009 s. 43.]*

#### **9.49B. Contract formalities**

- (1) Insofar as the formalities of making, varying or discharging a contract are concerned, a person acting under the authority of a local government may make, vary or discharge a contract in the name of or on behalf of the local government in the same manner as if that contract was made, varied or discharged by a natural person.
- (2) The making, variation or discharge of a contract in accordance with subsection (1) is effectual in law and binds the local government concerned and other parties to the contract.
- (3) Subsection (1) does not prevent a local government from making, varying or discharging a contract under its common seal.

*[Section 9.49B inserted by No. 17 of 2009 s. 43.]*

### **POLICY IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

Minor – provision has been made for costs associated as part of the 2017/18 budget.

## **STRATEGIC IMPLICATIONS**

Shire of Morawa Strategic Community Plan

3.1 Services and facilities that met the needs of the community.

## **RISK MANAGEMENT**

Nil

## **VOTING REQUIREMENTS**

Simple Majority

## **OFFICER'S RECOMMENDATION**

That with respect to the assignment of a lease for the purpose of a childcare centre at 27 Dreghorn Street Morawa, Council:

1. Resolves to assign the lease to Ms Marie Gamble trading as 'Wild Things Family Day Care Centre' for a period of three (3) years.
2. Resolves to approve the signing of the Day Care Services Agreement with Ms Marie Gamble trading as Wild Things Family Day Care Centre.
3. Resolve that pursuant to section 9.49A of the Local Government Act 1995 to affix the common seal to the lease agreement and services agreement.
4. Resolve that pursuant to section 3.58 of the Local Government Act 1995 to give public notice of the disposal of the property at 27 Dreghorn Street.

## **COUNCIL RESOLUTION**

1712008

Moved: Cr Stokes

Seconded: Cr Coaker

That with respect to the assignment of a lease for the purpose of a childcare centre at 27 Dreghorn Street Morawa, Council:

1. Resolves to assign the lease to Ms Marie Gamble trading as 'Wild Things Family Day Care Centre' for a period of three (3) years.
2. Resolves to approve the signing of the Day Care Services Agreement with Ms Marie Gamble trading as Wild Things Family Day Care Centre.
3. Resolve that pursuant to section 9.49A of the Local Government Act 1995 to affix the common seal to the lease agreement and services agreement.
4. Resolve that pursuant to section 3.58 of the Local Government Act 1995 to give public notice of the disposal of the property at 27 Dreghorn Street.

**CARRIED 7/0**

“Attachment A”

DATED 22 December 2017

**THE SHIRE OF MORAWA**

(“The Lessor”)

- and -

**MARIE GAMBLE**  
trading as  
**Wild Things Family Day Care Centre**

(“The Lessee”)

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**DEED OF COMMERCIAL LEASE**

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**THIS LEASE** is made on the 22nd day of December 2017 between the following parties:

**THE SHIRE OF MORAWA** of PO Box 14, Morawa, Western Australia (“Lessor”)

and

**MARIE GAMBLE** of 21 Valentine Street, Morawa WA 6623 (“Lessee”)

## **RECITALS**

- A. The Shire of Morawa wishes to facilitate the maintaining of a day care family services of a qualified and accredited day care service provider in its district;
- B. On 22 December 2017 the parties executed a Day Care Services Agreement covering the period from 7 January 2018 subject to three (3) month renewal periods. Notwithstanding, section 3.2 Renewal Term, this tenancy agreement is associated with that Agreement and has a grant term that will terminate 6 January 2021 (the ‘FDCSA’) and ;
- C. The Lessee has agreed to lease the Day Care Centre from the Shire of Morawa on commercial terms and conditions.

## **AGREEMENT**

The Lessor and the Lessee covenant and agree to the lease by the Lessor to the Lessee of the Premises at the Annual Rent and all of the other rentals reserved by this lease, for the Term and upon and subject to the terms, covenants, conditions, provisions, agreements, obligations and stipulations contained in, and implied by, this lease and upon and subject to the covenants and powers implied in every memorandum of lease by virtue of the Transfer of Land Act 1893 of the State so far as not expressly or by necessary implication negated or modified by this lease and agree and declare as follows:

### **1 Definitions and Interpretation**

#### **1.1 Definitions**

In this lease, unless the contrary intention appears:

“Monthly Rent” means the rent specified in Item 6(a) of the Schedule payable at the times and in the manner stated in this lease.

“Arbitration Act” means the Commercial Arbitration Act 1985 of the State.

“Building” means the building or buildings now, or at any time after the date of execution of this lease, erected on the Land of which the Premises forms part and which operates as a commercial building and includes all structures, buildings and other improvements now, or at any time after the date of execution of this lease, on, or forming part of, that building and all plant, machinery, fittings and equipment in that building.

“Business Day” means a day on which banks are open for general banking business in Perth, not being a Saturday, Sunday or public holiday in Perth.

“Commencement Date” means the date of commencement of this lease specified in Item 3(a) of the Schedule.

“Common Area” means all those parts of the Land and Building not demised to any lessee and set aside by the Lessor for use by the Lessee and the Lessee's respective customers, employees, invitees and licensees and other occupants of the Building, and not leased to any person including all walkways, stairways, pavements, entrances, passages, parking areas, driveways, landscaped and paved areas, toilets and washrooms thereon or therein.

“Corporation” means any body corporate.

“CPI” means the consumer price index compiled by the Australian Bureau of Statistics for Perth (Capital City) (all groups index numbers) or any substitute for that index accepted by the Government of the Commonwealth of Australia from time to time provided that if the index number base adopted by the Australian Statistician for the index number at any time is updated the index number is to be appropriately adjusted as from the same time. If at any time either or both the Consumer Price Index and the index number is discontinued or suspended or, in the reasonable opinion of the Lessor, substantially is altered there is to be substituted for the Consumer Price Index and the index number the alternative method of computing changes in the cost of living which is mutually agreed in writing between the Lessor and the Lessee during the period of 14 days after written notice given by the Lessor to the Lessee or, failing that agreement, which in the opinion of an expert appointed by the President for the time being of the Institute of Chartered Accountants (Western Australia Division) at the request of the Lessor or the Lessee or both of them most closely reflects changes in the cost of living for the Metropolitan Region (the costs of that expert being borne by the Lessor and the Lessee in equal shares).

“GST” refers to the goods and services tax under the GST Act (and includes all tax in the nature of a consumption tax, value added tax or other like tax);

“GST Act” means A New Tax System (Goods and Services Tax) Act 1999, as amended;

“Land” means the land described in Item 1 of the Schedule and includes any revised description of that land from time to time in the event of a subdivision, amalgamation or resumption of that land.

“Lessee's Covenants” means the terms, covenants, conditions, agreements, provisions, obligations and stipulations contained in, and implied by this lease which are required to be observed and performed by a person other than the Lessor.

“Lessee's Visitors” mean the servants, employees, agents, contractors, subcontractors, sub-Lessees, invitees, licensees and lawful visitors of the Lessee and any person claiming through, or under, the Lessee.

“Lessor” includes the registered proprietor for the time being of the Land and the person in whom the benefit of this lease, of the receipt of Annual Rent and of the performance of the Lessee's Covenants is vested from time to time.

“Managing Agent” means a person appointed by the Lessor from time to time to manage and operate the Building as a commercial building and includes any company established by the Lessor for that purpose.

“Metropolitan Region” means the region described in the Metropolitan Region Town Planning Scheme Act 1959 of the State.

“Option Term” means the further term of this lease specified in Item 4 of the Schedule.

“Permitted Use” means the business referred to in Item 8 of the Schedule and any use or business permitted from time to time by the Lessor under this lease.

“Premises” means the premises described in Item 2 of the Schedule together with the fixtures and fittings of the Lessor forming part of, or annexed or affixed to, those premises.

“Rate of Interest” means the rate at the relevant time or most recent time specified by the Lessor being its overdraft rate on borrowings or facilities from its bankers in amounts not exceeding \$100,000 and if at any time the Lessor has no overdraft borrowings or facilities then the general overdraft rate charged from time to time on unsecured borrowing by the Commonwealth Trading Bank of Australia on amounts not exceeding \$100,000.

“Rental Period” means the period between the Commencement Date and the first Review Date, the period between each subsequent Review Date, the period



between the Termination Date and the Review Date immediately preceding the Termination Date and, if the Term is extended or renewed, the period between the date of expiration of the extended or renewed term and the Review Date immediately preceding the date of expiration of the extended or renewed term.

“Retail Shops Act” means the Commercial Tenancy (Retail Shops) Agreements Act 1985 of the State.

“Review Date” means any of the dates specified in Item 6(b) of the Schedule upon which the Annual Rent is to be reviewed.

“Schedule” means the schedule to this lease.

“The State” means the State of Western Australia.

“Strata Titles Act” means the Strata Titles Act 1985 of the State.

“Term” means the term of this lease commencing on the Commencement Date and expiring on the Termination Date and, when the context requires, includes any shorter term (in the event of the early determination of the Term), any extension or renewal of that term, any Option Term and any holding over of the Term, of any Option Term, or of any extension or renewal of those terms.

“Termination Date” means the date on which the Term would expire by effluxion of time being the date referred to in Item 3(b) of the Schedule and, when the context requires, includes the date of expiry of the Option Term.

“This Lease” means this lease (including the Schedule) as from time to time amended, varied, supplemented, replaced, extended, renewed or assigned as permitted by this lease, and includes every deed varying this lease.

“Total Lettable Area” means the total floor area of all those parts of the Building leased or licensed by the Lessor and designed to be leased or licensed to lessees at a commercial rental and not including any part of the Building now or at any time after the date of execution of this lease leased or licensed or intended by the Lessor or designed to be leased or licensed at a nominal rental and lettable area has a corresponding meaning.

The Lettable Area as described in this lease is detailed in Annexure A.

## **1.2 Interpretation**

In this lease, unless the contrary intention appears:

- (a) headings, underlining and numbering are for convenience only and do not affect the interpretation of this lease;

- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include every gender;
- (d) an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate;
- (e) a reference to a thing includes a part of that thing;
- (f) references to parts, clauses, parties and the Schedule are references to parts and clauses of, and parties and the Schedule to, this lease;
- (g) a reference to a statute, regulation, proclamation, ordinance or by-law includes every statute, regulation, proclamation, ordinance or by-law varying, consolidating or replacing it, and a reference to a statute includes every regulation, proclamation, ordinance or by-law issued under that statute;
- (h) a reference to an agreement includes an undertaking, deed, agreement, guarantee or legally enforceable arrangement or understanding, whether or not in writing;
- (i) a reference to an asset includes all property of any nature, as well as a business, and all rights, revenues and benefits;
- (j) a reference to a document includes an agreement in writing, or a certificate, notice, instrument or other document of any kind and includes every permitted amendment, variation or supplement to, or replacement or novation of, that document;
- (k) a reference to a party to this lease or to another document referred to in this lease includes that party's successors and permitted assigns;
- (l) where a day on or by which a thing is required to be done is not a Business Day, that thing is to be done on or by the succeeding Business Day;
- (m) a covenant or agreement by more than one person binds, and is enforceable against, those persons jointly and each of them severally;
- (n) in the interpretation of this lease, no rules of construction apply to the disadvantage of a party because that party was responsible for the drafting of this lease or of a part of this lease.

- (o) a reference in this lease to a sub-clause, paragraph or sub-paragraph is a reference to a sub-clause, paragraph or sub-paragraph of the clause or definition in which the reference appears; and
- (p) where the words including or includes are used, they are taken to be followed by the words but not limited to.

### **1.3 Moratorium not to apply**

Unless application is mandatory by law, any statute, proclamation, order, regulation or moratorium, present or future, State or Federal, does not apply to this lease so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise affect prejudicially any rights, powers, privileges, remedies or discretions given or accruing to the Lessor.

### **1.4 Severance**

If any part of this lease is or becomes void, voidable or unenforceable, this lease is to be read and construed as if that part had been severed from this lease so that all parts not void, voidable or unenforceable remain in full force and effect and unaffected by that severance.

### **1.5 Whole agreement**

The covenants and provisions contained in this lease expressly or by statutory implication cover and comprise the whole of the agreement between the parties and no further or other covenants or provisions whether in respect of the Premises or otherwise are to be regarded as being implied in this lease or to arise between the parties by way of collateral or other agreement by reason of any promise, representation, warranty or undertaking, given or made by any party to another on or prior to the execution of this lease and the existence of any implication or collateral or other agreement is negated by this lease.

### **1.6 No partnership or agency**

Nothing contained in this lease is to be regarded as creating, or is to be construed by the parties nor by any third party as creating, the relationship of partnership, of principal and agent or of joint venture between the parties and neither the method of computation of Rent nor any other provision in this lease nor any act of the parties are to be regarded as creating any relationship between the parties other than the relationship of Lessor and Lessee upon the terms and conditions as provided in this lease.

## **1.7 Governing law and jurisdiction**

This lease is governed by the laws of the State and of the applicable laws of the Commonwealth of Australia and the parties submit irrevocably to the non-exclusive jurisdiction of the courts of the State and, where applicable, of the courts of the Commonwealth of Australia.

## **1.8 Acknowledgment by Lessee**

The Lessee acknowledges that the covenants on the part of the Lessor bind:

- (a) where the Lessor has entered into this lease as trustee of a trust, the trustee for the time being of the trust but only so long as the Land is an asset of that trust; and
- (b) subject to the provisions of clause 1.9, the person entitled to be the registered proprietor of the Land for the time being but not so as to render the Lessor liable personally in damages for any breach except in the case of the Lessor's own acts or defaults or those of its employees or agents while the Lessor remains the registered proprietor of the Land.

## **1.9 Limitation of liability of Lessor**

The covenants on the part of the Lessor bind the registered proprietor or proprietors for the time being of the Land but do not render the present or any subsequent registered proprietor or proprietors of the Land liable in damages for any breach of those covenants except while that person remains the registered proprietor of the Land.

# **2 LEASE**

## **2.1 Lease**

By this lease the Lessor being registered or entitled to be registered as the proprietor of an estate in fee simple of the Land leases to the Lessee all the Premises reserving and excepting to the Lessor the right to install, maintain, use, repair, alter and replace pipes, ducts, conduits and wires leading through the Premises and to pass and run gas, water, sewerage, heat, oil, electricity and other power through those pipes, ducts, conduits and wires and to enter upon the Premises for those purposes.

### **3 TERM, OPTION TERM AND RENTAL PROVISIONS**

#### **3.1 Term**

This lease commences on the Commencement Date and expires on the Termination Date.

#### **3.2 Option Term**

This lease is for a fixed term and no expectation or promise shall be construed by this agreement to give rise to a promise to extend or offer a renewal of the lease by the Lessor to the Lessee.

#### **3.3 Lessor's entitlement to refuse to grant Option Term**

If the Lessee gives the Lessee's Notice to the Lessor requesting the option of renewal of the Term, the Lessor is at its sole discretion entitled to refuse to grant a lease for the renewed term the subject of the Lessee's Notice.

#### **3.4 Place for payment of Annual Rent**

All payments of Rent and other moneys to be made under this lease are to be made at the place specified in Item 5 of the Schedule without any prior demand therefore and without any abatement, deduction or set-off whatsoever otherwise than as provided in this lease.

#### **3.5 Rent**

The Lessee is to pay the Rent together with GST to the Lessor during the Term at the times and by the instalments specified in Item 6(a) of the Schedule and reviewable at the times and in the manner stated in clause 3.6.

#### **3.6 Review of Rent**

- (a) Rent shall be reviewed on the dates and using the method of review specified in Item 6 of the Schedule.
- (b) Despite anything in sub-clause (a), the Rent payable after any Review Date shall not be less than the Rent payable (or which but for rent reduced or rent free periods would be payable) immediately prior to that Review Date.

#### **3.7 Payment of rates and taxes etc**

- (a) During the Term the Lessee duly and punctually is to pay and discharge all outgoings now or hereafter imposed payable or charged upon the Premises

or otherwise chargeable against or to the Lessor except as otherwise stated in Item 7 of the Schedule, together with any Interest Charges thereon.

(d) Amounts otherwise payable do not include GST

Except where express provision is made to the contrary, and subject to this clause, the consideration payable by any party under this Lease represents the value of any taxable supply for which payment is to be made.

(e) Liability to pay any GST

Subject to clause 3.7(h), if a party makes a taxable supply in connection with this Lease for a consideration, which under clause 3.7(d), represents its value, then the party liable to pay for the taxable supply must also pay, at the same time and in the same manner as the value is otherwise payable, the amount of any GST payable in respect of the taxable supply.

(f) Outgoings which are not a taxable supply

If this lease requires the Lessee to reimburse or indemnify the Lessor for any outgoings or liability and the provision of that outgoing or liability is not a taxable supply then the amount to be paid is the amount of the outgoings or liability net of any input tax credit received or receivable by the Lessor for making the creditable acquisition of the relevant supply.

(g) Outgoings which are a taxable supply

If this lease requires the Lessee to reimburse or indemnify the Lessor for any outgoings or liability and the provision of that outgoing or liability to the Lessee by the Lessor under this lease is a taxable supply then if:-

- (i) the purchasing of the relevant good or service was for the Lessor a creditable acquisition then the consideration to be paid by the Lessee for the taxable supply made by the Lessor to the Lessee will be the same as the consideration paid by the Lessor when it made the creditable acquisition; or
- (ii) the purchasing of the relevant good or service was for the Lessor not a creditable acquisition then the consideration to be paid by the Lessee for the taxable supply made by the Lessor to the Lessee will be 110% of the amount paid for the good or service when it was purchased by the Lessor.

(h) Tax Invoice

A party's right to payment under clause 3.7(e), or for any other taxable supply made under this lease, is subject to a valid tax invoice being delivered to the party liable to pay for the taxable supply prior to any such payment being required to be made.

(i) Adjustment Note

(i) If an adjustment event occurs in relation to any supply or acquisition that takes place between the parties to this lease then the relevant party will issue an adjustment note for the adjustment that arises from the adjustment *event* within fourteen (14) days of becoming aware of the adjustment required.

(ii) If an adjustment event occurs because a party is required to pay to the other party additional consideration for a taxable supply that has already taken place under this lease then that additional consideration does not need to be paid until the party which is the recipient of the taxable supply has received from the party which is the supplier the appropriate adjustment note.

(j) Statement of GST paid is Conclusive

A written statement given to the Lessee by the Lessor of the amount of GST that the Lessor pays or is liable to pay or account for is conclusive as between the parties except in the case of an obvious error.

(k) GST on Rates & Taxes & Others

The price quoted for rates, taxes, repairs, maintenance, and other outgoings under this Lease are exclusive of GST.

**3.8 Payment of water consumption, electricity and telephone**

The Lessor shall be liable for all water consumption costs to a maximum of \$1,000 per annum.

The Lessor shall be liable for all electricity costs to a maximum of \$1,000 per annum.

The Lessor shall be liable for a single telephone line rental cost. All other telephone costs including call charges to be paid by the Lessee.

## **4 REPAIRS AND MAINTENANCE OF PREMISES**

### **4.1 Repairs and maintenance by Lessor and Lessee**

At all times during the Term and for as long as the Lessee may remain in occupation, the Lessor is to maintain, replace, repair and keep the Premises, (other than the private or non-common areas) and including the gardens and parking areas, in good, clean, substantial and reasonable repair and condition. The Lessee is responsible for the cleaning, repair and maintenance obligations in relation to the private areas of the Premises.

### **4.2 Lessor's power to view and repair**

- (a) The Lessor, with the Lessor's agents and workmen and with all necessary materials and appliances, may enter upon the Premises at all reasonable times and without previous notice to view the state of repair thereof and to serve upon the Lessee a written notice of any defect requiring the Lessee to repair the same in accordance with any of the Lessee's Covenants. If the Lessee defaults in repairing any defect according to the notice within 21 days of the date of the notice the Lessor, with the Lessor's agents and workmen and/or any person authorised by the Lessor and with all necessary materials and appliances, may enter the Premises and execute all or any of the required repairs which the Lessor thinks fit and on demand the Lessee is to pay to the Lessor the costs of remedying the default and the Lessor may recover the costs by action or otherwise as for rent in arrears.
- (b) The Lessor, with the Lessor's agents and workmen and with all necessary materials and appliances, may enter upon the Premises at all reasonable times and without previous notice and to carry out any repairs which in the opinion of the Lessor are of an emergency nature. If the Lessor under this power carries out any repairs which should be carried out by the Lessee in accordance with the Lessee's Covenants then the cost of those repairs is to be paid by the Lessee to the Lessor upon demand.
- (c) In the event of the early determination of the Term (or of any extension or renewal of the Term) the Lessor, with the Lessor's agents and workmen and with all necessary materials and appliances, may enter upon the Premises at all reasonable times and without previous notice and to carry out any repairs which the Lessee has failed to undertake in accordance with the covenants set forth herein. If the Lessor under this power carries out any repairs which should be carried out by the Lessee in accordance with the Lessee's Covenants then the cost of those repairs is to be paid by the Lessee to the Lessor upon demand.



### **4.3 Notification of defect**

The Lessee is to give to the Lessor prompt written notice of any accident to, or defect or want of repair to the structure of, or in any service to, or fittings in, the Premises and of any circumstances likely to be or cause any danger, risk or hazard to the Premises or any person therein.

### **4.4 Surrender of Premises**

- (a) At the expiration or sooner determination of this lease the Lessee is to surrender and deliver up possession of the Premises to the Lessor clean and free from rubbish in good, clean, substantial and reasonable repair and condition in accordance with the Lessee's Covenants; to surrender all keys for the Premises to the Lessor at the place then fixed for the payment of Annual Rent; to inform the Lessor of all combinations on locks, safes and vaults (if any) in the Premises; and to have all mechanical and air conditioning or cooling equipment (if any) certified by some competent authority or maintenance contractor to be in sound working condition having regard to its age and reasonable wear and tear.
- (b) The Lessee is to remove all the Lessee's fixtures and fittings, signs, placards or other advertising media before delivering up possession of the Premises to the Lessor as aforesaid and to repair any damage to the Premises caused thereby.
- (c) The Lessee's obligations to observe and perform the covenants in this clause are to survive the expiration or other termination of this lease.

## **5 OPERATION AND PERMITTED USE OF PREMISES**

### **5.1 Permitted Use**

Throughout the Term the Lessee is to use the Premises solely for the Permitted Use, to keep the same open for that use or purpose during the usual business hours generally applicable to a business of a comparable nature; at all times to conduct the Permitted Use in a reputable manner; and not to permit or suffer the same to be used for any other purpose without the prior written consent of the Lessor.

### **5.2 Conduct of operations on Premises**

By this lease, the Lessee covenants and agrees with the Lessor as follows:

- (a) not to exercise carry on permit or suffer in or upon the Premises any noxious noisome obstructive or offensive act, trade, business, occupation or calling

nor to do permit or suffer any act, matter or thing to be done in or upon the Premises which may cause annoyance, nuisance, grievance, damage or disturbance to the occupiers or owners of the adjoining or neighbouring premises;

- (b) not without the prior written consent of the Lessor on each occasion (which consent is not to be unreasonably withheld) and other than in conformity with the requirements of any local or other authority to paint or place or permit the painting or placing on the Premises of any exterior signs, placards or other advertising media and to observe the reasonable directions of the Lessor in relation to the size and character of any signs permitted by the Lessor;
- (c) not to use or permit the use of any portion of the Premises for sleeping purposes or as sleeping apartments;
- (d) not without the prior written consent of the Lessor to conduct any auction, fire or bankruptcy sale on or from the Premises;
- (e) to keep the immediate surroundings of the Premises in a thorough state of cleanliness; to store all garbage, rubbish and refuse in a proper hygienic manner within the Premises and to attend to the expeditious disposal thereof and to observe any directions given from time to time by the Lessor relating thereto; to keep all drains inside the Premises clean and free from obstruction; and to receive and deliver goods and merchandise only in the manner and at the times and in the areas designated from time to time by the Lessor;
- (f) not to burn any garbage, refuse or rubbish except in an incinerator or incinerators and in the place or places which are approved from time to time by the Lessor and any local or other authority for that purpose;
- (g) not to use or permit the water closets, lavatories, grease traps and other sanitary appliances to be used for any purpose other than that for which they were constructed and not to do or suffer to be done any act or thing that might choke or otherwise affect or damage the same;
- (h) not without the prior written consent of the Lessor to use or permit or suffer to be used chemicals, burning fluids, or alcohol in lighting the Premises or any other method than by electricity nor to use or permit or suffer to be used any method of heating other than by electricity, gas, oil or solid fuel;
- (i) to take all proper precautions to keep the Premises free from rodents, vermin, insects, pests, birds and animals and in the event of failing to do so if so required by the Lessor, but at the cost of the Lessee, to employ from

time to time or periodically pest exterminators appointed by the Lessor for that purpose;

- (j) not to make any alteration or addition in or to the Premises nor install any fitting or equipment particularly any water, gas or electrical fixture, equipment or appliances or apparatus for illuminating, air conditioning, heating, cooling or ventilating the Premises nor to injure, mark, paint, drill or deface in any way the walls, ceilings, partitions, floors or other parts of the Premises nor to overload or otherwise harm the same without the prior written consent of the Lessor on each occasion.

### **5.3 Occupational Safety and Health Act 1984**

- (a) The Lessee agrees that, for the purposes of the Occupational Safety and Health Act 1984 of the State, the Lessee has control of the Premises.
- (b) The Lessee hereby releases and indemnifies and agrees to keep indemnified the Lessor from and against all actions, claims, demands, losses, damages, costs and expenses for or in respect of which the Lessor shall or may be or become liable by reason of the Occupational Safety and Health Act 1984 of the State in respect of the Premises or its use.

## **6 INSURANCE AND INDEMNITY**

### **6.1 Insurance policies**

- (a) Unless otherwise agreed the Lessor is to effect and keep in force at all times during the continuance of this Lease in the respective names of the Lessee and the Lessor and any mortgagee of the Land for their respective rights and interests the policies of insurance as are specified in Item 9 of the Schedule and which unless otherwise stated in Item 9 of the Schedule are to be at the expense of the Lessee.
- (b) The party effecting any policy of insurance under this lease if required by any other party forthwith is to produce to the other party a copy of any policy of insurance so effected and a current certificate of renewal in respect thereof.
- (c) Where the Lessee is liable for the costs of insurance as provided in this clause and the Premises comprise only part of a building erected on the Land the Lessee is to pay the whole of the insurance expense insofar as the expense relates to a policy taken out in respect of the Premises only but where the insurance expense relates to a policy taken out in respect of the whole of the Building the Lessee is only liable for the Lessee's proportionate

part of the insurance expense being the same proportion as the lettable area of the Premises bears to the Total Lettable Area of the Building.

- (d) The lessee is responsible for the insurance of their own assets.

## **6.2 Indemnification of Lessor**

The Lessee is to indemnify and keep indemnified the Lessor from and against all claims, demands, writs, summonses, actions, suits, proceedings, judgments, orders, decrees, damages, costs, losses and expenses of any nature whatsoever which the Lessor suffers or incurs in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Premises or the use by the Lessee of the Premises or any part thereof or to any person or the property of any person using or entering on or near the Premises howsoever occasioned or wheresoever it may occur.

## **6.3 Increase in Lessor's insurance premium**

- (a) The Lessee is not without the prior written consent of the Lessor to bring to, or keep any article or thing or do any act, matter or thing upon, the Premises which increases or may increase the rate of premium under any policy of insurance taken out by the Lessor in respect of the Premises or any part or parts thereof;
- (b) If the Lessee brings or keeps any article or thing of that nature upon the Premises or does any act, matter or thing of that nature upon the Premises then the Lessee is to pay the amount of the increased premium to the Lessor upon demand.

## **6.4 Avoidance of Lessor's policy**

- (a) At all times in the Lessee's use of the Premises the Lessee is to comply with the requirements of the relevant authorities and all laws and regulations for the time being relating to fires and the provisions of any and every relevant statute, regulation and ordinance.
- (b) If the Lessee does or permits to be done any act, matter or thing which has the effect of invalidating or avoiding any policy of insurance taken out by, or effected under this lease for the benefit of, the Lessor then the Lessee is responsible for any damage or loss which the Lessor suffers or incurs as a result thereof.

## **6.5 Lessee's risk**

The Lessee is to use and occupy the Premises at the Lessee's own risk and by this clause the Lessee releases to the full extent permitted by law the Lessor and the Lessor's agents, servants, contractors and employees from all claims and demands of every kind resulting from any accident, damage or injury occurring therein.

## **7 Covenants by Lessor**

The Lessor covenants with the Lessee that:

### **7.1 Quiet enjoyment**

Subject to the Lessee paying the Annual Rent reserved by this lease and observing and performing all the Lessee's Covenants the Lessee is able to, and may, peaceably possess and enjoy the Premises without any interruption or disturbance from the Lessor or any person or persons lawfully claiming under or in trust from the Lessor.

### **7.2 Payment of rates and taxes etc**

The Lessor duly and punctually is to pay and discharge all the taxes, rates charges and other outgoings specified in Item 7 of the Schedule now or at any time after the date of execution of this lease imposed, payable or charged upon the Land or otherwise chargeable against or to the Lessor.

## **8 DEFAULTS BY LESSEE**

### **8.1 Right of re-entry**

(a) If:

- (1) the Annual Rent or any part of it at any time is in arrears and unpaid for 14 days after the same has become due (whether any formal or legal demand therefore has been made or not); or
- (2) the Lessee at any time fails or neglects to perform or observe any of the other Lessee's Covenants and the default is continued for a period of 14 days after service of a notice calling upon the Lessee to remedy the breach or default; or
- (3) the Lessee while the Premises or any part thereof remain vested in the Lessee being a company enters into liquidation (whether

compulsory or voluntary but not being a voluntary liquidation for the purpose of amalgamation or reconstruction) or enters into arrangement or composition for the benefit of the Lessee's creditors or not being a company the Lessee assigns the Lessee's estate or enter into a deed of arrangement for the benefit of the Lessee's creditors (provided always that any deed of assignment or deed of arrangement made under the Bankruptcy Act 1966 (Commonwealth) and any act or actions by or against the Lessee or the Lessee's property which is or may be deemed to be an act of bankruptcy under the Bankruptcy Act is excluded from the operation of this subclause); or

- (4) any execution either by writ or warrant or by appointment of a controller, receiver, manager, receiver and manager or other like officer is levied on or against any of the property or assets of the Lessee and not satisfied within 30 days; or
- (5) the Lessee abandons possession of the Premises, or the Premises are vacated,

then and in any of those cases (but subject always to the Bankruptcy Act 1966) the Lessee will be deemed to be in default under this lease and it will be lawful, in the discretion of the Lessor, for the Lessor or any person or persons duly authorised by the Lessor to re-enter the Premises or any part thereof in the name of the whole and to hold and enjoy peaceably the Premises thenceforth as if this lease had not been made but without prejudice to any right of action or remedy of the Lessor in respect of the breach, non-performance or non-observance of any of the Lessee's Covenants and thereupon the Lessor will be freed and discharged from any action, claim or obligation howsoever arising to the Lessee.

- (b) For the purposes of re-entry the Lessor or the Lessor's appointed agent or servant has power to open, by any means, any door or fastening for the purpose of resuming possession of the Premises and to expel and remove all persons, furniture and other property therefrom (without being liable for any action for trespass assault or other proceedings whatsoever for so doing).

## **8.2 Acceptance of Annual Rent etc not to prejudice Lessor's rights**

Acceptance of Annual Rent or other money payable by the Lessee under this lease by the Lessor after default by the Lessee under this lease is without prejudice to the exercise by the Lessor of the powers conferred upon the Lessor by clause 8.1 or any other right, power or privilege of the Lessor under this lease and will not operate as an election by the Lessor, either to exercise or not to exercise, any of the Lessor's rights, powers or privileges.

### **8.3 Entry of Lessor not to constitute forfeiture**

- (a) If the Lessee vacates or abandons the Premises during the continuance of this Lease (whether or not the Lessee ceases to pay the Annual Rent and other amounts payable under to this lease) then in the absence of a notice by the Lessor accepting the surrender of the Lessee's interest under this lease or a formal notice of forfeiture or re-entry being served on the Lessee by the Lessor none of the following events constitutes a re-entry or forfeiture or waiver of the Lessor's rights to recover in full all Annual Rent and other amounts from time to time payable by the Lessee under this lease:
- (1) acceptance of the keys;
  - (2) entry into the Premises by the Lessor, or by any person on the Lessor's behalf, for the purpose of inspection or for the purpose of showing the Premises to prospective lessees or licensees;
  - (3) the advertising of the Premises for reletting.
- (b) This lease is to be regarded as continuing in full force and effect until the date of whichever of the following first occurs:
- (1) a new lessee or licensee actually commences to occupy the Premises;
  - (2) the expiration of the Term; or
  - (3) any formal re-entry by the Lessor of which the Lessor gives notice to the Lessee,

and any entry by the Lessor until such date is deemed to be an entry by the leave and licence of the Lessee.

### **8.4 Lessor's right to remedy defaults**

The Lessor may, but is not obliged to, remedy at any time without notice any default by the Lessee under this lease and whenever the Lessor so elects all costs and expenses incurred by the Lessor (including legal costs and expenses) in remedying a default are to be paid by the Lessee to the Lessor on demand.

### **8.5 Effect of waivers of default**

No consent or waiver expressed or implied by the Lessor to, or of, any breach of any covenant, condition or duty of the Lessee is to be construed as a consent or

waiver to, or of, any other breach of the same or any other covenant, condition or duty.

## **8.6 Damages claimable after re-entry**

In regard to payment of the Annual Rent, outgoings and any other moneys payable by the Lessee to the Lessor under this lease (for the purposes of this clause Lease Money) the time for payment is to be of the essence, and in addition to any rights of action or remedies of the Lessor referred to in clause 8.1 the Lessor is entitled in any case where the Lessor has re-entered the Premises as a result of non-payment of the Lease Money or any part thereof or any other failure on the part of the Lessee to perform or observe the Lessee's Covenants, to recover as damages from the Lessee the difference between the amount of the Lease Money for that part of the Term as had not expired at the date of that re-entry, and the amount of Lease Money it reasonably may be anticipated the Lessor will receive for that period from another or other Lessees.

## **9 ADDITIONAL COVENANTS BY LESSEE**

### **9.1 Compliance with legislation and notices**

- (a) The Lessee is to comply with and observe at the Lessee's own expense all present and future legislation, regulations, by-laws or orders of any competent authority affecting the use or cleanliness of the Premises by the Lessee and with all notices received either by the Lessor or the Lessee from any statutory or public authority including notices requiring the carrying out of any repairs, alterations or works and to keep the Lessor indemnified in respect of all those matters provided that nothing contained in this lease makes it obligatory upon the Lessee to carry out any work of a structural nature except as may be required or necessary by reason of the Lessee's business or the Lessee's use of the Premises and that in the event of any dispute arising as to whether any work is of a structural nature the question in dispute is to be determined by an architect or structural engineer to be nominated by the Lessor and to act as an expert and not as an arbitrator and whose fees are to be paid by the party against whom the decision is made.
- (b) Without limitation to the generality of the foregoing the Lessee is to do all things and comply and observe all requirements contained in the Factories and Shops Act 1963 of the State and to obtain and maintain any permits or certificates of registration which that Act may require to be obtained or maintained.
- (c) In default of compliance by the Lessee the Lessor, with workmen and others and with all necessary materials and appliances, may enter upon the



Premises and do any act for the purpose of complying therewith and for that purpose the Lessee hereby irrevocably appoints the Lessor to be the Lessee's true and lawful attorney and any expense incurred by the Lessor in doing so constitutes a liquidated debt and is payable to the Lessor by the Lessee on demand.

## **9.2 Licences and permits**

The Lessee is to keep in force all licences and permits required for the carrying on of any business conducted by the Lessee in or upon the Premises.

## **9.3 Lessee not to assign**

- (a) The Lessee must not assign a part or parts of the Premises or of this lease or any estate or interest in a part or parts of the Premises or of this lease.
- (b) The Lessor must not sub-let or part with possession or occupation of the whole or any part or parts of the Premises.
- (c) The Lessee shall not assign the whole of the Premises or of this lease without the prior written consent of the Lessor which consent is not to be unreasonably withheld and if the Lessee wishes to assign the whole of the Premises or of this lease (whole assignment) the Lessee must give at least 1 month's written notice of the proposed whole assignment to the Lessor or the Managing Agent setting out the details of the proposed assignee whereupon the following conditions apply and the Lessor may be considered to be acting reasonably in withholding consent if the following conditions are not satisfied:
  - (1) The Lessee must satisfy the Lessor that the proposed assignee is a reputable and responsible person of good financial standing and the onus of proving those facts are upon the Lessee to the satisfaction of the Lessor.
  - (2) The Lessee must execute and procure the execution of an assignment of this Lease by the proposed assignee and by those guarantors who are required under sub-paragraph (c)(3) and to which the Lessor is a party and which is in a form approved of by the Lessor and its solicitors and must deliver that assignment so executed to the Lessor.
  - (3) Where the proposed assignee is a corporation, the performance of the covenants by the proposed assignee with the Lessor contained in the assignment are to be guaranteed in the assignment by those directors and/or principal shareholders of that corporation and/or by those third parties whom the Lessor requires.

- (4) All Annual Rent and other rents and moneys payable under this lease then owing must be paid and there must not be any existing unremedied breach of the Lessee's Covenants, provided that breaches which have been waived by the Lessor are not to be regarded as unremedied breaches for the purposes of this subparagraph.
  - (5) The Lessee must pay to the Lessor all costs, charges and expenses incurred by the Lessor of and incidental to any enquiries which are made by, or on behalf of, the Lessor as to the responsibility, solvency, fitness and suitability of any proposed assignee and of and incidental to the preparation and approval of the form of assignments.
  - (6) The proposed assignee must pay to the Managing Agent its fees for arranging the assignment calculated in accordance with the current scale of fees authorised under the Real Estate and Business Agents Act 1978 of the State.
- (d) The covenants and agreements on the part of any assignee with the Lessor contained in any assignment shall be deemed to be supplementary to those contained in this lease and shall not in any way relieve or be deemed to relieve the Lessee from the Lessee's liabilities hereunder.
  - (e) Where the Lessee is a corporation (other than a public company listed on an Australian Associated Stock Exchange) any change in the principal shareholding of the Lessee shall be deemed to be an assignment of this lease and the Lessee shall not permit any such change without the consent of the Lessor which consent shall not be unreasonably withheld if the provisions of this clause are complied with.

#### **9.4 No statutory right to assign**

Sections 80 and 82 of the Property Law Act 1969 of the State are hereby expressly excluded and shall not apply.

#### **9.5 Forbidding of registration of lease or lodging of absolute caveats etc**

- (a) Neither the Lessee nor any agent or other person on behalf of the Lessee is to register this lease or lodge a caveat against the Land or any part thereof other than a subject to claim caveat to protect the Lessee's interests under this lease which caveat is to be withdrawn by the Lessee at the Lessee's expense at the expiration of the Term.

- (b) If this lease is registered, or the Lessee lodges an absolute caveat, or the Lessee fails to withdraw any subject to claim caveat upon the expiration of the Term, the Lessee in consideration of the Lessor having granted this lease irrevocably constitutes and appoints the Lessor and if the Lessor is a corporation each and every one of the directors and other officers of the Lessor jointly and severally the agent and attorney of the Lessee to surrender and withdraw the registration of this lease or caveat (as the case may be) and for those purposes to sign any withdrawals, surrenders and any other instruments and documents and to do all acts, matters and things necessary or expedient for carrying out the powers granted in this clause and by this lease the Lessee ratifies, confirms and allows and agrees to ratify, confirm and allow all and whatsoever the Lessor lawfully does or causes to be done under or by virtue of this clause the cost of which is to be borne and paid by the Lessee.

## **9.6 Legal costs**

The Lessor will pay all costs associated with the preparing this lease.

## **10 MISCELLANEOUS PROVISIONS**

### **10.1 Total or partial destruction**

If the Premises comprise a part or the whole of the Building and that Building is destroyed or damaged by fire, flood, lightning, storm, tempest or other disabling cause so as to render the Building substantially unfit for use and occupation or so as to render the rebuilding or reconstruction of the Building in its previous form impractical or undesirable in the opinion of the Lessor then:

- (a) This lease may be terminated without compensation by either the Lessor or the Lessee by written notice to the other provided that in the latter case the Lessor has failed to rebuild or reinstate the Building within a reasonable time after being requested to do so in writing by the Lessee.
- (b) Any termination as aforesaid is without prejudice to the rights of either party in respect of any antecedent breach, matter or thing.
- (c) Nothing contained or implied in this lease is deemed to impose any obligation on the Lessor to rebuild or reinstate or make fit for use and occupation the Building.
- (d) Upon the happening of any damage or destruction as aforesaid the Annual Rent payable by the Lessee or a proportionate part thereof according to the nature and extent of the damage sustained is to abate until the Building has been rebuilt or reinstated or made fit for use or occupation or until this lease

is terminated pursuant to the provisions of sub-clause (a) and in the event of any dispute arising out of the provisions of this clause the same is to be referred to arbitration under the Arbitration Act.

Despite anything in this clause expressed or implied the Lessee has no right of termination and the liability of the Lessee to pay the Annual Rent is not to abate if the destruction or damage was caused or contributed to by the Lessee or the Lessee's employees, workmen, contractors, lawful visitors or invitees.

## **10.2 Alterations and additions**

The Lessor reserves the right to add on to or alter the Premises and by this lease the Lessee agrees that the Lessor is at liberty to do so provided that any alterations or additions are carried out with reasonable dispatch and provided further that the Premises to be made available to the Lessee for the balance of the term of this lease are of comparable size and situation to the Premises.

## **10.3 Holding over**

Should the Lessee continue to occupy the Premises beyond the expiration of the Term with the consent of the Lessor the Lessee does so under this lease as a monthly Lessee at a monthly rent equal to one twelfth of the total of the Annual Rent paid by the Lessee for the last lease year of the Term the tenancy being determinable by one month's written notice given by either party to the other and the Lessee remains entitled and subject to the rights and obligations contained herein.

## **10.4 Notices**

Any notice:

- (a) must be in writing addressed to each party at its respective address shown in this lease or to any other address specified by any party to the sender by notice;
- (b) must be signed by an officer of, or under the common seal of, the sender or in the case of the Lessor by its solicitor or managing agent;
- (c) is to be regarded as being given by the sender and received by the addressee:
  - (1) if by delivery in person or by cable, when delivered to the addressee;
  - (2) if by post, 3 Business Days from and including the date of postage to the addressee; and

(3) if by facsimile transmission, when received by the addressee,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 p.m. (addressee's time) it is to be regarded as being given at 9.00am (addressee's time) on the succeeding Business Day; and

(d) can be relied upon by the addressee, and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

### **10.5 Inspection and "To Let" Notices**

At all reasonable times during the Term the Lessee is to permit the Lessor to exhibit the Premises to prospective Lessees or purchasers and at all times within the 3 months immediately preceding the termination of this lease is to permit the Lessor to affix and exhibit where the Lessor thinks fit the usual To Let notice, with the name and address of the Lessor and/or the Lessor's agents thereon and the Lessee is not to remove the notice without the prior written consent of the Lessor.

### **10.6 Interest on default**

In the event of any payment of Annual Rent or any other moneys payable by the Lessee to the Lessor under this lease not being paid on due date the Lessee is to pay to the Lessor interest on all outstanding payments at the Rate of Interest computed from the date the same has become due and payable or paid (as the case may be) that interest to accrue from day to day and to be payable and paid on demand.

### **10.7 Special clauses**

The special clauses set out in Item 10 of the Schedule are, and are to be regarded as being, incorporated into, and to form part of, this lease.

### **10.8 Arbitration Act - legal representation**

Where it is necessary for any dispute under this lease to be determined by an arbitrator or umpire under the Arbitration Act then each party to the proceedings before an arbitrator or umpire may be represented by a duly qualified legal practitioner.

## SCHEDULE

- Item 1 Land**
- The land situated at and more particularly described as Lot 59, 27 Dreghorn Street, Morawa, Western Australia
- Item 2 Premises**
- As detailed in annexure A to this agreement.
- Item 3 Term**
- (a) Commencement Date**
- 7 January 2018 expiring 6 April 2018 (Probation Period),  
First renewal period 7 April 2016 expiring 6 July 2018.  
Second renewal Period 7 July 2018 expiring 6 October 2018
- (b) Termination Date**
- 6 January 2021
- Item 4 Option Term**
- As per section 3.2 Renewal Term in Day Care Service Agreement
- Item 5 Place for payment of Annual Rent**
- All rent shall be paid to such person and place as the Lessor shall from time to time direct the Lessee in writing.
- Item 6 Rent and Review**
- (a) Annual Rent**
- \$50 fifty dollars per week, plus GST, payable in arrears.plus GST.
- (b) Review Dates**
- After the initial three (3) month period the Lessor reserves the right to review the rent payable.
- (c) Method of Rent Review**
- The Lessor and Lessee shall within one (1) month before the start of the second (2) three (3) month period negotiate with the Lessee concerning the rental increase. The Lessee agrees to provide the lessor with the details of the businesses' month to month fees charged/revenue collected. The total fees collected for three (3)

month revenue may be used to determine an appropriate rental payable based on a per centum (%) of the (3) month revenue. This rent so determined shall be the rental payable for the subsequent three (3) month period.

Such increase shall be approved by the Morawa Shire Council.

**(d) Rent Review – Consumer Price Index**

For purposes of (C) above this may be considered by both parties when negotiating any increase in the initial rental amount.

**(e) Rent Review - Current Market Value**

For purposes of (C) above this may be considered by both parties when negotiating any increase in the initial rental amount.

**Item 7 Rates and taxes payable by the Lessor**

Nil.

**Item 8 Permitted Use**

The carrying on of the business of a Family Day Care, known as “Wild Things Family Day Care Centre”.

**Item 9 Particulars of insurance**

**(a) Policy to be effected by the Lessor at the Lessee's expense:**

A policy insuring the Premises for the replacement value thereof against loss or damage by fire, lightning, thunderbolt, storm, tempest, rainwater, water, earthquake, flood, impact, explosion, aircraft, riots, strikes and other malicious acts, removal of debris, and to include additional clauses relating to extra cost of reinstatement, alteration and occupancy, architects fees, automatic reinstatement, capital additions, hazardous goods, temporary removal and any other risks which may seem to the Lessor to be reasonably necessary or expedient.

**(b) Policies to be effected by the Lessee at the Lessee's expense:**

- (1) A policy insuring against breakage or damage from any cause of all external and internal glass fixed to, and forming part of, the Premises for the market value and cost of replacement thereof.

- (2) A public liability policy for an amount of indemnity of not less than \$10,000,000 (or any higher sum which is reasonably determined by the Lessor from time to time).

**Item 10 Special clauses**

The Lessor and the Lessee agree that this deed of Commercial lease is subject to the provisions of the Family Day Care Services Agreement (“FDCSA”) entered into between the parties on and the provisions of the FDCSA are to prevail to the extent that there is any inconsistency with this agreement.

EXECUTED by the parties as a Deed.

Executed by the Shire of Morawa  
under its Common Seal in the  
presence of:



\_\_\_\_\_

\_\_\_\_\_  
Shire President

\_\_\_\_\_  
Chief Executive Officer

**SIGNED by MARIE GAMBLE trading  
as Wild Things Family Day Care  
Centre in the presence of:**



\_\_\_\_\_

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name (please print)



**DATED 22<sup>nd</sup> December 2017**

**THE SHIRE OF MORAWA**

**AND**

**Marie Gamble  
Trading as  
Wild Things Family Day Care Centre**

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**DAY CARE SERVICES AGREEMENT**

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**THIS AGREEMENT** is made on the 22nd day of December 2017

**BETWEEN:**

**THE SHIRE OF MORAWA** of PO Box 14 Morawa Western Australia ("the Shire");

and

**MARIE GAMBLE** trading as Wild Things Family Day Care Centre of 21 Valentine Street Morawa Western Australia ("Wild Things Family Day Care Centre").

**RECITALS:**

- A. The Shire wishes to facilitate the obtaining and maintaining the services of an accredited Family Day Service under the Service Membership with Bright Stars Family Day Care, AND Nagala for the benefit of the District;
- B. The Shire and Wild Things Family Day Care Centre have reached an agreement in this regard and now wish to record it in writing.

**THE PARTIES AGREE AS FOLLOWS:**

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**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this agreement unless the context otherwise requires:

**Business** means the Stock, Equipment and Business Premises owned by the Shire and conducted under the Business Name Wild Things Family Day Care Centre.

**Business Name** means the business name of "Wild Things Family Day Care Centre".

**Business Premises** means the commercial premises at which the Business is conducted, being Lot 59, 27 Dreghorn Street Morawa WA 6623

**Commercial Lease** means the commercial lease between the Shire as Lessor and Wild Things Family Day Care Centre as lessee, referred to in Clause 4.3 and attached to this deed as Attachment A.

**Equipment** means the furniture and equipment of the Business specified in the Asset Register set out in Schedule A to this agreement.

**Stock** means the stock forming part of the Business at the commencement date of the Term, as ascertained and valued at a stocktake undertaken by the parties at such commencement date.

**Term** means the period of three (3) years from 7 January 2018 to 6 January 2021.

**Termination Date** means the date when this agreement ceases pursuant to the provisions of Clause 8.

## **1.2 Interpretation**

In this agreement, headings are for convenience only and do not affect the interpretation of this agreement and, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
  - (b) words importing a gender include any gender;
  - (c) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
  - (d) a reference to a party to a document includes that party's successors and permitted assigns;
  - (e) a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws varying, consolidating or replacing it, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute; and
  - (f) a reference to a document or agreement includes all amendments or supplements to, or replacements or novations of, that document or agreement
  - (g) the headings shall not affect the interpretation or construction of this agreement.
- 

## **2. GRANT OF RIGHT TO OPERATE BUSINESS**

### **2.1 Right to Operate Business**

Subject to the terms and conditions of this agreement, the Shire grants to Wild Things Family Day Care Centre the right to use the assets of the Business, including without limitation the goodwill, the Equipment and the Stock (the "Grant"). Wild Things Family Day Care Centre accepts the Grant, and shall at all times during the operation of this agreement have the exclusive right to operate the Business.

### **2.2 Conduct of Wild Things Family Day Care Centre**

- (a) Wild Things Family Day Care Centre must not do anything that may detract from the good name and reputation attached to the Business.
- (b) During the Term and any additional term Wild Things Family Day Care Centre shall actively promote the Business and use their best endeavours to increase the goodwill and client base of the Business.
- (c) During the Term and any additional term Wild Things Family Day Care Centre must conduct the Business in accordance with the compliance standards required to maintain service membership to Bright Stars Family Day Care and any other regulatory requirements within the day care profession.

### **2.3 Assignment, sub-licence and encumbrances**

Subject to clause 10.10 Wild Things Family Day Care Centre shall not:

- (a) assign;
- (b) sub-licence; or
- (c) encumber,

the Grant or any assets of the Business without the prior written approval of the Shire.

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## **3. THE GRANT PERIOD**

### **3.1 Term of Grant**

Unless earlier terminated as provided in this agreement, the Grant shall continue in full force and effect for the Term.

### **3.2 Renewal Term**

Provided that Wild Things Family Day Care Centre has properly performed their obligations under this agreement and provided that neither party has given notice of termination to the other party, the Shire shall,

#### **3.2.1**

After an initial three (3) month probationary period ending 7 April 2018, the Shire will notify Wild Things Family Day Care Centre, by written notice one (1) month before the 7 April 2018 of their intention to extend the contract for another three (3) month term. In the event that the agreement is not extended for another three (3) month period the Shire reserves as its sole discretion, the right to give Wild Things Family Day Care Centre one (1) months' notice on or before the 7 April 2018 of its intention to terminate the agreement.

##### **3.2.1 (a)**

In the event that the agreement is extended for a second period of three (3) months this period will end on 7 July 2018. The Shire will notify Wild Things Family Day Care Centre, by written notice one (1) month before the 7 July 2018 of their intention to extend the contract for another three (3) month term. In the event that the agreement is not extended for another three (3) month period the Shire reserves as its sole discretion, the right to give Wild Things Family Day Care Centre one (1) months' notice on or before the 7 July 2018 of its intention to terminate the agreement.

##### **3.2.1(b)**

In the event that the agreement is extended for a 3rd period of three (3) months this period will end on 7 October 2018.

### **3.2.2**

Notwithstanding the above, prior to the end of the Term, if both parties agree, the parties may then negotiate a renewal of the Grant on the same conditions as are contained in this agreement (unless otherwise agreed in writing by both parties). The granting of a renewed term of the Grant is entirely within the discretion of the Shire, and nothing in this agreement shall be construed as imposing any obligation upon the Shire to grant a renewal of the Grant for any additional term or terms.

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## **4. ACKNOWLEDGMENTS AND WARRANTIES**

- 4.1** Wild Things Family Day Care Centre warrants that they will not contest, directly or indirectly, the ownership, title, right or interest in the goodwill of the Business.
- 4.2** The Shire and Wild Things Family Day Care Centre acknowledge and agree that this agreement is conditional upon the parties entering into a commercial lease agreement (on or about the same date as the parties enter into this agreement) for the lease of the Business Premises from the Shire to Wild Things Family Day Care Centre, for an initial probationary period of three months, a weekly rental of fifty dollars (\$50.00) on the terms and conditions contained within the Commercial Lease.
- 

## **5. LIABILITY**

- 5.1** During the Term (and any renewed term or terms) Wild Things Family Day Care Centre shall be solely responsible for all loss or damage arising out of the operation of the Business or arising out of the acts or omissions of Wild Things Family Day Care Centre or any of their agents, servants or contractors in connection with the operation of the Business and for all claims for loss or damage to property, or for injury or death of any persons directly or indirectly resulting therefrom.
- 5.2** Wild Things Family Day Care Centre agrees to indemnify and hold the Shire harmless against and from any and all claims, losses and damages specified in Clause 5.1 and against all loss arising from any breach whatsoever of this agreement
- 

## **6. THE SHIRE'S OBLIGATIONS**

### **6.1 The Shire's Property & Equipment Maintenance & Charges**

- (a) The Shire undertakes, at its own cost, to:
- (i) Subject to clause 7, effect any insurance policies on the Lessor's part to be effected under the Commercial Lease and to maintain both the Business Premises (including the garden and parking areas);

- (ii) Pay all water consumption charges in relation to the Business Premises to a maximum of \$1,000 per annum; and all electricity costs to a maximum of \$1,000 per annum  
  
Pay telephone costs for a single telephone line rental cost. All other telephone costs including call charges to be paid by the Lessee.
  - (iii) Pay to the relevant authorities all rates, taxes and charges levied against the Business Premises; and
  - (iv) Maintain all garden areas of the Business Premises.
- 

## **7. WILD THINGS FAMILY DAY CARE CENTRE'S OBLIGATIONS**

### **7.1 Operation of the Business**

Wild Things Family Day Care Centre agrees to:

- (a) maintain the Business as an accredited Family Day Care Service at all times during the Term, and to take out and maintain all professional certificates and licences required by law or by any relevant authorities or professional body for such purposes;
- (b) maintain and update all client records in accordance with accepted industry standards;
- (c) operate the Business for a minimum of four (4) days per week;
- (d) be responsible for the employment and remuneration of all personnel employed by the Business.

### **7.2 Client Records**

Wild Things Family Day Care Centre acknowledges and agrees that:

- (a) The client information and records (the "Records") used in the operation of the Business are of a confidential nature and must at all times during the Term remain with the Business and be stored within the Business Premises;
- (b) Wild Things Family Day Care Centre will implement all such proper systems and procedures as are necessary to maintain the security and confidentiality of the Records;
- (c) Any breach of confidentiality whatsoever in relation to the Records or removal of the Records from the Business will constitute a material breach of this agreement.
- (d) Wild Things Family Day Care Centre will upon ceasing to provide the service transfer all records to Bright Stars Family Day Care.

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## **8. TERMINATION**

### **8.1 General**

Subject to clause 9.2, this agreement may be terminated at any time by either party giving one (1) months' notice in writing to the other.

### **8.2 Immediate termination**

The Shire may terminate this agreement immediately if Wild Things Family Day Care Centre:

- (a) Is found by Bright Stars Family Day Care, or any court, tribunal or board, to have committed any act of wilful or grave misconduct or wilful neglect in Wild Things Family Day Care Centre duties as a family day service;
- (b) commits any act which may detrimentally affect the Shire, including but not limited to an act of dishonesty, fraud, wilful disobedience, misconduct or breach of duty;
- (c) commits any breach in relation to the Records, pursuant to Clause 7.2 of this agreement;
- (d) wilfully, persistently and materially breaches this agreement and does not remedy the breach within fourteen (14) days of receipt of notice in writing from the Shire specifying the breach;
- (e) fails to make any payment which pursuant to this agreement she is required to make to the Shire and does not make that payment within thirty (30) days after being requested in writing by the Shire to do so;
- (f) becomes insolvent or unable to pay her debts as they become due, or commits any act of bankruptcy or compounds with creditors; or
- (g) is of unsound mind or becomes liable to be dealt with under any law relating to mental health.

### **8.3 Effect of Termination**

Upon termination of this agreement, Wild Things Family Day Care Centre right to:

- (a) operate the Business; and
- (b) remain in the Business Premises as lessee (subject to the terms and conditions of the commercial lease specified in Clause 4.3)

shall terminate forthwith.

#### **8.4 Obligations on termination**

On termination of this agreement, Wild Things Family Day Care Centre must return to the Shire all tangible property of the Business including, but not limited to, materials, equipment and keys held by Wild Things Family Day Care Centre or under their control.

#### **8.5 No compensation**

If this agreement is terminated by the Shire under this Clause 9, Wild Things Family Day Care Centre has no further claim against the Shire for compensation in respect of the termination.

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### **9. MEDIATION**

**9.1** In the event of any breach by either party, or dispute between the parties as to a party's obligations under this agreement, a party will not commence legal proceedings until the mediation procedure specified in this clause has been completed PROVIDED THAT a party may apply to a court of competent jurisdiction for urgent interlocutory relief, even if the mediation procedure has not commenced or been completed.

**9.2** The parties shall first confer in person and attempt to resolve the dispute. If the parties are unable to settle the dispute in person then the mediation procedure specified in clause 10 may be commenced at any time after seven (7) days notice by either party to the other.

**9.3** The parties shall attempt to agree on a mediator and appoint such mediator. If a mediator cannot be agreed within seven (7) days after the notice specified in clause 10.2, any party may apply to the President of the Law Society of Western Australia to appoint a mediator. The decision of such President as to the appointment of a mediator will be final. The mediation shall commence upon such appointment of a mediator, and the parties may appoint representatives to act on their behalf at the mediation.

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### **10. MISCELLANEOUS**

#### **10.1 Relationship**

(a) The relationships between the Shire and Wild Things Family Day Care Centre are strictly those of grantor and grantee, lessor and lessee and landlord and tenant, respectively.

(b) This agreement does not constitute either party a joint venturer, partner, agent, employee or fiduciary of the other and subject to any other agreement between the Shire and Wild Things Family Day Care Centre, any act or omission of either party shall not bind or obligate the other except as expressly set forth in this agreement.

#### **10.2 Governing law**

(a) This agreement shall be governed and interpreted in accordance with the laws from time



to time in force in Western Australia.

- (b) The parties submit to the exclusive jurisdiction of the Courts of Western Australia.

### **10.3 Entire Agreement**

This agreement supersedes all prior agreements and contains the entire agreement between the parties.

### **10.4 Successors and Assigns**

The provisions of this agreement shall enure to the benefit of and be binding upon the parties and their respective representatives successors and assigns.

### **10.5 Legal Costs**

- (a) Each party shall bear its own legal costs in relation to the negotiation, preparation and execution of this agreement.
- (b) Wild Things Family Day Care Centre shall bear all registration fees (if any) on this agreement and on any other payments to be made by Wild Things Family Day Care Centre.

### **10.6 Prohibition, enforceability and severance**

- (a) Any provision of, or the application of any provision of, this agreement which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this agreement which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.
- (c) If a clause is void, illegal or unenforceable, it may be severed without affecting the enforceability of the other provisions in this agreement.

### **10.7 Waiver**

- (a) The failure of either party at any time to require performance by the other party of any provision of this agreement does not affect the party's right to require the performance at any time.
- (b) The waiver by either party of a breach of any provision must not be held to be a waiver of any succeeding breach of the provision or a waiver of the provision itself.

### **10.8 Notices**

All notices contemplated by this agreement shall be in writing and shall be deemed to be duly given or made:

- (a) in the case of delivery in person, when delivered;
- (b) in the case of delivery by post, within three days of posting by registered mail;
- (c) in the case of facsimile transmission, at the time and on the date specified on the confirmation of transmission;

to the party to whom such communication is given under this agreement.

**10.9 Variation of Agreement**

This agreement may be varied in writing by the parties. For the avoidance of doubt there shall be no variation, amendment, waiver or release of any provision of the agreement unless in writing signed by both parties.

**10.10 No Assignment**

Each party agrees that it shall not assign its rights to this agreement without the prior written consent of the other party, which may be withheld or granted on such terms as the other party considers fit.

**EXECUTED** by the parties as a Deed on the day, month and year set out above.

Executed by the **SHIRE OF MORAWA** under  
its Common Seal in the presence of:

\_\_\_\_\_ )  
Shire President )  
\_\_\_\_\_ )  
Chief Executive Officer )

**SIGNED** by **MARIE GAMBLE trading as Wild Things Family Day Care Centre** in the presence of: \_\_\_\_\_

\_\_\_\_\_  
Witness:  
\_\_\_\_\_  
Name (please print)



Dear Shire of Morawa,

Re: Use of Brick Building at 27 Dreghorn St Morowa.

On behalf of educators wanting to provide a childcare service to the Morawa Community, Ngala Bright Stars would like to request permission to access the second childcare facility at 27 Dreghorn St Morawa.

**Background:**

Ngala Bright Stars is a Family Day Care Service located in Geraldton WA and support rural and remote communities to provide quality childcare services where a long day care service is deemed as not a viable option.

Ngala Bright Stars primary role is to support educators who are working under the family daycare model, ensuring they are working within the National Quality Framework and Standards. The staff from the service visit the educators to ensure compliance against the Education and Care Regulation and Act while supporting the educators through relationships with children, Programming and Practice, Healthy and Safety, Community and Family Inclusion and environment setup.

**Why Education and Care Services are important in rural and remote communities**

Emerging trends from the AEDC indicate an alarming increase in children's developmental vulnerability rates in their first year of school across all five developmental domains. In 2105 the AEDC results showed the children of Morawa are vulnerable in two developmental domains: language and communication. Research shows children who have access to Early Childhood Education and Care Service (ECEC) are less vulnerable in all developmental domains as the service monitors and supports the child's development prior to attending school.

In early 2017, Royal Far West conducted a review of Children's developmental health across rural and remote Australia.

The findings from the study showed children in rural and remote Australia:

- experience poverty at disproportionately higher rates
- are more likely to be Indigenous
- are more likely to live in unemployed households, with single-parent families, and in families where the mother has a low educational attainment
- are more likely to be socially isolated
- are more likely to be exposed to family and domestic violence and have contact with child protection services
- are less likely to engage in early childhood education and care services
- have poorer access to early childhood intervention services, paediatricians, allied health and mental health services.

Research over many years suggests that engagement with quality ECEC services can enhance children's early development, particularly for children who do not live in a rich home learning environment (Sylva, 2010; Moore and McDonald, 2013). Children living in remote areas have the lowest levels of participation in ECEC compared to those living in major city areas (O'Connell, Fox, Hinz & Cole, 2016; Baxter & Hand, 2013). Finding and retaining adequately qualified and experienced staff is also identified as an ongoing issue for remote area service provision (O'Connell et al., 2016; Baxter & Hand, 2013). Even where ECE educators are available, the continuing turnover of staff can contribute to lowering the quality of service provided.

**Who is Ngala Bright Stars and what support do they provide to your community:**

Ngala Bright Stars is a not-for-profit organisation and our revenue is provided by government grants and parent levy of \$23 per family per week. This funding is used to provide staff to ensure educators are fit and proper to operate a family day care service and to support educators to provide quality care to children in their service. The educators engaged by Ngala Bright Stars are self-employed with overheads including public liability insurance, service memberships and running costs to provide food, transport and equipment to the children. The educators in a family day care setting are only allowed to have 4 children under 4 in care at any one time and 3 school aged children before and after school. The family day care model is known as a home based business under Local Government, however, in rural and remote communities, Ngala Bright Stars seek out the local shires to provide support in the form of a community building to run a Family Day Care Service. These buildings are known by the Department of Communities as an Invenue. This model of Family Day Care provides an affordable option for rural and remote communities providing families access formalised quality child care while being able claim Child Care Benefits and Rebates. This model has proven to be successful in the Geraldton, Shire of Shark Bay, Mullewa and Tom Price. The family day care model has been able to meet the communities childcare needs in a cost-effective manner, shifting the responsibility of providing childcare from the local Shires to service providers like Ngala Bright Stars.

**Moving forward:**

At the end of 2017, Maddi Clarke will close her Family Day Care Service, which will leave the community of Morawa without a child care facility. Over the past 2 months, Ngala Bright Stars have been proactive in ensuring a suitable replacement has been found for Maddi, ensuring continuity of care for the children in the community. Two applications have been received and Ngala Bright Stars have been investigating the option of running two family day care services in the community. An expression of interest has been sent out to families to research the needs of the community. Requesting both daytime care and before and after school care have been received.

Currently, the small demountable building is currently used to provide family day care, however, Ngala Bright Stars believe this building would not be suitable to provide child care to school aged children.

On behalf of the newly appointed educator, Marie Gamble, Ngala Bright Stars would like to express an interest in utilising the brick building at 27 Dreghorn St Morawa. Ngala Bright Stars believe this building is more suited to the provision of school-aged children, while still being suitable for small children. Marie would like to request the use of the building on the same terms and conditions offered to Maddi Clark and is willing to undertake the cleaning of the building to bring in up to childcare standards. Marie will also be willing to undertake gardening, lawn mowing and minor maintenance of the building.

A second educator has expressed an interest in providing child care services in Morawa and will be interested in using the demountable building on 27 Dreghorn St if the demand for childcare is identified. In July 2018 the Australian Government will introduce the new childcare reform package making childcare more affordable for families, increase the demand for childcare.

Thank you for your consideration of this proposal and we look forward to continuing to support the educators, families and children to provide quality childcare in your community.

Yours faithfully,

Angela Williams

CO ORDINATOR

Annexure A

- LEASED AREA
- SHARED AREA



<i>Item No/ Subject:</i>	<b>7.2.3.2 Appointment to Committees – Morawa Sinosteel Future Fund Committee</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>6 November 2017 - Samantha Appleton</b>
<i>Responsible Officer:</i>	<b>Samantha Appleton – Executive Manager Development and Administration</b>
<i>Applicant/Proponent:</i>	<b>Executive Manager Development and Administration</b>
<i>File Number:</i>	<b>GS.PRG.3</b>
<i>Previous minute/s &amp; Reference:</i>	<b>19 February 2015</b>

**SUMMARY**

The purpose of this item is for Council to select members of the Morawa Sinosteel Future Fund Committee and to consider a delegation to the Committee.

**DECLARATION OF INTEREST**

Nil

**ATTACHMENTS**

Attachment 1 - 7.2.3.2a Sinosteel Midwest Corporation Limited/Shire of Morawa – Deed of Agreement for the Future.

**BACKGROUND INFORMATION**

The Morawa Sinosteel Future Fund was set up by Sinosteel to assist community organisations by providing financial support for:

- Activities or endeavours that will provide community or welfare benefit to persons who are ordinarily resident in the Area or
- Facilities or services that improve the welfare, culture or amenity of persons ordinarily resident in the Area

A Public Benefit Agreement (PBA) was entered into by Sinosteel with the Shire of Morawa. An amount of \$2,134,360 is currently invested. 85% of the interest made on this amount is available annually to support the local community as per the Agreement (Attachment 1).

The PBA (clause 6.2) sets out a requirement to establish a committee consisting of four persons, being the Shire President, Deputy President, Shire CEO and two local community representatives. There is currently no committee in place.

## **OFFICER'S COMMENT**

The Trust has delivered significant support to local organisations in the past and came about as a way of ensuring Sinosteel's mining project left an enduring and long lasting benefit to the Morawa community.

As the Morawa Sinosteel Future Fund Committee does not have any current appointees, Council will need to appoint new committee members to enable the allocation of funds to eligible community groups.

Council may also need to consider whether the Committee be given delegated authority to act without resolutions having to go to Council. If this happens, the delegations register will need to be amended to allow this.

Two members of the community will be appointed to the committee for a two (2) year term, with the following community members nominating for the committee:

- Jamie Appleton – Morawa Roadhouse
- Shirley Katona – Kats Hardware

## **COMMUNITY CONSULTATION**

Community members have been consulted with regard to the appointment of community representatives.

## **COUNCILLOR CONSULTATION**

Nil

## **STATUTORY ENVIRONMENT**

### **Local Government Act 1995**

#### **5.8. Establishment of committees**

A local government may establish\* committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.

*\* Absolute majority required.*

#### **5.10. Committee members, appointment of**

(1) A committee is to have as its members —

- (a) persons appointed\* by the local government to be members of the committee (other than those referred to in paragraph (b)); and
- (b) persons who are appointed to be members of the committee under subsection (4) or (5).

\* *Absolute majority required.*

- (2) At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.
- (3) Section 52 of the *Interpretation Act 1984* applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the local government.
- (4) If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.
- (5) If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —
  - (a) to be a member of the committee; or
  - (b) that a representative of the CEO be a member of the committee,the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

#### **5.16 Delegation of some powers and duties to certain committees**

- (1) Under and subject to section 5.17, a local government may delegate\* to a committee any of its powers and duties other than this power of delegation.

\* *Absolute majority required.*
- (2) A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.
- (3) Without limiting the application of sections 58 and 59 of the *Interpretation Act 1984* —
  - (a) a delegation made under this section has effect for the period of time specified in the delegation or if no period has been specified, indefinitely; and
  - (b) any decision to amend or revoke a delegation under this section is to be by an absolute majority.
- (4) Nothing in this section is to be read as preventing a local government from performing any of its functions by acting through another person.



## **FINANCIAL IMPLICATIONS**

The establishment of the Committee and the appointment of its members will enable direction to be given with regard to the expenditure of the funds held.

Funds available for the Committee will be set for each financial year via the budget process.

## **STRATEGIC IMPLICATIONS**

Shire of Morawa Strategic Community Plan

4.3 A local government that is respected, professional and accountable.

## **RISK MANAGEMENT**

Shire of Morawa Risk Management Framework

- Provide transparent and formal oversight of the risk and control environment to enable effective decision making.

## **VOTING REQUIREMENTS**

Absolute Majority

## **OFFICER'S RECOMMENDATION**

That with respect to the proposed Morawa Sinosteel Future Fund Committee Council:

1. Resolve to appoint the following positions to the Morawa Sinosteel Future Fund Committee as per the Deed of Agreement:
  - Shire President
  - Deputy Shire President
  - Shire CEO
2. Resolve to appoint the following persons to the Morawa Sinosteel Future Fund Committee for a two year term to expire 20 December 2019:
  - Community Member – Jamie Appleton
  - Community Member – Shirley Katona
3. Resolve that under Section 5.17 of the Local Government Act 1995, delegated authority be given to the Morawa Sinosteel Future Fund Committee to act on resolutions of the Morawa Sinosteel Future Fund Committee without requiring a resolution of the Shire of Morawa Council.
4. Resolve that the Shire of Morawa Delegations register be amended to record the delegation to the Morawa Sinosteel Future Fund Committee.

## **COUNCIL RESOLUTION**

**1712009**                      **Moved:        Cr Thornton**  
                                      **Seconded:   Cr Stokes**

**That with respect to the proposed Morawa Sinosteel Future Fund Committee Council:**

- 1. Resolve to appoint the following positions to the Morawa Sinosteel Future Fund Committee as per the Deed of Agreement:**
  - Shire President**
  - Deputy Shire President**
  - Shire CEO**
  
- 2. Resolve to appoint the following persons to the Morawa Sinosteel Future Fund Committee for a two year term to expire 20 December 2019:**
  - Community Member – Jamie Appleton**
  - Community Member – Shirley Katona**
  
- 3. Resolve that under Section 5.17 of the Local Government Act 1995, delegated authority be given to the Morawa Sinosteel Future Fund Committee to act on resolutions of the Morawa Sinosteel Future Fund Committee without requiring a resolution of the Shire of Morawa Council.**
  
- 4. Resolve that the Shire of Morawa Delegations register be amended to record the delegation to the Morawa Sinosteel Future Fund Committee.**

**CARRIED 7/0**

# Deed of agreement for future fund

---

Sinosteel Midwest Corporation Limited  
Shire of Morawa



**McLEODS**

**Barristers & Solicitors**

Stirling Law Chambers | 220-222 Stirling Highway | CLAREMONT WA 6010

Tel: (08) 9383 3133 | Fax: (08) 9383 4935

Email: [mcleods@mcleods.com.au](mailto:mcleods@mcleods.com.au)

Ref: ND:MORA-36694

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# Details

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## Parties

### **Sinosteel Midwest Corporation Limited**

of 7 Rheola Street, West Perth, Western Australia, 6005  
(Founder)

### **Shire of Morawa**

of Winfield Street, Morawa, Western Australia, 6623  
(Trustee)

## Background

- A The Parties wish to have a trust fund established on the terms and conditions set out in the deed.
- B The Founder has paid to the Trustee the Settled Sum to be held by the Trustee in trust and applied for the purposes of the trust fund.

# Agreed terms

---

## 1. Name

The Trust is to be known as the Morawa Sinosteel Future Fund.

## 2. Defined terms and interpretation

### 2.1 Defined terms

In this deed -

**Accounting Period** means the period from the date of this deed to the following 30 June and then each period of 12 months ending on 30 June in each year, or any other period that the Trustee decides from time to time;

**Approved Funding Proposal** is a Recommended Funding Proposal that has been approved by the Trustee;

**Area** means the District of the Shire as at the date of this deed;

**Committee** means the Morawa Sinosteel Future Fund Committee;

**Consumer Price Index**, or **CPI**, means the index published by the Australian Bureau of Statistics for Western Australia or if that index is suspended or discontinued, the index substituted for it by the Australian Statistician;

**District** means the district of the Shire for the purposes of the *Local Government Act 1995*;

**Founder** means the person named in this deed as the Founder and any other founder for the time being of the Trust whether original, additional or substituted;

**Income** means the difference between the value of the Trust Fund and the Settled Sum Annual Value;

**Party** means a party to this deed and 'Parties' means both of them;

**Purpose** means the purpose of the Trust Fund as described in clause 5;

**Recommended Funding Proposal** means a recommendation by the Committee to the Trustee for funding from the Trust Fund;

**Settled Sum** means the sum of \$1,165,000;

**Settled Sum Annual Value** means the Settled Sum amount that is adjusted at the end of each Accounting Period by reference to the CPI for that Accounting Period;

**Shire** means the Shire of Morawa or, if the Shire of Morawa amalgamates with another local government, then that amalgamated local government;

**Trust** means the trust established under this deed;

**Trust Fund** has the meaning set out in clause 3 and includes any part of the Trust Fund; and

**Trustee** means the person named in this deed as the Trustee and any other trustee for the time being of the Trust whether original, additional or substituted.

## 2.2 Interpretation

In this deed -

- (a) words denoting -
  - (i) the singular includes the plural and vice versa; and
  - (ii) a gender or genders include each other gender;
- (b) if a word or phrase is assigned a particular meaning, other grammatical forms of that word or phrase have a corresponding meaning;
- (c) a reference to -
  - (i) a person includes a firm, an unincorporated association, an incorporated association, a corporation and a government or statutory body or authority;
  - (ii) a person includes their legal personal representatives, successors and assigns;
  - (iii) a statute, regulation, local law or any other written law, code or policy includes subsidiary legislation or an instrument made under it, and consolidations, amendments, re-enactments or replacements of any of them;
  - (iv) a right includes a benefit, remedy, discretion, authority or power;
  - (v) an obligation includes a warranty or representation, and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
  - (vi) provisions or terms of this deed, or another document, agreement, understanding or arrangement, include a reference to both express and implied provisions and terms;
  - (vii) time is to local time in Perth, Western Australia;
  - (viii) \$ or dollars is a reference to the lawful currency of Australia;
  - (ix) this deed or any other document includes this deed or other document as amended or replaced and despite any change in the identity of the parties;
  - (x) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes facsimile transmissions or other electronic mail or transmissions;
  - (xi) any thing (including any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them;
  - (xii) a clause, paragraph, Schedule or Annexure is a reference to a clause or paragraph of or Schedule or Annexure to, this deed; and
- (d) the meaning of general words or phrases is not limited by specific examples introduced by 'including', 'for example' or similar expressions.



## 2.3 Headings

Headings do not affect the interpretation of this deed.

## 3. Trust Fund

The Trust Fund comprises –

- (a) the Settled Sum;
- (b) all money, investments and assets paid or transferred to and accepted by the Trustee as additions to the Trust Fund;
- (c) all accretions to the Trust Fund;
- (d) all accumulations of income; and
- (e) the money, investments and property from time to time representing the above, or into which they are converted.

## 4. Declaration of trust

- (1) The Founder and the Trustee declare that the Trustee will hold the Trust Fund on the trusts, with the powers and subject to the provisions in, this deed.
- (2) To avoid doubt, the Trustee agrees that the Trust Fund constitutes a trust fund under section 6.9 of the *Local Government Act 1995* (WA), and despite section 6.9(4) of that Act, agrees that it will not, even after the Trust Fund has been held on trust for 10 years, transfer the Trust Fund to a municipal fund.

## 5. Purpose

- (1) The purpose of the Trust Fund is to assist community organisations by providing financial support for –
  - (a) activities or endeavours that will provide community or welfare benefit to persons who are ordinarily resident in the Area; or
  - (b) facilities or services that improve the welfare, culture or amenity of persons ordinarily resident in the Area.
- (2) It is intended that, in considering applications for funding, preference would be given to applications in respect of which the applicants –
  - (a) are community organisations that are based in the Area, or the majority of the members of which are ordinarily resident in the Area; and
  - (b) propose to make their own contributions (such as by way of labour, materials or in kind) of at least 30% of the total value of the funding required.

## 6. Committee

- (1) The Trustee must establish the Committee, to be known as the ‘Morawa Sinosteel Future Fund Committee’, under section 5.8 of the *Local Government Act 1995*.

- (2) The members of the Committee are to comprise –
  - (a) the Shire President;
  - (b) the Shire Deputy President;
  - (c) the Shire’s CEO; and
  - (d) 2 members of the community who ordinarily reside in the Area.
- (3) The functions of the Committee are –
  - (a) to seek and assess funding applications in accordance with the Purpose;
  - (b) to prepare, and submit to the Trustee, Recommended Funding Proposals;
  - (c) to ensure, as far as practicable, that the value of the Recommended Funding Proposals in each Accounting Period are at least 85% of, but do not exceed, the Income for that Accounting Period; and
  - (d) to provide reports to the Trustee on the administration of the Trust Fund.

## 7. Trustee

- (1) The Trustee must hold the Trust Fund on trust to pay or apply the Income for the Purpose.
- (2) The Trustee –
  - (a) must accept a Recommended Funding Proposal if it is consistent with this deed;
  - (b) must reject a Recommended Funding Proposal if it is not consistent with this deed;
  - (c) cannot amend a Recommended Funding Proposal but may return it to the Committee with suggested amendments; and
  - (d) cannot make or authorise a payment from the Trust Fund except in accordance with a Recommended Funding Proposal accepted under clause 7(2)(a).
- (3) The Trustee must invest money held in the Trust Fund in accordance with the powers and responsibilities of a local government, including those under section 6.14 of the *Local Government Act 1995* and regulation 19C of the *Local Government (Financial Management) Regulations 1996*.
- (4) The Trustee must, in relation to the Trust Fund and its administration, comply with the accounting, record keeping, audit and other financial management requirements of the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.
- (5) The Trustee must include, in each annual financial report, details of each payment (including the recipient of each payment) from the Trust Fund for the relevant Accounting Period.

## 8. Governing law

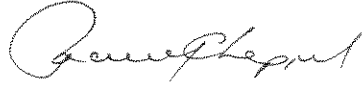
This deed is governed by the laws of Western Australia.

# Signing page

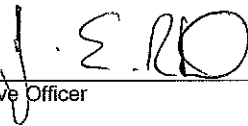
EXECUTED

2015

THE COMMON SEAL of the Shire of Morawa  
is affixed in the presence of -



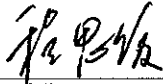
\_\_\_\_\_  
President



\_\_\_\_\_  
Chief Executive Officer

14/12/15

Executed by Sinosteel Midwest Corporation  
Limited in accordance with section 127(1) of  
the Corporations Act 2001 -



\_\_\_\_\_  
Signature of director

**SIJUN (TONY) CHENG**  
**MANAGING DIRECTOR**

\_\_\_\_\_  
Name of director (print)



\_\_\_\_\_  
Signature of director/company secretary

**Ti Wang**  
**COMPANY SECRETARY**

\_\_\_\_\_  
Name of director/company secretary (print)

<i>Item No/ Subject:</i>	<b>7.2.3.3 Winding Up of Morawa Land Conservation District Committee</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>30 November 2017 – Samantha Appleton -</b>
<i>Responsible Officer:</i>	<b>Samantha Appleton - Executive Manager Development and Administration</b>
<i>Applicant/Proponent:</i>	<b>Gisela Warman – Office of the Commissioner of Soil and Land Conservation</b>
<i>File Number:</i>	<b>GR.STL.2</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

Council to consider supporting a proposal to wind up the Morawa Land Conservation District Committee (LCDC).

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Attachment 1 - 7.3.3.3a Letter from the Office of the Commissioner of Soil and Land Conservation

### **BACKGROUND INFORMATION**

Morawa LCDC was formed in 1985 and has not been operating for some years. The appointments of members to the committee expired in 2015 and no subsequent appointments have been made.

### **OFFICER'S COMMENT**

The author of the letter has commented that the failure to appoint a committee which means that the LCDC no longer has any authority to operate. It is now recommended that the Shire of Morawa support the proposal to wind up the LCDC.

### **COMMUNITY CONSULTATION**

Nil

## **COUNCILLOR CONSULTATION**

Nil

## **STATUTORY ENVIRONMENT**

SOIL AND LAND CONSERVATION ACT 1945 - SECT 24

### **24. *Functions of district committees***

- (1) The functions of a district committee are —
  - (a) on behalf of, and in accordance with any direction, approval or authorisation given by, the Commissioner —
    - (i) to manage projects; and
    - (ii) to carry out or cause to be carried out works or practices, for preventing, remedying or mitigating land degradation and for promoting soil conservation and reclamation; and
  - (b) to review, assess and report to the Commissioner on the effects of land use or land management on the condition of the land within its land conservation district; and
  - (c) to develop, promote and, in accordance with any direction, approval or authorisation given by the Commissioner, implement programmes of soil and land conservation within its land conservation district; and
  - (d) if any matter relating to land use, land degradation or soil conservation is referred to it by the Minister or the Commissioner, to consider and report on that matter to the Commissioner or the Minister, as the case requires; and
  - (e) to make recommendations to, and to consult with, the Commissioner concerning any works, research, experimental or educational programmes which may be necessary or desirable within its land conservation district; and
  - (f) to make recommendations to the Minister for the purposes of section 25A(1) or (1a); and
  - (g) to make recommendations to the Minister or the Commissioner, as the case requires, for the purposes of section 25C(4); and
  - (h) to perform such functions relating to land degradation and soil conservation as may be agreed between the Council and the Commissioner.
- (2) A district committee has all such powers as are reasonably necessary to enable it to perform the functions set out in subsection (1) including the power to employ persons to assist in the performance by that committee of those functions.

*[Section 24 inserted by No. 46 of 1988 s. 9; amended by No. 91 of 1990 s. 16; No. 47 of 1994 s. 12; No. 4 of 1999 s. 6.]*

## **POLICY IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

Nil

## **STRATEGIC IMPLICATIONS**

Shire of Morawa Strategic Community Plan  
4.3 A local Government that is respected, professional and accountable.

## **RISK MANAGEMENT**

Nil

## **VOTING REQUIREMENTS**

Simple Majority

## **OFFICER'S RECOMMENDATION**

That with respect to the Morawa Land Conservation District Committee, Council:

1. Resolve to support the proposal from the Office of the Commissioner of Soil and Land Conservation to wind up the Morawa Land Conservation District Committee.
2. Direct the CEO to prepare and submit a letter supporting the proposal to the Commissioner of Soil and Land Conservation.

## **COUNCIL RESOLUTION**

**1712010**                      **Moved:        Cr Carslake**  
   **Seconded:   Cr Coaker**

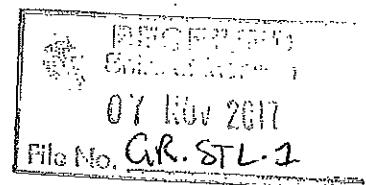
That with respect to the Morawa Land Conservation District Committee, Council:

1. **Resolve to support the proposal from the Office of the Commissioner of Soil and Land Conservation to wind up the Morawa Land Conservation District Committee.**
2. **Direct the CEO to prepare and submit a letter supporting the proposal to the Commissioner of Soil and Land Conservation.**

**CARRIED 7/0**



Department of  
Primary Industries and  
Regional Development



Chief Executive Officer  
Shire of Morawa  
PO Box 14  
MORAWA WA 6623

Your Ref:  
Our Ref: 881737V05P0H  
Enquiries: 9368 3301  
Date: 27 October 2017

Dear Sir/Madam

**PROPOSED WINDING UP OF THE MORAWA LAND CONSERVATION  
DISTRICT COMMITTEE (LCDC)**

The Morawa LCDC was a statutory committee established under Sections 22 and 23 of the Soil and Conservation Act 1945 to manage activities in the Morawa Land Conservation District (LCDC) that was proclaimed by the Governor in 1985.

When the members' term of appointment expired on the 30 April 2015, the LCDC ceased to exist. Since that time the LCDC has had no authority to operate. As it is apparent that there is now a lack of interest in continuing the LCDC, I must move to have it wound up.

Before presenting our recommendation to the Minister, I need to obtain support for the proposal from the local governments within the district. As the Shire of Morawa is in the Morawa Land Conservation District, I accordingly request your support for the proposal.

If you have any questions in relation to this matter, please contact the Commissioner's Office on 9368 3301.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Gisela Warman".

Gisela Warman  
ADMINISTRATION OFFICER  
OFFICE OF THE COMMISSIONER OF SOIL AND  
LAND CONSERVATION

**Agriculture and Food  
Office of the Commissioner of Soil and Land Conservation**

3 Baron-Hay Court, South Perth WA 6151  
Locked Bag 4, Bentley Delivery Centre WA 6983

Telephone +61 (0)8 9368 3282 Facsimile +61 (0)8 9368 3355 [commsoil@dpird.wa.gov.au](mailto:commsoil@dpird.wa.gov.au)

[dpird.wa.gov.au](http://dpird.wa.gov.au)

<i>Item No/ Subject:</i>	<b>7.2.3.4 Acquisition of Land – Lots 558 and 559 Yewers Avenue</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>30 November 2017– Samantha Appleton</b>
<i>Responsible Officer:</i>	<b>Samantha Appleton – Executive Manager Development and Administration</b>
<i>Applicant/Proponent:</i>	<b>Executive Manager Development and Administration</b>
<i>File Number:</i>	<b>CP.ACQ.4</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

Council to resolve to purchase Lots 558 and 559 in Yewers Avenue from the Department of Planning Lands and Heritage

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Attachment 1 - 7.2.3.4a Plans showing location of land

Attachment 2 - 7.2.3.4b Email from the Department of Planning Lands and Heritage

### **BACKGROUND INFORMATION**

The Shire of Morawa is currently operating aged persons units located behind the hospital in Yewers Avenue. The units are a mixture of 5 older units originally owned by Morawa Community Care, now owned by the Shire of Morawa and 4 new units constructed by the Shire of Morawa. The land on which the units sit is Lot 559 Yewers Avenue which is vested in the Shire of Morawa

It was intended to operate the 4 new units in a manner similar to that of a retirement village with a buy-in premium and weekly rent being paid. To do this all of the units will need to be operated under the Retirement Villages Act 1992.

### **OFFICER'S COMMENT**

For the units to be operated under the Retirement Villages Act 1992 and the Fair Trading (Retirement Villages Code) Regulations 2015 the land on which the buildings are located must fall under the Transfer of Land Act 1893 (TLA). As the land is Crown Land vested



in the Shire it currently falls under the Land Administration Act 1997 (LAA) and it is an offence under the Retirement Villages Act to use land for a retirement village unless the land is under the TLA. Obtaining the land freehold will allow the Shire to operate the property as a retirement village.

The Department of Planning Lands and Heritage have indicated they are prepared to sell the land to the Shire of Morawa, as well as an adjoining block which will allow future expansion if required. The price of the lots are detailed below:

- Lot 559 (Improved Lot) 2775m<sup>2</sup> \$25,000 (inc GST) \$22,727 (ex GST)
- Lot 558 (Unimproved Lot) 1176m<sup>2</sup> \$6,500 (inc GST) \$5,909 (ex GST)

It is likely that the amount payable for the land will be offset by the buy-in premium of \$30,000 on one of the units by the current occupant of Unit 9. Settlement costs are expected to be minor and will be able to be accommodated in general ledger account 14624 – Legal Expenses Administration.

As there is no provision in the budget to acquire the land or to receive the premium, a variation to the budget will be required, should Council proceed with the acquisition of the land.

### **COMMUNITY CONSULTATION**

Nil

### **COUNCILLOR CONSULTATION**

Nil

### **STATUTORY ENVIRONMENT**

Local Government Act 1995

#### **6.8. Expenditure from municipal fund not included in annual budget**

- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
  - (a) is incurred in a financial year before the adoption of the annual budget by the local government; or
  - (b) is authorised in advance by resolution\*; or
  - (c) is authorised in advance by the mayor or president in an emergency.

*\* Absolute majority required.*

Retirement Villages Act 1992

#### **15. Owner to deliver memorial**

- (1) A person or association of persons whether incorporated or not shall not use land for a retirement village unless the land is under the operation of the *Transfer of Land Act 1893*.

Penalty: \$20 000.

## **POLICY IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

Income and expenditure is unbudgeted. Net impact will be minimal.

## **STRATEGIC IMPLICATIONS**

Shire of Morawa Strategic Community Plan

1.9 Affordable, diverse and quality accommodation options for both residential and business.

## **RISK MANAGEMENT**

Nil

## **VOTING REQUIREMENTS**

Absolute Majority

## **OFFICER'S RECOMMENDATION**

That with respect to the Acquisition of Land – Lots 558 and 559 Yewers Avenue, Morawa, Council:

1. Resolve to purchase lots 558 and 559 Yewers Avenue from the Department of Planning Lands and Heritage for the sum of \$31,500 inclusive of GST.
2. Resolve to amend the 2017/2018 budget to include the expenditure to purchase the land and the income to be received from the buy in premium;
3. Resolve to delegate authority to the President and CEO to execute purchase documents and pursuant to section 9.49 of the Local Government Act 1995 to affix the common seal.

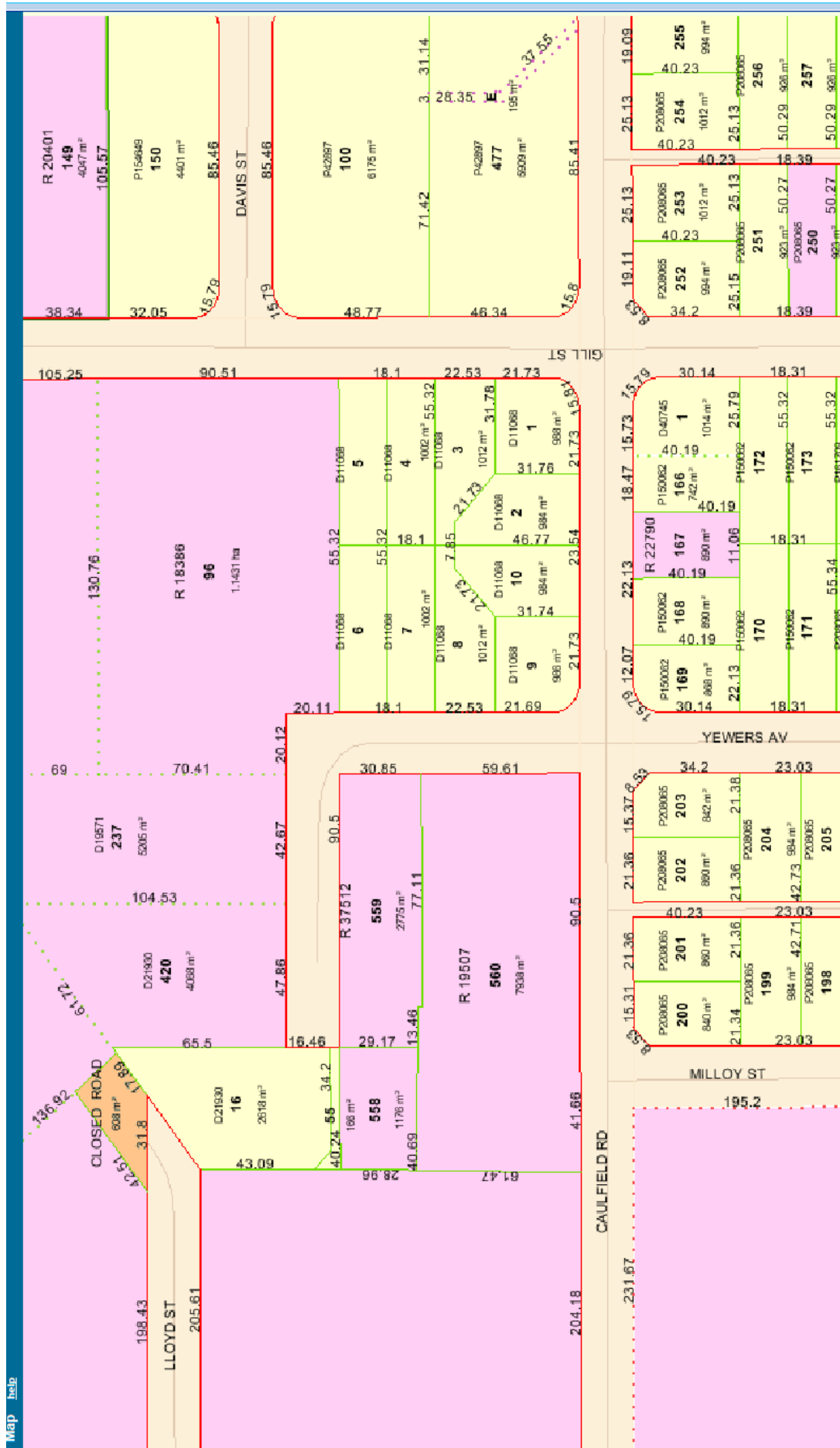
## **COUNCIL RESOLUTION**

**1712011**                      **Moved:        Cr Carslake**  
   **Seconded: Cr Agar**

**That with respect to the Acquisition of Land – Lots 558 and 559 Yewers Avenue, Morawa, Council:**

- 1. Resolve to purchase lots 558 and 559 Yewers Avenue from the Department of Planning Lands and Heritage for the sum of \$31,500 inclusive of GST.**
- 2. Resolve to amend the 2017/2018 budget to include the expenditure to purchase the land and the income to be received from the buy in premium;**
- 3. Resolve to delegate authority to the President and CEO to execute purchase documents and pursuant to section 9.49 of the Local Government Act 1995 to affix the common seal.**

**CARRIED 7/0**





## Samantha Appleton

---

**From:** Gardiner, Camille <Camille.Gardiner@lands.wa.gov.au>  
**Sent:** Monday, 13 November 2017 11:05 AM  
**To:** Samantha Appleton  
**Subject:** Proposed Freehold Acquisition of Reserves 37512 & 52058 - Shire of Morawa

Hi Samantha,

The valuations for Reserves 37512 and 52058 have been received.

Lot 558 is valued at \$6,500 (inc. of GST) - costs to extend the water main to the Lot reduces the land's value as a "stand alone" site.

Lot 559 is valued at \$25,000 (inc. of GST).

The above valuations are valid for a period of 6 months in support of the freehold conversion of Lots 37512 & 52058 to the Shire of Morawa.

In support of the conversion would you please provide statutory declarations for each reserve. These declarations should detail what rights and interests (if any) in each reserve (noting Reserve 37512 contains the power to lease and Reserve 52058 has a QCLT) the Shire has granted to any third party.

Now that you have been advised of the purchase consideration, I await your advice on whether you wish to proceed with the matter.

Kind regards

**Camille Gardiner** | State Land Support Officer | Case Management - Mid West and Gascoyne  
Level 2, 140 William Street, Perth WA 6000  
(08) 6552 4539  
[camille.gardiner@lands.wa.gov.au](mailto:camille.gardiner@lands.wa.gov.au) | [www.dplh.wa.gov.au](http://www.dplh.wa.gov.au)



**Department of Planning,  
Lands and Heritage**



*The department acknowledges the Aboriginal peoples of Western Australia as the traditional custodians of this land and we pay our respects to their Elders, past and present.*

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<i>Item No/ Subject:</i>	<b>7.2.3.5 Request to Join Local Emergency Management Committee</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>15 December 2017 - Samantha Appleton</b>
<i>Responsible Officer:</i>	<b>Samantha Appleton - Executive Manager Development and Administration</b>
<i>Applicant/Proponent:</i>	<b>Shire of Carnamah</b>
<i>File Number:</i>	<b>ES.MTG.1</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

Council to consider a request from the Shire of Carnamah to join the Local Emergency Management Committee (LEMC) along with the Shires of Morawa, Mingenew, Three Springs and Perenjori.

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Nil

### **BACKGROUND INFORMATION**

The Shire of Morawa has been a member of the joint LEMC with neighbouring Shires for a number of years. A request has been received from the Shire of Carnamah to become a member of the committee.

### **OFFICER'S COMMENT**

The functions of a LEMC in relation to its district or the area for which it is established are:

- To advise and assist the local government in ensuring that Local Emergency Management Arrangements (LEMAs) are established for its district;
- To liaise with public authorities and other persons in the development, review and testing of the LEMA; and
- To carry out other emergency management activities as directed by the State Emergency Management Committee (SEMC) or prescribed by the regulations.

Under Section 41 of the Emergency Management Act 2005 a local government is to ensure that emergency management arrangements are in place for that local government district. The formation of a joint LEMC allows the members to participate in joint meetings and exercises and ensures that the individual arrangements are reasonably consistent with each other.

As well as Local Governments, other organisations that are likely to respond to emergencies have representative who participate in the LEMC meetings and exercises.

### **COMMUNITY CONSULTATION**

Nil

### **COUNCILLOR CONSULTATION**

Nil

### **STATUTORY ENVIRONMENT**

Emergency Management Act 2005

#### **34. Local governments may combine**

- (1) Two or more local governments may, with the approval of the SEMC, agree to unite for the purposes of emergency management under this Part.
- (2) If 2 or more local governments (the ***combined local government***) unite as mentioned in subsection (1), the provisions of this Part apply as if —
  - (a) a reference to a local government were a reference to the combined local government; and
  - (b) a reference to the local government's district were a reference to the districts of the combined local government; and
  - (c) a reference to the local government's offices were a reference to the office of each local government that is part of the combined local government.

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Shire of Morawa Strategic Community Plan

- 4.4 Improved regional partnerships with government and industry.



## **RISK MANAGEMENT**

The membership of Carnamah is subject to the approval of all members as well as the State Emergency Management Committee (SEMC).

## **VOTING REQUIREMENTS**

Simple Majority

## **OFFICER'S RECOMMENDATION**

That pursuant to section 34 of the Emergency Management Act 2005 and subject to the approval of the Shires of Mingenew, Three Springs and Perenjori, that Council resolve to endorse the request from the Shire of Carnamah to become a member of the joint Local Emergency Management Committee of the Shires of Morawa, Mingenew, Three Springs and Perenjori.

## **COUNCIL RESOLUTION**

**1712012**                      **Moved:      Cr Stokes**  
   **Seconded: Cr Thornton**

**That pursuant to section 34 of the Emergency Management Act 2005 and subject to the approval of the Shires of Mingenew, Three Springs and Perenjori, that Council resolve to endorse the request from the Shire of Carnamah to become a member of the joint Local Emergency Management Committee of the Shires of Morawa, Mingenew, Three Springs and Perenjori.**

**CARRIED 7/0**

**8. New Business of an Urgent Nature**

Nil

**9. Applications for Leave of Absence**

Nil

**10. Motions of Which Previous Notice Has Been Given**

Nil

**11. Questions from Members without Notice**

Nil

**12. Meeting Closed**

12.1 Matters for which the meeting may be closed

<i>Item No/ Subject:</i>	<b>12.1 Closure of Meeting to the Public</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>6 December 2017 – Chris Linnell</b>
<i>Responsible Officer:</i>	<b>Chris Linnell - Chief Executive Officer</b>
<i>Applicant/Proponent:</i>	<b>Chief Executive Officer</b>
<i>File Number:</i>	<b>GV.CMT.1</b>
<i>Previous minute/s &amp; Reference:</i>	

### **SUMMARY**

This item seeks Council's approval under s5.23 (2) (c) of the *Local Government Act 1995* to move into camera or closed session to consider the matters regarding:

- Relocation costs for Executive Management of Corporate and Community Services;
- Tender 02-2017 Collection and Disposal of Refuse;
- Tender 03-2017 Plant Hire Tender for Road Flood Damage; and
- Tender 04-2017 Supply of Site Supervision Services for Road Flood Damage.

### **DECLARATION OF INTEREST**

Nil

### **ATTACHMENTS**

Nil

### **BACKGROUND INFORMATION**

Nil

### **OFFICER'S COMMENT**

In item 12.1.1 to 12.1.4 Council will be presented with Officer's recommendation in respect of:

- An increase in the relocation costs for the appointed Executive Management of Corporate and Community Services;
- Award of Tender 02-2017 Collection and Disposal of Refuse Tender;

- Award of Tender 03-2017 Plant Hire Tender for Road Flood Damage; and
- Award of Tender 04-2017 Supply of Site Supervision Services for Road Flood Damage.

## **COMMUNITY CONSULTATION**

Nil

## **COUNCILLOR CONSULTATION**

Nil

## **STATUTORY ENVIRONMENT**

### ***Local Government Act 1995***

Under section 5.23 (2) of the *Local Government Act 1995*, part of a council meeting may be closed, if the meeting deals with any of the following:

- (a) a matter affecting an employee or employees;
- (b) the personal affairs of any person;
- (c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;
- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;
- (e) a matter that if disclosed, would reveal —
  - (i) a trade secret;
  - (ii) information that has a commercial value to a person;
  - (iii) information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government;
- (f) a matter that if disclosed, could be reasonably expected to —
  - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
  - (ii) endanger the security of the local government's property;
  - (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety;
- (g) information which is the subject of a direction given under section 23(1a) of the *Parliamentary Commissioner Act 1971*; and
- (h) such other matters as may be prescribed.

### **Shire of Morawa Standing Orders Local Law 2011**

The key parts include:

- 6.2 (1) The CEO may recommend that part of the meeting is closed.
- 6.2 (2) The Council may decide to close a meeting or part of a meeting.
- 6.2 (3) The presiding member is to direct everyone to leave the meeting except, members, the CEO and any officer specified.
- 6.2 (5) Clause 8.9 (re speaking twice)

6.2 (7) The presiding member is to ensure any resolution of the Council made while the meeting was closed is to read out including a vote of a member.

**POLICY IMPLICATIONS**

Nil

**FINANCIAL IMPLICATIONS**

Nil

**STRATEGIC IMPLICATIONS**

Nil

**RISK MANAGEMENT**

Nil

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER'S RECOMMENDATION**

That Council closes the meeting to the public under section 5.23 (2) c) of the *Local Government Act 1995* and the *Shire of Morawa Standing Orders Local Law 2011 s 6.2 (2)* so that it can consider the matters regarding:

1. Relocation costs for Executive Management of Corporate and Community Services;
2. Tender 02-2017 Collection and Disposal of Refuse;
3. Tender 03-2017 Plant Hire Tender for Road Flood Damage; and
4. Tender 04-2017 Supply of Site Supervision Services for Road Flood Damage.

**COUNCIL RESOLUTION**

**1712013**                      **Moved:      Cr Agar**  
   **Seconded: Cr Collins**

That Council closes the meeting to the public under section 5.23 (2) c) of the *Local Government Act 1995* and the *Shire of Morawa Standing Orders Local Law 2011 s 6.2 (2)* so that it can consider the matters regarding:

1. Relocation costs for Executive Management of Corporate and Community Services;
2. Tender 02-2017 Collection and Disposal of Refuse;
3. Tender 03-2017 Plant Hire Tender for Road Flood Damage; and
4. Tender 04-2017 Supply of Site Supervision Services for Road Flood Damage.

**CARRIED 7/0**

Mr Buist, Mrs Gledhill, Ms Appleton and Ms Cuthbert left the chamber at 5.45pm and did not return to the chamber.

Cr Thornton declared a financial interest in item 12.1.1.

Cr Carslake declared a proximity interest in item 12.1.1.

Cr Thornton and Cr Carslake left the Chamber at 5.36pm.

Cr Stokes declared an impartiality interest in item 12.1.1 and remained in the chamber and voted on item 12.1.1.

<i>Item No/ Subject:</i>	<b>12.1.1 Confidential Item – Tender 02-2017 Collection and Disposal of Refuse</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>21 November 2017 – Samantha Appleton</b>
<i>Responsible Officer:</i>	<b>Samantha Appleton – Executive Manager Development &amp; Administration</b>
<i>Applicant/Proponent:</i>	<b>Executive Manager Development &amp; Administration</b>
<i>File Number:</i>	<b>WM.SER.1</b>
<i>Previous minute/s &amp; Reference:</i>	<b>16 February 2012</b>

### **COUNCIL RESOLUTION**

**1712014**                      **Moved:      Cr Coaker**  
   **Seconded: Cr Chappel**

**That, with respect to Tender 02-2017 ‘Collection and Disposal of Refuse’, Council:**

- 1. Resolve that pursuant to Section 18 of the Local Government (Functions and General) Regulations 1996 the preferred supplier for Tender 02-2017 ‘Collection and Disposal of Refuse’ is Avon Waste for the price of \$306,575 exclusive of GST.**
- 2. Resolve that the contract be for a period of 3 years with the option of a 2 year extension.**
- 3. Resolve that pursuant to section 9.49a of the Local Government Act 1995, that the CEO negotiate and prepare a contract for the services to be executed, and that the common seal be affixed.**

**CARRIED 3/2**

Cr Thornton and Cr Carslake returned to the chamber at 5.54pm.

<i>Item No/ Subject:</i>	<b>12.1.2 Confidential Item – RFT 03-2017 Supply of Hired Road Construction Plant with Operators for Road Flood Damage Repairs</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>5 December 2017 – Chris Linnell</b>
<i>Responsible Officer:</i>	<b>Chris Linnell – Chief Executive Officer</b>
<i>Applicant/Proponent:</i>	<b>Chief Executive Officer</b>
<i>File Number:</i>	<b>RD.TEN.1</b>
<i>Previous minute/s &amp; Reference:</i>	

### **COUNCIL RESOLUTION**

**1712015**                      **Moved:        Cr Stokes**  
   **Seconded:   Cr Carslake**

**That with respect to Tender 03-2017 ‘Supply of Hired Road Construction Plant with Operators for Road Flood Damage Repairs’, Council:**

- 1. Resolve that pursuant to Section 18 of the Local Government (Functions and General) Regulations 1996 the preferred supplier for Tender 03-2017 ‘Supply of Hired Road Construction Plant with Operators for Road Flood Damage Repairs’ is BPH for the estimated total cost of \$3,697,050, exclusive of GST.**
- 2. Resolve that pursuant to section 9.49a of the Local Government Act 1995 a contract for the service be prepared and executed by staff and that the common seal be affixed.**

**CARRIED 7/0**

<i>Item No/ Subject:</i>	<b>12.1.3 Confidential Item – RFT 04-2017 Supply of Site Supervision Services for Road Flood Damage Repairs</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>5 December 2017 – Chris Linnell</b>
<i>Responsible Officer:</i>	<b>Chris Linnell – Chief Executive Officer</b>
<i>Applicant/Proponent:</i>	<b>Chief Executive Officer</b>
<i>File Number:</i>	<b>RD.TEN.1</b>
<i>Previous minute/s &amp; Reference:</i>	

### **COUNCIL RESOLUTION**

**1712016**                      **Moved: Cr Collins**  
**Seconded: Cr Stokes**

**That with respect to tender 04-2017 ‘Supply of Site Supervision Services for Road Flood Damage Repairs’, Council:**

- 1. Resolve that pursuant to Section 18 of the Local Government (Functions and General) Regulations 1996 the preferred supplier for Tender 04-2017 ‘Supply of Site Supervision Services for Road Flood Damage Repairs’ is Dean’s Contracting (Martin Dean) for the estimated total cost of \$260,700, exclusive of GST.**
- 2. Resolve that pursuant to section 9.49a of the Local Government Act 1995 a contract for the service be prepared and executed by staff and that the common seal be affixed.**

**CARRIED 7/0**



<i>Item No/ Subject:</i>	<b>12.1.4 Confidential Item – EMCCS Relocation Cost</b>
<i>Date of Meeting:</i>	<b>21 December 2017</b>
<i>Date &amp; Author:</i>	<b>30 November 2017 – Chris Linnell - CEO</b>
<i>Responsible Officer:</i>	<b>Chris Linnell – Chief Executive Officer</b>
<i>Applicant/Proponent:</i>	<b>Ms Jennifer Goodbourn</b>
<i>File Number:</i>	<b>PE.RCR.2</b>
<i>Previous minute/s &amp; Reference:</i>	<b>Special Meeting 27 November Resolution 1711015</b>

### **COUNCIL RESOLUTION**

**1712017                      Moved:        Cr Collins  
                                      Seconded:    Cr Stokes**

**That with regard to the Policy 4.2 ‘Removal Expenses’, Council:**

- 1. Resolve to increase the reimbursement for removal expenses by \$1,500 above current policy for the relocation of the newly appointed Executive Manager Corporate and Community Services.**
- 2. Note that Policy 4.2 will be updated as part of the Policy Manual review in early 2018.**

**CARRIED 7/0**

### **COUNCIL RESOLUTION**

**1712013                      Moved:        Cr Agar  
                                      Seconded:    Cr Collins**

**That the meeting be reopened to members of the public.**

**CARRIED 7/0**

The meeting was reopened to members of the public at 5.59pm.

12.2    Public reading of resolutions that may be made public

Nil

**13. Closure**

The President declared the meeting closed at 6.00pm.

.....**Presiding Person**

**Next Meeting** - Ordinary Council Meeting 15 February 2018