



Corporate Governance
Directorate

APPENDICES

Items 12.4.1 – 12.4.7

ORDINARY COUNCIL MEETING

To Be Held

Wednesday, 22nd of June 2022

Commencing at 5.00pm

At

Shire of Dardanup
ADMINISTRATION CENTRE EATON
1 Council Drive – EATON

This document is available in alternative formats such as:
~ Large Print
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Upon request.



Item 12.4.1A
Draft Annual Budget
2022-23

Under Separate Cover

[Appendix ORD: 12.4.1B]

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		Draft Annual Budget 2022/2023						
RISK THEME PROFILE:		3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)						
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	The financial implications associated within the elements of the Annual Budget can affect the financial sustainability of Council.	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not Required - No Risk Identified	N/A	N/A
LEGAL AND COMPLIANCE	Legislative requirements and compliance determine the need for the production of an Annual Budget	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not Required - No Risk Identified	N/A	N/A
REPUTATIONAL	The inclusion of projects and works within the various plans within the Annual Budget build community expectation.	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not Required - No Risk Identified	N/A	N/A
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not Required - No Risk Identified	N/A	N/A



Item 12.4.2A
Strategic Financial Plan
2022/23 – 2031/32

Under Separate Cover

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Strategic Financial Plan 2022/23 – 2031/32

RISK THEME PROFILE:

3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	The financial implications associated within the elements of the Strategic Financial Plan can affect the financial sustainability of Council	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not Required - No Risk Identified	N/A	N/A
LEGAL AND COMPLIANCE	Legislative requirements and compliance determine the need for the production of various plans and financial projections	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not Required - No Risk Identified	N/A	N/A
REPUTATIONAL	The inclusion of projects and works within the various plans within the Strategic Financial Plan build community expectation.	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not Required - No Risk Identified	N/A	N/A
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not Required - No Risk Identified	N/A	N/A

[Appendix ORD: 12.4.3A]

Lease Fee Matrix

	Weighting	User Score	Weighted Score out of 5.0	Total Lease Fee Per Annum
Building Use	30%	0	0	\$0
Building Size	25%	0	0	
Building Condition	35%	0	0	
Land Size	10%	0	0	
	100%		0.00	

Lease Fee Scale										
Weighed Score	1	2	3	4	5	6	7	8	9	10
5	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000	\$8,000	\$9,000	\$10,000
4	\$500	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000	\$8,000	\$9,000
3	\$200	\$500	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000	\$8,000
2	\$52	\$200	\$500	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$7,000
1	\$0	\$52	\$200	\$500	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000

Buiding Use Table		
Level	Rating	Description
5	Commercial	Commercial premises
4	Club with Bar	Licenced venue
3	Serviced Building	Facility suitable for events
2	Meeting Room	Meeting rooms
1	Storeroom/shed	Storage space

Lease Fee Table		
Level	Rating	Annual Fee
10	Commercial	\$10,000
9	Sporting Club with Bar & TAB	\$8,000
8	Sporting Club with Bar	\$7,000
7	Community Club with Bar	\$6,000
6	Sporting or Charitable Club	\$5,000
5	Community Group	\$4,000
4	Tourism	\$3,000
3	Social Group	\$2,000
2	Not For Profit Group	\$52
1	Benevolent / Charitable	\$0

Buiding Size Table		
Level	Rating	Description
5	Very Large	>500 m2
4	Large	300 - 499 m2
3	Medium	150 - 299 m2
2	Small	80 - 149 m2
1	Very Small	<79 m2

Buiding Condition Table		
Level	Rating	Description
5	Excellent	Contemporary architectural features with modern services. Built with quality product and furnished to a high standard. Well maintained. Age guide < 10 years.
4	Good	Structurally sound, built with quality materials at the time and has been well maintained. Renovations undertaken in past 10 year period so services are modern and comfortable. Age guide 11 - 29 years.
3	Fair	Requires ongoing restoration works. May contain asbestos. Requires maintenance, potentially structural maintenance. No major renovations have been undertaken and the furnishings and building services are limited and dated. Age guide > 30 years.
2	Poor	Requires major restoration to maintain habitability. Structural issues need attention in next 5 years, may contain disturbed asbestos.
1	Very Poor	Structurally unsound, not fit for use.

Land Size Table		
Level	Rating	Description
5	Very Large	>2,500 m2
4	Large	2,000 - 2,499 m2
3	Medium	1,000 - 1,999 m2
2	Small	100 - 999 m2
1	Very Small	<99 m2
0	No Land	0 m2

[Appendix ORD: 12.4.3B]

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Shire of Dardanup – New Lease Template

RISK THEME PROFILE:

4 - Document Management Processes

RISK ASSESSMENT CONTEXT:

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Failure to establish a preferred template could lead to incorrect charges and loss of income for leasing of Council property.	Minor (2)	Likely (4)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Establishment of a Council endorsed template will ensure compliance for future lease agreements.	Moderate (3)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Inconsistencies in lease agreement terms could lead to damage to the Shires reputation	Moderate (3)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

[Appendix ORD: 12.4.3C]

From: Cameron Walton <Cameron.Walton@besc.com.au>
Sent: Thursday, 2 June 2022 9:34 AM
To: Aly Smith
Cc: Eaton Beavers; eatoncc.secretary@gmail.com; eatonjfc@yahoo.com.au; André Schönfeldt; Susan Oosthuizen
Subject: Pratt Rd Lease variations
Attachments: LTR_220510_EJFC ECC Pratt Rd Lease Variations.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

⚠ CAUTION: This email originated from outside the Shire of Dardanup. Do NOT click links or open attachments unless you recognize the sender and know the content is safe. Do NOT enter any username or passwords and report any suspicious content.

Hi Aly

ECC have reviewed proposal as issued in the attached letter for proposed lease variations. We are in agreeance with the proposal and will accept costs based on \$3,800 p.a. requiring ECC commitment @ 50% \$1,900
May I ask if we can be invoice separately for each club i.e. 2 invoices p.a. during the cricket season cycle and the footy season cycle?
Example cricket December/January and footy in June/July or thereabouts?

Ta Wal (Cameron)

Cameron Walton - Commercial Manager



Check us out! www.besc.com.au

10 Verschuier Place Davenport (Bunbury) WA 6230

EC380 ABN:25 009 014 724 ACN:009 014 724

Phone: (08) 9726 2722 Mob: 0418 904 017

E-mail: cameron.walton@besc.com.au



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[Appendix ORD: 12.4.3C]

From: L and T Allen <lainwa@ozzienet.net>
Sent: Wednesday, 1 June 2022 3:41 PM
To: Aly Smith
Cc: Bruce Pegler
Subject: Future Lease Agreement
Attachments: Shire Lease 2022.docx

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Aly

Sorry for the delay I didn't think this agreement would apply to us as we only have access to the area on a peppercorn arrangement with the Shire. We do not use any of the Shires services or equipment.

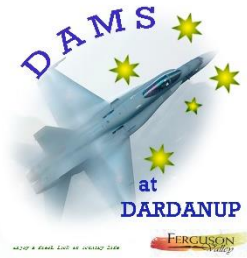
If you need any further information please don't hesitate in contacting me

Kind Regards

LARRY Allen

DAMS Secretary

[Appendix ORD: 12.4.3C]



Dardanup AeroModellers Society (Inc.)
Secretary - LARRY ALLEN
46 Millard Street
Eaton. W.A. 6232
Contact: Email lainwa@ozzinet.net
Mobile: 0414 517 140

June 1, 2022

Shire of Dardanup
1 Council Drive
Eaton
W.A. 6232

Mr. Andre Schonfeldt

Dear Sir

With reference to your letter re "The future lease agreement and facility user agreement" I would hope the existing fee arrangement would remain as the model flying club only uses the land to fly model planes from. No other services or equipment are provided by the Shire. The area was provided by the Shire to enable a model flying area to be established in Shire so that we have a place to fly model aircraft in safe controlled environment.

Dardanup Aeromodellers Society Inc. (DAMS) is a non-for-profit club with no income and club fees are set to cover the operating costs to maintain the field and equipment as well as pay for insurance which is arranged through our national body the Model Aeronautical Association of Australia (MAAA).

DAMS has set the flying site up with no help from the Shire. DAMS has had to provide and pay for the establishment of the site, such things as a separate access gate and road, provide site offices for the storage of equipment, a sea container for the secure storage of mowing equipment and provide a disabled toilet. All these items have been bought and paid for by DAMS, the club has been flying at the Panizza Road site for over approximately 20 years and all this time has provided a safe area to fly model planes of all sizes with the help of the Shire providing an area to enable this to happen.

DAMS on renewal of the lease agreement would hope the existing fee structure would still apply as any increase in costs associated with the site would place an undue cost on the members of a small club with only 35 members.

Yours Faithfully
LARRY ALLEN
Secretary DAMS



FERGUSON VALLEY MARKETING INC

2 June 2022

Mr Andre Schonfeldt

CEO, Dardanup Shire Council
PO Box 7016
EATON WA 6232

Dear Andre

RE: FUTURE LEASE AGREEMENT TEMPLATE & FACILITY USER AGREEMENT

I refer to your email of 10 May 22 in relation to the Future Lease Agreement template.

It is noted that in the attached letter template it indicates the following:

“Based upon the proposed Lease Fee Matrix, your annual lease fee would be \$1,800 +gst, which would only be introduced if a new lease was established at the end of your current lease term. This fee will be subject to review as part of the annual fees and charges review.”

Ferguson Valley Marketing Inc is a not-for-profit organisation and with a limited ability to raise funds such as those identified in the template. It is considered that this would be more applicable to organisations such as sporting facilities etc.

Noting this, Ferguson Valley Marketing Inc asks that the lease fee for any future lease agreements be reconsidered noting its not-for-profit status.

Yours sincerely

A handwritten signature in black ink, appearing to read "Wendy Perdon", is written over a light grey rectangular background.

Wendy Perdon

Chair
Ferguson Valley Marketing Inc.

[Appendix ORD: 12.4.3C]

From: Les Brook <brooklcb@outlook.com>
Sent: Friday, 27 May 2022 1:44 PM
To: Aly Smith
Subject: RE: Shire of Dardanup

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Aly
Sorry missed your email yesterday but confirm no further comment.

Regards
Les
President and Acting Secretary EBSC.

From: Aly Smith <Aly.Smith@dardanup.wa.gov.au>
Sent: Thursday, 26 May 2022 4:01 PM
To: Les Brook <brooklcb@outlook.com>
Subject: RE: Shire of Dardanup

Hi Les,

Just checking if you were intending to submit further comment on the Lease template or is your initial email everything?

Kind regards,
Aly Smith
Building Property Management Officer



A: 1 Council Drive | PO Box 7016 | Eaton WA 6232
T: 08 9724 0341 | **E:** Aly.Smith@dardanup.wa.gov.au
W: www.dardanup.wa.gov.au



From: Les Brook <brooklcb@outlook.com>
Sent: Wednesday, 25 May 2022 1:15 PM
To: Aly Smith <Aly.Smith@dardanup.wa.gov.au>
Subject: RE: Shire of Dardanup

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Aly
Thanks for your quick response, much appreciated.

Regards

[Appendix ORD: 12.4.3C]

Les
President and Acting Secretary EBSC

From: Aly Smith <Aly.Smith@dardanup.wa.gov.au>
Sent: Tuesday, 24 May 2022 3:53 PM
To: Les Brook <brooklcb@outlook.com>
Subject: RE: Shire of Dardanup

Hi Les,

Thank you for your email. Responses below in blue.

I get the feeling we've over simplified the terms in the summarised table and that's where some of your questions stem from.

Kind regards,

Aly Smith

Building Property Management Officer



A: 1 Council Drive | PO Box 7016 | Eaton WA 6232
T: 08 9724 0341 | **E:** Aly.Smith@dardanup.wa.gov.au
W: www.dardanup.wa.gov.au



From: Les Brook <brooklcb@outlook.com>
Sent: Tuesday, 24 May 2022 2:28 PM
To: Aly Smith <Aly.Smith@dardanup.wa.gov.au>
Subject: FW: Shire of Dardanup

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Aly

I received this email from Renee while I was away in Esperance and have now had time to review and have several comments/concerns/objections regarding this proposed new lease agreement template, which I have noted below:

1. Given you are our first point of contact for our lease agreement I would have thought this letter would have been issued by you (on behalf of CEO). If this was the case, then possibly a number of these errors could have been avoided. I do note the letter requests we direct our comments to you. Renee is in our Governance team and they often assist in the distribution of bulk mail outs. I agree it seems there's a number of errors that should've been avoided.
2. The letter is addressed to me at Eaton Bowling and Sporting Club, should be Eaton Bowling and Social Club. Noted
3. The letter states "At the 27th April 2022, Ordinary Council meeting Council resolved and supported the draft terms and conditions of a new Shire of Dardanup Lease Agreement Template". When we negotiated this new lease in the second half of 2021, we were advised that one of the reasons we required a new lease agreement was to comply with the new approved Shire of Dardanup Lease Agreement Template. Could you please confirm this is the same lease agreement template we signed last year? My understanding is that EBSC was one of the first you sign onto the new lease agreement template. This template is based on the agreement template that was signed by the Eaton Bowling and Social Club. There have been some minor changes following a Councillor workshop and legal review.

[Appendix ORD: 12.4.3C]

4. The letter states that “your current lease will continue to remain in force until it expires on 31st May 2042” The agreed and executed lease states under **The Schedule, Item 4, Term**, that the lease commencement date is 1st July 2021 and expiry date is 30th June 2041. Clearly this is an error. [Agreed, this is an error](#). It further states **The Schedule, Item 5, Term of Renewal**, that a further 10 years with a commencement date of 1st July 2041 and expiry date of 30th June 2051. [This is correct however we only talk about the current term as the lease term as the further 10 year term is not yet taken up](#). Correct that the expiry is 30 June 2051 once the further term is renewed.
5. In the new lease agreement table, it states PL insurance payable by Lessee (\$10M). We were forced by shire to increase our PL insurance to \$20M (at additional cost to EBSC) as per the new template. Is this \$10M an error? If not, please explain. [\\$10M is for charitable and recreational groups, the Councillor workshop was clear that it should be \\$20M for clubs holding a full liquor license](#). My apologies, this should’ve been added to the table.
6. In the new lease agreement table it states “Internal fit-out, repairs, maintenance and replacement of items; payable by lessee.” The current agreed and executed lease under **The Schedule, Item 11, Schedule of Maintenance**, clearly sets out the responsibilities of the Lessee and the Lessor regarding Fit Out, Maintenance and Repairs and we object to the change. [It is usual for an ingoing Lessee to design & pay for the internal fit-out & maintenance of that fitout](#). Being that the bowling club was purpose built there weren’t as many initial fitouts required. This is more relevant to a new Lessee moving into say an old community building & fitting it out to suit their purpose. Happy to note your objection if your belief is that the Shire should be paying for Lessee’s fitouts, can you please confirm or have I misinterpreted? The set out of the Schedule of Maintenance in the lease will remain for the template as shown in the EBSC lease.
7. In the new lease agreement table, it states “Emergency Services Levy payable by Lessee” this levy is a new charge by council. We object to this new charge being implemented (in 2051) as is included in the lease fee. [Noted](#)
8. In the new lease agreement table, it states, “Other taxes or charges payable by Lessee” We require clarification of this point. [I will need to clarify, I’ll get back to you on this one](#).
9. In the new lease agreement table, it states, “Fire Fighting Equipment payable by Lessee” Please clarify if this means supply and installation of equipment or the statutory inspections/checks. [Confirming this is for Fire Fighting Equipment checks. This will be as per your special condition 12.3](#).
10. In the new lease agreement table, it states, “Term of Lease Generally 5 years however will be considered on a case by case basis” EBSC currently has 20 years with an option of a further 10 years. It is not practical for a club like ours to operate on a shorter duration than this. EBSC seeks assurance from council that the renewal term will remain as is. [It is the intent that following expiration of your further 10 year term \(in 2051\), Council would have the flexibility to grant a longer term lease given the long history](#). New leases such as a new Lessee that the Shire don’t have a history with moving into a shire building, would start with a 5 year lease & proceed from there.

The letter states that “Based upon the proposed Lease Fee Matrix, your annual lease fee would be \$8,200 +gst, which would only be introduced if a new lease was established at the end of your current lease term. This fee will be subject to review as part of the annual fees and charges review.” The current agreed and executed lease under **The Schedule, Item 8, Rent Review dates**, we have a set % increase per annum for the term of the lease and this is to be reviewed if lease is renewed. We object to the annual review and seek assurance that the current lease clause remains the same. [Please be assured that the conditions of your current lease will remain until it expires](#). [All Fees and Charges are reviewed annually by Council and it is the intent that Council have the option to review the Lease Fee Matrix when required so that future new leases are charged a relevant rent](#). However, objection is noted.

Feel free to contact me direct if you require any clarification or additional information.

Regards

Les

President and Acting Secretary EBSC

From: Renee Milbanke <Renee.Milbanke@dardanup.wa.gov.au>

Sent: Wednesday, 11 May 2022 2:53 PM

To: brooklcb@outlook.com

Cc: sec@eatonbowling.com.au

Subject: Shire of Dardanup

[Appendix ORD: 12.4.3C]

Good afternoon Les,

I have attached a copy of a copy of a letter for the future lease agreement template and facility user agreement for the Shire of Dardanup.

Kind Regards,

Renee Milbanke

Governance Officer



A: 1 Council Drive | PO Box 7016 | Eaton WA 6232

T: (08) 9724 0000 | **E:** Renee.Milbanke@dardanup.wa.gov.au

W: www.dardanup.wa.gov.au



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6 June 2022

**Mr Phil Anastasakis
Acting Chief Executive Officer**

Shire of Dardanup

1 Council Dve

Eaton 6232

Dear Phil,

Re; Proposed Lease Fee for the Dardanup Sporting and Community Clubs Inc.

The DSCC is completely opposed to the application of a lease fee as we do not believe we are leasing the facility from the Shire but rather providing a management structure for the facility on behalf of the Shire.

The DSCC ensures a community building is maintained in good condition and its use is well managed throughout the year for member clubs and other community groups wanting to use the facility. The DSCC manage the usage of 8 member Clubs - Eaton/ Dardanup Football Club, Dardanup Junior and Senior Cricket, F.V. Mountain Bike Club, Dardanup Basketball Club, Dardanup Tennis Club, SW Rose Soc, SW Veteran Car Club and Dardanup Bull and Barrel Festival. This takes considerable organising and relieves the Shire of work if the Shire had to perform this function.

The above Clubs already pay an annual membership fee to the DSCC which is used for cleaning, insurance and maintenance costs. On top of this these Clubs already have their own costs incurred in running their Clubs so another fee will place another burden on Clubs that already give so much volunteer time, support the social fabric of our community and in some cases totally unaffordable for those Clubs.

Over the last 10 years the DSCC has upgraded the Clubrooms with new carpet, new urn, new pie warmer, air conditioning, CCTV, alarm system, veranda re painted, new cutlery and crockery, blinds and large storage shed. The Shire has assisted with this equipment and capital upgrades but majority of funding and volunteer labour has been provided by the DSCC. Currently the DSCC are upgrading the canteen so this can be used by Clubs since the Shire has not permitted this area to be used for food preparation. The canteen is a Shire building, included in the proposed lease matrix but unable to be satisfactorily used leaving it up to the DSCC to upgrade. Much of this upgrading is being done by volunteers.

The DSCC manage the bookings and usage of the Clubrooms for the Dardanup Seniors, Mens Welfare Group and Dardanup Sewing Club. Other community Groups such as the Art Spectacular and Dardanup Res Assoc also meet at the Clubrooms occasionally. The DSCC manages the bookings of these Clubs on behalf of the Council and provides a low cost usage option for these Clubs and therefore service to the community.



Dardanup Sporting and Community Clubs Inc.

C/_ Post Office Dardanup 6236

With reference to the specifics of the lease fee matrix, the Shire has rated the DSCC as a community group when in fact we are a not for profit group as set out in our model rules and all the groups that are members Clubs of the DSCC are also not for profit groups as defined by their model rules.

Yours faithfully,

Jill Cross

Secretary

Dardanup Sporting and Community Clubs Inc

[Appendix ORD: 12.4.3C]

25 May 2022

Your reference: LEA-R1185311

Dear Mr Schönfeldt,

RE: FUTURE LEASE AGREEMENT TEMPLATE & FACILITY USER AGREEMENT

Thank you for the email sent on 10 May 2022.

After lengthy discussions within the Ferguson Hall Management Committee (FHMC), its members respectfully seek an amendment to the Shire's draft proposal, which seeks 'payment' from the FHMC for managing the Hall on behalf of the Shire.

The FHMC feel that **the new Lease Proposal is unfair and unreasonable** if it is applied to the Ferguson Hall.

The FHMC strongly put forward the views:

- Any future lease agreement with the FHMC should maintain the lease fee of one peppercorn per annum, as stated in our current lease agreement, and provision for the Shire to make financial grants to the FHMC to enable the FHMC to fulfil its requirements in the operation and maintenance of the Ferguson Hall.
- We do not believe the current and any future agreement which devolves the very significant management effort and costs for the operation and maintenance of the Ferguson Hall to the FHMC can be reduced to a simple "Lease Fee Matrix" based solely on the use, condition, and area of the building, and the area of the land.
- The complex individual and shared responsibilities of the FHMC and the Shire, tabulated in the current agreement, attest to its complexity and reveal the unique arrangement currently in place, which does not fit within the boundaries of a standard Lease Fee Matrix as proposed by the Shire.
- A lease payment of potentially \$4,000 is contrary to the acknowledgement in the existing agreement that the Shire should be responsible for grants to the FHMC to fulfil the obligations placed on the FHMC for the management and maintenance of the property.
- The proposed fees, terms and conditions that would apply under the new Lease Agreement do not provide any appreciable relief to the costs and effort currently required of the FHMC.
- No mention is made in the letter of 10 May regarding the continuation of grants from the Shire to the FHMC for fulfil its responsibilities – if these were to cease and were coupled with the imposition of a lease payment in the order of \$4,000, the viability of the FHMC would be sorely tested.
- The Ferguson Valley community has had a close association with the Ferguson Hall for over a century, having recently celebrated 100 years, and contributed much through its rebuilding, on-going maintenance, and management. They are looking forward to this continuing into the future through collaboration with the Shire

The Ferguson Hall is an important local meeting place and venue for community functions, not to mention its historic importance (now 100 years old) and value to the local community. The Ferguson

[Appendix ORD: 12.4.3C]

Hall is managed and administered by a committee of passionate volunteers, who spend many hours of their personal time maintaining and managing the Hall and facilitating its use by the community on behalf of the Shire and the community. Historical records from October 1916 show a public meeting was held for the purpose of forming a Hall committee. The FHMC is operated on a not-for-profit basis, with the monies raised through use of the Hall and community functions to support regular community events, maintenance, repairs, and improvements to the Hall and its surrounds.

The Shire's draft proposal stated that our annual lease fee would be over \$4,000 (including GST). After reviewing the Lease Fee Matrix, the FHMC suggests that it has been incorrectly categorised as a Community Group. The FHMC is a not-for-profit organisation. As such, the fee payable per the draft proposal should only be \$500. I believe this was confirmed by Mrs Smith during a discussion with Mrs Humphreys. Whilst this reduced amount is more reasonable, the FHMC remains concerned that it, and the community that utilise it, are still required to pay for a lease of the Hall despite the Committee's purpose being to manage and maintain the Hall on behalf of the Shire and the community.

In its current form, the only benefits that the FHMC would receive under the draft proposal is the responsibility of the rubbish service shifting from the FHMC to the Shire. Our historical records show that this would be an annual saving to the FHMC of around \$100.

The FHMC receives from the Shire an annual contribution of around \$2,900 to assist with the costs of maintenance and administration, which is greatly appreciated and needed. However, because of the Shire's current draft proposal, there is now uncertainty on whether this annual contribution will continue. If the FHMC is forced to now pay the Shire, as described in its draft proposal, this payment would appear to negate the annual contribution made by the Shire. Furthermore, if the FHMC has to make this payment to the Shire and to not receive the annual contribution, this will have a significant affect (funds reduced by over \$7,000/yr, or over \$3,000/yr based on a \$500 lease fee) on the Committee's ability to maintain the Hall and facilitate its use. The FHMC considers this to be unreasonable.

While the FHMC supports the introduction of a standardised approach to managing the Shire's facilities, its members have witnessed within the community substantial concern and anxiety regarding the draft proposal and the way it has been communicated. It appears that community groups/users of Shire facilities have been given only 2 weeks to respond to this proposal, a proposal that could adversely affect their viability. A timeframe of only **two weeks' notice is inadequate** given many groups, including the FHMC, only meet once a month or less. This timeframe is unreasonable particularly as it appears that the Shire has been formulating this proposal over an extended period, apparently with no prior consultation with the groups affected.

As explained above, the FHMC seeks the Shire's support to amend its Future Lease Agreement Template, and specifically its standardised schedule of fees and charges, for the use of Shire facilities such that volunteer organisations that are operated on a not-for-profit basis and that manages and administers a Shire facility on behalf of the Shire be exempt from paying a lease fee. As such we request that **the FHMC be exempt from paying a lease fee.**

Your Sincerely

Otto Van Kampen

President | Ferguson Hall Management Committee

[Appendix ORD: 12.4.3C]

Shire Of Dardanup

Attention: Attention Aly Smith

email: Aly.Smith@dardanup.wa.gov.au

Dardanup Equestrian Centre (Inc.)

PO Box 224

Dardanup WA 6236

email: dardanupsecretary@gmail.com

26th May 2022

Good morning Aly,

In response to the Lease Template terms and fees, while it does not apply to the Dardanup Equestrian Centre until 2041, we would like to make the following comments.

- Sport & recreation facilities should be exempt from any fees. Apart from clubs that run bars and supply meals in the form of fundraising, most sporting clubs are run by volunteers who contribute their time and sometimes supply financial input to run said clubs. Sport and recreation are important for health/wellbeing and mental stimulation.
- To apply fees to volunteer run clubs puts an enormous strain on the volunteers who are already overworked and in most cases time poor. Any fees the Shire applies to these clubs will cause membership fees to increase to an amount which will be unsustainable and fundraising will have to take place which generally falls onto the volunteer committee who fast burn out and leave. The result being the club will fold.
- We believe Sport and Recreation should be supported and it is the obligation of the Shire to encourage clubs and not deter them by charging onerous fees.

[Appendix ORD: 12.4.3C]

- The Dardanup Equestrian Centre was started and has progressed to the position it is today by the generous and long-time hard work of volunteers over the years. The Shire of Dardanup contributed a small amount to the construction of the Campdraft yards (where we all agreed for the yards to be used as the Shire pound for cattle/horses etc). State funded with matching volunteer input was used for the majority of the facility.

Regards

Catherine Miller

Secretary

Dardanup Equestrian Centre

[Appendix ORD: 12.4.3C]

From: eatonfamilycentre@gmail.com
Sent: Thursday, 26 May 2022 10:13 AM
To: Aly Smith
Subject: Eaton Family Centre Building Lease Agreement
Attachments: Dept for Communities.docx

⚠ CAUTION: This email originated from outside the Shire of Dardanup.
Do NOT click links or open attachments unless you recognize the sender and know the content is safe. Do NOT enter any username or passwords and report any suspicious content.

Good Morning Aly,

Subject: FUTURE LEASE AGREEMENT TEMPLATE & FACILITY USER AGREEMENT

I emailed Mark Murphy from the Department of Communities on the 16th May, regarding the extension of the current building lease agreement held between the Shire of Dardanup and the Department of Communities, however as of this morning I have not received a response.

Aly is there anything further you wish me to action or has Mark Murphy contacted the Shire of Dardanup directly?

Thank You Aly

Kind Regards

Anne Jones
Centre Manager
Eaton Family Centre
P O Box 7010
EATON WA
Telephone: 08 97251655



From: Renee Milbanke <Renee.Milbanke@dardanup.wa.gov.au>
Sent: Wednesday, 11 May 2022 2:56 PM
To: mark.murphy@communities.wa.gov.au
Cc: eatonfamilycentre@gmail.com
Subject: Shire of Dardanup

Good afternoon Mark and Ann,

I have attached a copy of a copy of a letter for the future lease agreement template and facility user agreement for the Shire of Dardanup.

Kind Regards,

[Appendix ORD: 12.4.3C]

From: Eaton JFC <eatonjfc@yahoo.com.au>
Sent: Wednesday, 25 May 2022 8:55 PM
To: Aly Smith
Subject: Lease feedback from Eaton junior football club
Attachments: Eaton Jnr Football.docx

Follow Up Flag: Follow up
Flag Status: Flagged

⚠ CAUTION: This email originated from outside the Shire of Dardanup.
Do NOT click links or open attachments unless you recognize the sender and know the content is safe. Do NOT enter any username or passwords and report any suspicious content.

Hello Aly

In response to new lease agreement there is a few points that we EJFC would like to raise

1:As a non for profit organisation we would like the shire to consider the cost involved in the lease as we as a club do this for junior players to play sport along with bringing the community together as I am concerned if the club has a bad year or years the pressure to pay all cost may escalate , that may then result in the kids been punished by not having a facility or club to be involved in around the Eaton community

As we see this cost as rather large, while promoting kids to play sports and be part of a community

2:Could I please ask for more information on council rubbish services (1 rubbish standard service) will there be any changes in cost (different to what we pay now)as we have multiple bins around 6 bins at oval as this is needed to cover spectators viewing spaces (is this still classed as a 1 standard service)

3:other taxes and charges (not sure what this may involve)

4:Aly as spoken about today over the phone the Ejfc would also like to raise the issue of having a bar in our lease as a junior competition we have no need to have a licensed facility as it goes against all rules in place as the swjfl have a no alcohol policy at junior games . Having the bar removed of our lease agreement would be our choice as a football club

Kind regards

Brendon Billett

President

Eaton junior football club

Sent from my iPhone

[Appendix ORD: 12.4.3C]



BUREKUP & DISTRICT COUNTRY CLUB INC.
Russell Road, BUREKUP, WA, 6227
President: Errol Sheedy

The Shire of Dardanup
1 Council Drive
EATON WA 6232

ATTENTION: Building Property Management Officer

The Burekup and District Country Club (BDCC) write to you in relation to the letter dated 10th May 2022 concerning ***Future Lease Agreement Template and Facility User Agreement***.

Firstly, it must be stated that it is rather disappointing that your letter, while asking for comment on this matter, provides a fait accompli where you provide a position not seeking comment but telling the BDCC what will happen should the Club choose to renew the lease. Clearly there is no intention of consultation on this matter.

The BDCC has for a long period of time operated in a manner that supports the Burekup and the wider community. It can be demonstrated that our club has raised, and provided, many thousands of dollars into various community endeavors. This includes tennis, cricket, soccer, badminton, and many other community events. This has all be done with volunteer members.

It is now clear, the Shire of Dardanup seeks to move the BDCC away from a community minded club to a more corporate minded organisation.

To set out the impact of this decision on the BDCC one must firstly put matters into perspective. A recent decision by the Shire to close the caravan stop over point in Burekup has already created the potential for ongoing loss of revenue for the Club. Since the closure the Club has received the first cancellation of a booking that has cost the Club more than \$500.00. The extrapolation of this cancellation has the potential to have a financial impact on the club by losing some \$3,000.00 in revenue over a twelve-month period. This figure will unlikely be recoverable from other areas of the Clubs operations.

It is from this fact that we can now consider the additional impact of the decision by the Shire to charge the Club this rental fee. The letter outlines that a fee of \$6,200 +GST (\$6,820.00) has been calculated based on some unknow 'fee scale matrix/Lease fee matrix'.

[Appendix ORD: 12.4.3C]

As a volunteer based not for profit club, the current Committee will be required to consider how/if this cost can be absorbed in the current financial structures of the Club. The Committee must then consider how the additional revenue to service this figure could be raised. The Shire would be clearly aware that the BDCC have very few avenues to raise this money.

An assessment of the situation indicates there are two factors to be considered. Firstly, the loss of income from the previous Shire decision as pointed out previously. The second factor is the rental cost to be imposed by the Shire. This figure accumulates to some \$9,820.00 the BDCC would need to raise. Clearly this figure is significant. In addition, the options available to the Club to raise this figure are minimal. None of these above options available at this point would create a harmonious club for the approximately 200 members.

It must be said that the dollar value to be raised to meet the figure is significant. Between the loss of revenue and the implementation of the Shire fee the Committee has estimated that the Club would need to generate some \$20,000.00 to meet this requirement. This includes the loss of revenue, the cost to the club to provide goods for sale and sale of goods costs. In addition to this, the level of volunteer involvement would need to be substantially increased to meet this level of revenue generation. A level of involvement that is unlikely to be met.

There will also be a need to provide additional volunteer staff to meet the need of the additional hours needed to meet the additional sales and attempts to make the club facilities more attractive in attempts to increase hire arrangements.

The Committee of the BDCC are aware of the impact these considerations will have on the Burekup community in general, but all avenues must be considered. To this end what will be put to our members will be the need to remove from any new lease terminology that requires rental to address the issue of reasonable cost or the inclusion of free rental events. The forced corporatisation of our community Club operations to meet the need of this new rental/lease fee is an indictment on the operations of the Shire.

While our committee could provide significant evidence of expenditure by the Club to maintain the effectiveness of this Shire facility in such an exceptional state for the aged of the building, it is clear this counts for nothing in the Shire decision making processes.

As a final point, the Shire would be aware that the BDCC put in a great deal of effort to gain funding from the state government via our local member of parliament to receive a substantial grant to install a solar power system that would provide a substantial saving to the club. Any savings generated by this system now becomes irrelevant as the club will simply have saved a level of funds that will now be needed to assist in paying the lease payment rather than returned to the community.


Errol Sheedy
President

Burekup and District Country Club
25 May 2022

[Appendix ORD: 12.4.3C]



Burekup Cricket Club Inc
C/- Nathan King – President
10 Florence Moore Way
Burekup, WA, 6227
Nathan.king@south32.net

The Shire of Dardanup
1 Council Drive
Eaton WA 6232

ATTN: Building Property Management Officer

Please find below the Burekup Cricket Club's (BCC) response to the Shire's email dated 11th May 2022 regarding the *Future Lease Agreement Template and Facility User Agreement*.

After discussions, the BCC finds the sum of \$2,000pa (understood to be split 50/50 between the BCC and the Burekup and Districts Country Club due to sharing 6month lease each over the property), elevated and unreasonable. The BCC assumes the Burekup and Districts Country Club have been notified that this 6-monthly shared additional cost will be added to their already substantial \$6,200 proposed annual fee?

We find the sum of \$1,000 per cricket season to lease a 6x6m garden/storage shed, with no amenities or utilities others than power, over the top and something that our small community, country town, cricket club would struggle paying on an annual basis without considerable impact to our volunteers or our fees structure; especially considering the cricket club has had to purchase its own lawn mower and fertilizer, at its own expense, over previous years to upkeep the oval.

The BCC also understands that the proposed Cricket Club Facilities Upgrade / BDCC Extension project, originally planned for 2023/24 has been pushed out several years. This will also have a negative impact on the drawcard and future growth of our club. This delay will also hamper any expected income and will have a direct impact on the clubs' abilities to pay the said lease fees.

The BCC is curious at how the lease fee was determined and whether a schedule of rates from across the Shire would be forthcoming to ascertain how the charges were calculated.

Although the BCC can understand the Shire's position, we feel the pending Lease payments may force our club to fold as we are a smaller club with no facilities to generate an income stream.

Nathan King
President
Burekup Cricket Club Inc

[Appendix ORD: 12.4.4]

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Eaton Boomers Football Club – Interim Charge for User Agreement Seasonal Use

RISK THEME PROFILE:

4 - Document Management Processes

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Possible loss of revenue.	Minor (2)	Likely (4)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Compliance with User Agreement	Minor (2)	Likely (4)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Reputational impact of fees charged	Minor (2)	Likely (4)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

[Appendix ORD: 12.4.5A]

EATON BOWLING AND SOCIAL CLUB INC.

Pratt Road EATON WA 6232

Phone: (08) 9725 1074

Fax: (08) 9725 0124

President: Mr Les Brook

Secretary: Mrs Pat Wainwright

Email: sec@eatonbowling.com.au



1 June 2022

Aly Smith
Dardanup Shire
EATON WA 6232

Dear Aly,

Re: Shire Consent for Sublease

As per requirements of the Shire of Dardanup and Eaton Bowling and Social Club Inc (EBSC) lease agreement section **5.23 Assignment, sub-letting, and charging**. EBSC seeks Shire of Dardanup consent to sub-let the EBSC kitchen to a person or business for the purpose of providing meals to club members and guests. If consent is provided by Shire Council EBSC wish to commence a trial period of three months, with no rent to be charged during this trial period. Meals would be provided on Friday nights and potentially one other day or evening during the trial period.

A commercial sublease agreement would be EBSC preferred arrangement between Shire of Dardanup (Landlord), EBSC (sublandlord) and the caterer (subtenant). This agreement would typically cover all matters required including but not limited to trial period, lease term, rent, usage of premises, utilities, maintenance and repairs, insurances, reference to master lease and any other items required by the Governing Law. EBSC would be happy to utilise an existing Shire lease agreement template or alternatively EBSC could draft an agreement for Shire review and consideration.

One of the reasons EBSC wishes to engage a caterer is our membership has grown to around 550 active members and a large percentage of these new members are social members. We are reviewing ways we can provide services to these members (plus bowlers) other than bowling activities. Also, EBSC is currently undertaking a "Change Project" which will assist in determining the future direction of the club. A key component of this project is the updating of our business plan which includes engaging a caterer which will provide catering services to existing members and attract new members enabling the creation of a new revenue stream which will assist with the ongoing viability of the club into the future.

Over the past twelve months EBSC have considered and trialled several alternative catering options which included utilising our internal catering committee and a combination of our catering committee members and an external catering company providing the pre-cooked meals. However, these options were not sustainable as required too much time and effort of our aging members.

With the new club house and the increased membership this is the appropriate time to enter into this type of sub lease agreement. We have engaged with our members including the Eaton Senior Citizens, Probus Club, Bunbury Ocean Rowing club and the Boot Scooters and have strong support from all for this initiative.

Prior to the submission of this formal request, the EBSC has undertaken a review of available people/businesses experienced, capable and available to take on this role within the club. After an extended advertising and interview process, we have selected an individual we are prepared to proceed with on a three-month trial subject to Shire consent.

[Appendix ORD: 12.4.5A]

EATON BOWLING AND SOCIAL CLUB INC.

Pratt Road EATON WA 6232



Phone: (08) 9725 1074

Fax: (08) 9725 0124

President: Mr Les Brook

Secretary: Mrs Pat Wainwright

Email: sec@eatonbowling.com.au

This person is Charmaine Woodley who is the owner of Chars Cottage business and until recently successfully operated a lunch bar in Eaton. Charmaine has the required business insurances, staff, equipment, capability, and experience to be successful in this venture with EBSC. As part of this interview process, we arranged for Charmaine to provide catering services for a couple of our functions that we were run and managed by our internal catering committee personnel with great success.

If Shire consent is provided then we would like to commence our three-month trial in July 2022, subject to a suitable commercial lease agreement being agreed and executed. During this trial period Charmaine would be directly responsible for providing staff, all food and ingredients, menus, and all small portable equipment. The setting of prices for meals would be by consultation and agreement with EBSC.

If you require and additional information or clarification, please do not hesitate to contact me via phone on 0448866371.

Yours sincerely

A handwritten signature in black ink, appearing to be 'L. Brook', written in a cursive style.

Les Brook
President EBSC

[Appendix ORD: 12.4.5B]

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT:		Eaton Bowling and Social Club – Sub-Leasing of Canteen Facilities						
RISK THEME PROFILE:		4 - Document Management Processes						
RISK ASSESSMENT CONTEXT:		Operational						
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Failure to comply with the terms of the lease agreement could lead to legal non compliance	Minor (2)	Likely (4)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Not supporting the clubs request could be seen in a negative light by the club and its members	Minor (2)	Likely (4)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Monthly Statement of Financial Activity for the Period Ended on the 31st of May 2022

RISK THEME PROFILE:

3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with the legislative requirements that results in a qualified audit.	Minor (2)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Non-compliance that results in a qualified audit can lead stakeholders to question the Council's ability to manage finances effectively.	Insignificant (1)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.



Monthly Financial Report

For the Period

1 July 2021 to 31 May 2022

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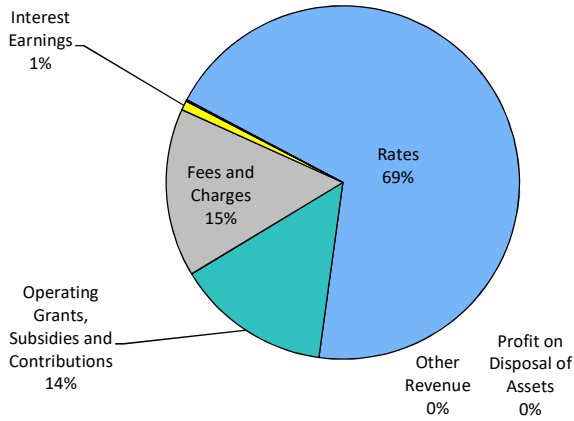
[Appendix ORD: 12.4.6B]



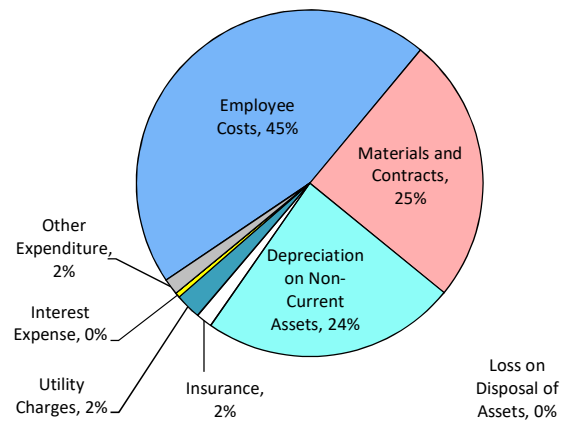
Monthly Financial Report For the Period Ended 31 May 2022

SUMMARY GRAPHS

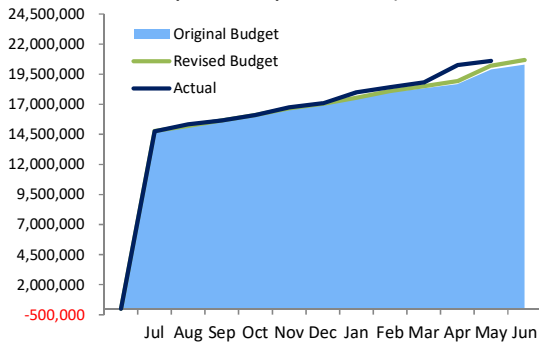
OPERATING REVENUE - ACTUAL YTD



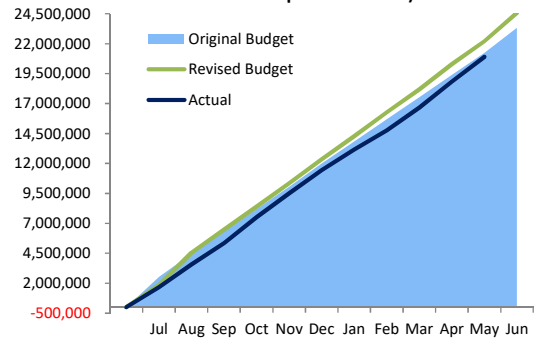
OPERATING EXPENSES - ACTUAL YTD



Total Operating Revenue - Budget - v Actual (excludes profit on disposal of assets)



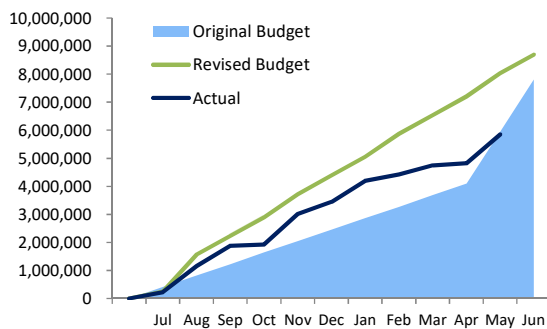
Total Operating Expenses - Budget - v Actual (excludes loss on disposal of assets)



CAPITAL REVENUE

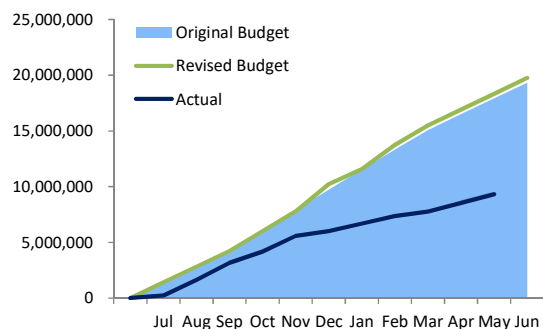
Non-operating grants, subsidies and contributions

Capital Revenue - Budget - v - Actual



CAPITAL EXPENSES

Capital Expenses - Budget - v - Actual



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

[Appendix ORD: 12.4.6B]



Statement of Financial Activity by Program For the Period Ended 31 May 2022 (Covering 11 months or 92% of the year)

Sch	2021/22	2021/22	2021/22	2021/22	Variance Y-T-D	Variance Y-T-D	2021/22	2020/21	
	Adopted Budget \$	Revised Budget \$	Y-T-D Revised Budget \$	Y-T-D Actual \$	Actual to Revised Budget \$	Actual to Revised Budget %	Forecast \$	Last Year Actual \$	
OPERATING ACTIVITIES									
Revenue									
Governance	4	800	800	715	4,282	3,567	498.9%	4,769	23,979
General Purpose Funding	3	15,793,559	15,793,559	15,774,580	16,180,036	405,456	2.6%	16,198,190	15,328,126
Law, Order, Public Safety	5	513,681	859,526	758,817	465,475	(293,342)	(38.7%) ▼	525,342	647,418
Health	7	16,650	16,650	15,257	23,225	7,968	52.2%	23,550	5,489
Education and Welfare	8	6,000	11,000	10,500	1,700	(8,800)	(83.8%)	7,550	10,017
Community Amenities	10	1,770,752	1,770,752	1,733,972	1,713,508	(20,464)	(1.2%)	1,922,514	1,592,566
Recreation and Culture	11	1,687,284	1,873,443	1,688,149	1,672,865	(15,284)	(0.9%)	1,933,923	1,633,968
Transport	12	157,524	157,524	149,975	182,516	32,541	21.7% ▲	177,767	153,523
Economic Services	13	189,980	189,980	174,184	155,206	(18,978)	(10.9%)	161,690	158,933
Other Property and Services	14	3,815,130	3,815,130	3,497,164	212,599	(3,284,565)	(93.9%) ▼	247,800	270,536
Total Operating Revenue		23,951,359	24,488,364	23,803,313	20,611,411	(3,191,902)	(13.4%)	21,203,095	19,824,555
Operating Expenses									
Governance	4	(1,272,496)	(1,377,185)	(1,286,824)	(1,125,654)	161,170	12.5% ▲	(1,365,542)	(1,084,776)
General Purpose Funding	3	(530,474)	(530,474)	(332,245)	(302,892)	29,353	8.8% ▲	(538,210)	(367,084)
Law, Order, Public Safety	5	(1,666,216)	(2,046,461)	(1,879,604)	(1,486,484)	393,120	20.9% ▲	(1,710,347)	(1,736,734)
Health	7	(552,143)	(552,143)	(502,620)	(476,924)	25,696	5.1% ▲	(537,486)	(508,635)
Education and Welfare	8	(878,754)	(913,754)	(840,701)	(792,543)	48,158	5.7% ▲	(901,248)	(831,897)
Community Amenities	10	(3,385,649)	(3,645,363)	(3,090,994)	(2,743,598)	347,396	11.2% ▲	(3,390,984)	(2,805,205)
Recreation & Culture	11	(8,026,956)	(8,198,109)	(7,535,622)	(7,168,769)	366,853	4.9%	(8,367,402)	(8,085,668)
Transport	12	(6,443,340)	(6,600,239)	(5,900,360)	(6,000,577)	(100,217)	(1.7%)	(6,587,487)	(6,352,869)
Economic Services	13	(563,127)	(564,127)	(519,533)	(474,229)	45,304	8.7% ▲	(547,982)	(481,257)
Other Property and Services	14	(408,728)	(438,728)	(412,852)	(322,624)	90,228	21.9% ▲	(440,668)	(710,322)
Total Operating Expenditure		(23,727,883)	(24,866,583)	(22,301,355)	(20,894,293)	1,407,062	6.3%	(24,387,357)	(22,964,447)
Net Operating Activities		223,477	(378,219)	1,501,958	(282,882)	(1,784,840)	118.8%	(3,184,261)	(3,139,892)

(continued next page)

[Appendix ORD: 12.4.6B]



Statement of Financial Activity by Program For the Period Ended 31 May 2022 (Covering 11 months or 92% of the year)

	2021/22 Adopted Budget \$	2021/22 Revised Budget \$	2021/22 Y-T-D Revised Budget \$	2021/22 Y-T-D Actual \$	Variance Y-T-D Actual to Revised Budget \$	Variance Y-T-D Actual to Revised Budget %	2021/22 Forecast \$	2020/21 Last Year 0 Actual \$
Net Operating Activities (from previous page)	223,477	(378,219)	1,501,958	(282,882)	(1,784,840)	(118.8%)	(3,184,261)	(3,139,892)
ADJUSTMENTS OF NON CASH ITEMS								
(Profit)/Loss on Asset Disposals	(3,637,796)	(3,637,796)	(3,334,650)	(11,755)	3,322,895	99.6% ▲	10,534	1,303,513
Accruals	0	0	0	(96,356)	(96,356)	100.0% ▼	42,736	(47,412)
Fair value adjustment to financial assets	0	0	0	0	0	0.0%	0	(2,586)
Movement in contract liabilities associated with restricted cash	(3,053,776)	(3,053,776)	(1,539,438)	(1,503,361)	36,077	2.3%	(3,385,250)	(2,109,196)
Depreciation on Assets	5,635,083	5,635,083	5,165,413	4,974,510	(190,903)	(3.7%)	5,635,083	5,270,048
Adjusted Net Operating Activities	A (833,012)	(1,434,708)	1,793,283	3,080,156	1,286,873	71.8%	(881,157)	1,274,475
INVESTING ACTIVITIES								
Revenue								
Non-operating grants, subsidies & contributions	7,805,595	8,190,106	7,573,956	5,849,462	(1,724,494)	(22.8%) ▼	7,863,701	5,269,566
Proceeds from Disposal of Assets	5,170,384	5,204,784	4,773,904	195,092	(4,578,812)	(95.9%) ▼	252,687	229,045
Total Capital Revenue	12,975,979	13,394,890	12,347,860	6,044,554	(6,303,306)	(51.0%)	8,116,388	5,498,611
Expenditure								
Land & Buildings	(11,269,366)	(11,380,366)	(10,431,872)	(4,743,600)	5,688,272	54.5% ▲	(7,604,162)	(2,077,708)
Infrastructure Assets - Road / Bridges / Paths	(5,843,154)	(5,932,953)	(5,582,186)	(2,876,522)	2,705,664	48.5% ▲	(5,723,847)	(3,989,623)
Infrastructure Assets - Parks & Gardens	(1,041,348)	(1,390,912)	(1,160,379)	(666,086)	494,293	42.6% ▲	(1,361,172)	(363,538)
Vehicles	(600,054)	(835,437)	(765,809)	(587,797)	178,012	23.2% ▲	(947,581)	(531,430)
Plant & Equipment	(499,000)	(499,000)	(457,413)	(398,755)	58,658	12.8% ▲	(399,000)	0
Furniture & Fittings	(90,315)	(95,315)	(87,764)	(53,377)	34,387	39.2% ▲	(74,747)	(24,754)
Total Capital Expenditure	(19,343,237)	(20,133,983)	(18,485,423)	(9,326,136)	9,159,287	49.5%	(16,110,509)	(6,987,053)
Net Capital Activities	B (6,367,258)	(6,739,093)	(6,137,563)	(3,281,582)	2,855,981	46.5%	(7,994,121)	(1,488,442)
FINANCING ACTIVITIES								
Revenue								
Proceeds from New Loans	320,000	320,000	320,000	320,000	0	0.0%	320,000	750,000
Transfers from Reserves	17,937,355	19,089,369	4,894,003	5,278,145	384,142	7.8% ▲	15,347,310	7,607,708
Total Financing Revenue	18,257,355	19,409,369	5,214,003	5,598,145	384,142	(7.4%)	15,667,310	8,357,708
Expenditure								
Repayment of Loans	(349,517)	(349,517)	(328,167)	(333,977)	(5,810)	(1.8%)	(328,172)	(250,116)
Principal element of finance lease payments	(334,246)	(334,246)	(307,577)	(188,296)	119,281	38.8% ▲	(305,270)	(165,751)
Transfers to Reserves	(10,526,326)	(11,356,326)	(830,000)	(2,792,175)	(1,962,175)	(236.4%) ▼	(6,943,737)	(7,241,183)
Total Financing Expenditure	(11,210,089)	(12,040,089)	(1,465,744)	(3,314,448)	(1,848,704)	(126.1%)	(7,577,179)	(7,657,050)
Net Financing Activities	C 7,047,266	7,369,280	3,748,259	2,283,697	(1,464,562)	39.1%	8,090,131	700,658
FUNDING SOURCES								
Surplus/(Deficit) July 1 B/Fwd	D 169,557	961,190	961,190	961,190	0	0.0%	961,190	474,501
CLOSING FUNDS (A+B+C+D)	16,552	156,668	365,169	3,043,461	2,678,292	(733.4%)	176,043	961,193

KEY INFORMATION

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

▲ indicates a positive impact on the surplus/deficit position. ▼ indicates a negative impact on the surplus/deficit position.

Refer to Note 2 for an explanation of the reasons for the variance.

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

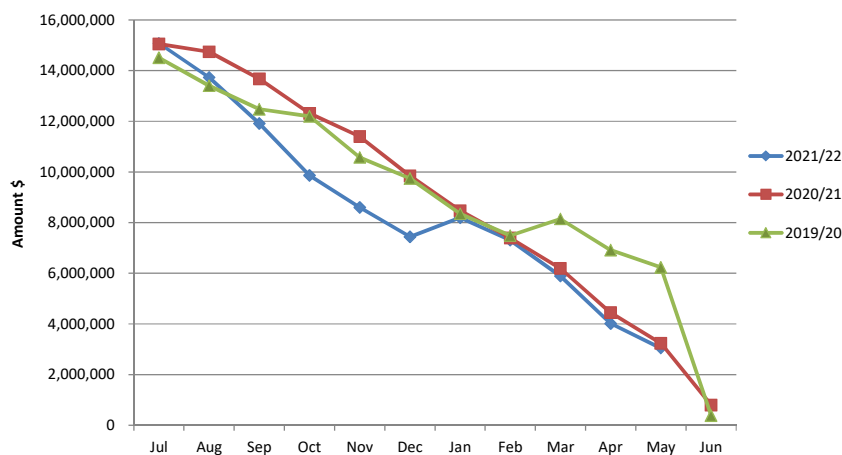
[Appendix ORD: 12.4.6B]



Statement of Financial Activity by Program For the Period Ended 31 May 2022 NET CURRENT ASSETS

Note	Year to Date Actual 31-May-2022 \$	Same Time Last Year Actual 31-May-2022	Last Year Closing 30-Jun-2021 \$
Represented By:			
CURRENT ASSETS			
Cash and Cash Equivalents	23,805,538	26,655,463	27,043,224
Rates Debtors Outstanding	630,542	468,027	309,045
Pensioner Rates Rebate	7,853	22,400	46,375
Sundry Debtors	821,794	333,011	170,111
Accrued Revenue	45,322	58,639	119,951
Prepaid Expenses	0	0	40,180
Goods & Services Tax / BAS Refund	200,601	133,318	351,138
Other Receivables	(22)	0	0
Inventories - Materials	6,318	11,917	6,318
Inventories- Trading Stock - Recreation Centre	5,842	7,310	5,842
Current Assets	25,523,787	27,690,083	28,092,185
LESS CURRENT LIABILITIES			
Payables:			
Sundry Creditors	(294,150)	0	(1,798,946)
Goods & Services Tax / BAS Payable	0	0	0
Other Payables	(91,447)	(97,813)	(24,697)
Municipal Bonded Liabilities	(574,387)	(715,298)	(675,602)
Contract Liabilities	(877,210)	(4,696,412)	(2,639,655)
Prepaid Revenue - Rates / PPL	(756,312)	(676,250)	(782,454)
Accrued Interest on Debentures	(30,331)	(33,404)	(30,331)
Accrued Salaries & Wages	0	0	(141,811)
Other Accrued Expenses	0	0	(117,261)
Borrowings - Debentures	0	0	(333,977)
Provisions:			
Staff Leave Provisions	(1,612,576)	(1,437,008)	(1,693,713)
Current Liabilities	(4,236,411)	(7,656,186)	(8,238,447)
Net Current Assets	21,287,376	20,033,897	19,853,738
Less: Restricted Assets / Reserve Funds	(19,352,921)	(21,654,926)	(21,838,890)
Add: Current - Borrowings	0	0	333,977
Add: Current - Contract Liabilities held in Reserve accounts	941,565	4,862,104	2,444,924
Add: Current - Contract Liabilities - Leases	167,441		167,441
CLOSING FUNDS / NET CURRENT ASSETS (per previous page)	3,043,461	3,241,075	961,190

Liquidity Over The Year



[Appendix ORD: 12.4.6B]



**Statement of Comprehensive Income by Nature or Type
For the Period Ended 31 May 2022
(Covering 11 months or 92% of the year)**

	2021/22 Adopted Budget \$	2021/22 Revised Budget \$	2021/22 Y-T-D Revised Budget \$	2021/22 Y-T-D Actual \$	Variance Y-T-D Actual to Revised Budget \$	Variance Y-T-D Actual to Revised Budget %	2021/22 Forecast \$	2020/21 Last Year 0 Actual \$
Revenue								
Rates	14,311,406	14,286,379	14,304,018	14,307,673	3,655	(0.0%)	14,282,460	13,812,484
Grants, Subsidies & Contributions	2,656,447	3,099,945	2,885,380	2,925,677	40,297	(1.4%)	3,379,863	2,507,208
Fees and Charges	3,110,375	3,134,375	2,994,841	3,178,631	183,790	(6.1%)	3,234,825	3,237,538
Interest Earnings	196,149	196,149	189,576	181,896	(7,680)	4.1%	182,760	212,518
Other Revenue	28,653	28,653	21,489	17,534	(3,955)	0.0%	28,653	30,683
	<u>20,303,029</u>	<u>20,745,500</u>	<u>20,395,304</u>	<u>20,611,411</u>	<u>216,107</u>	<u>(1.1%)</u>	<u>21,108,561</u>	<u>19,800,431</u>
Expenses								
Employee Costs	(10,840,096)	(10,900,096)	(9,979,292)	(9,510,845)	468,447	4.7%	(10,762,158)	(10,661,612)
Materials and Contracts	(5,791,984)	(7,229,268)	(5,832,249)	(5,191,235)	641,014	11.0%	(6,913,632)	(4,278,695)
Utility Charges	(563,170)	(563,170)	(515,883)	(501,720)	14,163	2.7%	(563,170)	(589,476)
Depreciation on Non-current Assets	(5,635,083)	(5,635,083)	(5,165,413)	(4,974,510)	190,903	3.7%	(5,635,083)	(5,270,048)
Interest Expense	(123,418)	(123,418)	(114,610)	(94,368)	20,242	17.7%	(120,450)	(106,470)
Insurance	(337,242)	(337,242)	(318,653)	(318,720)	(67)	(0.0%)	(324,142)	(310,162)
Other	(426,355)	(461,755)	(433,984)	(314,650)	119,334	27.5%	(452,172)	(420,346)
	<u>(23,717,349)</u>	<u>(25,250,033)</u>	<u>(22,360,084)</u>	<u>(20,906,048)</u>	<u>1,454,036</u>	<u>6.5%</u>	<u>(24,770,807)</u>	<u>(21,636,809)</u>
Operational Surplus / (Deficit)	(3,414,320)	(4,504,533)	(1,964,780)	(294,637)	1,670,143	85.0%	(3,662,246)	(1,836,378)
Grants & Contributions for the Development of Assets	7,805,595	8,368,984	7,708,110	5,849,462	(1,858,648)	(24.1%)	7,858,226	5,269,566
Profit on Asset Disposals	3,648,330	3,648,330	3,334,650	11,755	(3,322,895)	0.0%	0	0
Loss on Asset Disposals	(10,534)	(10,534)	0	0	0	0.0%	(10,534)	(1,303,513)
Fair Value Adjustment to Financial Assets	0	0	0	0	0	0.0%	0	0
	<u>11,443,391</u>	<u>12,006,780</u>	<u>11,042,760</u>	<u>5,861,217</u>	<u>(5,181,543)</u>	<u>46.9%</u>	<u>7,847,692</u>	<u>3,966,052</u>
NET RESULT	8,029,071	7,502,247	9,077,980	5,566,580	(3,511,400)	38.7%	4,185,445	2,129,674
Other Comprehensive Income								
Changes on Revaluation of Non-Current Assets	0	0	0	0	0	0.0%	0	0
TOTAL COMPREHENSIVE INCOME	8,029,071	7,502,247	9,077,980	5,566,580	(3,511,400)	38.7%	4,185,445	2,129,674

[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity For the Period Ended 31 May 2022

1. PROGRAMS / ACTIVITIES

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

COMMUNITY VISION

Provide effective leadership in encouraging balanced growth and development of the Shire while recognising the diverse needs of the community.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services	Rates, general purpose government grants and interest revenue.
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administration support available to Council for the provision of governance of the District. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local-laws relating to the fire prevention, animal control and protection of the environment, and other aspects of public safety including emergency services.
HEALTH	To provide services to achieve community and environmental health.	Maternal and infant health facilities, immunisation, meat inspection services, inspection of food outlets, noise control and pest control services.
EDUCATION AND WELFARE	To provide services to children, youth, the elderly and disadvantaged persons.	Pre-school and other education services, child minding facilities, playgroups, senior citizens' centres.
COMMUNITY AMENITIES	To provide services required by the community.	Rubbish collection services, operation of refuse site, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemeteries and public conveniences.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resources which help the social well being of the community.	Maintenance of halls, civic buildings, river banks, recreation centre and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.
TRANSPORT	To promote safe, effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges, footpaths, cycle ways, parking facilities, traffic control and depot. Cleaning of streets and maintenance of street trees, street lighting, etc.
ECONOMIC SERVICES	To help promote the shire and its economic wellbeing.	Tourism and area promotion, building control, provision of rural services including weed control and vermin control, standpipes.
OTHER PROPERTY & SERVICES	To monitor and control Council's overheads operating accounts.	Private works operations, plant repairs and operations costs, engineering operation costs.



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY BY PROGRAM

The material variances adopted by the Shire of Dardanup for reporting in the 2021/22 year is 5% or \$25,000, whichever is the greater. All variances are between Year-to-Date Actual and Year-to-Date Revised Budget values.

	Sch	2021/22 Y-T-D Revised Budget \$	2021/22 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
OPERATING ACTIVITIES							
Revenue							
Governance	4	715	4,282	3,567	498.9%		
General Purpose Funding	3	15,774,580	16,180,036	405,456	2.6%		
Law, Order, Public Safety	5	758,817	465,475	(293,342)	(38.7%)	▼ Permanent / Timing	Permanent : Less grant revenue \$155,800 bushfire risk management planning (program discontinued), increase in supplementary BFB operating grant \$20,800, abandoned vehicle fees \$5,200; Timing : \$165,700 less grant revenue recognised for bushfire mitigation activity.
Health	7	15,257	23,225	7,968	52.2%		
Education and Welfare	8	10,500	1,700	(8,800)	(83.8%)		
Community Amenities	10	1,733,972	1,713,508	(20,464)	(1.2%)		
Recreation and Culture	11	1,688,149	1,672,865	(15,284)	(0.9%)		
Transport	12	149,975	182,516	32,541	21.7%	▲ Permanent	Increased revenue from MRWA direct road grant \$11,000, contribution to current and future works \$8,000, grants for Local Bike Plan and Forrest Highway route plan \$16,000.
Economic Services	13	174,184	155,206	(18,978)	(10.9%)		
Other Property and Services	14	3,497,164	212,599	(3,284,565)	(93.9%)	▼ Permanent / Timing	Permanent : Increased revenue from DAMA application fees \$10,000, workers compensation and paid parental leave reimbursements \$70,000. Timing : Decrease of \$3,344,000 for lower revenue to date for profit on sale of land which will be recognised upon completion of the planned sale of Council land (now due to occur in 2022/23 (budget is for even spread of revenue over this year), \$12,700 less insurance claims reimbursement, offset by lower insurance claim costs, \$8,000 lower amount of general reimbursements of administration costs.
Total Operating Revenue		23,803,313	20,611,411	(3,191,902)	(13.4%)		

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY BY PROGRAM (continued)

Operating Expenses						
Governance	4	(1,286,824)	(1,125,654)	161,170	12.5%	▲ Permanent / Timing Permanent : Higher costs of legal expenses \$10,200. Timing : Lower costs to date for - Elected members fees allowance and administration \$32,000, Other Governance including receptions & public relations/website \$111,500, regional resource sharing \$14,000, general administration \$18,000. Higher costs to date of \$7,500 for audit expenses.
General Purpose Funding	3	(332,245)	(302,892)	29,353	8.8%	▲ Timing Lower costs to date for rates valuation and title search expenses.
Law, Order, Public Safety	5	(1,879,604)	(1,486,484)	393,120	20.9%	▲ Permanent / Timing Permanent - Lower costs to date for Bushfire Risk Management Planning (program discontinued) \$144,000. Timing : Lower costs to date for fire prevention and mitigation activity \$180,000, returned BFB vehicles (per ESL rules) \$34,400, animal control wages and administration \$44,800. Higher costs for administration of other law, order & public safety \$8,000
Health	7	(502,620)	(476,924)	25,696	5.1%	▲ Timing Lower costs to date for health administration and inspection services \$30,300. Higher costs for mosquito control \$5,800.
Education and Welfare	8	(840,701)	(792,543)	48,158	5.7%	▲ Timing Lower costs to date for Place and Community administration \$20,000 and community programs & donations \$30,500.
Community Amenities	10	(3,090,994)	(2,743,598)	347,396	11.2%	▲ Timing Permanent : Higher costs to date for: household sanitation \$187,500 of which \$104,300 is due to reclassification of cost of FOGO kitchen caddies from asset acquisition be expense, \$57,000 for tip operations, \$17,000 planning legal expenses; Lower costs for town planning employee costs \$114,000, planning consultants (WANJU & Waterloo developer contribution plans) \$381,000. Timing : bulk rubbish collection \$24,600, environmental expenses \$33,000, Planning administration \$31,000, land development expenses \$27,000.
Recreation & Culture	11	(7,535,622)	(7,168,769)	366,853	4.9%	
Transport	12	(5,900,360)	(6,000,577)	(100,217)	(1.7%)	
Economic Services	13	(519,533)	(474,229)	45,304	8.7%	▲ Timing Lower costs to date for building control \$19,000 and economic development initiatives \$28,000.
Other Property and Services	14	(412,852)	(322,624)	90,228	21.9%	▲ Permanent / Timing Permanent : Less new software purchased \$31,000; higher costs for contract relief staff IT services \$74,000, minor assets (furniture & equipment budgeted as capital purchases) \$29,000, workers compensation & parental leave payments \$70,000. Timing : Lower general administration costs \$25,000, software expenses \$53,000, public works administration and consultants \$57,000, plant operating costs \$61,500, salaries & wages allocated to works but not yet paid \$22,500, insurance claim costs \$8,000.
Total Operating Expenditure		(22,301,355)	(20,894,293)	1,407,062	(6.3%)	
Net Operating Activities		1,501,958	(282,882)	(1,784,840)	(118.8%)	

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY BY PROGRAM (continued)

	2021/22 Y-T-D Revised Budget \$	2021/22 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
Net Operating Activities (from previous page)	1,501,958	(282,882)	(1,784,840)	(118.8%)		
ADJUSTMENTS OF NON CASH ITEMS						
(Profit)/Loss on Asset Disposals	(3,334,650)	(11,755)	3,322,895	99.6%	▲ Timing	Significant budget item is profit on the sale of Council land that is now expected to occur in 22/23.
Accruals	0	(96,356)	(96,356)	100.0%	▼ Timing	Adjustment for movement in expenses and revenues related to non-current liabilities - being contract liabilities (developer contributions) & employee long service leave provisions.
Movement in Contract Liabilities held as Reserve funds	(1,539,438)	(1,503,361)	36,077	2.3%		
Depreciation on Assets	5,165,413	4,974,510	(190,903)	(3.7%)		
Adjusted Net Operating Activities	1,793,283	3,080,156	1,286,873	71.8%		
INVESTING ACTIVITIES						
Revenue						
Non-operating grants, subsidies & contributions	7,573,956	5,849,462	(1,724,494)	(22.8%)	▼ Timing	Grant revenue is recognised concurrently with the related project expenditure. Well advanced or completed projects with grant revenue higher than YTD budget include Eaton Skate Park and Eaton Drive duplication. Final grant instalments for Bush Fire Brigade, Eaton Bowling Club and Harris Rd upgrade projects are pending final acquittal reports. Several projects are at a less advanced stage and correspondingly less grant funds recognised include road construction and renewal projects Ferguson Rd, Eaton Dr/Glenhuon Blvd.
Proceeds from Disposal of Assets	4,773,904	195,092	(4,578,812)	(95.9%)	▼ Timing	Variance is substantially due to timing of sale of land on Council Drive now due to occur in 22/23. \$12,000 is due to timing of vehicle changeovers. Budget is for an even spread over the year.
Total Capital Revenue	12,347,860	6,044,554	(6,303,306)	(51.0%)		
Expenditure						
Land & Buildings	(10,431,872)	(4,743,600)	5,688,272	54.5%	▲ Timing	The budget is for an even spread of expenditure over the year. Buildings with lower costs to date include bush fire brigade facilities at Dardanup, Waterloo and Wellington Mills, Charlotte Street toilet, Wells Recreation Park upgrades, Eaton Recreation Centre renovations, improvements to community halls & sports pavilion and construction of the new Eaton Administration & Library building.
Infrastructure Assets - Road / Bridges / Paths	(5,582,186)	(2,876,522)	2,705,664	48.5%	▲ Timing	Year-to-date expenditure on roads, bridges and paths renewal and road upgrades is lower than budget including major projects Eaton Drive/Glenhuon Blvd intersection, Harris Road, Pratt Road modification, Ferguson Road, Eaton Drive extension and 3 proposed bridge renewals.
Infrastructure Assets - Parks & Gardens	(1,160,379)	(666,086)	494,293	42.6%	▲ Timing	Expenditure to date is lower on Parks projects including Dardanup Civic Precinct, Cadell Park renewal & expansion, East Millbridge POS Stage 1, Eaton foreshore improvements and Lofthouse Park. Although commenced, these projects are likely to be completed in 2022/23.
Vehicles	(765,809)	(587,797)	178,012	23.2%	▲ Timing	Ferguson Bush Fire Brigade new light tanker not yet brought to account, changeover of quad ride-on mower deferred.
Plant & Equipment	(457,413)	(398,755)	58,658	12.8%	▲ Permanent	Cost of FOGO kitchen caddies reclassified to operating expenses
Furniture & Fittings	(87,764)	(53,377)	34,387	39.2%	▲ Timing	Lower costs to date for purchase of Administration Office and Council Chamber furniture items. Some classification of costs to operating expenses to comply with asset recognition regulations..
Total Capital Expenditure	(18,485,423)	(9,326,136)	9,159,287	(49.5%)		
Net Investing Activities	(6,137,563)	(3,281,582)	2,855,981	(46.5%)		

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY BY PROGRAM (continued)

	2021/22 Y-T-D Revised Budget \$	2021/22 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
FINANCING ACTIVITIES						
Revenue						
Proceeds from New Loans	320,000	320,000	0	0.0%		
Transfers from Reserves	4,894,003	5,278,145	384,142	7.8%	▲ Timing	Actual year-to-date transfers relate to the use of a) Unspent Grants Reserve and b) Carried Forward Projects Reserve funds on related projects. The remainder of Reserve transfers are budgeted to occur at year end.
Total Financing Revenue	5,214,003	5,598,145	384,142	7.4%		
Expenditure						
Repayment of Loans	(328,167)	(333,977)	(5,810)	(1.8%)		
Principal element of finance lease payments	(307,577)	(188,296)	119,281	38.8%	▲ Timing	Lower costs to date for IT and print/copy equipment leases. Some of these costs re-allocated as operating expense for short term lease extensions.
Transfers to Reserves	(830,000)	(2,792,175)	(1,962,175)	(100.0%)	▼ Timing	The original Budget was for all transfers to Reserves to occur at year end. The year-to-date Actual transfers are mostly for received grants that are not immediately spent on related projects.
Total Financing Expenditure	(1,465,744)	(3,314,448)	(1,848,704)	126.1%		
Net Financing Activities	3,748,259	2,283,697	(1,464,562)	(39.1%)		
FUNDING SOURCES						
Surplus/(Deficit) July 1 B/Fwd	961,190	961,190	0	0.0%		
CLOSING FUNDS (A+B+C+D)	365,169	3,043,461	2,678,292	733.4%		

[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity For the Period Ended 31 May 2022

3. TRUST FUNDS

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

NAME	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
Tourism WA for Ferguson Valley Project	90,188.24	0.00	0.00	(90,188.24)	0.00	0.00
Ross & Deborah Bevan	40,000.00	0.00	0.00	0.00	0.00	40,000.00
Public Open Space	772,623.28	0.00	0.00	(245,089.00)	0.00	527,534.28
Accrued Interest	0.00	0.00	0.00	0.00	0.00	0.00
Plus: Outstanding Creditors	0.00	0.00	0.00	0.00	0.00	0.00
Less: Outstanding Debtors	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	902,811.52	0.00	0.00	(335,277.24)	0.00	567,534.28

4. RESERVES - CASH BACKED

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

NAME	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
<i>Council Restricted</i>						
Executive & Compliance Vehicles Reserve	202,279.74	0.00	0.00	0.00	0.00	202,279.74
Plant & Engineering Equipment Reserve	871,486.80	0.00	0.00	0.00	0.00	871,486.80
Eaton Recreation Centre - Equipment Reserve	276,753.48	0.00	0.00	0.00	0.00	276,753.48
Building Maintenance Reserve	1,659,484.10	0.00	0.00	(321,926.00)	0.00	1,337,558.10
Employee Relief Reserve	265,072.67	0.00	0.00	0.00	0.00	265,072.67
Employee Leave Entitlements Reserve	37,705.89	0.00	0.00	0.00	0.00	37,705.89
Refuse Site Environmental Works Reserve	84,079.81	0.00	0.00	0.00	0.00	84,079.81
Information Technology Reserve	667,851.83	0.00	0.00	0.00	0.00	667,851.83
Roadwork Construction & Major Maintenance Reserve	1,133,127.85	0.00	0.00	(102,838.00)	0.00	1,030,289.85
Accrued Salaries Reserve	499,625.69	0.00	0.00	0.00	0.00	499,625.69
Tourism Reserve	11,752.79	0.00	0.00	0.00	0.00	11,752.79
Recycling Education Reserve	39,129.63	0.00	0.00	0.00	0.00	39,129.63
Road Safety Programs Reserve	26,722.94	0.00	0.00	0.00	0.00	26,722.94
Council Land Development Reserve	22,633.78	0.00	0.00	0.00	0.00	22,633.78
Carried Forward Projects Reserve	3,532,648.72	0.00	0.00	(646,938.76)	0.00	2,885,709.96
Election Expenses Reserve	32,037.85	25,000.00	0.00	(45,454.00)	0.00	11,583.85
Town Planning Consultancy Reserve	37,993.08	0.00	0.00	0.00	0.00	37,993.08
Parks & Reserves Upgrades Reserve	608,347.76	0.00	0.00	(24,855.00)	0.00	583,492.76
Strategic Planning Studies Reserve	116,763.87	0.00	0.00	0.00	0.00	116,763.87
Pathways Reserve	308,065.78	0.00	0.00	0.00	0.00	308,065.78
Asset / Rates Revaluation Reserve	284,307.30	0.00	0.00	0.00	0.00	284,307.30
Refuse & Recycling Bin Replacement Reserve	54,805.49	0.00	0.00	0.00	0.00	54,805.49
Sale of Land Reserve	4,579,909.25	0.00	0.00	0.00	0.00	4,579,909.25
Storm Water Reserve	158,311.93	0.00	0.00	0.00	0.00	158,311.93
	15,510,898.03	25,000.00	0.00	(1,142,011.76)	0.00	14,393,886.27
<i>Statute Restricted</i>						
Contribution to Works Reserve	756,143.02	0.00	164,086.30	0.00	0.00	920,229.32
Eaton Drive - Access Construction Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Eaton Drive - Scheme Construction Reserve	11,332.08	0.00	0.00	(11,332.08)	0.00	0.00
Fire Control Reserve	11,569.40	0.00	0.00	0.00	0.00	11,569.40
Collie River (Eaton Drive) Bridge Construction Reserve	1,290,499.74	0.00	0.00	(631,946.05)	0.00	658,553.69
Unspent Grants Reserve	3,161,706.49	2,532,987.50	0.00	(3,492,854.85)	0.00	2,201,839.14
Swimming Pool Inspection Reserve	4,501.19	0.00	0.00	0.00	0.00	4,501.19
Burekup - Public Open Space	72,500.00	0.00	0.00	0.00	0.00	72,500.00
Unspent Specified Area Rate - Bulk Waste Collection Reserve	87,646.82	0.00	0.00	0.00	0.00	87,646.82
Unspent Specified Area Rate - Eaton Landscaping Reserve	140,765.96	0.00	0.00	0.00	0.00	140,765.96
Wanju Developer Contribution Plan Unspent Loan Reserve	750,000.00	0.00	0.00	0.00	0.00	750,000.00
Dardanup Expansion Developer Contribution Plan Reserve	41,327.68	0.00	0.00	0.00	0.00	41,327.68
	6,327,992.38	2,532,987.50	164,086.30	(4,136,132.98)	0.00	4,888,933.20
Interest	0.00	0.00	70,101.22	0.00	0.00	70,101.22
Less: Outstanding Debtors	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	21,838,890.41	2,557,987.50	234,187.52	(5,278,144.74)	0.00	19,352,920.69

[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity For the Period Ended 31 May 2022

5. MUNICIPAL LIABILITIES

Funds held at reporting date for bonds and deposits not required to be held in the Trust Fund and classified as restricted to recognise that they are owed to developers/hirers and others. These are now classified as Municipal Liabilities as follows:

	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
Retention Bonds						
Ardross Estate Pty Ltd	0.00	7,397.00	0.00	(7,397.00)	0.00	0.00
Parkridge Group	86,067.06	17,677.51	0.00	(51,384.53)	0.00	52,360.04
South West Waste	10,777.36	0.00	0.00	(10,777.36)	0.00	0.00
Henty Brooke Estate	9,699.37	0.00	0.00	(9,699.37)	0.00	0.00
D Maher	8,186.85	0.00	0.00	(8,186.85)	0.00	0.00
Clifton Partners	347.34	0.00	0.00	(347.34)	0.00	0.00
Cristopher West Consultants	9,998.04	0.00	0.00	(9,998.04)	0.00	0.00
Burra98 Unit Trust	11,214.04	0.00	0.00	(11,214.04)	0.00	0.00
NTC Pty Ltd	779.33	0.00	0.00	(779.33)	0.00	0.00
Dale Thompson	2,078.72	0.00	0.00	(2,078.72)	0.00	0.00
Barry Garvey	3,540.62	0.00	0.00	(3,540.62)	0.00	0.00
Civil Tech	32,158.31	0.00	0.00	(32,158.31)	0.00	0.00
Westgate Property Group	18,375.50	0.00	0.00	(18,375.50)	0.00	0.00
Cleary Estate	3,132.42	0.00	0.00	(3,132.42)	0.00	0.00
Little Meadow Pty Ltd	15,631.53	0.00	0.00	0.00	0.00	15,631.53
Winterfall Nominees Pty Ltd	4,111.16	36,007.60	0.00	(4,111.16)	0.00	36,007.60
Thomas Fields Pty Ltd	22,763.74	0.00	0.00	(22,763.74)	0.00	0.00
Holland Loop Pty Ltd	19,370.00	0.00	0.00	0.00	0.00	19,370.00
Terrence J Coman	8,384.63	0.00	0.00	0.00	0.00	8,384.63
Garvey Road Pty Ltd	36,393.21	0.00	0.00	(2,870.61)	0.00	33,522.60
Burekup Developments Pty Ltd	7,250.91	16,945.37	0.00	(4,700.36)	0.00	19,495.92
Universal Marina Systems	4,123.29	0.00	0.00	0.00	0.00	4,123.29
Thompson Surveying Consultants	0.00	21,993.00	0.00	0.00	0.00	21,993.00
Total - Retention Bonds	314,383.43	100,020.48	0.00	(203,515.30)	0.00	210,888.61
Extractive Industry Rehabilitation Bonds						
L G Davidson	1,290.20	0.00	0.00	0.00	0.00	1,290.20
M Denholm	845.24	0.00	0.00	0.00	0.00	845.24
S Catalano	1,340.36	0.00	0.00	0.00	0.00	1,340.36
Bunbury Agricultural Society	2,387.88	0.00	0.00	0.00	0.00	2,387.88
D Busher	1,282.84	0.00	0.00	0.00	0.00	1,282.84
Valli & Co	2,600.14	0.00	0.00	0.00	0.00	2,600.14
Charles Hull Contracting	7,603.41	0.00	0.00	0.00	0.00	7,603.41
J & P Group	135,809.01	0.00	0.00	0.00	0.00	135,809.01
Total - Extractive Industries Bonds	153,159.08	0.00	0.00	0.00	0.00	153,159.08
Specified Projects						
Dardanup Central Bushfire Station Refurbishment - Red Cross - A Poad Bequest	33,776.15	0.00	0.00	0.00	0.00	33,776.15
Wells Recreation Ground Refurbishment/Expansion - Red Cross - A Poad Bequest	53,139.81	0.00	0.00	0.00	0.00	53,139.81
Total - Specified Projects	86,915.96	0.00	0.00	0.00	0.00	86,915.96
Sundry Deposits						
Unclaimed Monies	1,704.60	0.00	0.00	0.00	0.00	1,704.60
Bunbury Wellington Group of Councils	40,664.30	3,000.00	0.00	0.00	0.00	43,664.30
Total - Sundry Deposits	42,368.90	3,000.00	0.00	0.00	0.00	45,368.90
Election Deposits	0.00	640.00	0.00	(640.00)	0.00	0.00
Key Bonds	352.68	1,040.00	0.00	(760.00)	0.00	632.68
Hire Bonds	3,380.00	10,958.00	0.00	(11,958.00)	0.00	2,380.00
Kerb Bonds	75,041.91	0.00	0.00	0.00	0.00	75,041.91
Construction Training Fund	1,024.08	13,111.07	0.00	(8,287.59)	0.00	5,847.56
Building Services Levy	12,517.62	9,494.11	0.00	(12,108.22)	0.00	9,903.51
Development Assessment Panel	9,411.00	165.00	0.00	(9,576.00)	0.00	0.00
Less Outstanding Debtors	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	698,554.66	137,788.66	0.00	(246,205.11)	0.00	590,138.21

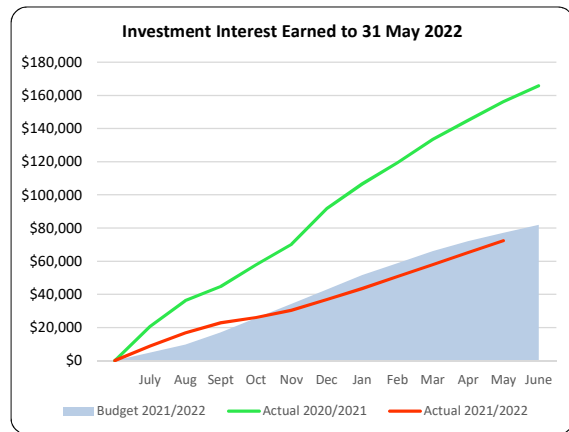
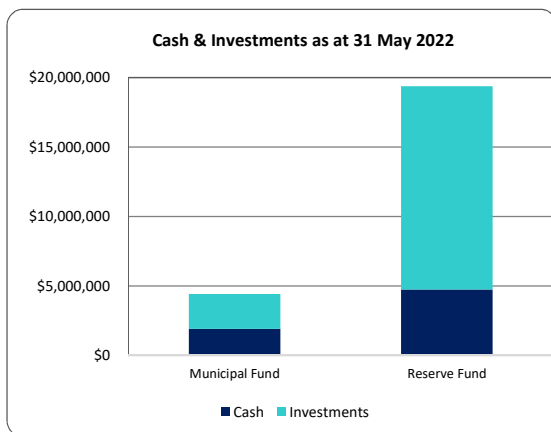
[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

6. STATEMENT OF INVESTMENTS

BANK	TYPE	AMOUNT	RATE	DAYS	COMMENCEMENT	MATURITY	ESTIMATED INTEREST	INTEREST CREDITED 2021-2022
MUNICIPAL FUND								
CBA	Municipal Fund Bank Account	\$ 426,105.38	0.00%					\$0.00
CBA	Municipal - Business Online Saver	\$ 1,500,786.45	0.20%					\$786.45
NAB	Term Deposit	\$ 1,500,000.00	0.40%	92	12/2021	6/2022	\$1,513.63	\$1,294.53
Judo Bank	Term Deposit	\$ 500,000.00	0.80%	104	3/2022	6/2022	\$1,142.00	\$997.26
Judo Bank	Term Deposit	\$ 500,000.00	0.92%	182	12/2021	6/2022	\$2,293.70	
	Interest received on matured deposits							\$5,686.58
		<u>\$ 4,426,891.83</u>					<u>\$4,949.33</u>	<u>\$8,764.82</u>
TRUST FUND								
CBA	Trust Fund Bank Account	\$ 567,534.28	0.00%				\$0.00	\$0.00
		<u>\$ 567,534.28</u>					<u>\$0.00</u>	<u>\$0.00</u>
RESERVE FUND								
CBA	Reserve Bank Account	\$ 1,252,929.15	0.00%				\$0.00	\$0.00
CBA	Reserve - Business Online Saver	\$ 3,502,762.48						\$2,762.48
AMP	Term Deposit	\$ 1,100,000.00	0.75%	330	8/2021	7/2022	\$7,458.90	\$8,800.00
NAB	Term Deposit	\$ 1,500,000.00	0.32%	302	8/2021	6/2022	\$3,971.51	\$11,706.42
NAB	Term Deposit	\$ 1,000,000.00	0.51%	92	3/2022	6/2022	\$1,285.48	\$8,638.14
ANZ	Term Deposit	\$ 3,000,000.00	0.39%	304	10/2021	8/2022	\$9,744.66	\$24,734.79
ANZ	Term Deposit - Interest Compounded	\$ 3,014,530.89	0.40%	335	10/2021	9/2022	\$11,067.04	\$3,162.13
ME Bank	Term Deposit	\$ 1,000,000.00	0.45%	273	9/2021	6/2022	\$3,365.75	\$2,231.51
NAB	Term Deposit	\$ 4,000,000.00	0.33%	304	8/2021	6/2022	\$10,993.97	
	Interest received on matured deposits							\$8,065.75
		<u>\$ 19,370,222.52</u>					<u>\$47,887.32</u>	<u>\$70,101.22</u>
Total Interest Received								<u>\$78,866.04</u>



[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

6. STATEMENT OF INVESTMENTS (continued)

Total Funds Invested

Total Funds Invested as at Reporting Date -

Municipal Fund Investment Portfolio	\$ 2,500,000.00
Trust Fund Investment Portfolio	\$ -
Reserve Fund Investment Portfolio	\$ 14,614,530.89
	<u>\$ 17,114,530.89</u>

Investment Policy - Portfolio Risk Exposure

Council's investment policy provides a framework to manage the risks associated with financial investments.

Portfolio - Terms of Maturity

Limits are placed on the term to maturity thereby reducing the impact of any significant change in interest rate markets and to provide liquidity.

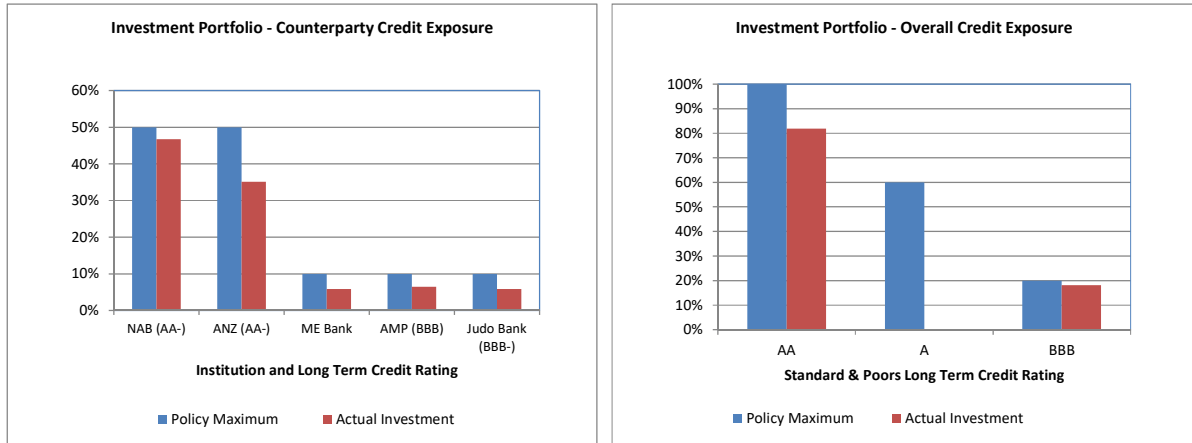
Counterparty Credit Exposure

Exposure to an individual authorised deposit-taking institution (ADI) counterparty will be restricted by their credit rating so that single entity exposure is limited.

Overall Credit Exposure

To control the credit quality on the entire portfolio, limits are placed on the percentage exposed to any particular credit rating category.

The following charts demonstrate the current portfolio diversity and risk compliance with the policy framework.



[Appendix ORD: 12.4.6B]

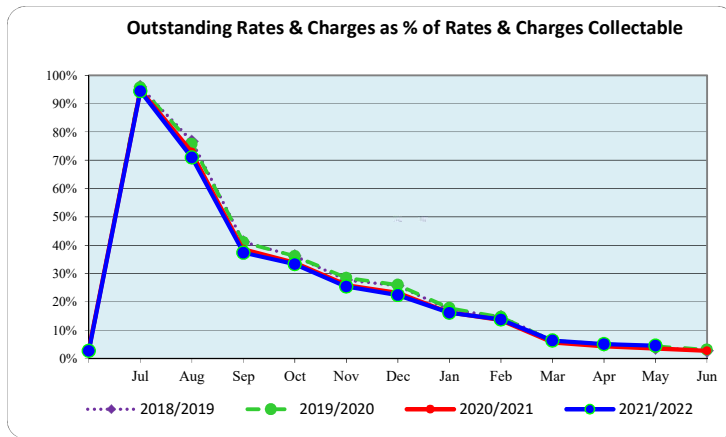


Notes to the Statement of Financial Activity For the Period Ended 31 May 2022

7. Accounts Receivable as at 31 May 2022

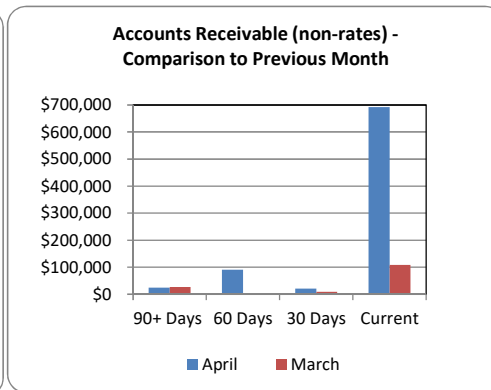
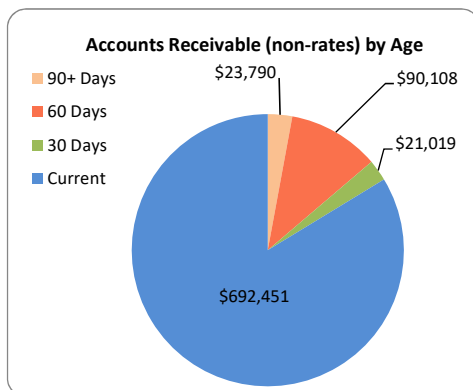
Rates and Charges Outstanding

2021/22 annual rates were raised on 23 July 2021 and were due by 8 September 2021 for payment in full or for the first of four instalments. For ratepayers who elected to pay by the four instalment option, the final instalment was due by 14 March 2022. As at the reporting date, total outstanding rates and charges (including pensioner deferred rates) is \$765,105. This equates to 4.5% of rates and charges collectable and is similar to collection rates over recent years. It is the objective of management to achieve less than 4% of rates and charges outstanding by 30 June.



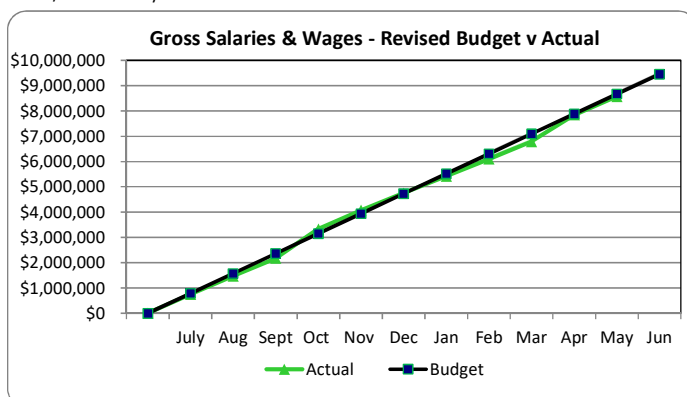
Sundry Debtors Outstanding (non-rates)

As at the reporting date, the total outstanding Sundry Debtors amount to \$827,368. Invoices for Government grants make up \$671,000 of the current debts. It is anticipated that all of these will be paid in June 2022. The only significant invoice outstanding in excess of 30 days is for Education Department use of Eaton Recreation Centre and Glen Huen Oval. Receipt of this is pending a final review of costings by the Education Department.



8. Salaries and Wages to 31 May 2022

At the reporting date, total salaries and wages expenditure is \$8,575,630 (91.78%) of the annual budget of \$9,456,708 for the 2021/22 financial year.



[Appendix ORD: 12.4.6B]



Notes to the Statement of Financial Activity For the Period Ended 31 May 2022

9. RATING INFORMATION

RATE TYPE	Rate in	Number of properties	Rateable value	2021/22 Revised Budget rate revenue	2021/22 Revised Budget interim rates	2021/22 Revised Budget back rates	2021/22 Revised Budget total revenue	2021/22 Actual total revenue	2020/21 Actual total revenue	2020/21 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$	\$
<u>Differential general rate or general rate</u>										
Gross rental valuations										
General Rates - GRV: Residential	0.104016	3,452	61,450,723	6,391,858	0	0	6,391,858	6,391,940	5,715,510	5,746,655
General Rates - GRV: Commercial	0.104016	60	14,621,830	1,520,904	0	0	1,520,904	1,523,068	1,459,170	1,428,025
General Rates - GRV: Industrial	0.104016	73	7,983,546	830,416	0	0	830,416	830,416	763,695	763,695
General Rates - GRV: Small Holding	0.104016	348	7,859,124	817,475	0	0	817,475	815,230	764,943	765,545
General Rates - GRV: Interim and Back Rates	0.104016	0	0	0	92,600	0	92,600	99,081	86,122	91,144
Unimproved valuations										
General Rates - UV: Broad Acre Rural	0.006468	474	259,287,000	1,677,068	0	0	1,677,068	1,677,068	1,718,315	1,718,765
General Rates - UV: Mining	0.006468	0	0	0	0	0	0	0	0	0
General Rates - UV: Interim and Back Rates	0.006468	0	0	0	0	0	0	0	0	0
Sub-Totals		4,407	351,202,223	11,237,721	92,600	0	11,330,321	11,336,803	10,507,755	10,513,829
Minimum	\$									
<u>Minimum payment</u>										
Gross rental valuations										
General Rates - GRV: Residential	1,547.50	1,446	17,681,209	2,237,685	0	0	2,237,685	2,220,662	2,554,923	2,554,923
General Rates - GRV: Commercial	1,547.50	7	61,400	10,833	0	0	10,833	13,928	10,833	10,833
General Rates - GRV: Industrial	1,547.50	44	542,200	68,090	0	0	68,090	68,090	72,732	72,733
General Rates - GRV: Small Holding	1,547.50	79	616,920	122,253	0	0	122,253	136,180	131,538	131,538
General Rates - GRV: Interim and Back Rates	1,547.50	0	0	0	0	0	0	0	0	0
Unimproved valuations										
General Rates - UV: Broad Acre Rural	1,547.50	126	17,828,600	194,985	0	0	194,985	194,985	184,152	184,153
General Rates - UV: Mining	1,547.50	14	212,885	21,665	0	0	21,665	21,665	27,855	27,855
General Rates - UV: Interim and Back Rates	1,547.50	0	0	0	0	0	0	0	0	0
Sub-Totals		1,716	36,943,214	2,655,511	0	0	2,655,511	2,655,510	2,982,033	2,982,035
		6,123	388,145,437	13,893,232	92,600	0	13,985,832	13,992,313	13,489,788	13,495,864
Discounts/concessions/write-off							(29,027)	(39,165)	(27,482)	(5,000)
Total amount raised from general rates							13,956,805	13,953,148	13,462,306	13,490,864
Specified area rates							354,600	354,525	350,178	350,000
Total rates							14,311,405	14,307,673	13,812,484	13,840,864



Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022

10. INFORMATION ON BORROWINGS

Debenture Repayments

Particulars	Loan No.	Principal	New		Principal		Interest		Principal	
		Opening Balance 01 July 2021	Loans 2021/22	Revised Budget	Repayments 2021/22	Revised Budget	Repayments 2021/22	Revised Budget	Outstanding 30 June 2022	Revised Budget
		\$	Actual \$	\$	Actual \$	\$	Actual \$	\$	Actual \$	\$
Community Amenities										
Wanju/Waterloo Industrial Park Developer Contribution Plans	70	750,000	0	0	(70,249)	(64,443)	(13,177)	(29,743)	679,751	685,557
Waste Bins (3 Bin System)	New	0	320,000	320,000	0	(21,345)	0	(4,467)	320,000	298,655
Recreation and Culture										
Eaton Recreation Centre	59	192,573	0	0	(93,456)	(93,456)	(10,555)	(10,983)	99,117	99,117
Glen Huon Oval Club Rooms	69	924,296	0	0	(42,771)	(42,771)	(38,276)	(41,340)	881,525	881,525
Transport										
Depot Land	66	444,476	0	0	(61,039)	(61,039)	(18,995)	(20,396)	383,437	383,437
Economic Services										
Gravel Pit Land - Panizza Road	61	66,648	0	0	(25,428)	(25,428)	(3,958)	(4,130)	41,220	41,220
Other Property and Services										
Administration Building Extensions	65	85,007	0	0	(41,035)	(41,035)	(5,622)	(5,908)	43,972	43,972
		2,463,000	320,000	320,000	(333,977)	(349,517)	(90,582)	(116,967)	2,449,023	2,433,483

All debenture repayments are financed by general purpose revenue.



**Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022**

11. BUDGET AMENDMENTS

Amendments to the original budget since budget adoption. Surplus/(Deficit)

GL/JOB Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Revised Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus				16,552
	Permanent Changes						
	Amendment to B/Fwd surplus 01/07/2021				791,613		808,165
0827501	Covid-19 Youth Recovery Grant	28/07/21 - 231-21	Operating Revenue		5,000		813,165
J08712	Youth Development Program - Bush Adventure Learning Camp	28/07/21 - 231-21	Operating Expense			(4,000)	809,165
J08712	Youth Development Program - Innovate Youth Program	28/07/21 - 231-21	Operating Expense			(1,000)	808,165
0521502	DFES Mitigation Activity Fund grant to reduce bushfire risk	28/07/21 - 232-21	Operating Revenue		337,295		1,145,460
J05021	Bushfire Risk Management - treatments to mitigate bushfire risk	28/07/21 - 232-21	Operating Expense			(337,295)	808,165
1124003	Fees & Charges Recreation Centre - Admissions	28/07/21 - 240-21	Operating Revenue		24,000		832,165
1114013	Advertising / Promotions Recreation Centre (Wildcats Fixture)	28/07/21 - 240-21	Operating Expense			(24,000)	808,165
1123501	State Government Grant for Eaton Boat Ramp Washdown	25-08-21 - 255-21	Non-Operating Grant		18,000		826,165
J11632	Eaton Boat Ramp Washdown	25-08-21 - 255-21	Asset Acquisition			(18,000)	808,165
J11650	East Millbridge POS - Stage 1 - Upgrade / Expansion	25-08-21 - 255-21	Asset Acquisition			(12,465)	795,700
1143001	Transfer from Reserve - Parks & Reserves Upgrades	25-08-21 - 255-21	Transfer from Reserve		12,465		808,165
1123501	State Government grant for Heritage Interpretive Signs	25-08-21 - 255-21	Non-Operating Grant		30,000		838,165
1123501	Heritage Council of WA grant for Heritage Interpretive Signs	25-08-21 - 255-21	Non-Operating Grant		16,593		854,758
J11654	Heritage Interpretive Signs - Dardanup Townsite	25-08-21 - 255-21	Asset Acquisition			(46,593)	808,165
1123501	State Government grant for Dardanup Memorial Statue	25-08-21 - 255-21	Non-Operating Grant		30,000		838,165
J11652	Dardanup War Memorial statue	25-08-21 - 255-21	Asset Acquisition			(30,000)	808,165
1129502	Contribution - Other Culture for Spring-Out Festival	25-08-21 - 256-21	Operating Revenue		10,000		818,165
J11901	Community projects - Events & Festivals	25-08-21 - 256-21	Operating Expense			(10,000)	808,165
0523502	DPIRD & WALGA grants for Animal Welfare in Emergencies training	25-08-21 - 257-21	Operating Revenue		8,550		816,715
0513503	Grant Expenditure - Animal Welfare in Emergencies training	25-08-21 - 257-21	Operating Income			(8,550)	808,165
	Department of Local Government, Sport and Cultural Industries for the						
1129502	Ferguson Valley Public Art Trail Concept Plan Grant.	29-09-21 - 282-21	Operating Revenue		62,653		870,818
J11902	Ferguson Valley Public Art Trail Concept Plan Grant Expenditure	29-09-21 - 282-21	Operating Expense			(62,653)	808,165
1046007	Transfer from WANJU DCP Loan Reserve	29-09-21 - 285-21	Transfer from Reserve		210,000		1,018,165
1016503	Increasing Town Planning Consultants expenditure in 21/22 for the DCP	29-09-21 - 285-21	Operating Expense			(210,000)	808,165

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**Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022**

11. BUDGET AMENDMENTS (continued)

Amendments to the original budget since budget adoption. Surplus/(Deficit)

GL/JOB Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Revised Budget Running Balance
				\$	\$	\$	\$
	Balance brought forward from previous page						808,165
1221504	Grant Revenue - Special Projects (LGGC Bridge Renewals)	29-09-21 - 286-21	Non-Operating Grant		646,000		1,454,165
1211502	Renewals - Bridges	29-09-21 - 286-21	Asset Acquisition			(646,000)	808,165
J12900	Reallocated funds from Pile Road to Harris Road (Capital Upgrade)	29-09-21 - 289-21	Capital Revenue		450,000		1,258,165
J12363	Reduce Pile Road Capital works (Road Renewal)	29-09-21 - 289-21	Asset Acquisition			(130,649)	1,127,516
J12589	Reduce Pile Road Capital works (Capital Upgrade)	29-09-21 - 289-21	Asset Acquisition			(319,351)	808,165
J12829	Remove Venn Road SLK 0.69 to 2.22 (Road Renewal)	29-09-21 - 289-21	Asset Acquisition		453,386		1,261,551
J12685	Pathway funding changes	27-10-21 - 337-21	Asset Acquisition			(8,597)	1,252,954
J12683	Pathway funding changes	27-10-21 - 337-21	Asset Acquisition			(5,933)	1,247,021
J12684	Pathway funding changes	27-10-21 - 337-21	Asset Acquisition			(15,294)	1,231,727
J12684	Pathway funding changes	27-10-21 - 337-21	Asset Acquisition			(15,284)	1,216,443
1241006	Transfer from Pathway Reserve	27-10-21 - 337-21	Transfer from Reserve		45,108		1,261,551
0421010	Public Relations - additional funding for public relations - newsletter	17-11-21 - 358-21	Operating Expense			(20,000)	1,241,551
0421011	Public Relations - Other - website upgrade	17-11-21 - 358-21	Operating Expense			(80,000)	1,161,551
0817001	Grants Officer FTE increase	17-11-21 - 358-21	Operating Expense			(30,000)	1,131,551
1318004	Bunbury Geographe Chamber of Commerce membership fees	17-11-21 - 358-21	Operating Expense			(1,000)	1,130,551
1113505	Eaton Foreshore Master Plan - additional inclusions	17-11-21 - 358-21	Operating Expense			(50,000)	1,080,551
J10021	Additional maintenance for public convenience buildings	17-11-21 - 358-21	Operating Expense			(9,992)	1,070,559
J11006	Ceiling repairs for Eaton Community Centre	17-11-21 - 358-21	Operating Expense			(4,500)	1,066,059
1421039	Additional staff training - organisational development	17-11-21 - 358-21	Operating Expense			(30,000)	1,036,059
0533001	New removeable animal cage for Ranger vehicle	17-11-21 - 358-21	Operating Expense			(5,000)	1,031,059
1016503	Detailed Dardanup townsite master plan	17-11-21 - 358-21	Operating Expense			(30,000)	1,001,059
	Return funding to Bunbury Geographe Group of Councils for previously claimed Regional Waste project officer costs	17-11-21 - 358-21	Operating Expense			(4,669)	996,390
412503	Contribution to Regional Waste Coordinator cost	17-11-21 - 358-21	Operating Expense			(9,722)	986,668
1011005	Transfer surplus funds to Building Maintenance Reserve	17-11-21 - 358-21	Transfer to Reserve			(830,000)	156,668
1129502	Lotterywest grant for 'Enlighten' event	24-11-2021 - 367-21	Operating Revenue		20,000		176,668
J11901	2022 'Enlighten' event	24-11-2021 - 367-21	Operating Expense			(20,000)	156,668

(continued next page)



**Notes to the Statement of Financial Activity
For the Period Ended 31 May 2022**

11. BUDGET AMENDMENTS (continued)

Amendments to the original budget since budget adoption. Surplus/(Deficit)

GL/JOB Code	Description	Council Resolution	Classification	Non Cash Adjustment \$	Increase in Available Cash \$	Decrease in Available Cash \$	Revised Budget Running Balance \$
	Balance brought forward from previous page						156,668
0522503	Transfer from Trust - A Poad bequest	24-11-2021 - 369-21	Non-Operating Donation		30,000		186,668
J05022	New Dardanup central BFB facility	24-11-2021 - 369-21	Asset Acquisition			(30,000)	156,668
1143001	Transfer from Parks & Gardens Reserve	15-12-2021 - 404-21	Capital Revenue		60,465		217,133
1123504	Capital Contributions	15-12-2021 - 404-21	Capital Revenue		69,506		286,639
J11573	Glen Huon Reserve Development	15-12-2021 - 404-21	Asset Acquisition			(129,971)	156,668
1241002	Transfer from Road Construction & Major Mtce Reserve	15-12-2021 - 405-21	Transfer from Reserve		19,000		175,668
J12794	Hynes Road	15-12-2021 - 405-21	Asset Acquisition			(19,000)	156,668
1241012	Transfer from Collie River Bridge Reserve (JTPS)	15-12-2021 - 406-21	Capital Revenue		388,968		545,636
J12902	Eaton Drive Extension	15-12-2021 - 406-21	Asset Acquisition			(388,968)	156,668
1123501	Grant Revenue - Parks and Gardens Capital	15-12-2021 - 422-21	Capital Revenue		125,000		281,668
J11653	Dardanup Civic Precinct	15-12-2021 - 422-21	Asset Acquisition			(125,000)	156,668
1121502	Capital Contributions	15-12-2021 - 424-21	Capital Revenue		51,000		207,668
J11639	Wells Recreation Reserve Clubroom	15-12-2021 - 424-21	Asset Acquisition			(51,000)	156,668
J12904	Pratt Road Modifications	15-12-2021 - 425-21	Asset Acquisition			(99,356)	57,312
1241002	Transfer from Road Construction & Major Mtce Reserve	15-12-2021 - 425-21	Transfer from Reserve		55,456		112,768
J12828	Reallocation from Project Design & Management to Pratt Road & Car Park	15-12-2021 - 425-21	Asset Acquisition		43,900		156,668
J12404	Henty Road Renewal	25-01-2022 - 08-22	Asset Acquisition		800,000		956,668
1221501	Grant Revenue - Transport Capital	25-01-2022 - 08-22	Capital Revenue			(800,000)	156,668
1241002	Transfer from Road Construction & Major Mtce Reserve	25-01-2022 - 07-22	Capital Revenue		38,653		195,321
J12599	Venn Road - Capital Upgrade - Additional Cost	25-01-2022 - 07-22	Asset Acquisition			(38,653)	156,668
0531002	Motor Vehicle - Fire Prevention - Ferguson BFB Light Tanker	23-02-2022 - 35-22	Asset Acquisition	(235,383)			156,668
0522502	Grant Revenue - ESL Asset Acquisition - Ferguson BFB Light Tanker	23-02-2022 - 35-22	Capital Revenue	235,383			156,668
0541002	Sale of Assets - ESL - Disposal of Ferguson BFB Light Tanker	23-02-2022 - 35-22	Sale of Asset	34,400			156,668
0512501	Disposal of ESL Asset Expense - Ferguson BFB Light Tanker	23-02-2022 - 35-22	Operating Expense	(34,400)			156,668
J12115	Urgent Bridge Maintenance - Pile Road Bridge 3678	23-02-2022 - 37-22	Operating Expense			(156,899)	(231)
1241002	Transfer from Road Construction & Major Mtce Reserve	23-02-2022 - 37-22	Transfer from Reserve		156,899		156,668
1143004	Sale of Vehicles - Parks & Gardens	23-02-2022 - 39-22	Capital Revenue		25,000		181,668
1241008	Transfer from Plant & Engineering Equipment Reserve	23-02-2022 - 39-22	Transfer from Reserve		55,000		236,668
1133003	Purchase 2 replacement Parks & Gardens Utilities	23-02-2022 - 39-22	Asset Acquisition			(80,000)	156,668

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[Appendix ORD: 12.4.7]

RISK ASSESSMENT TOOL

OVERALL RISK EVENT: Schedule of Paid Accounts as at the 31st of May 2022

RISK THEME PROFILE:

3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)

6 - Engagement Practices

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with the legislative requirements that results in a qualified audit.	Minor (2)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Non-compliance that results in a qualified audit can lead stakeholders to question the Council's ability to manage finances effectively.	Insignificant (1)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.