



MINUTES OF COUNCIL MEETING

HELD ON

**TUESDAY 26 MAY 2020
AT 5.30PM**

At

Council Chambers 83 Mandurah Terrace, Mandurah and via eMeeting

PRESENT:

MAYOR	R WILLIAMS	
COUNCILLOR	C KNIGHT	NORTH WARD
COUNCILLOR	P JACKSON	NORTH WARD
COUNCILLOR	A ZILANI	NORTH WARD
COUNCILLOR	D LEE	EAST WARD
COUNCILLOR	L RODGERS	EAST WARD
COUNCILLOR	D PEMBER	EAST WARD
COUNCILLOR	M DARCY	COASTAL WARD
COUNCILLOR	J GREEN	COASTAL WARD
COUNCILLOR	C DI PRINZIO	COASTAL WARD
COUNCILLOR	P ROGERS	TOWN WARD
COUNCILLOR	M ROGERS	TOWN WARD

MR	M NEWMAN	CHIEF EXECUTIVE OFFICER
MR	A CLAYDON	DIRECTOR WORKS AND SERVICES
MR	G DAVIES	DEPUTY CHIEF EXECUTIVE OFFICER
MRS	C MIHOVILOVICH	DIRECTOR CORPORATE SERVICES
MRS	L SLAYFORD	MINUTE OFFICER

OPENING OF MEETING AND ANNOUNCEMENT OF VISITORS [AGENDA ITEM 1]

Prior to commencement of this combined in-person / electronic meeting Elected Member connections by electronic means were tested with attendances confirmed.

The Mayor declared the meeting open at 5.32pm.

ACKNOWLEDGEMENT OF COUNTRY [AGENDA ITEM 2]

Mayor Williams acknowledged that the meeting was being held on the traditional land of the Bindjareb people, and paid his respect to their Elders past and present.

APOLOGIES [AGENDA ITEM 3]

Leave of Absence

Apologies

Councillor Schumacher

DISCLAIMER [AGENDA ITEM 4]

The Mayor advised that the purpose of this Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25(e)) and Council's Consolidated Local Laws (Section 4.86) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person.

The City of Mandurah expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

ANSWERS TO QUESTIONS TAKEN ON NOTICE [AGENDA ITEM 5]

Nil.

PUBLIC QUESTION TIME [AGENDA ITEM 6]

The Mayor advised of processes, information and advertising undertaken to permit the electronic submission of questions by members of the public. No public questions were submitted for the meeting.

ANNOUNCEMENTS [AGENDA ITEM 7]**G.1/5/20 STANDING ORDERS LOCAL LAW 2016**

The Mayor advised the meeting that the *City of Mandurah Standing Orders Local Law 2016* will be modified to ensure Council Members and the public can participate in and follow the meeting as it progresses.

MOTION

Moved: Mayor Williams
Seconded: Councillor C Knight

That Council:

1. **Suspend the operation of the following provisions of the *City of Mandurah Standing Orders Local Law 2016* for the duration of this electronic meeting to ensure Council Members and the public can follow and participate in the meeting as it progresses:**
 - 1.1. **Standing Orders 3.3 Public Question Time and 3.4 Public Statement Time pertaining to public participation in meetings continues via electronic means only with public submissions received to be read aloud by the Presiding Member at the relevant agenda item.**
 - 1.2. **Standing Order 7.2 Members to occupy own seats whilst present in meeting room. Relevant only for Elected Members attending the Council Chambers.**
 - 1.3. **Agree under Standing Orders 8.1(1) and 12.2, that instead of requiring a show of hands, a vote will be conducted by exception with the Presiding Member calling for those Members against each motion. If no response is received the motion will be declared carried and minuted accordingly.**
 - 1.4. **Reiterate the requirement as per Standing Order 7.3 for Members to advise the Presiding Member when leaving or entering the meeting at any time.**

CARRIED UNANIMOUSLY: 12/0

PUBLIC STATEMENT TIME [AGENDA ITEM 8]

The Mayor advised of processes, information and advertising undertaken to permit the electronic submission of public statements by members of the public. No public statements were received for the meeting.

LEAVE OF ABSENCE REQUESTS [AGENDA ITEM 9]

G.2/5/20 LEAVE OF ABSENCE: COUNCILLOR LYNN RODGERS 23 JUNE 2020 TO 30 JUNE 2020

MOTION

Moved: Councillor D Pember
Seconded: Councillor A Zilani

That leave of absence be granted to Councillor Lynn Rodgers from 23 June 2020 to 30 June 2020, inclusive.

CARRIED UNANIMOUSLY: 12/0

PETITIONS [AGENDA ITEM 10]

The Mayor advised of processes, information and advertising undertaken to permit the electronic submission of petitions by members of the public. No petitions were received for the meeting.

PRESENTATIONS [AGENDA ITEM 11]

Nil.

DEPUTATIONS [AGENDA ITEM 12]**G.3/5/20 J BEHETS AND D SMOLLEN: PROPOSED COMMERCIAL VEHICLE PARKING 8 COPPERFIELD CLOSE, GREENFIELDS**

Mayor Williams read the deputation supplied by Ms Behets and Mr Smollen in opposition to the report recommendation pertaining to Report 9 Proposed Commercial Vehicle Parking: 8 Copperfield Close Greenfields.

CONFIRMATION OF MINUTES [AGENDA ITEM 13]**G.4/5/20 CONFIRMATION OF COUNCIL MINUTES: TUESDAY 24 MARCH 2020****MOTION**

Moved: Councillor Peter Rogers
Seconded: Councillor J Green

That the Minutes of the Council Meeting held on Tuesday 24 March 2020 be confirmed.

CARRIED UNANIMOUSLY: 12/0

G.4/5/20 CONFIRMATION OF SPECIAL COUNCIL MINUTES: TUESDAY 12 MAY 2020**MOTION**

Moved: Councillor D Pember
Seconded: Councillor A Zilani

That the Minutes of the Special Council Meeting held on Tuesday 12 May 2020 be confirmed.

CARRIED UNANIMOUSLY: 12/0

G.5/5/20 ANNOUNCEMENTS BY THE PRESIDING MEMBER [AGENDA ITEM 14]

Mayor Williams acknowledged the downturn in public attendances by Elected Members at community functions and the suspension of many events, ceremonies and openings due to the COVID-19 pandemic.

The Mayor spoke of the great spirit shown by the community of Mandurah during this unusual time and congratulated the community for its efforts in supporting others and working together to assist those in need of assistance.

Mayor Williams advised of various stakeholder meetings, conducted via e-conferencing, that many Elected Members were involved in during this time. Meetings with community groups, schools, churches etc. had been ongoing during the state of emergency to ensure the wider community was supported, strategies were developed and requirements of the community were known for the transit out of the crisis.

G.6/5/20 DECLARATION OF INTERESTS [AGENDA ITEM 15]

- Councillor Darcy declared an impartiality interest in Minute G.23/5/20 - Rivers Regional Council: Transition to Rivers Regional Subsidiary as a Council representative on the Rivers Regional Council. Councillor Darcy declared he would remain in the Chamber, consider the matter on its merits and vote accordingly.
- Councillor Green declared an impartiality interest in Minute G.23/5/20 - Rivers Regional Council: Transition to Rivers Regional Subsidiary as a Council representative on the Rivers Regional Council. Councillor Green declared she would remain in the Chamber, consider the matter on its merits and vote accordingly.

QUESTIONS FROM ELECTED MEMBERS [AGENDA ITEM 16]**Questions of which due notice has been given**

Nil.

Questions of which notice has not been given**G.7/5/20 COUNCILLOR KNIGHT: ORGANISATIONAL STRUCTURE**

The City of Mandurah was known as a Local Government leader in the areas of environment and the arts. The Director that over saw these areas was made redundant two months ago, where do environment and the arts now sit in our organisation and how does that satisfy the Mandurah Matters community expectations?

The Chief Executive Officer outlined the impact of the current state of emergency crisis and the impact this has had on progressing the changes. A confidential briefing note will be provided to Elected Members in response to the question.

BUSINESS LEFT OVER FROM PREVIOUS MEETING [AGENDA ITEM 17]

Nil.

5.42pm: At this juncture in the meeting Mayor Williams checked with each attendee and confirmed that all attendees remained connected and in attendance at the electronic meeting.

RECOMMENDATIONS OF COMMITTEES [AGENDA ITEM 18]

NOTE: Council adopted en bloc (moved by Councillor P Jackson and seconded by Councillor C Knight), the recommendations of the Audit and Risk Committee meeting of Tuesday 19 May 2020 with the exception of Item AR.8/5/20, which was dealt with separately.

G.8/5/20 OFFICE OF THE AUDITOR GENERAL PURCHASING CARDS (AR.4/5/20)Summary

The Office of the Auditor General (OAG) has released a report on Controls Over Purchasing Cards that was tabled on 27 March 2020. The OAG selected a sample of nine state government entities to conduct the audit. These entities had a number of purchasing cards ranging from 8 to 1,022. The City currently holds 116 active cards.

Comment

The City officers have commented on the City's current practice to the following audit findings:

- *All entities had up to date and approved policies and procedures for the use of purchasing cards, however some aspects were not included*
 - *In five entities, there was no policy or clarification regarding the return of cards while on extended leave*
City officer comments - This does not exist at the City. The cardholder is responsible for notifying Finance of their extended leave. The Finance team will also be implementing a procedure when an officer is on extended leave.
 - *Four entities did not have a policy regarding the use of Paypal.*
City officer comments - The City does not currently refer to payment gateways in its current CEO Purchasing Card Policy. A section will be added to the CEO policy for purchasing cards outlining the requirements of using payment gateways such as Paypal.
 - *Four entities needed clearer policy around hospitality and entertainment expenses*
City officer comments - The City adopted a CEO policy on the use of purchasing cards and petty cash for entertainment expenses that is very clear on acceptable use and limits for these types of expenditure.
- *Most entities need to apply better controls over the use of cards:*
 - *Two entities had instances of rewards cards being used. Public sector guidelines on gifts, benefits and hospitality require that purchasing cards should not be used to gain private advantage through the transaction.*

City officer comments - The City does not allow the use of personal rewards/use of personal loyalty cards when the expenditure relates to public purposes. Finance conduct a monthly audit on receipts through purchasing cards and there has been no evidence in the last 12 months that City officers have used their own personal rewards to gain private advantage.

- *Sharing a card. The risk of sharing a card is that an entity cannot hold a cardholder accountable for all of the transactions paid for using that card.*

City officer comments - The City does not allow City officers to share a card and this is included in the terms and conditions the City officer signs when receiving the purchasing card.

- *Splitting of payments. The risk of splitting a payment is that the cardholder is making a purchase at a value that they are not delegated to make.*

City officer comments - The City does not allow City officers to split payments unless approved by the Manager Finance (exceptional circumstances). All transactions are reviewed by finance staff.

- *Personal use on purchasing cards*

City officer comments - All City purchasing card transactions are reviewed by finance and the relevant Manager.

- *Purchases not acquitted and approved in a timely manner:*
 - *155 out of 600 transactions tested were not acquitted and approved in a timely manner.*

City officer comments - The City's terms and conditions on the use of credit cards state a transaction must be coded and approved five days after the end of the monthly billing statement cycle.

- *Transaction limits not applied to purchasing cards in 7 of the 9 entities sampled.*

City officer comments - The City has transaction limits on all purchasing cards.

- *None of the entities sampled had a formal review process to identify any shortcomings:*
 - *Most of the entity's samples stated they performed a formal review but had no formal evidence.*

City officer comments - The City reviews cards and card limits on a quarterly basis and presents to the CEO for approval. The finance team should undertake a review of the under use and inactivity and present to the CEO for cancellation.

There are two actions the City needs to take as a result of this report.

1. Update the CEO Purchasing Card policy to include the process and timeframes during leave periods as well as including the City's requirements for payment gateways such as Paypal transactions.
2. Introduce a formal three monthly review of monthly spend on cards and identify areas of under use and inactivity for recommendation to the CEO for cancellation.

Committee Recommendation

That Council note the City officers' responses in the Comment section of this report in relation to the Office of the Auditor General's report on Controls Over Purchasing Cards.

Council Resolution**MOTION**

Moved: Councillor P Jackson

Seconded: Councillor C Knight

That Council note the City officers' responses in the Comment section of this report in relation to the Office of the Auditor General's report on Controls Over Purchasing Cards.

CARRIED: 12/0
(This item was adopted en bloc)

**G.9/5/20 OFFICE OF THE AUDITOR GENERAL FINANCIAL CONTROL MATTERS
(AR.5/5/20)**

Summary

The Office of the Auditor General (OAG) has released a COVID-19 Financial Control Matters circular to local governments with the view of conducting a self-assessment on the internal controls in place throughout the COVID-19 pandemic. In these uncertain times, there is an increased risk of an entity taking advantage and good controls over finances and key decisions during this period will help to mitigate that risk.

CommentAssets – Risk of misappropriation, unauthorised purchases or disposals

Entities should ensure:

- all purchases are in line with their procurement policy and any temporary divergence from the policy is approved by the DG or CEO and recorded in a central registry
 - City Officer comments - Communication has been provided to staff that even with COVID-19, the procurement process must be followed. Any requests that are not in accordance with the Procurement Council Policy, must go to Council for approval. There have been no such instances to date.
- asset acquisitions are approved in line with the delegation of authority
 - City Officer comments – Asset acquisitions remain in line with the delegation of authority and this is part of the purchase order controls settings that are in place.
- asset reconciliations between the register and the general ledger are prepared and reviewed on a timely basis
 - City Officer comments – Currently asset reconciliations are prepared on a yearly basis due to the complexities of the corporate business system. This has also been noted in the year end audit report. The reconciliations are due to go

monthly with the implementation of the new corporate business system (often referred to as the ERP).

- asset disposals/write-offs are appropriately authorised
 - City Officer comments – Asset disposals are in line with the delegated authority that is in place.
- loans of assets to other entities are properly recorded and authorised
 - City Officer comments – The City has a register however this has not occurred yet and if the City approves an organisation to use an asset, it would enter into an agreement to do so to ensure the City is protected from any liability claims while the third party is using the asset.
- where necessary, key responsibilities continue to be segregated in relation to asset acquisition, recording, custody, disposal and reconciliation
 - City Officer comments – There are no changes to the segregation of duties. All Officers are undertaking their normal duties and therefore the City has sufficient segregation of duties controls in place.
- appropriate records of portable and attractive assets are maintained, particularly those that staff may take home to use when working from home.
 - City Officer comments – The City has recorded the portable assets that have been taken home by City officers during this time.

Cash – Risk of misappropriation

Entities should ensure:

- regular bank reconciliations are prepared and reviewed, reconciling items are investigated and resolved
 - City Officer comments – Daily bank reconciliations remain as a daily task as well as the monthly bank reconciliation. Any issues are investigated and resolved.
- all bank accounts have at least 2 signatories
 - City Officer comments – The current controls of two signatories to make payments from the bank are still required and there will be no changes to this significant control that is in place.
- online purchasing policies are reviewed to reflect the current period
 - City Officer comments – City officers have not seen any increase in online purchasing. This is reviewed and any irregular purchases would be investigated.
- increases in purchasing card limits are appropriately approved
 - City Officer comments – There has been no increases in purchasing card limits. It has been timely that some City officers have recognised their limited use and as a result their purchasing cards have been cancelled.
- there are appropriate and timely reviews of credit card usage.
 - City Officer comments – Managers review City officer statements monthly. The financial team also review transactions and present a list of City officers to the CEO for approval on a quarterly basis to ensure there is a regular review of the City Officers who require a purchasing card.

Expenditure – Risk of unauthorised or invalid payments, incorrect or invalid suppliers, and increased risk of fraudulent payments

Entities should ensure:

- all purchases are in line with their procurement policy and any temporary divergence from the policy is approved by the DG or CEO and recorded in a central registry
 - City Officer comments – As stated above in the assets section, communication has been provided to staff that even with COVID-19, the procurement process must be followed. Any requests that are not in accordance with the Procurement Council Policy, must go to Council for approval. There have been no such instances to date.

- changes to vendor master files are documented and approved (for better practice guidance see our March 2019 report Management of Supplier Master Files)
 - City Officer comments – The finance team do not document that the changes have been checked by a supervisor. There is an informal check of the changes. The new ERP has been configured so that it will document the approvals.
- there is separation between the vendor creation and payment approval functions
 - City Officer comments – This is in place
- a 3-way match is performed of invoices, receipt of goods and purchase orders
 - City Officer comments – This is in place
- payment authorisation is made in line with the delegation of authority and requires 2 to sign. Signatories should pay *particular attention* to the delivery addresses of goods received
 - City Officer comments – This is in place
- purchase orders are prepared and appropriately authorised
 - City Officer comments – This is in place. Where a purchase order has not been raised requisitioners are required to raise one before the invoice is paid.
- appropriate security and checks are in place over EFT payment data
 - City Officer comments – This is in place

Committee Recommendation

That the Audit and Risk Committee note the City officer responses in the Comment section of this report to the Office of the Auditor General's COVID-19 Financial Control Matters.

Council Resolution

MOTION

Moved: Councillor P Jackson
Seconded: Councillor C Knight

That Council note the City officer responses in the Comment section of this report to the Office of the Auditor General's COVID-19 Financial Control Matters.

CARRIED: 12/0
(*This item was adopted en bloc*)

G.10/5/20 OFFICE OF THE AUDITOR GENERAL 2019 AUDIT (AR.6/5/20)

Summary

The Office of the Auditor General (OAG) responsibility for the audits of local governments began in the 2017/18 financial year with a four-year transition. For the 2018/19 year, the OAG audited 112 of 148 WA local governments. Accordingly, they have released their report on the audits for the 2018/19 year to State Parliament. As the OAG now audits the majority of local governments, their report includes finding and recommendations that are relevant for the City to consider. OAG will undertake the City's financial audits with the OAG in the 2020/21 year.

It is recommended that the Audit and Risk Committee note the City officer's comments to the OAG recommendations.

Comment

City officers have provided comments to the recommendations made by the OAG in the report:

Recommendation One

Local government entities should ensure they maintain the integrity of their financial control environment by:

- a. periodically reviewing and updating all financial, asset, human resources, governance, information systems and other management policies and procedures, and communicating these to staff*
- b. conducting ongoing reviews and improvement of internal control systems in response to regular risk assessments*
- c. regularly monitoring compliance with relevant legislation*
- d. promptly addressing control weaknesses brought to their attention by our audits, and other audit and review mechanisms.*

Officer Comment - The City is undertaking a review of all treatment of financial transactions, policies and procedures to ensure compliance with legislation. The financial team implemented a new staffing structure in October 2019 to gain efficiencies and ensure a greater knowledge of the business is shared by all. The Audit and Risk Committee has been presented with the City's internal audit strategy for endorsement, which will periodically review and identify weaknesses in internal controls and compliance. When reports such as this OAG report are received, the City intends to review the report and implement any recommendations that are necessary to ensure there is continuous improvement.

Recommendation Two

Entities should ensure that reports from their valuers clearly explain key aspects of the valuations, and that management has a comprehensive understanding of the reports.

Officer Comment - The City's revaluation of assets occurs every three to five years. Valuation reports are reviewed by City officers and management for correctness and any issues are raised with the valuer prior to the final report being issued.

Recommendation Three

Management should annually review the estimated useful lives of assets used for calculating depreciation, if necessary in consultation with their valuers or other experts. In addition, for greater consistency across entities, the Department of Local Government, Sport and Cultural Industries (DLGSC) should review its guidance regarding potential ranges for useful lives of assets, and entities should consider the guidance when doing their annual reviews.

Officer Comment - City Officers are preparing an Asset Depreciation and Capitalisation Council Policy that will outline the useful lives of assets. The City also supports the OAG's view that the Department should review its guidance for local government.

Recommendation Four

Entities who have not yet done so, should implement the recommendations of our local government position paper number 1 'Accounting for work bonds, building bonds and hire bonds'.

Officer Comment - The City is currently implementing the recommendations in this position paper for the 2020 year.

Recommendation Five

Local government entities should, where necessary, seek advice in advance of year end if uncertain about appropriate accounting treatments.

Officer Comment - The City does occasionally seek advice if uncertain about appropriate accounting treatments. The City has five professional qualified accountants (either Chartered Accountant or Certified Practising Accountant memberships) with considerable experience in interpreting accounting standards.

Recommendation Six

To facilitate timely preparation of annual financial reports, and to minimise the additional audit costs associated with Australian Accounting Standards on revenue, income and leases (AASB 15, AASB 1058 and AASB 16), entities should complete preparations for those new standards by 30 June 2020.

Officer Comment - The City is close to completing the preparation for the new accounting standards and they will be in place by 30 June 2020.

The recommendations from the report for the Department of Local Government, Sport and Cultural Industries are detailed below:

1. DLGSC should consider extending existing declaration processes to include annual related party declarations for councillors and key management personnel that assist compliance with Australian Accounting Standard AASB 124 and that are fit-for-purpose to the local government environment.
2. To improve the quality of financial reports and achieve greater consistency across entities, DLGSC should consider providing an accounting advice helpdesk to the local government sector.
3. DLGSC should re-assess the amount of detail required to be included in annual financial reports, in particular for small and medium sized entities.
4. DLGSC should re-assess the potential advantages and disadvantages if smaller local government entities reported some asset classes such as plant and equipment using the cost model, rather than periodically re-valuing those assets.
5. Entities and DLGSC should monitor the progress of the Australian Accounting Standards Board (AASB) and the International Public Sector Accounting Standards Board (IPSASB) public sector fair value projects relating to the valuation of assets.
6. DLGSC should consider facilitating a shared internal audit service for the local government sector, as a service available to small and medium entities who do not have their own internal audit function.

The City supports the OAG's recommendations to the DLGSC.

Committee Recommendation

That the Audit and Risk Committee note the officer's responses to the Office of the Auditor General's (OAG) recommendations in the OAG's Audit Results Report – Annual 2018-19 Financial Audits of Local Government Entities.

Council Resolution

MOTION

Moved: Councillor P Jackson
Seconded: Councillor C Knight

That Council note the officer's responses to the Office of the Auditor General's (OAG) recommendations in the OAG's Audit Results Report – Annual 2018-19 Financial Audits of Local Government Entities.

CARRIED: 12/0
(This item was adopted en bloc)

G.11/5/20 AUDIT 2020 CONSIDERATIONS (AR.7/5/20)

Summary

The City's auditor, Deloitte, have asked City officers to review certain assumptions and considerations used in the financial reporting process for this year's financial statements (financial year ending 30 June 2020). City officers have reviewed the supplied document and determined that while many of these issues are not reflected in local government, there are several that need consideration.

Comment

From the International Financial Reporting Standards (IFRS) in focus report, the following points require consideration:

- Preparation of forecast cash flow estimates
 - The City has prepared a COVID-19 budget adjustment to account for the loss in revenue and consequent decrease in expenditure as a result. This report will be presented to the May Ordinary Council Meeting as part of the April monthly financial report.
- Recoverability and impairment of assets
 - The City's asset values are not expected to be impaired from the COVID-19 pandemic as the majority are infrastructure assets such as roads, drainage and parks. Under AASB 13 *Fair Value measurement*, these classes of assets are valued using replacement cost less depreciation as there are no available market participants to obtain a value that the asset would sell for.
- Accounting for financial assets
 - Under AASB 9 – *Financial Instruments* the City needs to assess trade debtors, loans receivables and rent/lease receivables to establish the expected credit losses for each category. The City does not calculate expected credit losses on rate debtors as these charges are statutory and a charge on land is eventually recoverable with the sale of that land. This recognition came into effect in the 2019 financial year and replaces the accounting treatment for doubtful debts provision.
As part of the end of financial year planning the expected credit loss calculations will be undertaken and included as a note in the financial statements.
- Contract Modifications
 - The pandemic has resulted in contract variations for the City. These changes will result in financial adjustments that will be made in the budget and the COVID-19 budget adjustments. The City is expecting a delay in the roll out of the new Enterprise Resource Planning (ERP) software and are in discussions with the supplier to determine if the City can position itself in a more advantageous position. This may impact the lease asset and liability amounts.
- *Going Concern*
 - The City has assessed the budget for the COVID-19 pandemic and have identified reduced expenditures to match the loss in revenue. The City's

cashflow position remains viable and it is expected that the City will be operating well into the future.

All other issues raised in the document, detailed in Attachment 4.1, have been assessed by City officers and do not apply to the City's business, as a local government.

Committee Recommendation

That the Audit and Risk Committee note the City officer responses outlined in the Comment section of the report.

Council Resolution

MOTION

Moved: Councillor P Jackson

Seconded: Councillor C Knight

That Council note the City officer responses outlined in the Comment section of the report.

CARRIED: 12/0
(This item was adopted en bloc)

G.12/5/20 STRATEGIC INTERNAL AUDIT PLAN 2020/21 – 2022/23 (AR.8/5/20)

Summary

Internal audit is a dynamic function involved in helping an organisation achieve its objectives. It is concerned with evaluating and improving the effectiveness of risk management, control and governance processes. Although it is not an activity required by the *Local Government Act 1995* (Act), it is considered to be an essential part of achieving best practice in risk management and effective and efficient internal controls.

The City of Mandurah's (the City) internal audit function has now been established and is due for implementation in 2020/21 financial year.

The Audit and Risk Committee are requested to review the City's Strategic Internal Audit Plan 2020/21 -2022/23, Internal Audit Charter, Internal Audit Plan and amendments to the Audit and Risk Committee Terms of Reference before the documents are presented to Council for adoption.

Committee Recommendation

That the Audit and Risk Committee recommend that Council adopts the:

- 1 Amended the Audit and Risk Committee Terms of Reference as per Attachment 5.1.
- 2 Strategic Internal Audit Plan 2020/21 – 2022/23 as per Confidential Attachment 5.2 with the following amendments:
 - 2.1 Defer the Contract Management (city wide) Internal Audit from 2020/21 to take place in the 2021/22 financial year; and
 - 2.2 Insert new auditable area of Crisis Governance and Response Internal Audit to be undertaken in 2020/21.
- 3 Amended Internal Audit Charter as per Confidential Attachment 5.3.

- 4 Amended Internal Audit Manual as per Confidential Attachment 5.4.

Council Resolution

MOTION

Moved: Councillor Peter Rogers

Seconded: Councillor D Pember

That the Audit and Risk Committee recommend that Council adopts the:

- 1 Amended Audit and Risk Committee Terms of Reference as per Attachment 5.1.
- 2 Strategic Internal Audit Plan 2020/21 – 2022/23 as per Confidential Attachment 5.2 with the following amendments:
 - 2.1 Defer the Contract Management (city wide) Internal Audit from 2020/21 to take place in the 2021/22 financial year; and
 - 2.2 Insert new auditable area of Crisis Governance and Response Internal Audit to be undertaken in 2020/21.
- 3 Amended Internal Audit Charter as per Confidential Attachment 5.3.
- 4 Amended Internal Audit Manual as per Confidential Attachment 5.4.

Amendment

MOTION

Moved: Councillor Peter Rogers

Seconded: Councillor D Pember

That Council adopts the new auditable area of Crisis Governance and Response Internal Audit to be undertaken in 2020/21 as detailed in Confidential Attachment 5.5.

CARRIED: 12/0

Substantive Motion

MOTION

Moved: Councillor Peter Rogers

Seconded: Councillor D Pember

That Council adopts the:

- 1 Amended Audit and Risk Committee Terms of Reference as per Attachment 5.1.
- 2 Strategic Internal Audit Plan 2020/21 – 2022/23 as per Confidential Attachment 5.2 with the following amendments:
 - 2.1 Defer the Contract Management (city wide) Internal Audit from 2020/21 to take place in the 2021/22 financial year; and
 - 2.2 Insert new auditable area of Crisis Governance and Response Internal Audit to be undertaken in 2020/21 as detailed in Confidential Attachment 5.5.

3 Amended Internal Audit Charter as per Confidential Attachment 5.3.**4 Amended Internal Audit Manual as per Confidential Attachment 5.4.**

CARRIED: 12/0

Reason for the Change: Added new auditable area in Confidential Attachment 5.5 to include the objective and scope of the Crisis Governance and Response auditable area. It would be prudent to test the City's governance response to the COVID-19 Pandemic.

G.13/5/20 CEO REVIEW OF RISK MANAGEMENT, INTERNAL CONTROLS AND COMPLIANCE (AR.9/5/20)Summary

In accordance with Regulation 17(1) of the *Local Government (Audit) Regulations 1996* (Regulations), the Chief Executive Officer (CEO) is required to review the appropriateness and effectiveness of the City of Mandurah (the City) systems and procedures in relation to risk management, internal controls and legislative compliance at least once every three calendar years.

An independent internal audit service provider was appointed by the CEO to undertake the review in April 2020. The findings from the review represent an opportunity for continuous improvement to the City's governance systems. Over the next 18 months the review improvements will be implemented and the progress monitored in accordance with the City's Internal Audit Function.

The report is now being presented to Audit and Risk Committee for consideration and review of the improvement actions identified.

In accordance with Regulation 16, the Audit and Risk Committee is required to receive the review report and report to Council the results of the Committees review.

Committee Recommendation

That the Audit and Risk Committee recommend that Council:

1. Notes the CEO's review of risk management, internal controls and legislative compliance as per Confidential Attachment 6.1.
2. Notes the action plan for implementation of the improvements identified as per Confidential Attachment 6.2.
3. Adopts one amendment to the 2019 Local Government Compliance Audit Return for the period 1 January 2019 to 31 December 2019 as per Attachment 6.3 and submits the amendment to the Department of Local Government, Sport and Cultural Industries.

Council Resolution**MOTION**

Moved: Councillor P Jackson

Seconded: Councillor C Knight

That Council:

1. **Notes the CEO's review of risk management, internal controls and legislative compliance as per Confidential Attachment 6.1.**
2. **Notes the action plan for implementation of the improvements identified as per Confidential Attachment 6.2.**
3. **Adopts one amendment to the 2019 Local Government Compliance Audit Return for the period 1 January 2019 to 31 December 2019 as per Attachment 6.3 and submits the amendment to the Department of Local Government, Sport and Cultural Industries.**

CARRIED: 12/0
(This item was adopted en bloc)

REPORTS [AGENDA ITEM 19]**G.14/5/20 PROPOSED COMMERCIAL VEHICLE PARKING 8 COPPERFIELD CLOSE, GREENFIELDS (REPORT 1)**Summary

Council is requested to consider a development application for Commercial Vehicle Parking at a residential property at No. 8 Copperfield Close, Greenfields. The lot is zoned 'Residential' under Town Planning Scheme No. 3 (Scheme 3) and has an area of 2679 square metres.

The applicant is seeking a retrospective approval for two commercial vehicles to be parked on the property, with no restriction on when the vehicles can be brought to and from the site.

As part of the assessment process, the City has consulted with surrounding landowners and received five submissions with one in support, one impartial and three objecting. The concerns raised within the submissions generally relate to impacts of noise, safety, hours and visual amenity. Officers consider that restricting the hours of use (i.e. restricting the times the vehicles are not to be taken from or brought to the lots) between 10.00pm to 6:30am is essential in providing some amenity to the residential nature of the surrounding properties and recommend that this be a condition of approval

It is recommended that Council approve the development application for Commercial Vehicle Parking, subject to conditions.

Officer Recommendation

That in accordance with Clause 68(2) of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015 (Deemed Provisions for Local Planning Schemes)*, Council grant development approval for proposed Commercial Vehicle Parking at 8 Copperfield Close, Greenfields (DA9327) subject to the following conditions:

1. The commercial vehicles shall not be taken from or brought to the site between the hours of 10:00pm and 6:30am.
2. No mechanical work or vehicle servicing is permitted on the subject site.

3. In accordance with Clause 5.17.3 of the City of Mandurah's Town Planning Scheme No. 3, this approval;
 - a) is granted to the Shane Woods, to whom it is issued;
 - b) relates to two vehicles (License plates '076 BFS' and '1GFF 931');
 - c) is not transferable to any other persons and does not run with the land in respect of which it is granted.

Advice Notes:

1. In accordance with Clause 5.17.4 of Town Planning Scheme 3, should this Commercial Vehicle cause nuisance or annoyance to neighbours, or owners or occupiers of land in the neighbourhood, the City of Mandurah may:
 - (a) require practices to be altered, or
 - (b) rescind the approval, and require the vehicle be relocated to a more suitable area within three months.
2. The owner is advised that parking of a commercial vehicle is not permitted at any time on the verge, in accordance with the *Parking and Parking Facilities Local Law 2015*.

During debate, Councillor Zilani foreshadowed his intention to move an alternate recommendation for deferral should the current motion be lost.

Council Resolution

MOTION

Moved: Councillor C Knight
Seconded: Councillor P Jackson

That in accordance with Clause 68(2) of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015 (Deemed Provisions for Local Planning Schemes)*, Council grant development approval for proposed Commercial Vehicle Parking at 8 Copperfield Close, Greenfields (DA9327) subject to the following conditions:

1. **The commercial vehicles shall not be taken from or brought to the site between the hours of 10:00pm and 6:30am.**
2. **No mechanical work or vehicle servicing is permitted on the subject site.**
3. **In accordance with Clause 5.17.3 of the City of Mandurah's Town Planning Scheme No. 3, this approval;**
 - a) **is granted to the Shane Woods, to whom it is issued;**
 - b) **relates to two vehicles (License plates '076 BFS' and '1GFF 931');**
 - c) **is not transferable to any other persons and does not run with the land in respect of which it is granted.**

Advice Notes:

1. In accordance with Clause 5.17.4 of Town Planning Scheme 3, should this Commercial Vehicle cause nuisance or annoyance to neighbours, or owners or occupiers of land in the neighbourhood, the City of Mandurah may:
 - (a) require practices to be altered, or
 - (b) rescind the approval, and require the vehicle be relocated to a more suitable area within three months.
2. The owner is advised that parking of a commercial vehicle is not permitted at any time on the verge, in accordance with the Parking and Parking Facilities Local Law 2015.

LOST: 7/5
AGAINST: Councillors Lynn Rodgers, Pember, Lee, Jackson, Green, Di Prinzie and Darcy
FOR: Mayor Williams, Councillors Zilani, Knight, Peter Rogers and Matt Rogers

During debate on the alternate motion, Councillor Zilani foreshadowed his intention to move an alternate recommendation for deferral of discussion should the current motion be lost.

Alternate Motion**MOTION**

Moved: Councillor A Zilani
Seconded: Councillor Peter Rogers

That Council defer consideration of the item to the Council meeting of 23 June 2020 with an Elected Member workshop to be conducted prior to the meeting date.

LOST: 7/5
AGAINST: Mayor Williams, Councillors Lynn Rodgers, Lee, Knight, Jackson, Darcy and Green
FOR: Councillors Zilani, Peter Rogers, Matt Rogers, Pember and Di Prinzie

During debate on the alternate motion, Councillor Jackson foreshadowed his intention to move an alternate recommendation for deferral of discussion should the current motion be lost for Officers to assist in preparing an alternative motion for refusing the application.

Alternate Motion**MOTION**

Moved: Councillor P Jackson
Seconded: Councillor D Pember

That Council defer discussion of this item to follow the final report as listed on the agenda for this meeting.

CARRIED: 12/0

(Refer minute G.25/5/20 for further information on this item)

G.15/5/20 FINANCIAL REPORT MARCH 2020 (REPORT 2)Summary

The Financial Report for March 2020 together with associated commentaries, notes on investments, balance sheet information and the schedule of accounts are presented for Elected Members' consideration.

Officer Recommendation

That Council:

1. Receives the Financial Report for March 2020 as detailed in Attachment 2.1 of the report.
2. Receives the Schedule of Accounts for the following amounts as detailed in Attachment 2.2 of the report:

Total Municipal Fund	\$ 9,994,445.09
Total Trust Fund	\$ <u>12,900.50</u>
	<u>\$ 10,007,345.59</u>
3. Approves the following budget variations:
 - 3.1. Increase in capital expenditure of \$15,000* for Old Coast Road / Rutland Drive Roundabout.
 - o To be funded from Mississippi Drive \$15,000*

Council Resolution**MOTION**

Moved: Councillor C Knight

Seconded: Councillor D Pember

That Council:

1. **Receives the Financial Report for March 2020 as detailed in Attachment 2.1 of the report.**
2. **Receives the Schedule of Accounts for the following amounts as detailed in Attachment 2.2 of the report:**

Total Municipal Fund	\$ 9,994,445.09
Total Trust Fund	\$ <u>12,900.50</u>
	<u>\$ 10,007,345.59</u>
3. **Approves the following budget variations:**
 - 3.1. **Increase in capital expenditure of \$15,000* for Old Coast Road / Rutland Drive Roundabout.**
 - o **To be funded from Mississippi Drive \$15,000***

CARRIED WITH ABSOLUTE MAJORITY: 12/0

G.16/5/20 FINANCIAL REPORT APRIL 2020 (REPORT 3)Summary

The Financial Report for April 2020 together with associated commentaries, notes on investments, balance sheet information and the schedule of accounts are presented for Elected Members' consideration.

In light of the Covid 19 global pandemic the City undertook a review in late March of the current programs and services of all business units, analysing their budgets and identifying savings up until 30 June 2020 in order to cover the loss of revenue that the City was going to experience as a result of facilities having to close. Although the review has resulted in a deficit it is recommended that Council adopt the Covid Budget Review for 2019/20 to ensure that the City has projected realistic estimates up to 30 June 2020.

In addition, Council are requested to support the City of Mandurah sponsoring the Australian Association of Environmental Education Biennial National Conference and Research Symposium that is to be held in 2021 (the event has been deferred as a result of COVID-19) and the 2023 Canoe Ocean Racing World Championships.

Officer Recommendation

That Council:

1. Adopts the COVID-19 Budget Review 2019/20 as detailed in Attachment 3.2 of the report.*
2. Receives the Financial Report for April 2020 as detailed in Attachment 3.1 of the report.
3. Support the City of Mandurah sponsoring the Australian Association of Environmental Education Biennial National Conference and Research Symposium that is to be held in 2021.
4. Approve the City of Mandurah to host the 2023 Canoe Ocean Racing World Championship event in Mandurah and note an amount of \$50,000* will be listed in the City's 2023/24 Operating Budget to support the delivery of the event.
5. Authorise the Chief Executive Officer to execute a variation to the agreement between the City of Mandurah and The Cut Golf Club reducing the value of the bond held to \$16,000.
6. Receives the Schedule of Accounts for the following amounts as detailed in Attachment 3.3 of the report:

Total Municipal Fund	\$ 7,613,253.94
Total Trust Fund	<u>\$ 10,131.30</u>
	<u>\$ 7,623,385.24</u>
7. Approves the following budget variations:
 - 7.1 Increase in capital expenditure of \$15,000* for Central Boardwalk
 - o To be funded from Marc System Integration \$15,000*
 - 7.2 Increase in capital expenditure of \$10,000* for Park Rd SES Workshop Upgrade
 - o To be funded from Electric BBQ Replacement Program \$10,000*

- 7.3 Increase in capital expenditure of \$8,000* for SP Swinton Place
 - o To be funded from SP Lefroy Street \$8,000*
- 7.4 Increase in capital expenditure of \$2,800* for DR Mulberry Close
 - o To be funded from DR Sunview Rise \$2,800*
- 7.5 Approves unbudgeted capital expenditure of \$8,865* for floor replacement at Port Bouvard Surf Life Saving Club
 - o To be funded from Port Bouvard Surf Lifesaving Club Sportclubs Maintenance Levy Reserve balance \$8,865*
- 7.6 Reversal of budget variation 3.2 approved in Report 01 Monthly Financial Report February 2020. Decrease in operating grant \$30,000* and decrease of \$30,000* in corresponding labour component.

Council Resolution

MOTION

Moved: Councillor D Pember

Seconded: Councillor C Knight

That Council:

1. **Adopts the COVID-19 Budget Review 2019/20 as detailed in Attachment 3.2 of the report.***
2. **Receives the Financial Report for April 2020 as detailed in Attachment 3.1 of the report.**
3. **Support the City of Mandurah sponsoring the Australian Association of Environmental Education Biennial National Conference and Research Symposium that is to be held in 2021.**
4. **Approve the City of Mandurah to host the 2023 Canoe Ocean Racing World Championship event in Mandurah and note an amount of \$50,000* will be listed in the City's 2023/24 Operating Budget to support the delivery of the event.**
5. **Authorise the Chief Executive Officer to execute a variation to the agreement between the City of Mandurah and The Cut Golf Club reducing the value of the bond held to \$16,000.**
6. **Receives the Schedule of Accounts for the following amounts as detailed in Attachment 3.3 of the report:**

Total Municipal Fund	\$ 7,613,253.94
Total Trust Fund	<u>\$ 10,131.30</u>
	<u>\$ 7,623,385.24</u>
- 7 **Approves the following budget variations:**
 - 7.1 **Increase in capital expenditure of \$15,000* for Central Boardwalk**
 - o **To be funded from Marc System Integration \$15,000***
 - 7.2 **Increase in capital expenditure of \$10,000* for Park Rd SES Workshop Upgrade**
 - o **To be funded from Electric BBQ Replacement Program \$10,000***

- 7.3 Increase in capital expenditure of \$8,000* for SP Swinton Place
- To be funded from SP Lefroy Street \$8,000*
- 7.4 Increase in capital expenditure of \$2,800* for DR Mulberry Close
- To be funded from DR Sunview Rise \$2,800*
- 7.5 Approves unbudgeted capital expenditure of \$8,865* for floor replacement at Port Bouvard Surf Life Saving Club
- To be funded from Port Bouvard Surf Lifesaving Club Sportclubs Maintenance Levy Reserve balance \$8,865*
- 7.6 Reversal of budget variation 3.2 approved in Report 01 Monthly Financial Report February 2020. Decrease in operating grant \$30,000* and decrease of \$30,000* in corresponding labour component.

CARRIED WITH ABSOLUTE MAJORITY: 12/0

G.17/5/20 AMENDMENT TO ELECTED MEMBER ENTITLEMENT COUNCIL POLICY (REPORT 4)

Summary

The most recent determination by the Salaries and Allowances Tribunal (SAT) on Local Government Chief Executive Officers and Elected Members, released on 8 April 2020 requires an amendment to the Elected Member Entitlements Policy, relating to the reimbursement rates for travel.

Two categories of reimbursement rates have been implemented, one for travel to Council and Committee meetings in accordance with the rate set out in clause 30.6 of the *Local Government Officers (Western Australia) Interim Award 2011* and the second rate associated with travel expenses relating to the performance of the function in the capacity of an Elected Member in accordance with Schedule F of the *Public Service Award 1992*.

Council is requested to support the amendments to the Elected Member Entitlements Policy GVN 07.

Officer Recommendation

That Council adopts the amendments to the Elected Member Entitlement Policy GVN 07 as per *Attachment 4.1*.

Council Resolution

MOTION

Moved: Councillor Lynn Rodgers

Seconded: Councillor A Zilani

That Council adopts the amendments to the Elected Member Entitlement Policy GVN 07 as per *Attachment 4.1*.

CARRIED WITH ABSOLUTE MAJORITY: 12/0

G.18/5/20 ADOPTION OF REGIONAL PRICE PREFERENCE POLICY (REPORT 5)Summary

Following the Ordinary Council Meeting on 28 February 2020, POL-CPM 01 Regional Price Preference Policy was advertised for public comment in accordance with regulation 24F of the *Local Government (Functions and General) Regulations 1996* (Regulations).

Following the consultation period, whereby no submissions were received, Council is now requested to adopt the Regional Price Preference.

Officer Recommendation

That Council adopt the proposed POL-CPM 01 Regional Price Preference Policy as per Attachment 5.1.

Council Resolution**MOTION**

Moved: Councillor A Zilani

Seconded: Councillor D Pember

That Council adopt the proposed POL-CPM 01 Regional Price Preference Policy as per Attachment 5.1.

CARRIED: 12/0

G.19/5/20 NATIONAL REDRESS SCHEME PARTICIPATION OF WA LOCAL GOVERNMENTS: KEY DECISIONS AND ACTION (REPORT 6)Summary

The Royal Commission into Institutional Responses to Child Sexual Abuse was established in 2013. The establishment of a National Redress Scheme (Scheme) was a key recommendation of the Royal Commission to recognise the harm suffered by survivors of institutional child sexual abuse. The State Government consulted with WA local governments throughout 2019 and early 2020 focusing on raising awareness of the Scheme and identifying how implementation of the Scheme with the sector may be best approached.

This report provides Council an update on the consultation findings and the related proposed financial agreement between the State Government and local government sector and recommends the City undertake an organisational review of its approach to volunteers, with reference to the findings. The following items are presented to Council for consideration and approval:

- Formally endorse the City's participation as part of the WA Government's declaration in the National Redress Scheme;
- Note the background information and the WA Government's decision in relation to the National Redress Scheme;
- Note the key considerations and administrative arrangements for the City of Mandurah to participate in the National Redress Scheme and;
- Authorise the Chief Executive Officer to execute a service agreement with the State, if a Redress application is received.

Officer Recommendation

That Council:

1. Notes the consultation undertaken and information provided by the State Government in regarding the National Redress Scheme and the participation of WA local governments;
2. Notes that the City of Mandurah will not be included in the WA Government's amended participation declaration (and afforded the associated financial and administrative coverage), unless the City makes a specific and formal decision to be included;
3. Endorses the participation of the City of Mandurah in the National Redress Scheme as a State Government institution and included as part of the State Government's declaration;
4. Grants authority to the Chief Executive Officer to execute a service agreement with the State, if a Redress application is received;
5. Notes that a confidential report will be provided if a Redress application is received by the City.

Council Resolution**MOTION**

Moved: Councillor P Jackson

Seconded: Mayor R Williams

That Council:

1. **Notes the consultation undertaken and information provided by the State Government in regarding the National Redress Scheme and the participation of WA local governments;**
2. **Notes that the City of Mandurah will not be included in the WA Government's amended participation declaration (and afforded the associated financial and administrative coverage), unless the City makes a specific and formal decision to be included;**
3. **Endorses the participation of the City of Mandurah in the National Redress Scheme as a State Government institution and included as part of the State Government's declaration;**
4. **Grants authority to the Chief Executive Officer to execute a service agreement with the State, if a Redress application is received;**
5. **Notes that a confidential report will be provided if a Redress application is received by the City.**

CARRIED: 12/0

G.20/5/20 PUBLIC SPACES: USE OF GLYPHOSATE CHEMICAL HERBICIDE (REPORT 7)Summary

Council, at its meeting on 25 June 2019, requested City officers to submit a report on minimising or reducing the use of glyphosate in highly trafficked and popular public spaces.

Accordingly, a review of the use of glyphosate chemical herbicide and other potential alternative treatments that could be used to eradicate weeds in popular public spaces, has been completed.

Council, at its Ordinary Council meeting held on 25 February 2020, considered the officer report which reviewed the City's current practice of integrated weed management and proposed operational changes.

Council deferred consideration of the item to allow a briefing for Elected Members to consider the decisions by the Cities of Nedlands and Subiaco to ban glyphosate, but not limited to other professional advice available, research undertaken and litigation against Bayer in Australia claiming exposure to its Roundup weed killer causes cancer.

Comment

The modified operational controls for chemical herbicide application at the Eastern and Western Foreshores and, in and around, commercial shopping and school precincts, are:

1. all chemical herbicide application to be performed before 7:30am; and
2. chemical herbicide to be applied via the use of 'hand' rope wick wand applicators or similar, where available, to minimise chemical use and avoid overspray in, and around, paved alfresco café and restaurant areas. This is a targeted application for weed treatment which results in a controlled treatment.

Officer Recommendation

That Council endorses the City's current practice of integrated weed management and the proposed operational changes, as outlined within the report.

Council Resolution**MOTION**

Moved: Councillor C Knight
Seconded: Councillor Peter Rogers

That Council endorses the City's current practice of integrated weed management and the proposed operational changes, as outlined within the report.

Amendment

Moved: Councillor C Knight
Seconded: Councillor P Jackson

That Council request a review be presented in two years including details of the latest product information and practices available.

CARRIED: 12/0

Substantive Motion

That Council:

1. **Endorses the City's current practice of integrated weed management and the proposed operational changes, as outlined within the report.**
2. **Request a review be presented in two years including details of the latest product information and practices available.**

CARRIED: 12/0

Reason: Resolution point two was added to include a reporting requirement to Council, in two years, on industry practices associated with weed management.

**G.21/5/20 FALCON LOCAL AREA TRAFFIC MANAGEMENT INVESTIGATION:
OUTCOMES AND RECOMMENDATIONS (REPORT 8)**

Summary

Over the past twelve months, the City has been contacted by a number of residents requesting traffic management measures be installed in streets within the Falcon locality. Officers were also referred to the outcomes of a previous study.

In response, a review of the Falcon locality was undertaken and an assessment made using the 2006 study as a baseline for vehicle traffic speeds and patterns that may have occurred over the intervening years.

Council is requested to receive this report and note the recommendations resulting from the study. Such recommendations would be considered in the preparation of future capital works programs.

Officer Recommendation

That Council:

1. Supports the recommendations for new traffic management infrastructure identified within the Falcon Local Area Traffic Management Report 2019 for inclusion in the City's Ten Year Capital Works Program.
2. Supports an application to Main Roads Western Australia (MRWA) for a 40 km/h linear speed zone through the Falcon Bay Foreshore precinct in line with MRWA speed zone policy.

Council Resolution

MOTION

Moved: Councillor M Darcy

Seconded: Councillor J Green

That Council:

1. **Supports the recommendations for new traffic management infrastructure identified within the Falcon Local Area Traffic Management Report 2019 for inclusion in the City's Ten Year Capital Works Program.**
2. **Supports an application to Main Roads Western Australia (MRWA) for a 40 km/h linear speed zone through the Falcon Bay Foreshore precinct in line with MRWA speed zone policy.**

CARRIED: 12/0

G.22/5/20 COASTAL HAZARD RISK MANAGEMENT ADAPTATION PLANNING: PROGRESS UPDATE (REPORT 9)Summary

The vulnerability of assets within the Western Australian coastal zone to coastal hazards such as erosion and inundation is expected to increase in the future. The risk arising from vulnerability of assets is influenced by the level of preparedness and response of the community and its recovery capacity.

The State Government coastal planning policy State Planning Policy 2.6 Coastal Planning Policy (SPP 2.6) requires a risk management approach and provides the framework for undertaking risk management planning for risks arising from coastal hazards in Western Australia.

The outcome is the development of a Coastal Hazard Risk Management and Adaptation Planning (CHRMAP) framework.

In brief, the CHRMAP is designed for coastal managers to consult with their communities and decision makers to prioritise the values and land uses in the coastal environment and then to assess what the risks are to this environment posed by sea level rise and inundation. Once established, the same process will be used to determine the level of risk that is acceptable and what should be done to mitigate and manage these risks once they reach a trigger point or risk level that is unacceptable to the community.

The City received a grant to assist in developing a CHRMAP framework and this report updates the progress being made.

Council is requested to receive this report, noting that it is an interim report and support the next stages of the framework development.

Officer Recommendation

That Council

1. Endorse the community and stakeholder engagement plan as detailed in Attachment 9.3
2. Acknowledge that the cost of any actions derived from the implementation of the adaptation plan have been noted in the Long-Term Financial Plan but have not been costed as yet.

Alternate Recommendation**MOTION****Moved:** Councillor C Knight**Seconded:** Councillor M Darcy**That Council:**

1. **Acknowledges the significance of the Coastal Hazard Risk Management Adaptation Planning (CHRMAP) process given the vulnerability of Mandurah's coastline.**
2. **Given the significance of this work, and its importance to our community, request that the City:**
 - 2.1. **Consults with the Peron Naturaliste Partnership to enhance the CHRMAP community and stakeholder engagement plan;**
 - 2.2. **Appoints an Elected Member to chair the project steering committee;**
 - 2.3. **Holds an Elected Member workshop prior to finalising the community and stakeholder engagement plan;**
 - 2.4. **Engages with all relevant areas of the City, including environment and Works and Services, in the CHRMAP process.**
3. **Requests the City brings a subsequent report to Council for consideration at the July 2020 Council meeting.**

CARRIED: 12/0

Reason: The reason for the alternative motion was to undertake further engagement with the Peron Naturaliste Partnership and hold a workshop with Elected Members before finalising the plan for Council consideration.

Councillor Darcy and Councillor Green declared an impartiality interest in the following item due to being Council representatives on Rivers Regional Council. Both Councillors remained in the Chamber to consider the matter on its merits and vote accordingly

G.23/5/20 RIVERS REGIONAL COUNCIL: TRANSITION TO RIVERS REGIONAL SUBSIDIARY (REPORT 10)Summary

The City of Mandurah is a Member Council of the Rivers Regional Council. Along with the Cities of Gosnells, Armadale, South Perth and the Shires of Serpentine Jarrahdale and Murray, this collective has formed as the Rivers Regional Council for the specific purpose to strategically manage municipal waste disposal on the member's behalf.

Council at its meeting of 28 May 2019 considered the future structure of the Rivers Regional Council and resolved to support the windup of the Rivers Regional Council and the transition to a Regional Subsidiary, subject to the requisite approvals being obtained.

Since this time the Rivers Regional Council has been working with its Member Councils and relevant State Government agencies in an effort to progress the arrangements to transition the Rivers Regional Council to the Regional Subsidiary model. The *Rivers Regional Subsidiary Business Plan 2020 – 2025* and the *Charter of the Rivers Regional Subsidiary* have been developed and each Member Council was required under the *Local Government (Regional Subsidiaries) Regulations 2017* to give local public notice of the proposal to form a Regional Subsidiary and seek public submissions for a period of not less than six weeks.

In line with this formal process, the City placed an advertisement in the local newspaper in February 2020 and the relevant documents were made available on the City's website and at the City of Mandurah offices. No public submissions were received over the required six-week period.

Council is requested to endorse the *Rivers Regional Subsidiary Business Plan 2020 – 2025* and the *Charter of the Rivers Regional Subsidiary* and resolve to proceed with the proposal to form the Rivers Regional Subsidiary.

On approval of the Minister for Local Government to form the Rivers Regional Subsidiary, Council is also requested to authorise the Mayor and Chief Executive Officer to execute the following deeds once all arrangements are in place for the Rivers Regional Subsidiary to be established:

- Deed of Dissolution of the Rivers Regional Council
- Deed of Asset Transfer
- Deed of Novation

Officer Recommendation

That Council:

1. Endorse the Rivers Regional Subsidiary Business Plan 2020 – 2025 and the Charter of the Rivers Regional Subsidiary as detailed in Attachment 10.1 and 10.2.
2. Proceed with the proposal to form a Regional Subsidiary and notify the Rivers Regional Council of Council's endorsement of the Rivers Regional Subsidiary Business Plan 2020 – 2025 and the Charter of the Rivers Regional Subsidiary.
3. Authorise, on approval of the Minister for Local Government to form the Rivers Regional Subsidiary, the Mayor and Chief Executive Officer to execute the following deeds once all arrangements are in place for the Rivers Regional Subsidiary to be established:
 - Deed of Dissolution of the Rivers Regional Council (Attachment 10.3)
 - Deed of Asset Transfer (Attachment 10.4)
 - Deed of Novation (Attachment 10.5).

Note: Changes to the above deeds can be authorised by the Mayor and Chief Executive Officer so long as the changes do not alter the intent and purpose of the Deeds detailed in Attachments 10.3, 10.4 and 10.5.

Council Resolution**MOTION****Moved:** Councillor J Green**Seconded:** Councillor M Darcy**That Council:**

1. **Endorse the Rivers Regional Subsidiary Business Plan 2020 – 2025 and the Charter of the Rivers Regional Subsidiary as detailed in Attachment 10.1 and 10.2.**
2. **Proceed with the proposal to form a Regional Subsidiary and notify the Rivers Regional Council of Council's endorsement of the Rivers Regional Subsidiary Business Plan 2020 – 2025 and the Charter of the Rivers Regional Subsidiary.**
3. **Authorise, on approval of the Minister for Local Government to form the Rivers Regional Subsidiary, the Mayor and Chief Executive Officer to execute the following deeds once all arrangements are in place for the Rivers Regional Subsidiary to be established:**
 - **Deed of Dissolution of the Rivers Regional Council (Attachment 10.3)**
 - **Deed of Asset Transfer (Attachment 10.4)**
 - **Deed of Novation (Attachment 10.5).**

Note: Changes to the above deeds can be authorised by the Mayor and Chief Executive Officer so long as the changes do not alter the intent and purpose of the Deeds detailed in Attachments 10.3, 10.4 and 10.5.

CARRIED: 12/0**G.24/5/20 CITY OF MANDURAH CORPORATE BUSINESS PLAN 2020 – 2024 (REPORT 11)**Summary

In line with the requirements of the Western Australian Government's Integrated Planning and Reporting Framework (IPRF), the City undertook a major review of its 20 Year Strategic Community Plan during the 2019/20 financial year.

In December 2019 Council approved the draft Strategic Community Plan 2020-2040 to be made available to the community for comment, with the five-week comment period ending on 4 March 2020. A total of 24 community responses were received with all feedback considered in shaping the final version of the Strategic Community Plan 2020-2040 which was formally adopted by Council at its meeting in March 2020.

City officers have subsequently finalised the next stage of the IPRF process, which involves the development of the City's 4 Year Corporate Business Plan. The Corporate Business Plan lists the City's priority projects, initiatives and actions that will be undertaken over the next four years in response to identified community priorities.

The Corporate Business Plan was developed largely prior to the effects of the COVID-19 pandemic. As a result, it is likely that some adjustments to the plan may be required most likely in Year One, however the City is optimistic it will deliver on its objectives over the four-year period.

Council is requested to approve the City of Mandurah 4 Year Corporate Business Plan 2020-2024 for adoption and public release and note that Officers will undertake a review of the Corporate Business Plan post the COVID-19 pandemic and present findings at a future Council workshop.

Officer Recommendation

That Council:

1. Approves the City of Mandurah 4 Year Corporate Business Plan 2020-2024 for adoption and public release
2. Notes that officers will undertake a review of the Corporate Business Plan post the COVID-19 pandemic to assess the impacts of the pandemic response and changes to community programs and services and will present the findings at a future Council workshop.

Council Resolution

MOTION

Moved: Mayor R Williams
Seconded: Councillor P Jackson

That Council:

1. **Approves the City of Mandurah 4 Year Corporate Business Plan 2020-2024 for adoption and public release**
2. **Notes that officers will undertake a review of the Corporate Business Plan post the COVID-19 pandemic to assess the impacts of the pandemic response and changes to community programs and services and will present the findings at a future Council workshop.**

CARRIED WITH ABSOLUTE MAJORITY: 12/0

G.25/5/20 PROPOSED COMMERCIAL VEHICLE PARKING 8 COPPERFIELD CLOSE, GREENFIELDS (REPORT 1)

Further to the resolution at minute G.14/5/20 debate resumed pertaining to this item.

Officers prepared an alternate motion which was circulated to Elected Members for review.

Alternate Motion

MOTION

Moved: Councillor P Jackson
Seconded: Councillor Lynn Rodgers

That in accordance with Clause 68(2) of Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015 (Deemed Provisions for Local Planning Schemes)*, Council refuses to grant development approval for proposed Commercial Vehicle Parking at 8 Copperfield Close, Greenfields (DA9327) for the following reasons:

1. The proposed commercial vehicles are contrary to the objectives of the Residential Zone which “*is intended to promote a high quality residential environment by maintaining the quality and character of existing residential areas...*”
2. The proposed commercial vehicle parking is inconsistent with Clause 5.17.2d of Town Planning Scheme No 3 as the proposal includes vehicles arriving and leaving the property at all hours of the day and night.
3. The proposed commercial vehicle parking is inconsistent with Clause 5.17.2(c) of Town Planning Scheme No 3 as the parking will have undue impacts the potential impacts on neighbouring residents with respect to noise, emissions, visual appearance or any other nuisance due to its location at the end of a culs-de-sac.
4. The proposed commercial vehicle parking will have a negative impact on the amenity of the locality (Clause 67(n) of the Deemed Provisions).
5. The proposed commercial vehicle parking will not be compatible with its setting including the relationship of the proposal to development on adjoining land (Clause 67(m) of the Deemed Provisions).
6. The proposal is contrary to orderly and proper planning (Clause 67(b) of the Deemed Provisions).

LOST: 7/6

FOR: Councillors Peter Rogers, Lynn Rodgers, Lee, Jackson, Green and Darcy

AGAINST: Mayor Williams, Councillors Zilani, Matt Rogers, Pember, Knight and Di Prinzie

The Presiding Member, Mayor Williams, exercised his casting vote, voting against the motion.

During debate, Mayor Williams foreshadowed his intention to move an alternate recommendation for deferral should the current motion be lost.

Alternate Motion

MOTION

Moved: Mayor Williams

Seconded: Councillor Knight

That Council defer consideration of this item to the June Ordinary Council Meeting.

CARRIED: 10/2

For: Mayor Williams, Councillors Darcy, Di Prinzie, Green, Jackson, Knight, Pember, Matt Rogers, Peter Rogers, Zilani

AGAINST: Councillors Lynn Rodgers and Lee

MOTIONS OF WHICH NOTICE HAS BEEN GIVEN [AGENDA ITEM 21]

Nil.

NOTICE OF MOTIONS FOR CONSIDERATION AT THE FOLLOWING MEETING [AGENDA ITEM 22]

Nil.

LATE AND URGENT BUSINESS ITEMS [AGENDA ITEM 23]

Nil.

CONFIDENTIAL ITEMS [AGENDA ITEM 24]**MOTION**

Moved: Councillor C Knight
Seconded: Councillor M Darcy

That the meeting proceeds with closed doors at 7.29pm in accordance with Section 5.23(2)(a) and (c) of the *Local Government Act 1995*, to allow for the confidential discussion of an item.

CARRIED: 12/0

Members of the media, non-senior employees and persons in the gallery left the meeting at this point. The Minute Officer and Manager Governance Services remained with Senior Officers. The Manager Sport, Recreation and Events remained connected to the meeting electronically.

THE MEETING PROCEEDED WITH CLOSED DOORS AT 7.30PM

G.26/5/20 CONFIDENTIAL ITEM: HALLS HEAD RECREATION CENTRE: REVIEW OF OPERATING MODEL (CONFIDENTIAL REPORT 1)

Confidential discussion ensued regarding this issue.

MOTION

Moved: Councillor C Knight
Seconded: Councillor P Jackson

That Council

1. **Endorse the new Community Facility Hire Model for the ongoing operations of the Halls Head Recreation Centre;**
2. **Approve the Chief Executive Officer to enter into negotiations with the Department of Education to renew the license agreement for the future management of the Halls Head Recreation Centre in line with the new operating model for a further ten years;**
3. **Inform the Peel Hockey Association of the City's intention to renegotiate the license agreement with the Department of Education and the subsequent renewal of the Association's sub-license agreement with the City of Mandurah;**
4. **Endorse the Chief Executive Officer to renegotiate the sub-license agreement with the Peel Hockey Association for the ongoing access and use of the Mandurah Hockey Stadium;**
5. **Note that due to the COVID-19 pandemic, the Halls Head Recreation Centre will not reopen under its current operating model and that the new Community Facility Hire Model will be implemented immediately subject to the WA State Government's COVID-19 guidelines; and**
6. **Note that a further review of the Recreation Centres business model and staffing structure will be undertaken to reflect the new single facility (MARC) operations.**

CARRIED: 12/0

G.27/5/20**MOTION**

Moved: Councillor D Pember

Seconded: Councillor M Darcy

That the meeting proceeds with open doors.

CARRIED: 12/0

THE MEETING PROCEEDED WITH OPEN DOORS AT 7.32PM

G.28/5/20**MOTION**

Moved: Councillor A Zilani

Seconded: Councillor D Pember

That Council endorses the resolutions taken with closed doors.

CARRIED: 12/0

CLOSE OF MEETING [AGENDA ITEM 25]

There being no further business, the Mayor declared the meeting closed at 7.33pm.

CONFIRMED (MAYOR)

CONFIRMED

Attachments to Council Minutes:**Committee Recommendations and Council Report Attachments**

Minute	Item	Page
G.12/5/20	Strategic Internal Audit Plan 2020/21 – 2022/23 Attachment 5.1	1 – 7
G.15/5/20	Financial Report March 2020 Attachment 2.1	7 - 33
G.15/5/20	Schedule of Accounts March 2020 Attachment 2.2	Electronic only
G.16/5/20	Financial Report April 2020 Attachment 3.1	34 - 60
G.16 /5/20	COVID-19 Budget Review 2019/20 Attachment 3.2	61 - 65
G.16/5/20	Schedule of Accounts April 2020 Attachment 3.3	Electronic only
G.17/5/20	Elected Member Entitlements Policy GVN 07 Attachment 4.1	66 - 74
G.18/5/20	Regional Price Preference Policy CPM 01 Attachment 5.1	75 - 76
G.23/5/20	Rivers Regional Subsidiary Business Plan 2020 – 2025 Attachment 10.1	77 - 82
G.23/5/20	Charter of the Rivers regional Subsidiary Attachment 10.2	83 - 108
G.23/5/20	Deed of Dissolution of the Rivers Regional Council Attachment 10.3	109 - 118
G.23/5/20	Deed of Asset Transfer Attachment 10.4	119 - 125
G.23/5/20	Deed of Novation Attachment 10.5	126 - 136

Confidential Attachments

Minute	Item	Page
G.12/5/20	Strategic Internal Audit Plan 2020/21 – 2022/23 Confidential Attachment 5.2	1 – 18
G.12/5/20	Strategic Internal Audit Plan 2020/21 – 2022/23 Confidential Attachment 5.3	19 – 25
G.12/5/20	Strategic Internal Audit Plan 2020/21 – 2022/23 Confidential Attachment 5.4	26 – 45
G.12/5/20	Strategic Internal Audit Plan 2020/21 – 2022/23 Confidential Attachment 5.5	46
G.13/5/20	CEO Review of Risk Management, Internal Controls and Compliance Confidential Attachment 6.1	47 – 80
G.13/5/20	CEO Review of Risk Management, Internal Controls and Compliance Confidential Attachment 6.2	81 - 96



Audit and Risk Committee Terms of Reference

Document Control

Effective date	Next review due	Amendment Details	Prepared by	Endorsed by	Approved by
October 2019	October 2021	Expanded description of Committee function, purpose, membership and role of City staff, plus recognition of the new role of the Office of the Auditor General	Manager Governance Services	Chief Audit Executive	Council
May 2020	October 2021	Removal of the ability for Audit and Risk Committee to approve the appointment of any internal audit service provider.	Manager Governance Services	Chief Audit Executive	Council

1. Committee's authority and purpose

Authority

In accordance with section 7.1A of the *Local Government Act 1995 (the Act)*, the Council of the City of Mandurah (**the City**) has established an Audit and Risk Committee (**the Committee**). The Committee will operate in accordance with all relevant provisions of the Act, the *Local Government (Audit) Regulations 1996* and the *Local Government (Administration) Regulations 1996*.

As prescribed in Section 16 of the *Local Government (Audit) Regulations 1996*, the Committee is to provide guidance and assistance to Council on matters relevant to its terms of reference. This role is designed to facilitate informed decision-making by Council in relation to its legislative functions and duties that have not been delegated to the CEO.

The Committee is a formally appointed committee of the Council and is responsible to the Council. The Committee does not have executive powers or authority to implement actions in areas over which the CEO has legislative responsibility and does not have any delegated financial responsibility. The Committee does not have any management functions and cannot involve itself in management processes or procedures.

Purpose

The purpose of the Committee is to:

- Provide advice and assistance to Council as to the carrying out of the function of the City in relation to annual audits of the City's financial statements (**external audit**);
- Monitor and receive reports concerning the development, implementation and on-going management of a City-wide risk management plan;
- Monitor and receive reports concerning the development, implementation and on-going management of the City's internal audit function;
- Review the annual Compliance Audit Return and report to Council the results of that review; and
- Receive, consider and review reports from the CEO under regulation 17 of the *Local Government (Audit) Regulations 1996* and report to Council the results of its review.

2. Committee's responsibilities

The Committee is to:

- Meet with the City's external auditor at least once in every year and provide a report to Council on the matter discussed and the outcomes of those discussions;
- Support council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems, internal and external audit functions and ethical accountability;
- Examine reports of the external auditor after receiving a report from the CEO on the matter, and:

- Determine if any matter raised requires action to be taken by the City;
- Ensure that appropriate action is taken in respect of those matters; and
- Review the report prepared by the CEO in respect of any matters raised in the report of the external auditor and presenting the report to Council for adoption.
- Approve the following:
 - Internal Audit Charter;
 - Internal Audit Manual;
 - Strategic and Operational Internal Audit Plans; and
 - Recommendations arising from internal audit services.
- Review the level of resources allocated to internal audit and the scope of the functions authority;
- Receive and review reports of internal audits, review the extent to which management reacts to matters raised by those internal audits, and monitor the implementation of action plans developed in response to those matters;
- Review the City's annual compliance audit return and report the results of that review to Council; and
- Receive and review biennial reports from the CEO regarding the appropriateness and effectiveness of the City's risk management, internal controls and legislative compliance.

3. Committee membership

Composition

The Committee shall comprise of up to six members, consisting of:

- Five Elected Members; and
- One external independent member.

The Council can appoint one or more deputies to the Audit and Risk Committee at any time.

Members of the Committee shall be appointed by Council in accordance with section 7.1A of the Act, which states:

- *The members of the audit committee are to be appointed by the local government and at least 3 of the members, and the majority of the members, are to be council members.*
- *A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent the CEO as a member of an audit committee.*
- *An employee is not to be a member of an audit committee.*

The Council shall appoint one of the five Elected Members as Committee Chairperson.

The tenure of members' appointment to the Committee must be compliant with Section 5.11 of the Act, being up to two years terminating on the day of the Ordinary Council elections, at which time all Elected Members will be eligible for reappointment.

Committee members who are Elected Members must declare conflicts of interest in accordance with section 11 of the *Local Government (Rules of Conduct) Regulations 2007*, in a written notice given to the CEO before the meeting or at the meeting immediately before the matter is discussed.

Appointment of external independent persons will be made following a public advertisement. The evaluation of potential members will be reviewed by the CEO and appointments will be approved by Council on the basis of the potential member's experience and qualifications in any or all of the following:

- Internal audit;
- Risk management;
- Financial management/reporting;
- Understanding of complexities associated with the City of Mandurah.

An external independent member will be a person with no operating responsibilities with the City of Mandurah, nor will that person provide paid services to the City either directly or indirectly.

Any instance where an external member has a commercial interest, or is closely associated with an organisation that has an interest in the business of the City which represents a conflict of interest or pecuniary interest, or there is a risk or perception of conflict of interest, should be declared to the Chief Executive Officer before or at the relevant Committee meeting.

Termination of appointment

Council may terminate the appointment of any member prior to the expiry of their term, if:

- The Committee Chairperson considers that the member is not making a positive contribution to the Committee.
- The member is found to be in breach of the Council's Code of Conduct or a serious contravention of the Act.
- A member's conduct, action or comments bring the City of Mandurah into disrepute.

Committee member entitlements

All Committee members will be provided with appropriate training and professional development to be determined by the Committee and provided that adequate funds are available in the City of Mandurah budget for this purpose.

External independent member(s) will receive \$3,000 per annum for reimbursement of expenses.

4. Role of City staff

The following will be issued with a standing invitation to attend Committee meetings, in order to provide advice and guidance to the Committee:

- Chief Executive Officer;
- Executive Leadership Team;
- Chief Audit Executive (CAE) (or some other person as determined by the CEO to act as the CAE);
- Manager Governance Services; and
- Representative of the Office of the Auditor General.

The Internal Auditor or internal audit service provider will be invited to present reports as and when required by the Committee.

Other staff may be invited to attend meetings to discuss specific issues or reviews as and when required.

Such attendees may take part in the discussions and business of the meetings, but have no voting rights.

A Minute Officer will be appointed by the Chief Executive Officer to assist the Committee as follows:

- (a) Arranging meetings, preparing agendas, preparing minutes;
- (b) Taking action to implement Committee decisions as guided by the City's Governance section in relation to:
 - Obtaining information for the next or future meeting;
 - Preparing a paper for the next or future meeting;
 - Coordinating relevant staff of the City to provide advice at the next or a future meeting;
 - Promulgating decisions e.g. reporting, providing or seeking advice on significant correspondence of all kinds.
- (c) Preparing background notes;
- (d) Providing advice to the Chairperson, committee members and committee users on Committee policy and process matters; and
- (e) Maintaining appropriate committee records in an accessible form.

5. Committee meetings

Quorum

As prescribed by Section 5.19 of the Act, the quorum for Committee meetings shall be at least 50% of the number of offices of the Committee (whether vacant or not).

In the Chairperson's absence, Committee members who are present will select a Chairperson for that particular meeting.

Frequency

Meetings will be scheduled where necessary to allow the Committee to discharge its functions up to ten times per year.

Agenda

An agenda will be distributed at least 72 hours prior to the meeting, along with the minutes of the previous meeting, reports and other attachments or information to be addressed.

Public Attendance at Meetings

The Committee meeting will be open to the public.

In accordance with Section 5.23 of the Act, the Committee may close to members of the public the meeting or part of the meeting, if the meeting or the part of the meeting deals with a number of aspects as defined by Section 5.23 of the Act.

Voting

Voting is in accordance with Section 5.21 of the Act.

Minutes and matters arising

All meetings shall be minuted by the Minute Officer, and minutes shall be approved by the Committee at the next committee meeting.

Reporting

Recommendations of each Committee meeting shall be presented to the next ordinary meeting of the Council.

Confidentiality

All Committee members will be required to adhere to the City's confidentiality requirements. In particular, no confidential information received or generated by the Committee will be disclosed to unauthorised persons.

COMMITTED

Monthly Financial Report

March 2020



CITY OF MANDURAH
MONTHLY FINANCIAL REPORT
For the Period Ended 31 March 2020

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**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

STATUTORY REPORTING PROGRAMS

	Ref Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	1(c)	7,744,000	7,744,000	7,744,000			
Revenue from operating activities							
Governance		5,856	4,758	8,405	3,647	76.65%	▲
General Purpose Funding - Rates		80,945,588	80,867,588	80,515,101	(352,487)	(0.44%)	
General Purpose Funding - Other		3,957,070	2,948,997	2,757,615	(191,382)	(6.49%)	
Law, Order and Public Safety		1,100,290	943,647	917,197	(26,450)	(2.80%)	
Health		343,000	293,208	253,748	(39,460)	(13.46%)	▼
Education and Welfare		571,300	472,213	429,865	(42,348)	(8.97%)	
Housing		-	-	-	0	0.00%	
Community Amenities		14,556,297	13,761,614	13,852,312	90,698	0.66%	
Recreation and Culture		8,005,292	6,441,240	5,964,906	(476,334)	(7.40%)	
Transport		2,768,350	2,525,532	2,588,439	62,907	2.49%	
Economic Services		1,685,000	1,363,036	1,344,716	(18,320)	(1.34%)	
Other Property and Services		332,620	275,424	356,692	81,268	29.51%	▲
		114,270,663	109,897,257	108,988,996	(908,261)	(0.83%)	
Expenditure from operating activities							
Governance		(7,122,878)	(5,302,616)	(5,217,827)	84,789	1.60%	
General Purpose Funding		(2,229,090)	(1,660,766)	(1,500,296)	160,470	9.66%	
Law, Order and Public Safety		(4,610,762)	(3,397,289)	(3,218,683)	178,606	5.26%	
Health		(2,137,990)	(1,581,624)	(1,550,442)	31,182	1.97%	
Education and Welfare		(4,581,682)	(3,366,788)	(3,209,751)	157,037	4.66%	
Community Amenities		(18,795,483)	(14,011,550)	(12,910,839)	1,100,711	7.86%	
Recreation and Culture		(46,634,168)	(34,648,983)	(32,733,058)	1,915,925	5.53%	
Transport		(29,210,757)	(20,980,160)	(20,745,879)	234,281	1.12%	
Economic Services		(6,381,979)	(4,921,776)	(4,290,294)	631,482	12.83%	▲
Other Property and Services		(11,781,965)	(8,331,579)	(8,517,382)	(185,803)	(2.23%)	
		(133,486,754)	(98,203,131)	(93,894,451)	4,308,680	4.39%	
Non-cash amounts excluded from operating activities	1(a)	34,031,463	25,274,529	25,905,602	631,073	2.50%	
Amount attributable to operating activities		14,815,372	36,968,655	41,000,147	4,031,492	-10.91%	
Investing Activities							
Non-operating grants, subsidies and contributions	8	11,740,843	9,273,265	10,565,127	1,291,862	13.93%	▲
Proceeds from disposal of assets	4	1,654,021	841,082	841,082	0	0.00%	
Purchase of property, plant and equipment	5	(37,941,613)	(31,531,078)	(15,970,341)	15,560,737	49.35%	▲
Amount attributable to investing activities		(24,546,749)	(21,416,731)	(4,564,132)	16,852,599	78.69%	
Financing Activities							
Proceeds from New Debentures	6	5,450,000	-	-	0	0.00%	
Unspent Loans		1,751,101	-	1,751,101	1,751,101	100.00%	
Prepaid Rates		(3,092,036)	-	-	0	0.00%	
Payment of lease liability		(1,503,000)	(1,103,155)	(1,109,352)	(6,197)	0.56%	
Proceeds from self supporting loans	6	100,000	-	-	0	0.00%	
Transfer from Reserves		8,572,232	-	-	0	0.00%	
Advances to Community Groups		-	-	-	0	0.00%	
Repayment of Debentures	6	(5,630,871)	(4,223,153)	(5,028,278)	(805,125)	-19.06%	▼
Transfer to Reserves		(3,641,660)	-	-	0	0.00%	
Amount attributable to financing activities		2,005,766	(5,326,308)	(4,386,529)	939,779	17.64%	
Closing Funding Surplus / (Deficit)	1(c)	18,389	17,969,616	39,793,486	21,823,870	121.45%	

KEY INFORMATION

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

Refer to Note 11 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2019-20 year is 10.00%

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

BY NATURE OR TYPE

	Ref Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	1(c)	7,744,000	7,744,000	7,744,000			
Revenue from operating activities							
Rates		80,945,588	80,867,588	80,515,101	(352,487)	(0.44%)	
Operating grants, subsidies and contributions		2,435,758	1,953,503	1,730,774	(222,729)	(11.40%)	▼
Fees and charges		26,166,991	23,113,116	23,021,646	(91,470)	(0.40%)	
Interest earnings		1,805,000	1,398,381	1,278,159	(120,222)	(8.60%)	
Other revenue		2,914,326	2,564,669	2,419,889	(144,780)	(5.65%)	▼
Profit on disposal of assets		3,000	-	23,427	23,427	100.00%	▲
		114,270,663	109,897,257	108,988,996	(908,261)	-0.83%	
Expenditure from operating activities							
Employee costs		(47,093,009)	(34,276,452)	(34,013,220)	263,232	0.77%	
Materials and contracts		(46,238,725)	(34,192,740)	(30,317,132)	3,875,608	11.33%	▲
Utility charges		(3,876,462)	(2,665,495)	(2,827,631)	(162,136)	(6.08%)	
Depreciation on non-current assets		(33,707,463)	(25,274,529)	(25,314,988)	(40,459)	(0.16%)	
Interest expenses		(1,030,728)	(786,996)	(411,794)	375,202	47.68%	▲
Insurance expenses		(1,013,367)	(759,485)	(615,149)	144,336	19.00%	▲
Other expenditure		(200,000)	(247,434)	(199,099)	48,335	19.53%	▲
Loss on disposal of assets		(327,000)	-	(195,438)	(195,438)	100.00%	▼
		(133,486,754)	(98,203,131)	(93,894,451)	4,308,680	4.39%	
Non-cash amounts excluded from operating activities	1(a)	34,031,463	25,274,529	25,905,602	631,073	2.50%	
Amount attributable to operating activities		14,815,372	36,968,655	41,000,147	4,031,492	-10.91%	
Investing activities							
Non-operating grants, subsidies and contributions	8	11,740,843	9,273,265	10,565,127	1,291,862	13.93%	▲
Proceeds from disposal of assets	4	1,654,021	841,082	841,082	0	0.00%	
Payments for property, plant and equipment	5	(37,941,613)	(31,531,078)	(15,970,341)	15,560,737	49.35%	▲
Amount attributable to investing activities		(24,546,749)	(21,416,731)	(4,564,132)	16,852,599	78.69%	
Financing Activities							
Proceeds from new debentures	6	5,450,000	-	-	0	0.00%	
Unspent Loans Utilised		1,751,101	-	1,751,101	1,751,101	100.00%	▲
Prepaid Rates		(3,092,036)	-	-	0	0.00%	
Payment of lease liability		(1,503,000)	(1,103,155)	(1,109,352)	(6,197)	(0.56%)	
Proceeds from self-supporting loans	6	100,000	-	-	0	0.00%	
Transfer from reserves		8,572,232	-	-	0	0.00%	
Repayment of debentures	6	(5,630,871)	(4,223,153)	(5,028,278)	(805,125)	(19.06%)	▼
Transfer to reserves		(3,641,660)	-	-	0	0.00%	
Amount attributable to financing activities		2,005,766	(5,326,308)	(4,386,529)	939,779	17.64%	
Closing Funding Surplus / (Deficit)	1(c)	18,389	17,969,616	39,793,486	21,823,870	121.45%	

KEY INFORMATION

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

Refer to Note 11 for an explanation of the reasons for the variance.

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Local Government (Financial Management) Regulation 1996.

	Notes	Annual Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals		(3,000)	0	(23,427)
Movement in pensioner deferred rates (non-current)		0	0	83,906
Movement in employee benefit provisions (non-current)		0	0	334,697
Add: Loss on asset disposals		327,000	0	195,438
Add: Depreciation on assets		33,707,463	25,274,529	25,314,988
Total non-cash items excluded from operating activities		34,031,463	25,274,529	25,905,602

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with regulation 32 of the Local Government (Financial Management) Regulations 1996 to agree to the surplus/(deficit) after imposition of general rates.

		Budget Closing 30 Jun 2019	Budget Closing 30 Jun 2020	Year to Date 31 Mar 2020
Adjustments to net current assets				
Less: Reserves - restricted cash		(31,592,143)	(26,661,571)	(31,592,143)
Less: Unspent loans		(1,751,101)	0	0
Less: Capital Commitments		(2,426,444)	0	0
Less: ESL debtors		0	0	(779,304)
Less: Prepaid Rates		3,092,036	0	(3,230,901)
Less: Clearing accounts		0	0	937,586
Add: Borrowings	6	4,960,705	5,630,871	2,581,712
Add: Lease liability		0	0	(1,109,352)
Add: Provisions - employee		4,886,154	4,452,000	4,886,154
Add: Loan Facility offset		0	0	12,000,000
Total adjustments to net current assets		(22,830,793)	(16,578,700)	(16,306,248)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	45,552,853	32,717,960	52,193,129
Rates receivables	3	3,295,078	3,000,000	9,720,477
Receivables	3	3,079,788	3,670,000	5,690,245
Other current assets		1,349,951	450,000	460,954
Less: Current liabilities				
Payables		(8,843,628)	(9,158,000)	(2,030,287)
Borrowings	6	(4,960,705)	(5,630,871)	(2,581,712)
Contract liabilities		(183,071)	0	(5)
Lease liabilities		0	0	1,109,352
Provisions		(8,715,473)	(8,452,000)	(8,462,419)
Less: Total adjustments to net current assets	1(b)	(22,830,793)	(16,578,700)	(16,306,248)
Closing Funding Surplus / (Deficit)		7,744,000	18,389	39,793,486

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020

OPERATING ACTIVITIES
NOTE 2
CASH AND INVESTMENTS

	Total Amount	Interest rate	Total calculated interest Earnings	Institution	S&P rating	Deposit Date	Maturity Date	Term days
	\$	\$	\$	\$				
Cash on hand								
Westpac Municipal Bank Account	14,096,708	Variable		Westpac	AA-	NA	NA	
Westpac Trust Bank Account	583,401	Variable	NA	Westpac	AA-	NA	NA	
Visitors Centre	6,393	Variable	NA	Westpac	AA-	NA	NA	
	14,686,502							
Municipal Investments								
Muni 10 - 9652-46197	29,695	1.05%	309	ANZ	AA-	1/10/2019	1/10/2020	366
Muni 35 - 42-674-4859	3,023,982	1.60%	12,146	NAB	AA-	13/01/2020	14/04/2020	92
Muni 36 - 29-157-8194	3,022,678	1.53%	11,361	NAB	AA-	29/11/2019	27/02/2020	90
MNS 31 - 582058	6,077,638	1.50%	8,729	Westpac	AA-	28/02/2020	31/03/2020	32
MNS 60 - 582007	336,812	1.55%	1,565	Westpac	AA-	28/02/2020	30/04/2020	62
	12,490,805							
Reserve Investments								
Reserve 1 - 849461	1,061,049	1.45%	3,780	Bendigo	A-	31/01/2020	30/04/2020	90
Reserve 26 - 80-802-2069	2,469,370	1.50%	12,319	NAB	AA-	28/02/2020	29/06/2020	122
Reserve 28 - 74-528-7456	3,028,372	1.60%	11,901	NAB	AA-	22/01/2020	21/04/2020	90
Reserve 30 - 78-911-3263	3,026,424	1.60%	11,893	NAB	AA-	8/01/2020	7/04/2020	90
Reserve 31 - 78-920-6945	3,028,504	1.60%	12,033	NAB	AA-	24/01/2020	24/04/2020	91
Reserve 32 - 33713404	3,009,764	1.32%	9,764	Commonwealth	AA-	25/02/2020	25/05/2020	90
RNS 31 - 581565	6,787,424	1.50%	9,749	Westpac	AA-	28/02/2020	31/03/2020	32
RNS 60 - 581573	3,188,315	1.55%	4,719	Westpac	AA-	28/02/2020	30/04/2020	62
	25,599,222							
Trust Investments								
Trust 9 - 072-30538-6	87,057	1.00%	73	Bankwest	AA-	30/01/2020	2/03/2020	32
Bonds NS 90 - 582066	3,399,938	1.60%	5,180	Westpac	AA-	28/02/2020	31/03/2020	32
	3,486,995							
Total	56,263,525		115,522					

Interest revenue

Investment Interest Accrued	115,522
Investment Interest Matured	480,033
Rates Interest	682,604

1,278,159

Interest Earned

\$1,278,159

Trust Funds

Cash At Bank	583,401
Investment	3,486,995

4,070,396

Total Municipal and Reserve Funds

52,193,129

Loan Offset Facility	Amount	Interest rate on loans	Interest Saved	YTD Interest Saved
Westpac	12,000,000	2.80%	27,782	249,885

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

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

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

Total Municipal Cash	Unrestricted
\$64.19 M	\$38.59 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

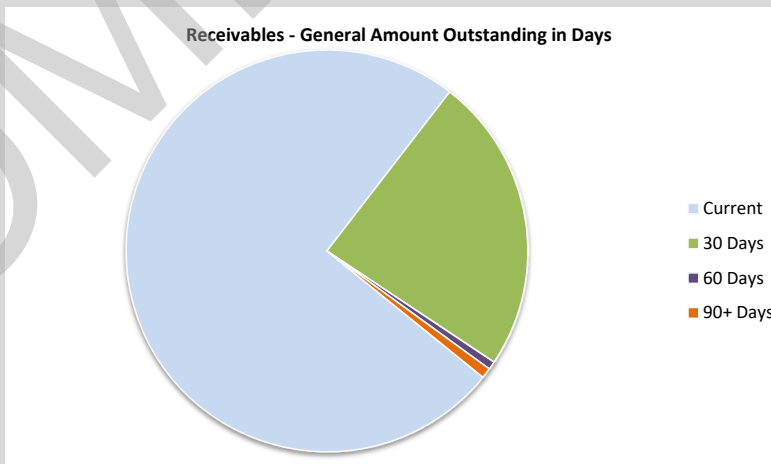
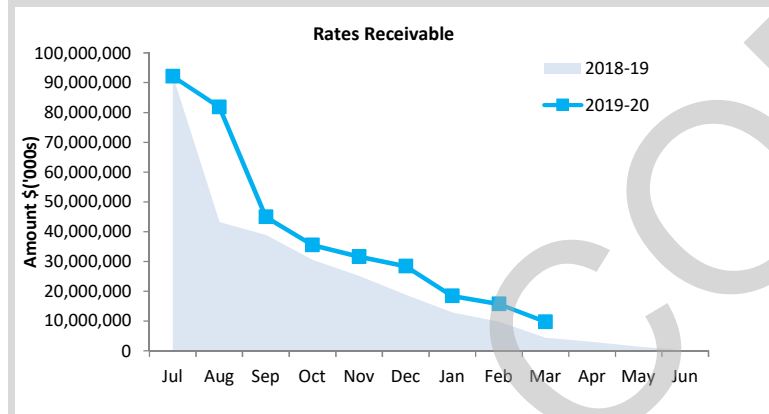
**OPERATING ACTIVITIES
NOTE 3
RECEIVABLES**

Rates Receivable	30 June 2019	31-Mar-19	31 Mar 20
	\$		\$
Opening Arrears Previous Years	2,943,000	2,943,000	3,295,078
Rates levied	78,487,059	78,487,059	80,212,522
Less - Collections to date	(78,134,981)	(76,986,059)	(73,787,123)
Equals Current Outstanding	3,295,078	4,444,000	9,720,477
Net Rates Collectable	3,295,078	4,444,000	9,720,477
% Collected	96%	94.5%	88.4%
No. of Legal Proceedings Commenced for the 2019/20 year			5
No. of properties > \$10,000 outstanding			34
No. of properties between \$3,000 and \$10,000 outstanding			333
Value of Rates Concession		\$	8,899
Value of Rates Exemptions		\$	2,367,552

Receivables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Balance per Trial Balance						
Sundry receivable		531,438	1,363,679	37,537	47,399	1,961,135
Recreation Centres		101,591				101,591
Mandurah Ocean Marina		24,860				24,860
GST receivable		362,749				362,749
Infringements		1,012,937				1,012,937
Pensioners rates and ESL deferred		2,204,094				2,204,094
Other Receivables		22,878				22,878
Total Receivables General Outstanding		4,260,547	1,363,679	37,537	47,399	5,690,245
Percentage		74.9%	24%	0.7%	0.8%	

KEY INFORMATION

Rates and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of rates and other receivables is reviewed on an ongoing basis. Other receivables that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



Debtors Due
\$5,690,245
Over 30 Days
25%
Over 90 Days
1%

Collected	Rates Due
88.4%	\$9,720,477

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020

OPERATING ACTIVITIES
NOTE 4
DISPOSAL OF ASSETS

Asset	Asset Description	Budget	YTD Actual
		Proceeds	Proceeds
		\$	\$
Land	Sale of Land in Port Mandurah	600,000	363,965
Light Passenger Vehicles - Replacement			
HYUNDAI EXCEL AUTO ACTIVE 5 DR HATCH	Marina - Works and Services (C00116)	8,831	0
TOYOTA RAV4 AUTO GX 2WD 5DR WGN	OHS - Sustainable Development (C00216)	13,385	17,327
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Community Festivals and Events (C004)	12,222	13,327
TOYOTA RAV4 AUTO GX 2WD 5DR WGN	Planning Services - Sustainable Development (C01216)	13,410	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Asset Management - Works and Services (C02316)	12,384	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Planning Services - Sustainable Development (C02616)	12,425	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Projects Coordinator - Works and Services (C044)	12,212	14,145
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Sustainable Development - Building Services (C056)	12,216	12,327
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Engineering Design and Development - Works and Services (C06116)	13,160	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Senior Citizens Centre Coordinator - People and Communities (C063)	12,214	12,782
FORD MONDEO AUTO AMBIENTE WAGON	Principal Environmental Officer - Sustainable Development (C071)	11,122	12,100
MAZDA 6 5DR WAGON	Manager - Sport, Recreation & Events (C00419)	30,000	0
Light Commercial Vehicles - Replacement			
FORD RANGER DUAL CAB 4X4 TRAYBACK UTE	Health Services - Sustainable Development (U00316)	20,756	0
TOYOTA HILUX DUAL CAB 4X4 TRAYBACK UTE	Parks North - Works and Services (U007)	18,493	0
FORD RANGER DUAL CAB 4X4 PICKUP	Works Construction - Works and Services (U01616)	19,948	23,236
FORD RANGER DUAL CAB 4X4 PICKUP	Environmental Health Services - Sustainable Development (U02117)	19,555	23,236
FORD RANGER DUAL CAB 4X4 PICKUP	Surveying Services - Works and Services (U02216)	20,355	0
TOYOTA HILUX DUAL CAB 4X4 TRAYBACK UTE	Parks Natural Areas - Works and Services (U029)	18,493	23,236
HOLDEN COLORADO SPACE CAB 4X4 CAB/CHASSIS	Rangers - Sustainable Development (U03216)	17,689	0
MITSUBISHI TRITON 2X4 CAB/CHASSIS	Citybuild Works and Services (U039)	11,374	18,691
ISUZU D'MAX DUAL CAB 2X4 PICKUP	Facilities Management - Works and Services (U051)	17,272	15,964
FORD RANGER DUAL CAB 4X4 TRAYBACK UTE WITH CANOPY	Parks Assets - Works and Services (U05216)	19,699	0
FORD RANGER SINGLE CAB 4x4 TRAYBACK	Traffic Management - Works and Services (U05316)	21,371	0
FORD RANGER DUAL CAB 4X4 TRAYBACK UTE WITH CANOPY	Parks Central - Works and Services (U05416)	17,908	0
FORD RANGER DUAL CAB 2X4 PICKUP	Parks Central - Works and Services (U05816)	18,573	0
FORD RANGER DUAL CAB 2X4 TRAYBACK UTE WITH CANOPY	Parks Assets - Works and Services (U05916)	20,400	0
HOLDEN COLORADO SPACE CAB 4X4 CAB/CHASSIS	Rangers - Sustainable Development (U069)	15,094	0
HOLDEN COLORADO DUAL CAB 2X4 PICKUP	Sustainable Development Management - Sustainable Development (U07017)	16,407	15,964
FORD RANGER DUAL CAB 4X4 PICKUP	Landscaping Services - Works and Services (U07317)	17,442	22,555
Trucks & Buses Replacements			
NISSAN-UD 280 SINGLE CAB TWO WAY TIPPER	Works Construction - Works and Services (T002)	0	0
HINO 300 SINGLE CAB TRAY WITH KEVREK 1000S	Civil Maintenance - Works and Services (T005)	0	0
HINO 500 SINGLE CAB THREE WAY TIPPER	Civil Maintenance - Works and Services (T006)	0	0
HINO 300 SINGLE CAB TRAY WITH KEVREK 1500	Civil Maintenance - Works and Services (T007)	0	0
HINO 500 SINGLE CAB TWO WAY TIPPER	Civil Construction Drainage - Works and Services (T026)	0	0
HINO -MACDONALD JOHNSTON VS650 ROADSWEPPER	Civil Maintenance - Works and Services (T051)	74,326	0
Trailers			
2.0-4.5T FLAT TOP 5x2.5M WITH RAMP SOUTHWEST	Parks Southern - Works and Services (V001)	3,040	0
2.0-4.5T SIGN TRAILER	Works Construction - Works and Services (P011)	2,700	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**OPERATING ACTIVITIES
NOTE 4
DISPOSAL OF ASSETS**

Asset	Asset Description	Budget	YTD Actual
		Proceeds	Proceeds
	Environmental Services - Sustainable Development (P044)	530	0
0.9T 2.1x1.2M BOX WITH RAMP			
2.0-4.5T TANDEM MOWER TRAILER WITH RAMP	(P140)	2,040	0
2.0-4.5T TANDEM BOX TRAILER WITH RAMP	(P143)	700	0
Parks & Mowers			
KUBOTA 72" OUTFRONT DECK MOWER	Parks Northern - Works and Services (M00216)	7,500	0
ISEKI 72" OUTFRONT DECK MOWER	Parks Southern - Works and Services (M00316)	7,250	5,774
ISEKI 60" OUTFRONT DECK MOWER	Parks Northern - Works and Services (M01616)	7,250	0
TORO REELMASTER SIDEWINDER 3100D	Parks Central - Works and Services (M023)	5,821	0
TORO 72" ZERO TURN MOWER	Parks Southern - Works and Services (M02616)	7,000	0
DEUTSCHER H660-II SELF POWERED ROTARY MOWER	Parks Assets - Works and Services (M100)	900	0
TORO 60" TURBO ZERO TURN MOWER	Parks Central - Works and Services (M032)	7,643	0
RED EXIM VERTI DRAIN AERATOR	Parks Northern - Works and Services (N021)	10,600	0
HOWARD HD150CR MOWER ROTASLASHER	Parks Assets - Works and Services (N023)	1,160	0
NEW HOLLAND BOOMER 3050 TRACTOR	Parks Northern - Works and Services (P602)	9,000	0
Miscellaneous Equipment >\$1500			
NISSAN MODEL 25 FORKLIFT	Parks Southern - Works and Services (L003)	4,181	0
KOMLETEE SCREEN PLANT	Manager Operations Services Manager - Works and Services (P013)	15,240	9,744
SPRAY UNIT MOTOR AND PUMP	Environmental Health Services - Sustainable Development (P045)	500	0
ROADLINES SCRABBING MACHINE	Works Construction - Works and Services (P049)	100	0
PILOT K50SI SILENT COMPRESSOR AND INSTALL	Cityfleet - Works and Services (P054)	1,100	0
TOPCON TP-4LGV PIPE LASER	Civil Construction - Works and Services (P094)	790	959
ERS TURBO WASH PARTS WASHER	Cityfleet - Works and Services (P095)	0	0
JASMAN ELECTRIC STEAM CLEANER	Cityfleet - Works and Services (P098)	100	0
BENDPAK HOIST	Cityfleet - Works and Services (P114)	1,480	0
Plant Disposed from 2018/19 budget			
HINO 700 FS2844 SINGLE CAB TIPPER TRUCK DSL MAN18SP			
PBB BODY TARP	Works Construction - Works and Services (T029)	52,505	52,505
ISUZU SINGLE CAB TRAY WITH KEVRECK 1500	Projects (T010)	21,492	21,492
KUBOTA F3690 60INCH OUTFRONT MOWER DSL	Plant (M014)	5,981	5,981
KUBOTA F3690 72' OUTFRONT MOWER DSL SIDE DISCHARGE	Plant (M004)	9,357	9,350
Trailer Single Axle Tipping Mower	Plant (P1425)	1,723	1,723
TRAILER LOW LOADER FLOAT .	Works Construction - (P182)	12,593	12,593
Kubota RTV 900 XTW 4WD Utility	Parks South Plant (1290) U106	10,913	10,913
TOYOTA RAV4 CV 2WD WAGON ULP AUTO	C075	17,041	17,041
HINO 700 SERIES FS1ELKD TIPER TRUCK	T027	51,679	51,679
Kubota RTV 900 XTW 4WD Utility	Parks Plant (1289) U105	7,226	7,226
ISUZU FTS800 4WD SINGLE CAB WATER TRUCK DSL MAN			
NUFAB 7000L TANK	T014	50,057	0
MITSUBISHI CANTER CREW CAB THREE WAY TIPPER TRUCK			
DSL FEB71 AUTOMATED	T013	22,647	0
MITSUBISHI CANTER CREW CAB THREE WAY TIPPER TRUCK			
DSL FEB71 AUTOMATED	T015	22,647	20,647
SCARAB MERLIN ROADSWEEPER ON NISSAN UD MK240 DSL			
MAN/HYDROSTAT	T050	70,867	0
RFQ09-2019 - Supply and Deliver One New 5T Trayback			
Truck with Kevrek Crane.	T004	27,332	0
Plant Disposed - other			
Hyundai Sante FE Elite Wagon Auto DSL	Recreation Services -P1411 C03616	24,600	24,600
		1,654,021	841,082

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020

OPERATING ACTIVITIES
NOTE 4
DISPOSAL OF ASSETS

Asset	Asset Description	Budget	YTD Actual						
		Proceeds	Proceeds						
KEY INFORMATION									
		<table border="1"> <caption>Proceeds on Sale Data</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Annual Budget</td> <td>~1,650,000</td> </tr> <tr> <td>Actual YTD</td> <td>~850,000</td> </tr> </tbody> </table>		Category	Value	Annual Budget	~1,650,000	Actual YTD	~850,000
Category	Value								
Annual Budget	~1,650,000								
Actual YTD	~850,000								

CONFIRMED

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

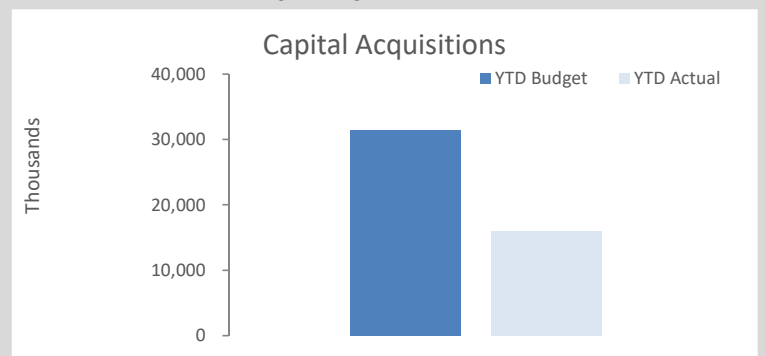
**INVESTING ACTIVITIES
NOTE 5
CAPITAL ACQUISITIONS**

Capital Acquisitions	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$		\$	\$	\$
Buildings	3,523,900	3,590,947	3,177,959	1,575,105	(1,602,854)
Equipment	435,532	535,532	460,575	376,706	(83,869)
Machinery	4,064,766	3,526,980	2,598,937	2,212,313	(386,624)
Infrastructure - Roads	11,986,132	11,991,457	9,858,749	6,719,783	(3,138,966)
Bridges	744,980	753,306	625,683	329,291	(296,392)
Parks	4,221,862	4,113,414	3,352,964	2,243,866	(1,109,098)
Drainage	1,116,564	954,193	930,991	340,872	(590,119)
Coastal & Estuary	1,610,873	785,973	660,030	399,847	(260,183)
Other Infrastructure	12,012,043	11,689,811	9,865,190	1,772,557	(8,092,633)
Capital Expenditure Totals	39,716,652	37,941,613	31,531,078	15,970,341	(15,560,737)
Capital Acquisitions Funded By:					
	\$		\$	\$	\$
City of Mandurah Contribution	12,862,110	11,145,418	21,416,731	4,564,132	(16,852,599)
Capital grants and contributions	10,758,324	11,740,843	9,273,265	10,565,127	1,291,862
Borrowings	8,094,397	7,201,101	0	0	0
Other (Disposals & C/Fwd)	1,609,590	1,654,021	841,082	841,082	0
Cash Backed Reserves					
Building Reserve	719,448	610,962	0	0	0
Asset Management Reserve	550,000	554,360	0	0	0
Property Acquisition Reserve		379,270	0	0	0
Sustainability Reserve	141,000	148,745	0	0	0
Sanitation Reserve	618,451	334,285	0	0	0
Community Improvements Reserve	53,751	63,698	0	0	0
Traffic Bridge Reserve	495,220	495,220	0	0	0
Mandurah Ocean Marina Reserve	92,128	127,128	0	0	0
Unspent Grants & Contributions Reserve	3,436,338	3,440,562	0	0	0
Carbon Offset Reserve	40,000	40,000	0	0	0
Digital Futures Reserve		0	0	0	0
Specified Area Rates - Port Mandurah Canals	245,895		0	0	0
Sportclubs Maintenance Levy Reserve		6,000		0	0
Capital Funding Total	39,716,652	37,941,613	31,531,078	15,970,341	(15,560,737)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

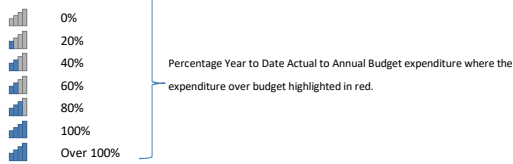
KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$37.94 M	\$15.97 M	40%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$11.74 M	\$10.57 M	98%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020

Capital Expenditure Total
Level of Completion Indicators



Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
Buildings						
1632.750578. CSRF	150,000	62,000	46,483	0	62,000	
1632.750579. Mh Mustangs FC - Facility Development	174,410	174,410	174,412	0	174,410	Detailed design costings are being finalised and construction is expected in Q4, with completion due October/November 2020.
1632.750580. Peelwood Res - Changeroom Upgrade	21,140	21,140	15,851	0	21,140	Project being staged. Stage 1 is home changeroom for ovals 2 and 3 to be completed this year. Construction to commence Q4.
1632.750581. BDYC Security Upgrade	32,768	32,768	24,564	0	32,768	Works to commence Q4.
1632.750582. Mandurah Library Ablutions Refurbishment	21,140	21,140	15,851	1,140	20,000	Construction complete. Finances to be finalised.
1632.750583. Museum Garage Area Flooring	11,627	11,627	8,713	10,968	659	Construction 90% completed.
1632.750584. Tuart Av Community Kitchen Retrofit	264,258	30,000	27,973	17,058	12,942	Application for grant monies submitted start of March. Project on hold until outcome of grant application is known in May.
1632.750510. CASM Ablution Upgrade	31,711	31,711	23,781	4,691	27,020	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1632.750585. CASM Sliding Door	21,140	21,140	15,851	20,165	975	Works complete. Finances to be finalised.
1632.750586. MARC LED & Lighting Control	52,851	52,851	39,624	2,851	50,000	Works commenced Q3.
1632.750587. Coodanup Community Centre Ablution	73,993	73,993	55,483	51,893	22,100	Construction complete. Finances to be finalised.
1632.750588. Owen Avenue Ablution	158,554	158,554	158,554	11,664	146,890	Project proposed to be cancelled following COVID-19 Review. To be relisted in 2020/21 Ablutions-New Program.
1632.750589. Admin Building First Floor Carpet	52,851	52,851	39,624	2,851	50,000	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1632.750591. Civic Chamber Meeting Rooms	84,563	104,563	41,436	9,563	95,000	Works to commence Q4.
1632.750590. Civic Building HVAC Replacement	10,570	12,370	9,272	12,370	0	Completed.
1632.750592. MARC Aquatic Window Control Gear	40,168	40,168	30,118	0	40,168	Works commenced Q3.
1632.750593. MARC Roof Access Walkways	63,422	43,422	32,557	3,422	40,000	Works to commence Q4.
1632.750594. Museum House Asbestos Removal	79,278	79,278	79,276	58,484	20,794	Completed. Finances to be finalised.
1632.750595. Museum Rear Roller Door Replacement	15,855	15,855	11,890	12,557	3,298	Completed. Finances to be finalised.
1632.750596. Museum Window Frames Replacement	26,426	26,426	19,820	27,512	(1,086)	Completed.
1632.750600. Facility Glazing Compliance Upgrade	60,251	54,902	41,171	0	54,902	Works to commence Q4.
1632.750601. East Mandurah Playgroup Roller Door	10,584	10,584	7,939	5,632	4,952	Completed.
1632.750602. Mechanical Workshop Shade Project	13,741	17,290	12,970	17,366	(76)	Completed.
1632.750603. Southern Ops Transportable Meeting Room	84,563	84,563	41,436	0	84,563	Works to commence Q4.
1632.750604. Falcon Pavilion Roof	26,426	9,213	19,820	9,213	0	Completed.
1632.750605. Port Bouvard SLSC Gear Shed Re-Roof	95,133	102,133	102,133	0	102,133	Works to commence Q4.
1632.750606. South Mh Football Club Pavilion	79,278	79,278	79,274	60,955	18,323	Completed.
1632.750609. Site Main Switchboards	95,133	95,133	71,334	0	95,133	Works to commence Q4. This work will occur at same time as MARC Generator Commissioning following installation of generator.
1632.750610. Dolphin Drive MATV Compound	10,468	10,468	7,849	10,330	138	Completed.
1632.750611. Marina Ablution Facility Shed	10,468	13,000	9,748	7,991	5,009	Construction complete. Finances to be finalised.
1632.750516. Change Rooms Upgrade Program	75,000	220,000	220,000	4,480	215,520	Falcon Pavilion CSRF grant application was successful. Planned tender advertising for April 2020 with construction to commence May/June 2020. Completion due October 2020.
1632.750520. Northport Reserve, Baloo Crescent Facility	80,000	90,790	90,790	90,790	(0)	Completed.
1632.750567. South Mandurah FC Changerooms (CSRF)	30,000	34,850	26,130	30,000	4,850	Construction stalled due to sewer/gas connection issues. Additional funding required, amount and source to be determined.
1632.750572. MMFC Upgrade Rushton North Pav (CSRF)	65,000	38,177	28,632	38,177	(0)	Completed.
1632.750433. Port Bouvard Surf Life Saving Club	34,818	50,476	50,476	50,476	0	Completed.
1632.750416. SL Peelwood Parade Reserve	23,050	47,800	47,800	47,800	(0)	Completed.
1632.750523. Bush Fire Brigade	440,625	531,449	495,523	503,507	27,942	Construction completed.
1632.750577. New 60 Peel St Demolition	30,000	23,831	23,831	23,831	0	Completed.
1632.750524. SCC & SIPS Buildings energy upgrades	55,000	47,690	35,761	47,690	(0)	Completed.
1632.750454. MARC/Waste Transfer Station - Solar Plan Phase 5	300,993	311,000	289,979	1,586	309,414	Works to commence Q4.
1632.750501. MARC Systems Integration	110,000	51,995	51,995	8,962	43,033	Harmonics works complete. Generator integration works to be completed.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
1632.750532. Civic Building - Tuckey Room	231,698	294,936	294,936	143,759	151,177	Works to commence Q4.
1632.750289. RS - MARC Redevelopment Stage 2	7,458	7,663	7,663	7,663	0	Completed.
1632.750573. MARC squash court roof drainage	20,000	3,043	3,043	3,043	0	Completed.
1632.750575. Central Boardwalk	80,000	100,000	100,000	88,426	11,574	Major works 95% complete with minor landscaping still to be finished.
1632.750451. Bortolo Reserve Sports Lighting	67,488	57,095	42,809	57,095	0	Completed.
1632.750498. Museum Courtroom Interpretation Project		11,561	11,561	11,561	0	Completed.
1632.750550. Indoor Sports Facility		0	0	0	0	Carryover budget not required. Funds returned at Budget Review.
1632.750612. WMC Tipping Shed Security Doors		60,000	60,000	51,713	8,287	Construction complete and financially complete.
1632.750512. Mandurah Library Staff Workroom		0	0	(129)	129	Credit received for works on 2018/19 capital project.
1632.750613. MARC Aquatic Condensation		44,616	21,863	0	44,616	Works to commence Q4.
1632.750614. Museum Office Ceiling Refurbishment		10,144	4,970	0	10,144	Project proposed to be cancelled following COVID-19 Review.
1632.750615. MSLSC Carpet Replacement		6,000	2,940	6,000	0	Completed.
1632.750616. Park Rd SES Building Workshop Upgrade		5,000	2,450	0	5,000	Works to commence Q4.
Bridges						
1634.880011. Mandurah Traffic Bridge Feature Lighting	10,570	10,072	7,553	10,072	1	Completed.
1634.880001. Old Mandurah Bridge	495,220	500,000	374,900	100,000	400,000	Design in progress in line with the plans for the western foreshore redevelopment and reviewing site requirements.
1634.880010. New Bridge boardwalk extension stairway	239,190	243,234	243,230	219,219	24,015	Stairs complete. Shared path anti skid to commence Q4.
Parks						
1635.700395. Falcon Reserve Activation Plan	250,639	250,639	122,813	34,857	215,782	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1635.700396. Falcon Skate Park Upgrade	400,000	400,000	196,000	11,916	388,084	Earthworks 60% complete.
1635.700397. Fowler Reserve - Cricket Nets	18,000	18,000	13,493	16,980	1,020	Completed.
1635.700398. Rushton Park Development Works	40,000	40,000	29,992	40,000	0	Completed.
1635.700399. Lakelands Community Garden	30,000	30,000	22,494	0	30,000	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1635.700436. Upgrade Billy Dowers Outdoor Space	32,000	32,000	23,997	30,924	1,076	Construction 95% complete.
1635.700400. Westbury Way Offset Fencing	16,000	13,745	13,745	13,745	0	Completed.
1635.700430. Kerosene Tank Bunding	15,000	15,000	15,000	0	15,000	Works to commence Q4.
1635.700401. Birchley Reserve Upgrade Stage 2	136,712	136,712	136,712	133,533	3,179	Construction 95% complete.
1635.700402. Falcon Bay Foreshore Stage 3 of 4	341,780	341,780	341,781	338,224	3,556	Construction complete. Finances to be finalised.
1635.700403. Grahame Heal Reserve	96,838	96,839	96,840	14,161	82,678	Playground equipment has been ordered, delay on shipment due to COVID-19. Construction to commence Q1 2020/21.
1635.700404. Halls Head Recycled Water	227,854	227,854	111,649	40,079	187,775	Tender evaluation April. Works to commence Q4.
1635.700405. Mandjar Square Final Stage	341,780	336,780	252,529	286,406	50,374	Construction 95% complete. Unforeseen additional drainage/roof works still to be undertaken.
1635.700406. Pebble Beach Boulevard Res 46649	182,282	182,282	182,282	22,309	159,973	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1635.700407. Pinjarra Road East Stage 2	284,817	284,817	284,817	227,051	57,766	Construction 75% complete.
1635.700408. Riverview Foreshore Stage 2	22,785	17,785	17,786	2,785	15,000	Construction 25% complete.
1635.700409. San Marco Quays Playground Final Stage	22,785	24,053	24,053	24,053	(0)	Completed.
1635.700410. Westbury Way North side POS Stage 3	227,854	227,854	227,855	59,438	168,416	Construction 50% complete.
1635.700411. Convert Sporting Ovals to SDS	50,000	50,000	50,000	16,057	33,943	Construction 50% complete.
1635.700412. Dawesville Reserve Firebreaks	14,810	14,810	14,810	0	14,810	Construction to commence Q4. Delayed due to change in contractor.
1635.700413. Duverney Park Picnic Facilities	22,785	22,785	22,786	16,984	5,801	Construction 95% complete.
1635.700415. Melaleuca Reserve Shade Sail	30,760	30,760	30,761	31,170	(410)	Construction complete and financially complete.
1635.700416. Moorhen Green Upgrade	34,178	34,178	34,178	27,554	6,624	Construction 50% complete.
1635.700417. Old Yacht Club Superficial Bore	41,074	41,074	41,074	26,038	15,036	Construction 95% complete.
1635.700414. Jerramungup Gdn/Wittenoorn Turn	28,481	28,481	28,482	22,340	6,141	Construction 95% complete.
1635.700418. Shade Sales Various Sites	113,927	113,927	113,927	74,756	39,171	Construction 95% complete.
1635.700420. Basketball Hoops Renewal	20,000	20,000	20,000	18,134	1,866	Completed.
1635.700421. Eastern Foreshore Softfall Renewal	12,134	12,134	12,134	0	12,134	New contractor being sought to complete softfall projects. Construction to commence Q4.
1635.700422. Louis Dawe Park Renewal	68,356	68,356	68,357	14,349	54,007	Playground equipment has been ordered, delay on shipment due to COVID-19. Construction to commence Q1 2020/21.
1635.700423. Mogum Reserve Softfall Renewal	30,000	30,000	30,000	0	30,000	New contractor being sought to complete softfall projects. Construction to commence Q4.
1635.700424. Olive Road Foreshore Renewal	28,481	17,000	16,999	6,701	10,299	Construction 95% complete.
1635.700425. Quandong Reserve Renewal	60,000	60,000	60,002	14,152	45,848	Construction 50% complete.
1635.700426. Rushton Park Fencing Renewal	20,000	20,000	20,000	17,210	2,790	Completed.
1635.700427. Signage	56,963	16,963	16,963	13,486	3,477	2019-2020 Ongoing Program.
1635.700431. Electric BBQ Replacement	68,708	68,708	51,522	57,144	11,564	2019-2020 Ongoing Program.
1635.700432. Goegrup Lake Boardwalk	63,470	3,470	2,601	0	3,470	Project cancelled due to location not in the city's boundaries.
1635.700433. Estuary Road Boardwalk	21,237	13,281	9,955	13,281	0	Completed.
1635.700434. Bethyl Corner Renewal	158,554	140,767	123,554	45,466	95,301	Construction 30% complete.
1635.700435. Power Meter Enclosures	95,133	95,133	71,334	40,258	54,875	2019-2020 Ongoing Program.
1635.700429. Town Beach Shower	20,937	19,032	14,267	19,032	(0)	Completed.
1635.700364. Mandjar Square Water Feature	199,325	196,736	147,520	196,736	(0)	Completed.

Council Meeting Attachments

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Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent	
					Funds	Comment
1635.700346. Coote Reserve BMX Track	60,000	65,000	48,741	65,079	(79)	Completed.
1635.700361. Mandjar Square Stage 3 & 4	90,000	62,150	46,608	62,150	0	Completed.
1635.700365. Novara Foreshore Stage 3	50,000	106,354	79,742	83,272	23,082	Construction 95% complete.
1635.700377. MARC improvement to car park area	5,000	4,570	3,429	3,750	820	Construction complete.
1635.700385. Lakes Lawn Cemetery - Signage	9,998	8,316	6,238	6,427	1,889	Construction 80% complete.
1635.700387. Parks and Reserves Signage	12,925	0	0	0	0	Carryover budget not required. Completed in 2018/19. Committed PO has been expedited.
1635.700389. Lakes Lawn Cemetery Gates/signage	7,500	0	0	0	0	Carryover budget not required. Funds returned at Budget Review.
1635.700376. Mandurah Rd median - Gordon to Meadow Sp	40,000	48,491	36,364	48,491	0	Construction complete.
1635.700363. Falcon Bay Foreshore Stage 2		17,798	13,348	7,388	10,410	Construction complete and finances to be finalised.
1635.700437. Mandurah Croquet Club Shade Structures		7,000	3,430	0	7,000	Works to commence Q4.
Roads						
1636.500946. Flagpole Lighting ADC Buildings	15,855	5,711	4,284	5,711	(0)	Completed.
1636.500947. Reserve Lighting Device Upgrade	7,000	7,000	5,248	5,390	1,610	Works to commence Q4.
1636.500948. Sthn Districts Fire Brigade (Carpark)	54,516	54,516	40,875	32,897	21,619	Construction 95% complete.
1636.500949. City Centre Parking and Signage	160,385	160,385	120,256	0	160,385	Project to be carried out in conjunction with the Eastern and Western Foreshore redevelopment works.
1636.500950. Smart Street Mall Upgrade	1,503,613	1,503,613	1,127,409	35,921	1,467,692	Civil design progressing and will include the central area of the mall being trafficable. Structural advice and detail design for shade structures to be completed shortly.
1636.500951. RC Dower Street	817,747	817,747	817,747	812,409	5,339	Completed.
1636.500952. RC Mississippi Drive	436,132	386,132	386,128	159,359	226,773	Construction 75% complete. Scope of works changing to accommodate additional lighting and path works within budget. \$15k Underspend to be allocated to TM Old Coast Rd/Rutland Ave overspend.
1636.500953. RC Peel Street	817,747	817,747	507,003	0	817,747	Stage 1 works confirmed to commence Q4. Stage 2 works will be programmed for 2021.
1636.500954. RC Pinjarra Road	760,839	760,839	760,839	718,973	41,866	Civil construction complete. Services and landscaping works to be completed.
1636.500955. RR Bailey Boulevard	281,154	281,154	281,155	32,722	248,432	Construction to commence Q4.
1636.500956. RR Beacham Street	365,501	275,501	275,502	236,005	39,496	Construction complete and financially complete.
1636.500957. RR Clarice Street	275,531	325,531	201,831	248,443	77,088	Construction is 95% complete.
1636.500958. RR Creery Street	84,347	80,056	80,057	80,056	0	Completed.
1636.500959. RR Fernwood Rd/Old Coast Rd	208,054	68,054	68,057	62,163	5,891	Completed.
1636.500960. RR Gordon Road	281,154	221,154	281,154	212,150	9,004	Construction complete and financially complete.
1636.500961. RR Merrivale Street	404,862	354,862	354,861	329,561	25,301	Construction complete and financially complete.
1636.500962. RR Thera Street	337,385	397,385	209,179	39,893	357,492	Construction to commence Q4. Project to be split into 3 stages due to budget constraints.
1636.500963. TM Discretionary Traffic Mgmt	109,033	109,033	67,601	51,488	57,545	2019-2020 Ongoing Program.
1636.500964. TM Old Coast Rd/Rutland Dr Roundabout	109,033	109,033	109,032	113,846	(4,813)	Construction complete. Finances to be finalised, \$15k overspend to be funded from underspend on RC Mississippi Drive.
1636.500965. TM Wilderness Dr/Old Coast Rd	109,033	109,033	109,033	101,905	7,128	Civil construction complete, lighting to be installed.
1636.500966. CP Aldgate St Realignment Stage 2	81,775	81,775	81,780	7,161	74,614	Construction complete. Finances to be finalised.
1636.500967. CP Pinjarra Rd/Sutton St	32,710	62,710	62,710	62,251	459	Construction 75% complete.
1636.500968. RS Aberdeen Close	15,183	43,245	43,243	43,245	(0)	Completed.
1636.500969. RS Aberdeen Cl/Balmoral Pde Intersection	10,122	0	0	0	0	Funds reallocated to RS Aberdeen Close.
1636.500970. RS Achilles Place	67,477	40,510	40,506	40,510	(0)	Completed.
1636.500971. RS Aldgate St/Parkview St Intersection	16,026	24,120	19,119	16,936	7,184	Construction is 95% complete.
1636.500972. RS Beam Road	56,230	44,984	44,984	44,683	301	Completed.
1636.500973. RS Esprit Parkway	140,577	56,685	56,685	56,685	0	Completed.
1636.500974. RS Ferguson St/Ivanhoe Crs	56,230	43,421	43,418	43,422	(1)	Completed.
1636.500975. RS Fernwood Rd/Timbers Edge Intersection	56,230	56,230	56,229	49,143	7,087	Completed.
1636.500976. RS Frankland Place	41,050	56,230	56,230	45,909	10,321	Completed.
1636.500977. RS Hillway Street	38,517	30,492	30,490	30,492	(0)	Completed.
1636.500978. RS Leighton Rd/Halls Head Pde	33,176	79,347	84,348	76,253	3,094	Construction complete and financially complete.
1636.500979. RS Lord Hobart Dve/Addingham Blvd	16,869	297,477	297,479	34,531	262,946	Construction to commence Q4.
1636.500980. RS Mississippi Drive	134,954	112,462	112,462	12,671	99,791	Construction to commence Q4 due to program reshuffle.
1636.500981. RS Peel St/Ormsby Tce Roundabout	39,361	84,347	84,348	12,587	71,760	Construction to commence Q4 due to program reshuffle.
1636.500982. RS Peelwood Parade	35,706	85,000	84,996	10,379	74,621	Construction delayed due to pending fund reallocation approval, approval now granted, will commence Q4.
1636.500983. RS Peelwood Pde/Mahogany Dr	25,303	27,903	27,902	27,904	(1)	Completed.
1636.500984. RS Watersun Drive	84,347	51,809	51,809	51,809	0	Completed.
1636.500985. RS Yalgoo Heights	67,477	23,288	23,287	23,288	(0)	Completed.
1636.500986. RS Yarri Way	24,180	17,187	17,187	17,187	0	Completed.
1636.500987. SP Albermarle Close	28,349	0	1	2,349	(2,349)	Funds returned at Budget Review.
1636.500988. SP Blakeley Street	57,242	51,885	29,068	10,308	41,577	Construction to commence Q4, delayed due to permit required from ATCO.
1636.500989. SP Boileau Place	19,626	19,663	12,190	19,664	(1)	Completed.
1636.500990. SP Cox Bay	21,807	26,807	13,520	3,029	23,778	Construction to commence Q4. Additional \$5k funding allocated from SP Old Coast Road, Halls Head due to scope change.
1636.500991. SP Dichondra Pass	58,333	54,064	33,520	50,940	3,124	Construction complete. Finances to be finalised.
1636.500992. SP Duverney Park PAW	70,872	70,872	43,942	24,291	46,581	Construction 50% complete.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent	
					Funds	Comment
1636.500993. SP Gillark Street	32,165	42,679	26,460	42,680	(1)	Completed.
1636.500994. SP Janice Avenue	119,936	98,144	60,850	98,144	0	Completed.
1636.500995. SP Jubata Gardens	39,252	56,059	37,858	42,481	13,578	Construction complete and financially complete.
1636.500996. SP Lefroy Street	52,881	43,612	27,041	0	43,612	Construction 75% complete.
1636.500997. SP Mandurah Road, Erskine	21,807	10,000	6,201	3,659	6,341	Construction not going ahead. Finances to be finalised for design costs.
1636.500998. SP Missing Links	87,227	87,227	54,081	31,358	55,869	2019-2020 Ongoing Program.
1636.500999. SP Oakwood Gate	41,433	39,007	24,184	39,007	(0)	Completed.
1636.501000. SP Old Coast Road, Halls Head	43,612	49,516	33,801	36,237	13,279	Construction 75% complete.
1636.501001. SP Orelia Street	28,349	26,901	16,680	26,901	0	Completed.
1636.501002. SP Pedestrian Crossing Upgrades	54,516	54,516	33,800	9,326	45,190	2019-2020 Ongoing Program.
1636.501003. SP Perida Way	26,168	22,739	14,098	22,738	1	Completed.
1636.501004. SP Sandeland Avenue	25,077	24,092	14,937	24,091	1	Completed.
1636.501005. SP Sunview Rise PAW	27,803	9,638	5,975	9,638	(0)	Completed.
1636.501006. SP Swinton Place	25,077	22,897	14,195	0	22,897	Construction delayed due to unfavourable public consultation. Rescheduled to commence Qtr 4.
1636.501007. Bus shelters	63,612	63,612	47,697	21,432	42,180	2019-2020 Ongoing Program.
1636.501008. SL Gibson Street	109,033	109,033	67,601	36,385	72,648	Construction complete. Finances to be finalised.
1636.501009. SL Lakes Road	76,324	76,324	76,324	75,934	390	Construction complete. Finances to be finalised.
1636.501010. SL Minor Improvements	54,516	98,182	39,172	63,182	35,000	2019-2020 Ongoing Program.
1636.501011. SL Train Station Access Path	54,516	19,516	0	0	19,516	Consultant undertaking lighting scope. Works to commence Q4.
1636.501012. Depot Stockpile Upgrades	25,000	35,000	35,000	0	35,000	To be aligned with structural design and other rain sensitive projects. Therefore rescheduled from Q3 to Q4.
1636.501015. Light Pole Replacement Program	105,703	0	0	0	0	Funds returned at Budget Review. Works to be re-budgeted in the future.
1636.501016. MOM Canal Light Poles	98,304	78,304	78,306	44,920	33,384	Stage 2 and 3 complete. Minor works remaining.
1636.501022. Parks and Reserves LED Program	63,422	63,422	47,553	40,453	22,969	2019-2020 Ongoing Program.
1636.501017. Port Mandurah SL Rectification Project	52,851	52,851	39,624	51,085	1,766	Completed.
1636.501018. WMC Out Weighbridge Road Repairs	50,120	50,120	37,580	0	50,120	To commence Q4.
1636.501019. WMC Recovery Facility Hardstand	250,602	190,602	142,912	0	190,602	To commence Q4.
1636.501021. South Harbour Paving Replacement	78,515	45,459	34,096	45,459	(0)	Completed.
1636.500798. Dower St - Pinjarra Rd Intersection	381,206	379,369	284,448	378,397	972	Completed.
1636.500887. Dower Street	261,047	348,861	261,574	348,974	(113)	Completed.
1636.500889. Lakes Rd	27,312	55,759	41,810	30,850	24,909	Construction complete. Finances to be finalised.
1636.500892. Smokebush Retreat	132,000	131,033	98,248	34,087	96,946	Construction 95% complete. Western Power connection works remaining.
1636.500894. Coodanup Drive	90,000	206,290	154,677	92,210	114,080	Construction 75% complete. Lighting currently being scoped by Western Power.
1636.500904. Yeedong Road	5,000	28,125	21,098	28,771	(646)	Completed.
1636.500909. Pinjarra Road Carpark	200,000	183,097	137,294	183,097	(0)	Completed.
1636.500914. Coolibah Avenue Resurfacing	205,000	200,222	150,123	200,222	0	Completed.
1636.500932. Pedestrian Lighting to PAW	37,472	37,472	28,093	24,344	13,128	Construction completed, waiting for Western Power connection.
1636.500942. PTA Bus Embayment - 27636	248,122	235,400	176,513	235,399	1	Completed. Funds to be returned to PTA.
1636.500943. PTA Bus Embayment - 27635	192,502	189,746	142,280	189,746	(0)	Completed. Funds to be returned to PTA.
1636.500944. WMC Top Shed Roadworks	30,000	34,165	25,625	34,165	(0)	Completed.
1636.501023. Dudley Park PS Carpark	86,467	43,236	61,992	24,475	24,475	Construction complete. Finances to be finalised.
1636.501024. Mandurah Terrace Modifications	19,000	19,000	15,902	15,902	3,098	Construction complete. Finances to be finalised.
1636.500596. SP Pinjarra Rd Reconstruct Panels & Kerb	0	0	0	0	0	
Drainage						
1637.600155. DR Discretionary Improvements	112,462	112,462	112,463	21,376	91,086	2019-2020 Ongoing Program.
1637.600156. DR Donnelly Gardens	11,246	11,246	11,245	8,419	2,827	Completed.
1637.600157. DR Estuary Heights Place	44,984	44,984	44,984	40,399	4,585	Construction complete and financially complete.
1637.600158. DR Estuary View Road	22,493	37,492	37,488	8,232	29,260	Construction 95% complete.
1637.600159. DR Harvey View Drive	16,869	16,869	16,870	9,772	7,097	Completed.
1637.600160. DR Henson St/Mandurah Tce	33,739	33,739	33,739	6,934	26,805	Construction 5% complete.
1637.600161. DR Leura Street	84,347	84,347	84,346	9,422	74,925	Construction to commence Q4.
1637.600162. DR Lord Hobart Drive	67,477	67,477	67,476	16,106	51,371	Construction 95% complete.
1637.600163. DR Mulberry Close	22,493	22,493	22,492	22,309	184	Construction complete and financially complete.
1637.600164. DR Orion Rd Park Stage 2	112,462	112,462	112,463	69,910	42,552	Construction 75% complete.
1637.600165. DR Rialto & Bermuda Plcs Accessway	22,493	7,393	7,390	7,393	0	Completed.
1637.600166. DR Riverina Avenue	16,869	16,869	16,870	9,342	7,527	Completed.
1637.600167. DR Spinaway Parade	56,230	226,231	226,229	0	226,231	Construction to commence Q4.
1637.600168. DR Sunview Rise	56,230	56,230	56,229	18,606	37,624	Construction 75% complete.
1637.600169. DR Water Sensitive Urban Design	224,924	0	0	0	0	Funds reallocated at Budget Review to other drainage and road projects.
1637.600170. DR Yalgorup Drive	11,246	11,246	11,245	0	11,246	Project proposed to be cancelled following COVID-19 Review.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
1637.600152. William/Bertram Road	150,000	37,360	28,012	37,360	(0)	Completed.
1637.600148. City Centre Drainage Upgrade Stage 2	50,000	55,293	41,450	55,292	1	Completed.
Coastal & Estuary						
1639.910095. Avalon Foreshore (Westview Parade)	56,963	70,963	70,966	9,045	61,918	Construction to commence Q4. Public consultation complete and responses are being reviewed.
1639.910096. San Remo Beach Universal Access	17,089	17,089	17,089	0	17,089	Construction to commence Q4.
1639.910097. Breakwater Parade Fishing Platform	73,280	51,470	54,944	51,459	11	Completed.
1639.910098. Jetties - ABCDEFGH Main Marina	12,562	7,312	5,482	7,312	0	Completed.
1639.910099. Jetties - J and K	52,342	36,121	27,084	36,121	0	Completed.
1639.910100. Marina Commercial Jetty	52,342	34,352	26,435	34,345	7	Completed.
1639.910101. Marina Sth Harbour MATV Pits	10,468	10,468	7,849	0	10,468	Project proposed to be cancelled following COVID-19 Review.
1639.910102. South Harbour Upgrade	240,777	286,643	205,317	234,615	52,028	Construction 85% complete. Awaiting 3 picnic setting quotes from WA suppliers approx. \$30K.
1639.910103. Dawesville Channel Fishing Platform	52,342	52,342	39,245	2,342	50,000	Works expected to commence in May 2020. Larger lead time due to decking sourced from China.
1639.910104. Mariners Cove Café	31,405	31,405	23,547	0	31,405	Project proposed to be cancelled following COVID-19 Review.
1639.910105. Parkridge Boat Ramp	73,280	60,680	54,944	0	60,680	Project proposed to be deferred to 2020/21 following COVID-19 Review. 2019/20 RFBS funding \$16,410 cancelled, required to reapply in 2020/21.
1639.910084. Cambria Island Abutment wall repairs	92,128	127,128	127,128	24,607	102,521	Geotechnical investigations to commence Q4.
1639.910094. Dredging Port Mandurah Entrance	245,895	0	0	0	0	Completed.
1639.910089. Shark Mitigation Project	600,000	0	0	0	0	Carryover project not going ahead.
Equipment						
1640.820171. MARC Basketball Backboards	55,000	55,000	41,243	51,600	3,400	Completed.
1640.820172. Christmas Decorations 2019	190,266	190,266	190,266	182,916	7,350	Completed.
1640.820173. Council Chambers Furniture	190,266	170,266	170,266	142,190	28,076	Works 95% complete.
1640.820174. MPAC Orchestra Lift		120,000	58,800	0	120,000	Works to commence Q4.
Plant & Machinery						
1641.770001. Light Passenger Vehicles - Replacement	321,510	338,580	241,070	286,290	52,290	
1641.770002. Light Commercial Vehicles - Replacement	642,161	642,161	481,492	277,421	364,740	
1641.770005. Light Passenger Vehicles - New	22,000	22,000	16,499	22,866	(866)	
1641.770018. Light Commercial Vehicles - New	78,500	78,500	58,859	40,283	38,217	
1641.770006. Trucks & Buses Replacements	2,020,384	1,316,706	987,269	1,160,202	156,504	
1641.770007. Trailers	135,035	135,035	101,246	92,475	42,560	
1641.770009. Parks & Mowers	363,150	363,150	272,287	110,255	252,895	
1641.770011. Miscellaneous Equipment >\$1500	345,526	494,348	337,871	86,021	408,327	
1641.770008. Construction Vehicles	136,500	136,500	102,344	136,500	0	
Other Infrastructure						
1643.930032. Road Sweeper Spoil	35,000	65,000	65,000	0	65,000	Design able to proceed with approved funds at budget review. Works rescheduled to commence Q4.
1643.930030. Waterfront Design Project	260,000	379,270	284,375	317,286	61,984	Project progressing. 95% complete.
1643.930027. Tims Thicket Septage Ponds Upgrade	368,451	0	1	0	0	Project on hold due to pending department approval. Funds in reserve until ready to commence.
1644.000000. Eastern Foreshore	55,129	53,529	53,529	47,271	6,258	Works complete. Finances to be finalised.
1646.750496. Lakelands DOS Clubroom Facility	2,325,470	2,757,070	2,599,871	983,697	1,773,374	Construction 15% complete.
1646.000000. Lakelands DOS	2,682,890	2,149,839	2,149,836	398,144	1,751,695	Going out to Tender late April for sportsground lighting. Works to commence Q4.
1647.920027. Eastern Foreshore South Precinct	2,255,420	2,255,420	1,691,118	0	2,255,420	Last stage of design of the Estuary Pool is being finalised including jetty upgrades built to commercial standards. Stage 1 of jetty infrastructure design and construction tender to be advertised early March with works to commence in May.
1647.920028. Western Foreshore Recreation Precinct	4,029,683	4,029,683	3,021,460	26,160	4,003,523	Tender was awarded and detailed design has commenced. Construction is programmed for early May with proposed completion December 2020. Detail design for play towers is out for quotation, closing 17 March.
Grand Total	39,716,652	37,941,613	31,531,078	15,970,341	21,971,272	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020

FINANCING ACTIVITIES
NOTE 6
BORROWINGS

Repayments - Borrowings

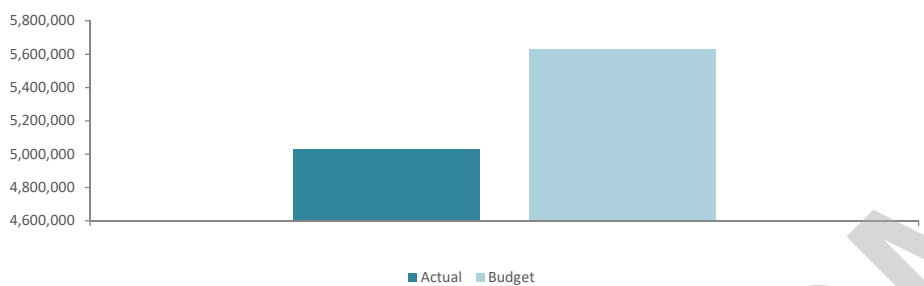
Information on Borrowings Particulars	1 July 2019	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Total	29,682,151	0	5,450,000	5,028,278	5,630,871	24,653,873	29,501,280	411,794	1,029,460
Current borrowings	5,630,871		5,450,000	5,028,278	5,630,871	-67,573	5,630,871	411,794	1,029,460
Non-current borrowings	24,051,280					24,721,446	23,870,409		
	29,682,151					24,653,873	29,501,280		

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

2019/20 Principal Repayments



Principal Repayments

\$5,028,278

Interest Expense

\$411,794

Loans Due

\$24.65 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

NOTE 7**OPERATING GRANTS AND CONTRIBUTIONS****Operating Grants, Subsidies and Contributions Revenue**

Provider	Adopted Budget	Budget Variations	Annual Budget	YTD Revenue Actual
	\$	\$	\$	\$
Operating Grants and Subsidies				
General purpose funding				
Financial Assistance Grant - General Purpose	845,000		845,000	669,334
Financial Assistance Grant - Local Roads	670,000		670,000	460,305
Law, order, public safety				
ADF Grant - Alcohol and Drug Foundation	40,000		40,000	28,040
Healthways Grant	0		0	9,750
Operating Grant SES	38,816		38,816	38,816
Operating Grant Southern Districts Fire Brigade	24,624		24,624	23,656
DFES Bushfire Mitigation Funding	0	292,850	292,850	146,425
Lifeguard Service Funding	100,000		100,000	95,667
A.W.A.R.E. Funding	0		30,000	0
Education and welfare				
Waterwise Verge Grant	10,000		10,000	10,000
NAIDOC	3,000		3,000	0
International Disability Day Grant	1,000		1,000	0
Lighthouse Project (Local Governments Professionals)	0		0	10,000
Mental Health Initiatives (WA Primary Health Alliance)	0	75,000	75,000	52,500
Digital Springboard Grant	0		0	2,941
BeConnected Grant - Mandurah Library	0		0	2,000
Get Online Week - Mandurah Library	0		0	1,500
BeConnected Grant - Falcon Library	0		0	2,000
Get Online Week - Falcon Library	0		0	1,500
BeConnected Grant - Lakelands Library	0		0	2,000
Get Online Week - Lakelands Library	0		0	1,500
Recreation and culture				
Stretch Festival Grant WA Health Promotion Grant	15,000		15,000	0
Wearable Art Grant WA Healthy Promotions	58,226		58,226	0
Gnoonie Youth Football Cup 2019	1,000		1,000	2,000
CHRMAP	37,500		37,500	0
Lotterywest (Childrens Festival Grant)	8,750		8,750	10,000
Lotterywest (Christmas Pageant)	10,000		10,000	10,000
Tourism WA (Crabfest Sponsorship)	139,992		139,992	115,000
Every Club Funding	20,000		20,000	20,000
Friday Night Skillz - DLGSCI	0		15,000	15,840
	2,022,908	367,850	2,435,758	1,730,774
TOTALS	2,022,908	367,850	2,435,758	1,730,774

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020

NOTE 8

NON-OPERATING GRANTS AND CONTRIBUTIONS

Non Operating Grants, Subsidies and Contributions Revenue

Provider	Adopted Budget Revenue	Budget Variations	Annual Budget	YTD Revenue Actual (b)
	\$	\$	\$	\$
Non-Operating Grants and Subsidies				
Law, order, public safety				
Shark Mitigation Project	200,000	(200,000)	0	0
Recreation and culture				
Eastern Foreshore South Precinct	2,250,000	0	2,250,000	2,250,000
Western Foreshore Recreation Precinct	2,750,000	0	2,750,000	2,750,000
Tuart Av Community Kitchen Retrofit	99,000	(99,000)	0	0
Marina Floating Public Jetty	128,339	0	128,339	128,340
Parkridge Boat Ramp	56,000	(39,590)	16,410	0
Falcon Skate Park Upgrade	200,000	0	200,000	9,300
Lakelands DOS Clubroom Facility	150,000	0	150,000	100,000
Lakelands DOS Clubroom Facility	60,000	0	60,000	60,000
Lakelands DOS	975,000	0	975,000	650,000
Change Rooms Upgrade Program	0	50,000	50,000	50,000
Transport				
RC Dower Street	500,000	0	500,000	500,000
RC Peel Street	500,000	0	500,000	200,000
RC Pinjarra Road	500,000	0	500,000	500,000
RR Merrivale Street	360,000	0	360,000	360,000
RR Beacham Street	325,000	0	325,000	325,000
RR Thera Street	155,708	0	155,708	155,708
TM Wilderness Dr/Old Coast Rd	65,500	0	65,500	53,200
RS Esprit Parkway	125,000	0	125,000	125,000
RS Mississippi Drive	120,000	0	120,000	120,000
RS Watersun Drive	74,935	0	74,935	74,935
Dower Street	200,000	0	200,000	200,000
Lakes Rd	20,000	0	20,000	20,000
Other property and services				
Bush Fire Brigade	381,177	84,000	465,177	232,588
	10,195,659	(204,590)	9,991,069	8,864,071
Non-Operating Contributions				
Recreation and culture				
Port Bouvard Surf Life Saving Club	300,000	0	300,000	300,000
Fowler Reserve - Cricket Nets	1,000	0	1,000	1,000
Fowler Reserve - Cricket Nets	900	(510)	390	390
MARC Backboards	0	40,000	40,000	40,000
Mandurah Bridge Club	0	0	0	2,000
Mandurah Surf Life Saving Club				5,000
Transport				
PTA Bus Embayment - 27636	151,394	(10,217)	141,177	151,394
PTA Bus Embayment - 27635	109,370	(4,539)	104,831	109,370
Dudley Park PS Carpark	0	86,467	86,467	0
Mandurah Terrace Modifications	0	10,000	10,000	10,000
Other property and services				
Lakelands Community Infrastructure Contribution	0	1,065,909	1,065,909	1,065,909
Bush Fire Brigade	0	0	0	15,993
	562,664	1,187,110	1,749,774	1,701,056
Total Non-operating grants, subsidies and contributions	10,758,323	982,520	11,740,843	10,565,127

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus				(350,000)
1632.750523.	Bush Fire Brigade	Adopted	Capital Expenses			(84,000)	(434,000)
315915.0070.	Fire prevention Capital Grant	Adopted	Capital Revenue		84,000		(350,000)
	Carryover Capital Expenditure Adjustment September Financial Report	Adopted	Capital Expenses		388,552		38,552
	Carryover Capital Grant Funding Adjustment September Financial Report	Adopted	Capital Revenue			(200,000)	(161,448)
	Carryover Capital Reserve Funding Adjustment September Financial Report	Adopted	Capital Revenue		441,767		280,319
	Carryover Capital Loan Funding Adjustment September Financial Report	Adopted	Capital Revenue			(685,695)	(405,376)
	Carryover CoM General Revenue Funding Adjustment September Financial Report	Adopted	Capital Revenue		55,376		(350,000)
1632.750612.	WMC Tipping Shed Security Doors	Adopted	Capital Expenses			(60,000)	(410,000)
1636.501019.	WMC Recovery Facility Hardstand: decreased	Adopted	Capital Expenses		60,000		(350,000)
318910.0050.	Bushfire Mitigation Operating Grant	Adopted	Operating Revenue		292,850		(57,150)
9655.163032.	Bushfire Mitigation Activity	Adopted	Operating Expenses			(292,850)	(350,000)
1636.500968.	RS Aberdeen Close	Adopted	Capital Expenses		24,178		(325,822)
1636.500969.	RS Aberdeen Cl/Balmoral Pde Intersection	Adopted	Capital Expenses			(10,122)	(335,944)
1636.500970.	RS Achilles Place	Adopted	Capital Expenses			(16,869)	(352,813)
1636.500971.	RS Aldgate St/Parkview St Intersection	Adopted	Capital Expenses		3,093		(349,720)
1636.500972.	RS Beam Road	Adopted	Capital Expenses			(11,246)	(360,966)
1636.500973.	RS Esprit Parkway	Adopted	Capital Expenses			(84,347)	(445,313)
1636.500976.	RS Frankland Place	Adopted	Capital Expenses		15,180		(430,133)
1636.500978.	RS Leighton Rd/Halls Head Pde	Adopted	Capital Expenses		51,171		(378,962)
1636.500979.	RS Lord Hobart Dve/Addingham Blvd	Adopted	Capital Expenses		50,608		(328,354)
1636.500980.	RS Mississippi Drive	Adopted	Capital Expenses			(22,492)	(350,846)
1636.500981.	RS Peel St/Ormsby Tce Roundabout	Adopted	Capital Expenses		44,986		(305,860)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1636.500982.	RS Peelwood Parade	Adopted	Capital Expenses		14,902		(290,958)
1636.500983.	RS Peelwood Pde/Mahogany Dr	Adopted	Capital Expenses		2,812		(288,146)
1636.500984.	RS Watersun Drive	Adopted	Capital Expenses			(22,493)	(310,639)
1636.500985.	RS Yalgor Heights	Adopted	Capital Expenses			(39,361)	(350,000)
1636.500987.	SP Albermarle Close	Adopted	Capital Expenses			(13,907)	(363,907)
1636.500988.	SP Blakeley Street	Adopted	Capital Expenses			(10,357)	(374,264)
1636.500989.	SP Boileau Place	Adopted	Capital Expenses		3,271		(370,993)
1636.500991.	SP Dichondra Pass	Adopted	Capital Expenses			(9,269)	(380,262)
1636.500993.	SP Gillark Street	Adopted	Capital Expenses		9,000		(371,262)
1636.500994.	SP Janice Avenue	Adopted	Capital Expenses			(10,903)	(382,165)
1636.500995.	SP Jubata Gardens	Adopted	Capital Expenses		21,807		(360,358)
1636.500996.	SP Lefroy Street	Adopted	Capital Expenses			(9,269)	(369,627)
1636.500997.	SP Mandurah Road, Erskine	Adopted	Capital Expenses		22,352		(347,275)
1636.500999.	SP Oakwood Gate	Adopted	Capital Expenses			(8,723)	(355,998)
1636.501000.	SP Old Coast Road, Halls Head	Adopted	Capital Expenses		10,904		(345,094)
1636.501005.	SP Sunview Rise PAW	Adopted	Capital Expenses			(2,726)	(347,820)
1636.501006.	SP Swinton Place	Adopted	Capital Expenses			(2,180)	(350,000)
	Loan repayments - refinance	R0002540689	Capital Expenses			(670,166)	(1,020,166)
	Interest repayments - refinance	R0002540689	Operating Revenue		18,904		(1,001,262)
	Loan refinance opening surplus	R0002540689	Opening Surplus(Deficit)		654,006		(347,256)
0555.101024.31012.55	Community Development Operating Grants		Operating Revenue		75,000		(272,256)
9555.101031.	Suicide Prevention Project		Operating Expenses			(75,000)	(347,256)
347810.9083.10	Contribution to MPAC		Operating Expenses			(80,000)	(427,256)
427810.9052.10	Financial Services subscriptions		Operating Expenses		20,000		(407,256)
428800.9000.05	Financial Accounting Salaries		Operating Expenses		60,000		(347,256)
347810.9083.10	Mandurah Performing Arts Centre RVIF works Stage 3		Operating Expenses			(250,000)	(597,256)
347970.0804.98	Transfer from Cultural Reserve		Capital Revenue		225,000		(372,256)
347970.0800.98	Transfer from Building Reserve		Capital Revenue		25,000		(347,256)
1632.750573.	MARC squash court roof drainage		Capital Expenses		15,268		(331,988)
1632.750416.	SL Peelwood Parade Reserve		Capital Expenses			(15,268)	(347,256)
1641.770011.	Replacement crane on T022 Patching Truck		Capital Expenses			(9,680)	(356,936)
1641.770011.	ERS Turbo Wash Parts Washer will not be replaced this financial year life of asset to be extended until 2021/22		Capital Expenses		20,858		(336,078)
455965.0756.97	Cityfleet Proceeds of Sale		Capital Revenue			(1,710)	(337,788)
1632.750532.	Civic Building – Tuckey Room		Capital Expenses			(120,000)	(457,788)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1635.700432.	Geogrup Boardwalk		Capital Expenses		60,000		(397,788)
1640.820173.	Council Chamber Furniture		Capital Expenses		20,000		(377,788)
1632.750501.	MARC Systems Integration		Capital Expenses		40,000		(337,788)
1632.750578.	CSRFF program		Capital Expenses		85,000		(252,788)
359915.0070.60	CSRFF Funding - Non Operating Grant		Capital Revenue		50,000		(202,788)
9645.140512.10058.10	Community facility Planning - Design		Operating Expenses		10,000		(192,788)
1632.750516.	Change Rooms Upgrade Program		Capital Expenses			(145,000)	(337,788)
456925.0100.	Non-Operating Revenue		Capital Revenue		1,065,909		728,121
	Lakelands Community Infrastructure reserve		Capital Revenue			(1,065,909)	(337,788)
	Georup Boardwalk unspent loans		Operating Revenue			(43,926)	(381,714)
	Transfer from Sustainability reserve		Operating Revenue			(58,044)	(439,758)
1636.501023.	Dudley Park Primary School		Capital Expenses			(86,467)	(526,225)
381925.0100.72	Dudley Park Primary School - contribution DOE		Capital Revenue		86,467		(439,758)
1632.750567.	South Mandurah FC Changerooms		Capital Expenses			(4,850)	(444,608)
1632.750578.	CSRFF		Capital Expenses		3,000		(441,608)
1632.750606.	South Mandurah Football Club Pavilion		Capital Expenses		1,850		(439,758)
435800.9001.05	Casual Labour - Records		Operating Expenses		10,000		(429,758)
435810.9917.10	Archive Operating - Records		Operating Expenses			(10,000)	(439,758)
435810.9917.10	Archive Operating - Records		Operating Expenses			(27,000)	(466,758)
305810.9051.10	Election expenses		Operating Expenses		27,000		(439,758)
355810.9058.10	Swim School - General Advertising		Operating Expenses		1,500		(438,258)
362810.9058.10	Health and Fitness – General Advertising		Operating Expenses		3,000		(435,258)
363810.9058.10	Café – General Advertising		Operating Expenses		500		(434,758)
467810.9058.10	OSHC – General Advertising		Operating Expenses		1,000		(433,758)
379810.9059.10	Festival & Events - other operating costs		Operating Expenses			(6,000)	(439,758)
1641.770011.	Generator MARC		Capital Expenses			(120,000)	(559,758)
9578.105000.10752.10	MARC Maintenance - Lease Costs		Operating Expenses		40,000		(519,758)
455965.0756.97	Proceeds from Disposal of assets		Capital Revenue		80,000		(439,758)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1636.500979.	RS Lord Hobart Drive/ Addingham Blvd		Capital Expenses			(230,000)	(669,758)
1636.500956.	RR Beacham Street		Capital Expenses		90,000		(579,758)
1636.500959.	RR Fernwood Rd/ Old Coast Road		Capital Expenses		90,000		(489,758)
1636.500961.	RR Merrivale Street		Capital Expenses		50,000		(439,758)
	BUDGET REVIEW ADOPTION		Opening Surplus(Deficit)		957,839		518,081
	BUDGET REVIEW ADOPTION		Operating Revenue		435,840		953,921
	BUDGET REVIEW ADOPTION		Operating Expenses			(2,774,910)	(1,820,989)
	BUDGET REVIEW ADOPTION		Non Cash Item		3,644,577		1,823,588
	BUDGET REVIEW ADOPTION		Capital Expenses		1,722,259		3,545,847
	BUDGET REVIEW ADOPTION		Capital Expenses			(1,503,000)	2,042,847
	BUDGET REVIEW ADOPTION		Capital Revenue			(1,859,988)	182,859
1636.501024.	Mandurah Terrace Modifications		Capital Expenses			(19,000)	163,859
381925.0100.72	Capital Contribution - Mandurah Terrace business owners		Capital Revenue		10,000		173,859
9667.101902.10058.10	City Centre Activation - Linger Longer Day		Operating Expenses		9,000		182,859
1632.750501.	MARC Systems Integration		Capital Expenses		40,000		222,859
1641.770011.	Miscellaneous Equipment >\$1500 - Generator MARC		Capital Expenses			(40,000)	182,859
9655.163032.14000.05	Emergency Management Bushfire Mitigation Project		Operating Expenses		117,140		299,999
9655.163032.14000.13	Emergency Management Bushfire Mitigation Project		Operating Expenses			(117,140)	182,859
318910.0050.55	Emergency Management Grants & Subs Op		Operating Revenue		30,000		212,859
9655.163032.14000.05	Emergency Management Bushfire Mitigation Project		Operating Expenses			(30,000)	182,859
1639.910105.	Parkridge Boat Ramp		Capital Expenses		12,600		195,459
404915.0070.60	Waterways Grants & Subs Non-op Capital Revenue		Capital Revenue			(39,590)	155,869
1639.910097.	Breakwater Parade Fishing Platform		Capital Expenses		21,810		177,679
1639.910100.	Marina Commercial Jetty		Capital Expenses		5,180		182,859
1639.910100.	Marina Commercial Jetty		Capital Expenses		12,810		195,669
1639.910102.	South Harbour Upgrade		Capital Expenses			(12,810)	182,859
	Transfer from Sports Clubs Maintenance Levy Reserve		Other: Transfer Out of Reserve		850		183,709
	Facility Management : Mandurah Sportsman & Football Club.		Operating Expenses			(850)	182,859
9569.104535.10607.10	Furniture. Materials		Operating Expenses			(850)	182,859
1636.501016.	MOM Canal Light Poles		Capital Expenses		20,000		202,859
1632.750591.	Civic Chamber Meeting Rooms		Capital Expenses			(20,000)	182,859
1636.501000.	SP Old Coast Road, Hall Head		Capital Expenses		5,000		187,859
1636.500990.	SP Cox Bay		Capital Expenses			(5,000)	182,859

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance	
1646.700349.	Lakelands DOS Earthworks		Capital Expenses		431,600		614,459	
1646.750496.	Lakelands DOS Clubroom Facility		Capital Expenses			(431,600)	182,859	
1632.750604.	Falcon Pavilion Roof		Capital Expenses		17,213		200,072	
1635.700434.	Bethyl Corner Renewal		Capital Expenses			(17,213)	182,859	
1636.500995.	SP Jubata Gardens		Capital Expenses		5,000		187,859	
1636.500988.	SP Blakeley Street		Capital Expenses			(5,000)	182,859	
1636.500978.	RS Leighton Rd/Halls Head Pde		Capital Expenses		5,000		187,859	
1636.500971.	RS Aldgate St/Parkview St Intersection		Capital Expenses			(5,000)	182,859	
1636.500960.	RR Gordon Road		Capital Expenses		60,000		242,859	
1636.500962.	RR Thera Street		Capital Expenses			(60,000)	182,859	
1636.501011.	SL Train Station Access Path		Capital Expenses		35,000		217,859	
1636.501010.	SL Minor Improvements		Capital Expenses			(35,000)	182,859	
455965.0756.97	Proceeds from Disposal of assets		Other: Proceeds From Sale of Assets		30,000		212,859	
1641.770001.	Light Passenger Vehicles - Replacement		Capital Expenses			(17,070)	195,789	
9667.101901.	City Centre - Winter Wonderland		Operating Expenses		73,000		268,789	
9624.102245.	Economic Development Projects - New Projects		Operating Expenses		150,000		418,789	
9564.102830.	Cultural Development - Wearable Art General		Operating Expenses		47,000		465,789	
0562.102313.	Crabfest Revenue		Operating Revenue			(240,000)	225,789	
9562.102313.	Crabfest Expenditure		Operating Expenses			(30,000)	195,789	
301950.0711.90	Rate Penalty Interest		Operating Revenue			(60,000)	135,789	
347945.0319.85	Facility Management Lease revenue		Operating Revenue			(100,000)	35,789	
310810.9200.10	Strategy and Business Performance Corporate Projects		Operating Expenses		7,600		43,389	
303810.9059.10	Elected Members Operating Costs		Operating Expenses			(25,000)	18,389	
					0	12,432,389	(12,064,000)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

NOTE 10

PROPOSED BUDGET VARIATIONS FOR COUNCIL APPROVAL

The following are for consideration for Council to approve as budget variations

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	Budget Adoption			\$	\$	\$	\$
1636.500952	RC Mississippi Drive		Capital Expenses		15,000		18,389
1636.500964	TM Old Coast Rd / Rutland Drive Roundabout		Capital Expenses			(15,000)	33,389
				0	15,000	(15,000)	18,389

CONFIRMED

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2020**

**NOTE 11
EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2019-20 year is 10.00%

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Operating grants, subsidies and contributions	(222,729)	(11.40%)	▼ Timing	Claim 2 for DFES Bushfire Mitigation Funding and Stretch Festival Grants not yet received.
Other revenue	(144,780)	(5.65%)	▼ Timing	Delay in receiving Main Roads annual verge maintenance contribution, shared sports ground contributions and LGIS surplus contribution compared to monthly budget allocation.
Profit on disposal of assets	23,427	100.00%	▲ Permanent	Unbudgeted non-cash variance from disposal of assets.
Expenditure from operating activities				
Materials and contracts	3,875,608	11.33%	▲ Timing	It is expected that all expenditure will be realised by 30 June.
Interest expenses	375,202	47.68%	▲ Timing	Full effect from loan restructure not fully realised. Will continue to monitor.
Insurance expenses	144,336	19.00%	▲ Timing	Timing of insurance payments.
Other expenditure	48,335	19.53%	▲ Timing	Timing of loss on sale of assets.
Loss on disposal of assets	(195,438)	100.00%	▼ Permanent	Unbudgeted non-cash variance from disposal of assets.
Investing Activities				
Non-operating Grants, Subsidies and Contributions	1,291,862	13.93%	▲ Timing	Funds claimed in advance of projects being completed.
Capital Acquisitions	15,560,737	49.35%	▲ Timing	Refer to note 4.
Financing Activities				
Repayment of debentures	(805,125)	(19.06%)	▼ Timing	Timing due to YTD budget spread evenly over the year.

Monthly Financial Report

April 2020



CITY OF MANDURAH
MONTHLY FINANCIAL REPORT
For the Period Ended 30 April 2020

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**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

STATUTORY REPORTING PROGRAMS

	Ref Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	1(c)	7,744,000	7,744,000	7,744,000			
Revenue from operating activities							
Governance		5,856	5,126	8,405	3,279	63.97%	▲
General Purpose Funding - Rates		80,945,588	80,893,588	80,563,818	(329,770)	(0.41%)	
General Purpose Funding - Other		3,957,070	3,126,094	2,876,261	(249,833)	(7.99%)	
Law, Order and Public Safety		1,100,290	997,301	937,890	(59,411)	(5.96%)	
Health		343,000	313,846	256,164	(57,682)	(18.38%)	▼
Education and Welfare		571,300	505,823	431,216	(74,607)	(14.75%)	▼
Community Amenities		14,556,297	14,026,543	14,075,032	48,489	0.35%	
Recreation and Culture		8,005,292	6,907,019	6,063,492	(843,527)	(12.21%)	▼
Transport		2,768,350	2,616,632	2,600,584	(16,048)	(0.61%)	
Economic Services		1,685,000	1,492,369	1,413,851	(78,518)	(5.26%)	
Other Property and Services		332,620	293,929	381,457	87,528	29.78%	▲
		114,270,663	111,178,270	109,608,170	(1,570,100)	(1.41%)	
Expenditure from operating activities							
Governance		(7,122,878)	(5,992,884)	(5,784,843)	208,041	3.47%	
General Purpose Funding		(2,229,090)	(1,864,616)	(1,642,740)	221,876	11.90%	▲
Law, Order and Public Safety		(4,610,762)	(3,853,893)	(3,763,126)	90,767	2.36%	
Health		(2,137,990)	(1,797,199)	(1,731,987)	65,212	3.63%	
Education and Welfare		(4,581,682)	(3,813,654)	(3,594,670)	218,984	5.74%	
Community Amenities		(18,795,483)	(15,606,761)	(13,677,465)	1,929,296	12.36%	▲
Recreation and Culture		(46,634,168)	(38,976,322)	(36,488,335)	2,487,987	6.38%	
Transport		(29,210,757)	(23,415,948)	(23,051,801)	364,147	1.56%	
Economic Services		(6,381,979)	(5,599,563)	(4,775,240)	824,323	14.72%	▲
Other Property and Services		(11,781,965)	(9,827,145)	(10,332,189)	(505,044)	(5.14%)	
		(133,486,754)	(110,747,985)	(104,842,396)	5,905,589	5.33%	
Non-cash amounts excluded from operating activities	1(a)	34,031,463	28,085,810	28,768,515	682,705	2.43%	
Amount attributable to operating activities		14,815,372	28,516,095	33,534,289	5,018,194	(17.60%)	
Investing Activities							
Non-operating grants, subsidies and contributions	8	11,740,843	10,095,923	10,880,271	784,348	7.77%	
Proceeds from disposal of assets	4	1,654,021	870,585	870,585	0	0.00%	
Purchase of property, plant and equipment	5	(37,941,613)	(33,799,205)	(17,372,803)	16,426,402	48.60%	▲
Amount attributable to investing activities		(24,546,749)	(22,832,697)	(5,621,947)	17,210,750	75.38%	
Financing Activities							
Proceeds from New Debentures	6	5,450,000	-	-	0	0.00%	
Unspent Loans		1,751,101	-	1,751,101	1,751,101	100.00%	▲
Prepaid Rates		(3,092,036)	-	(1,821,987)	(1,821,987)	100.00%	▼
Payment of lease liability		(1,503,000)	(1,503,000)	(1,502,022)	978	(0.07%)	
Proceeds from self supporting loans	6	100,000	-	-	0	0.00%	
Transfer from Reserves		8,572,232	-	-	0	0.00%	
Repayment of Debentures	6	(5,630,871)	(4,692,393)	(5,477,596)	(785,204)	(16.73%)	▼
Transfer to Reserves		(3,641,660)	-	-	0	0.00%	
Amount attributable to financing activities		2,005,766	(6,195,393)	(7,050,504)	(855,111)	(13.80%)	
Closing Funding Surplus / (Deficit)	1(c)	18,389	7,232,006	28,605,839	21,373,833	295.55%	

KEY INFORMATION

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

Refer to Note 11 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2019-20 year is 10.00%

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**
BY NATURE OR TYPE

	Ref Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	1(c)	7,744,000	7,744,000	7,744,000			
Revenue from operating activities							
Rates		80,945,588	80,893,588	80,563,818	(329,770)	(0.41%)	
Operating grants, subsidies and contributions		2,435,758	1,994,736	1,730,774	(263,962)	(13.23%)	▼
Fees and charges		26,166,991	24,053,054	23,258,496	(794,558)	(3.30%)	
Interest earnings		1,805,000	1,534,122	1,348,142	(185,980)	(12.12%)	▼
Other revenue		2,914,326	2,702,770	2,683,306	(19,464)	(0.72%)	
Profit on disposal of assets		3,000	-	23,634	23,634	100.00%	▲
		114,270,663	111,178,270	109,608,170	(1,570,100)	-1.41%	
Expenditure from operating activities							
Employee costs		(47,093,009)	(39,765,963)	(39,473,827)	292,136	0.73%	
Materials and contracts		(46,238,725)	(37,936,349)	(32,545,310)	5,391,039	14.21%	▲
Utility charges		(3,876,462)	(2,966,249)	(3,138,149)	(71,900)	(5.80%)	
Depreciation on non-current assets		(33,707,463)	(28,085,810)	(28,128,027)	(4,217)	(0.15%)	
Interest expenses		(1,030,728)	(874,536)	(445,012)	429,524	49.11%	▲
Insurance expenses		(1,013,367)	(844,122)	(680,566)	163,556	19.38%	▲
Other expenditure		(200,000)	(274,956)	(199,129)	75,827	27.58%	▲
Loss on disposal of assets		(327,000)	-	(232,376)	(232,376)	100.00%	▼
		(133,486,754)	(110,747,985)	(104,842,396)	5,905,589	5.33%	
Non-cash amounts excluded from operating activities	1(a)	34,031,463	28,085,810	28,768,515	682,705	2.43%	
Amount attributable to operating activities		14,815,372	28,516,095	33,534,289	5,018,194	(17.60%)	
Investing activities							
Non-operating grants, subsidies and contributions	8	11,740,843	10,095,923	10,880,271	784,348	7.77%	
Proceeds from disposal of assets	4	1,654,021	870,585	870,585	0	0.00%	
Payments for property, plant and equipment	5	(37,941,613)	(33,799,205)	(17,372,803)	16,426,402	48.60%	▲
Amount attributable to investing activities		(24,546,749)	(22,832,697)	(5,621,947)	17,210,750	75.38%	
Financing Activities							
Proceeds from new debentures	6	5,450,000	-	-	0	0.00%	
Unspent Loans Utilised		1,751,101	-	1,751,101	1,751,101	100.00%	▲
Prepaid Rates		(3,092,036)	-	(1,821,987)	(1,821,987)	100.00%	▼
Payment of lease liability		(1,503,000)	(1,503,000)	(1,502,022)	978	0.07%	
Proceeds from self-supporting loans	6	100,000	-	-	0	0.00%	
Transfer from reserves		8,572,232	-	-	0	0.00%	
Repayment of debentures	6	(5,630,871)	(4,692,393)	(5,477,596)	(785,204)	(16.73%)	▼
Transfer to reserves		(3,641,660)	-	-	0	0.00%	
Amount attributable to financing activities		2,005,766	(6,195,393)	(7,050,504)	(855,111)	(13.80%)	
Closing Funding Surplus / (Deficit)	1(c)	18,389	7,232,006	28,605,839	21,373,833	295.55%	

KEY INFORMATION

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

Refer to Note 11 for an explanation of the reasons for the variance.

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

**NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Local Government (Financial Management) Regulation 1996.

	Notes	Annual Budget	YTD Budget (a)	YTD Actual (b)
		\$	\$	\$
Non-cash items excluded from operating activities				
Adjustments to operating activities				
Less: Profit on asset disposals		(3,000)	0	(23,634)
Movement in pensioner deferred rates (non-current)		0	0	97,049
Movement in employee benefit provisions (non-current)		0	0	334,697
Add: Loss on asset disposals		327,000	0	232,376
Add: Depreciation on assets		33,707,463	28,085,810	28,128,027
Total non-cash items excluded from operating activities		34,031,463	28,085,810	28,768,515

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with regulation 32 of the Local Government (Financial Management) Regulations 1996 to agree to the surplus/(deficit) after imposition of general rates.

		Budget Closing 30 Jun 2019	Budget Closing 30 Jun 2020	Year to Date 30 Apr 2020
Adjustments to net current assets				
Less: Reserves - restricted cash		(31,592,143)	(26,661,571)	(31,592,143)
Less: Unspent loans		(1,751,101)	0	0
Less: Capital Commitments		(2,426,444)	0	0
Less: ESL debtors		0	0	(778,737)
Less: Prepaid Rates		3,092,036	0	(1,821,987)
Less: Clearing accounts		0	0	285,342
Add: Borrowings	6	4,960,705	5,630,871	3,255,689
Add: Lease liability		0	0	(1,502,022)
Add: Provisions - employee		4,886,154	4,452,000	4,886,154
Add: Loan Facility offset		0	0	12,000,000
Total adjustments to net current assets		(22,830,793)	(16,578,700)	(15,267,704)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	45,552,853	32,717,960	46,550,759
Rates receivables	3	3,295,078	3,000,000	4,049,222
Receivables	3	3,079,788	3,670,000	4,922,841
Other current assets		1,349,951	450,000	479,016
Less: Current liabilities				
Payables		(8,843,628)	(9,158,000)	(1,752,664)
Borrowings	6	(4,960,705)	(5,630,871)	(3,255,689)
Contract liabilities		(183,071)	0	(5)
Lease liabilities		0	0	1,502,022
Provisions		(8,715,473)	(8,452,000)	(8,621,960)
Less: Total adjustments to net current assets	1(b)	(22,830,793)	(16,578,700)	(15,267,704)
Closing Funding Surplus / (Deficit)		7,744,000	18,389	28,605,839

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020

OPERATING ACTIVITIES
NOTE 2
CASH AND INVESTMENTS

	Total Amount	Interest rate	Total calculated interest Earnings	Institution	S&P rating	Deposit Date	Maturity Date	Term days
	\$	\$	\$	\$				
Cash on hand								
Westpac Municipal Bank Account	5,378,295	Variable		Westpac	AA-	NA	NA	
Westpac Trust Bank Account	592,813	Variable	NA	Westpac	AA-	NA	NA	
Visitors Centre	1,262	Variable	NA	Westpac	AA-	NA	NA	
	5,972,369							
Municipal Investments								
Muni 10 - 9652-46197	29,695	1.05%	309	ANZ	AA-	1/10/2019	1/10/2020	366
Muni 36 - 29-157-8194	3,022,678	1.53%	11,361	NAB	AA-	27/02/2020	27/05/2020	90
MNS 31 - 582058	6,084,132	1.25%	6,494	Westpac	AA-	31/03/2020	30/04/2020	30
MNS 60 - 582007	337,185	1.30%	374	Westpac	AA-	31/03/2020	30/04/2020	30
	9,473,691							
Reserve Investments								
Reserve 1 - 849461	1,061,049	1.45%	3,780	Bendigo	A-	31/01/2020	30/04/2020	90
Reserve 26 - 80-802-2069	2,469,370	1.50%	12,319	NAB	AA-	28/02/2020	29/06/2020	122
Reserve 28 - 74-528-7456	3,036,451	1.07%	8,079	NAB	AA-	21/04/2020	21/07/2020	91
Reserve 30 - 78-911-3263	3,035,328	1.18%	8,903	NAB	AA-	7/04/2020	7/07/2020	91
Reserve 31 - 78-920-6945	3,036,432	1.05%	7,928	NAB	AA-	24/04/2020	24/07/2020	91
Reserve 32 - 33713404	3,009,764	1.32%	9,764	Commonwealth	AA-	25/02/2020	25/05/2020	90
Reserve 33 - 93-656-8445	3,030,540	1.23%	9,265	NAB	AA-	2/04/2020	2/07/2020	91
Reserve 34 - 72-684-2987	3,032,049	1.07%	8,067	NAB	AA-	22/04/2020	22/07/2020	91
RNS 31 - 581565	6,794,677	1.25%	7,252	Westpac	AA-	31/03/2020	30/04/2020	30
RNS 60 - 581573	3,191,852	1.30%	3,538	Westpac	AA-	31/03/2020	30/04/2020	30
	31,697,512							
Trust Investments								
Trust 10 - 93-656-8445	87,292	1.07%	232	NAB	AA-	22/04/2020	22/07/2020	91
Bonds NS 90 - 582066	3,403,851	1.35%	3,912	Westpac	AA-	31/03/2020	30/04/2020	30
	3,491,143							
Total	50,634,715		101,578					

Interest revenue		Interest Earned
Investment Interest Accrued	101,578	\$1,348,142
Investment Interest Matured	545,129	
Rates Interest	701,435	
	1,348,142	
Trust Funds		
Cash At Bank	592,813	
Investment	3,491,143	
	4,083,956	
Total Municipal and Reserve Funds	46,550,759	

	Amount	Interest rate on loans	Interest Saved	YTD Interest Saved
Loan Offset Facility				
Westpac	12,000,000	2.71%	26,613	276,497

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

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

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

Total Municipal Cash	Unrestricted
\$58.55 M	\$26.85 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

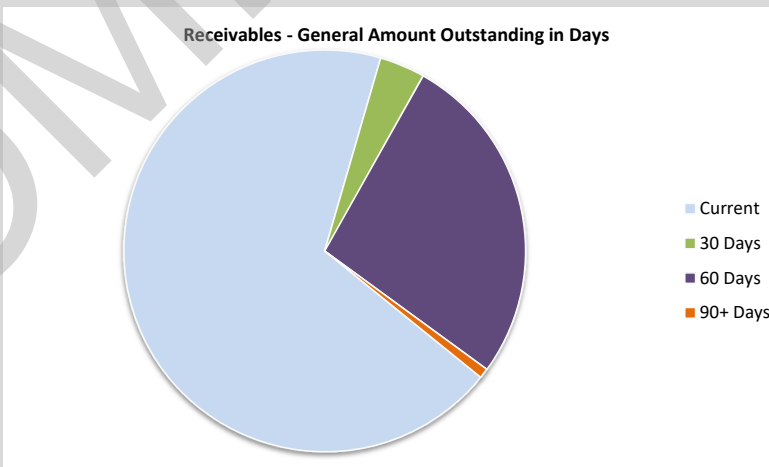
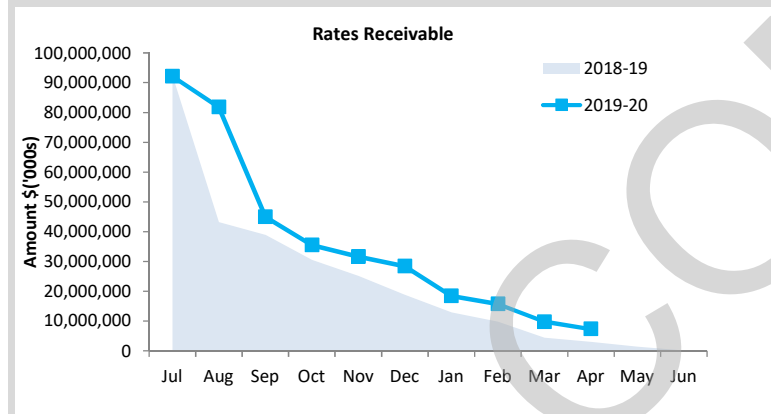
**OPERATING ACTIVITIES
NOTE 3
RECEIVABLES**

Rates Receivable	30 June 2019	30-Apr-19	30 Apr 20
	\$		\$
Opening Arrears Previous Years	2,943,000	2,943,000	3,295,078
Rates levied	78,487,059	78,487,059	80,212,522
Less - Collections to date	(78,134,981)	(78,374,059)	(79,458,378)
Equals Current Outstanding	3,295,078	3,056,000	4,049,222
Net Rates Collectable	3,295,078	3,056,000	4,049,222
% Collected	96%	96.2%	95.2%
No. of Legal Proceedings Commenced for the 2019/20 year			6
No. of properties > \$10,000 outstanding			33
No. of properties between \$3,000 and \$10,000 outstanding			132
Value of Rates Concession			8,899
Value of Rates Exemptions			2,367,552

Receivables - General	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Balance per Trial Balance						
Sundry receivable		998,027	180,007	1,323,356	38,960	2,540,350
Recreation Centres		89,229				89,229
Mandurah Ocean Marina		86,849				86,849
GST receivable		554,666				554,666
Infringements		1,003,137				1,003,137
Pensioners rates and ESL deferred		598,742				598,742
Other Receivables		49,868				49,868
Total Receivables General Outstanding		3,380,518	180,007	1,323,356	38,960	4,922,841
Percentage		68.7%	3.7%	26.9%	0.8%	

KEY INFORMATION

Rates and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of rates and other receivables is reviewed on an ongoing basis. Other receivables that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



Debtors Due
\$4,922,841
Over 30 Days
31%
Over 90 Days
1%

Collected	Rates Due
95.2%	\$4,049,222

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020

OPERATING ACTIVITIES
NOTE 4
DISPOSAL OF ASSETS

Asset	Asset Description	Budget	YTD Actual
		Proceeds	Proceeds
		\$	\$
Land	Sale of Land in Port Mandurah	600,000	393,468
Light Passenger Vehicles - Replacement			
HYUNDAI EXCEL AUTO ACTIVE 5 DR HATCH	Marina - Works and Services (C00116)	8,831	0
TOYOTA RAV4 AUTO GX 2WD 5DR WGN	OHS - Sustainable Development (C00216)	13,385	17,327
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Community Festivals and Events (C004)	12,222	13,327
TOYOTA RAV4 AUTO GX 2WD 5DR WGN	Planning Services - Sustainable Development (C01216)	13,410	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Asset Management - Works and Services (C02316)	12,384	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Planning Services - Sustainable Development (C02616)	12,425	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Projects Coordinator - Works and Services (C044)	12,212	14,145
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Sustainable Development - Building Services (C056)	12,216	12,327
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Engineering Design and Development - Works and Services (C06116)	13,160	0
MITSUBISHI OUTLANDER AUTO LS 5DR WGN	Senior Citizens Centre Coordinator - People and Communities (C063)	12,214	12,782
FORD MONDEO AUTO AMBIENTE WAGON	Principal Environmental Officer - Sustainable Development (C071)	11,122	12,100
MAZDA 6 5DR WAGON	Manager - Sport, Recreation & Events (C00419)	30,000	0
Light Commercial Vehicles - Replacement			
FORD RANGER DUAL CAB 4X4 TRAYBACK UTE	Health Services - Sustainable Development (U00316)	20,756	0
TOYOTA HILUX DUAL CAB 4X4 TRAYBACK UTE	Parks North - Works and Services (U007)	18,493	0
FORD RANGER DUAL CAB 4X4 PICKUP	Works Construction - Works and Services (U01616)	19,948	23,236
FORD RANGER DUAL CAB 4X4 PICKUP	Environmental Health Services - Sustainable Development (U02117)	19,555	23,236
FORD RANGER DUAL CAB 4X4 PICKUP	Surveying Services - Works and Services (U02216)	20,355	0
TOYOTA HILUX DUAL CAB 4X4 TRAYBACK UTE	Parks Natural Areas - Works and Services (U029)	18,493	23,236
HOLDEN COLORADO SPACE CAB 4X4 CAB/CHASSIS	Rangers - Sustainable Development (U03216)	17,689	0
MITSUBISHI TRITON 2X4 CAB/CHASSIS	Citybuild Works and Services (U039)	11,374	18,691
ISUZU D'MAX DUAL CAB 2X4 PICKUP	Facilities Management - Works and Services (U051)	17,272	15,964
FORD RANGER DUAL CAB 4X4 TRAYBACK UTE WITH CANOPY	Parks Assets - Works and Services (U05216)	19,699	0
FORD RANGER SINGLE CAB 4x4 TRAYBACK	Traffic Management - Works and Services (U05316)	21,371	0
FORD RANGER DUAL CAB 4X4 TRAYBACK UTE WITH CANOPY	Parks Central - Works and Services (U05416)	17,908	0
FORD RANGER DUAL CAB 2X4 PICKUP	Parks Central - Works and Services (U05816)	18,573	0
FORD RANGER DUAL CAB 2X4 TRAYBACK UTE WITH CANOPY	Parks Assets - Works and Services (U05916)	20,400	0
HOLDEN COLORADO SPACE CAB 4X4 CAB/CHASSIS	Rangers - Sustainable Development (U069)	15,094	0
HOLDEN COLORADO DUAL CAB 2X4 PICKUP	Sustainable Development Management - Sustainable Development (U07017)	16,407	15,964
FORD RANGER DUAL CAB 4X4 PICKUP	Landscaping Services - Works and Services (U07317)	17,442	22,555
Trucks & Buses Replacements			
NISSAN-UD 280 SINGLE CAB TWO WAY TIPPER	Works Construction - Works and Services (T002)	0	0
HINO 300 SINGLE CAB TRAY WITH KEVREK 1000S	Civil Maintenance - Works and Services (T005)	0	0
HINO 500 SINGLE CAB THREE WAY TIPPER	Civil Maintenance - Works and Services (T006)	0	0
HINO 300 SINGLE CAB TRAY WITH KEVREK 1500	Civil Maintenance - Works and Services (T007)	0	0
HINO 500 SINGLE CAB TWO WAY TIPPER	Civil Construction Drainage - Works and Services (T026)	0	0
HINO -MACDONALD JOHNSTON VS650 ROADSWEPPER	Civil Maintenance - Works and Services (T051)	74,326	0
Trailers			
2.0-4.5T FLAT TOP 5x2.5M WITH RAMP SOUTHWEST	Parks Southern - Works and Services (V001)	3,040	0
2.0-4.5T SIGN TRAILER	Works Construction - Works and Services (P011)	2,700	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

**OPERATING ACTIVITIES
NOTE 4
DISPOSAL OF ASSETS**

Asset	Asset Description	Budget	YTD Actual
		Proceeds	Proceeds
	Environmental Services - Sustainable Development		
0.9T 2.1x1.2M BOX WITH RAMP	(P044)	530	0
2.0-4.5T TANDEM MOWER TRAILER WITH RAMP	(P140)	2,040	0
2.0-4.5T TANDEM BOX TRAILER WITH RAMP	(P143)	700	0
<u>Parks & Mowers</u>			
KUBOTA 72" OUTFRONT DECK MOWER	Parks Northern - Works and Services (M00216)	7,500	0
ISEKI 72" OUTFRONT DECK MOWER	Parks Southern - Works and Services (M00316)	7,250	5,774
ISEKI 60" OUTFRONT DECK MOWER	Parks Northern - Works and Services (M01616)	7,250	0
TORO REELMASTER SIDEWINDER 3100D	Parks Central - Works and Services (M023)	5,821	0
TORO 72" ZERO TURN MOWER	Parks Southern - Works and Services (M02616)	7,000	0
DEUTSCHER H660-II SELF POWERED ROTARY MOWER	Parks Assets - Works and Services (M100)	900	0
TORO 60" TURBO ZERO TURN MOWER	Parks Central - Works and Services (M032)	7,643	0
RED EXIM VERTI DRAIN AERATOR	Parks Northern - Works and Services (N021)	10,600	0
HOWARD HD150CR MOWER ROTASLASHER	Parks Assets - Works and Services (N023)	1,160	0
NEW HOLLAND BOOMER 3050 TRACTOR	Parks Northern - Works and Services (P602)	9,000	0
<u>Miscellaneous Equipment >\$1500</u>			
NISSAN MODEL 25 FORKLIFT	Parks Southern - Works and Services (L003)	4,181	0
KOMLETE SCREEN PLANT	Manager Operations Services Manager - Works and Services (P013)	15,240	9,744
SPRAY UNIT MOTOR AND PUMP	Environmental Health Services - Sustainable Development (P045)	500	0
ROADLINES SCRABBING MACHINE	Works Construction - Works and Services (P049)	100	0
PILOT K50SI SILENT COMPRESSOR AND INSTALL	Cityfleet - Works and Services (P054)	1,100	0
TOPCON TP-4LGV PIPE LASER	Civil Construction - Works and Services (P094)	790	959
ERS TURBO WASH PARTS WASHER	Cityfleet - Works and Services (P095)	0	0
JASMAN ELECTRIC STEAM CLEANER	Cityfleet - Works and Services (P098)	100	0
BENDPAK HOIST	Cityfleet - Works and Services (P114)	1,480	0
<u>Plant Disposed from 2018/19 budget</u>			
HINO 700 FS2844 SINGLE CAB TIPPER TRUCK DSL MAN18SP			
PBB BODY TARP	Works Construction - Works and Services (T029)	52,505	52,505
ISUZU SINGLE CAB TRAY WITH KEVRECK 1500	Projects (T010)	21,492	21,492
KUBOTA F3690 60INCH OUTFRONT MOWER DSL	Plant (M014)	5,981	5,981
KUBOTA F3690 72' OUTFRONT MOWER DSL SIDE DISCHARGE	Plant (M004)	9,357	9,350
Trailer Single Axle Tipping Mower	Plant (P1425)	1,723	1,723
TRAILER LOW LOADER FLOAT .	Works Construction - (P182)	12,593	12,593
Kubota RTV 900 XTW 4WD Utility	Parks South Plant (1290) U106	10,913	10,913
TOYOTA RAV4 CV 2WD WAGON ULP AUTO	C075	17,041	17,041
HINO 700 SERIES FS1ELKD TIPER TRUCK	T027	51,679	51,679
Kubota RTV 900 XTW 4WD Utility	Parks Plant (1289) U105	7,226	7,226
ISUZU FTS800 4WD SINGLE CAB WATER TRUCK DSL MAN			
NUFAB 7000L TANK	T014	50,057	0
MITSUBISHI CANTER CREW CAB THREE WAY TIPPER TRUCK			
DSL FEB71 AUTOMATED	T013	22,647	0
MITSUBISHI CANTER CREW CAB THREE WAY TIPPER TRUCK			
DSL FEB71 AUTOMATED	T015	22,647	20,647
SCARAB MERLIN ROADSWEEPER ON NISSAN UD MK240 DSL			
MAN/HYDROSTAT	T050	70,867	0
RFQ09-2019 - Supply and Deliver One New 5T Trayback			
Truck with Kevrek Crane.	T004	27,332	0
<u>Plant Disposed - other</u>			
Hyundai Sante FE Elite Wagon Auto DSL	Recreation Services -P1411 C03616	24,600	24,600
		1,654,021	870,585

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020

OPERATING ACTIVITIES
NOTE 4
DISPOSAL OF ASSETS

Asset	Asset Description	Budget	YTD Actual						
		Proceeds	Proceeds						
KEY INFORMATION									
		<table border="1"> <caption>Proceeds on Sale Data</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Annual Budget</td> <td>~1,650,000</td> </tr> <tr> <td>Actual YTD</td> <td>~850,000</td> </tr> </tbody> </table>		Category	Value	Annual Budget	~1,650,000	Actual YTD	~850,000
Category	Value								
Annual Budget	~1,650,000								
Actual YTD	~850,000								

CONFIRMED

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

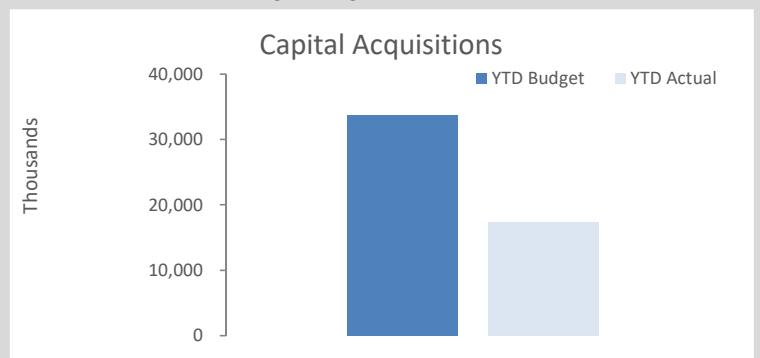
**INVESTING ACTIVITIES
NOTE 5
CAPITAL ACQUISITIONS**

Capital Acquisitions	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$		\$	\$	\$
Buildings	3,523,900	3,590,947	3,315,851	1,649,780	(1,666,071)
Equipment	435,532	535,532	485,562	376,706	(108,856)
Machinery	4,064,766	3,526,980	2,908,093	2,276,183	(631,910)
Infrastructure - Roads	11,986,132	11,991,457	10,700,231	7,303,080	(3,397,151)
Bridges	744,980	753,306	668,224	329,291	(338,933)
Parks	4,221,862	4,113,414	3,606,408	2,422,283	(1,184,125)
Drainage	1,116,564	954,193	938,717	410,717	(528,000)
Coastal & Estuary	1,610,873	785,973	702,098	413,425	(288,673)
Other Infrastructure	12,012,043	11,689,811	10,474,021	2,191,339	(8,282,682)
Capital Expenditure Totals	39,716,652	37,941,613	33,799,205	17,372,803	(16,426,402)
Capital Acquisitions Funded By:					
	\$		\$	\$	\$
City of Mandurah Contribution	12,862,110	11,145,418	22,832,697	5,621,947	(17,210,750)
Capital grants and contributions	10,758,324	11,740,843	10,095,923	10,880,271	784,348
Borrowings	8,094,397	7,201,101	0	0	0
Other (Disposals & C/Fwd)	1,609,590	1,654,021	870,585	870,585	0
Cash Backed Reserves					
Building Reserve	719,448	610,962	0	0	0
Asset Management Reserve	550,000	554,360	0	0	0
Property Acquisition Reserve		379,270	0	0	0
Sustainability Reserve	141,000	148,745	0	0	0
Sanitation Reserve	618,451	334,285	0	0	0
Community Improvements Reserve	53,751	63,698	0	0	0
Traffic Bridge Reserve	495,220	495,220	0	0	0
Mandurah Ocean Marina Reserve	92,128	127,128	0	0	0
Unspent Grants & Contributions Reserve	3,436,338	3,440,562	0	0	0
Carbon Offset Reserve	40,000	40,000	0	0	0
Digital Futures Reserve		0	0	0	0
Specified Area Rates - Port Mandurah Canals	245,895		0	0	0
Sportclubs Maintenance Levy Reserve		6,000		0	0
Capital Funding Total	39,716,652	37,941,613	33,799,205	17,372,803	(16,426,402)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

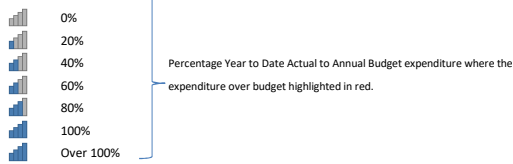
KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$37.94 M	\$17.37 M	46%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$11.74 M	\$10.88 M	93%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020

Capital Expenditure Total
Level of Completion Indicators



Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
Buildings						
1632.750578. CSRFF	150,000	62,000	51,654	61,175	825	Falcon Pavilion toilet/changeroom upgrade (\$86,232), Mandurah Tennis Club court resurfacing (\$12,562) and Dudley Park BC greens and lighting works (\$48,613).
1632.750579. Mh Mustangs FC - Facility Development	174,410	174,410	174,412	0	174,410	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1632.750580. Peelwood Res - Changeroom Upgrade	21,140	21,140	17,614	0	21,140	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1632.750581. BDYC Security Upgrade	32,768	32,768	27,296	0	32,768	Works to commence Q4.
1632.750582. Mandurah Library Ablutions Refurbishment	21,140	21,140	17,614	1,140	20,000	Construction complete. Finances to be finalised.
1632.750583. Museum Garage Area Flooring	11,627	11,627	9,682	10,968	659	Construction 90% completed.
1632.750584. Tuart Av Community Kitchen Retrofit	264,258	30,000	28,657	17,058	12,942	Application for grant monies submitted start of March. Project on hold until outcome of grant application is known in May.
1632.750510. CASM Ablution Upgrade	31,711	31,711	26,426	4,691	27,020	Project proposed to be deferred to 2020/21 following COVID-19 Review. Additional \$20k required in FY 2020/21 budget.
1632.750585. CASM Sliding Door	21,140	21,140	17,614	20,165	975	Completed.
1632.750586. MARC LED & Lighting Control	52,851	52,851	44,032	2,851	50,000	Works commenced Q3. Luminaire LED type in review.
1632.750587. Coodanup Community Centre Ablution	73,993	73,993	61,654	51,893	22,100	Construction complete. Finances to be finalised.
1632.750588. Owen Avenue Ablution	158,554	158,554	158,554	11,664	146,890	Project proposed to be cancelled following COVID-19 Review. To be relisted in 2020/21 Ablutions-New Program.
1632.750589. Admin Building First Floor Carpet	52,851	52,851	44,032	14,316	38,535	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1632.750591. Civic Chamber Meeting Rooms	84,563	104,563	62,412	9,663	94,900	Construction 25% complete.
1632.750590. Civic Building HVAC Replacement	10,570	12,370	10,304	12,370	0	Completed.
1632.750592. MARC Aquatic Window Control Gear	40,168	40,168	33,468	0	40,168	Construction 90% completed.
1632.750593. MARC Roof Access Walkways	63,422	43,422	36,178	3,422	40,000	Works to commence Q4. PO705053 raised.
1632.750594. Museum House Asbestos Removal	79,278	79,278	79,276	58,484	20,794	Completed. Finances to be finalised.
1632.750595. Museum Rear Roller Door Replacement	15,855	15,855	13,212	12,557	3,298	Completed. Finances to be finalised.
1632.750596. Museum Window Frames Replacement	26,426	26,426	22,024	27,512	(1,086)	Completed.
1632.750600. Facility Glazing Compliance Upgrade	60,251	54,902	45,750	0	54,902	Works to commence Q4. PO709917 raised.
1632.750601. East Mandurah Playgroup Roller Door	10,584	10,584	8,822	5,632	4,952	Completed.
1632.750602. Mechanical Workshop Shade Project	13,741	17,290	14,412	17,366	(76)	Completed.
1632.750603. Southern Ops Transportable Meeting Room	84,563	84,563	55,812	0	84,563	Evaluating submissions.
1632.750604. Falcon Pavilion Roof	26,426	9,213	16,344	9,213	0	Completed.
1632.750605. Port Bouvard SLSC Gear Shed Re-Roof	95,133	102,133	102,133	0	102,133	Construction to commence mid May.
1632.750606. South Mh Football Club Pavilion	79,278	79,278	79,274	60,955	18,323	Completed. Finances to be finalised.
1632.750609. Site Main Switchboards	95,133	95,133	79,268	0	95,133	Works to commence Q4. This work will occur at the same time as the installation of the generator in line with the MARC Systems Integration project comment.
1632.750610. Dolphin Drive MATV Compound	10,468	10,468	8,722	10,330	138	Completed.
1632.750611. Marina Ablution Facility Shed	10,468	13,000	10,832	8,321	4,679	Completed. Savings captured in COVID-19 Review.
1632.750516. Change Rooms Upgrade Program	75,000	220,000	220,000	4,953	215,048	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1632.750520. Northport Reserve, Baloo Crescent Facility	80,000	90,790	90,790	90,790	(0)	Completed.
1632.750567. South Mandurah FC Changerooms (CSRFF)	30,000	34,850	29,036	30,000	4,850	Construction stalled due to sewer/gas connection issues. Source of \$100,000 additional funding required being discussed by ELT.
1632.750572. MMFC Upgrade Rushton North Pav (CSRFF)	65,000	38,177	31,816	38,177	(0)	Completed.
1632.750433. Port Bouvard Surf Life Saving Club	34,818	50,476	50,476	50,476	0	Completed.
1632.750416. SL Peelwood Parade Reserve	23,050	47,800	47,800	47,800	(0)	Completed.
1632.750523. Bush Fire Brigade	440,625	531,449	507,640	503,507	27,942	Completed.
1632.750577. New 60 Peel St Demolition	30,000	23,831	23,831	23,831	0	Completed.
1632.750524. SCC & SIPS Buildings energy upgrades	55,000	47,690	39,738	47,690	(0)	Completed.
1632.750454. MARC/Waste Transfer Station - Solar Plan Phase 5	300,993	311,000	297,070	1,586	309,414	Works to commence Q4.
1632.750501. MARC Systems Integration	110,000	51,995	51,995	9,952	42,043	Harmonics works complete. Generator integration works to be completed. \$15,000 underspend to be allocated to overspend on Central Boardwalk.
1632.750532. Civic Building - Tuckey Room	231,698	294,936	294,936	143,759	151,177	Completed.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
1632.750289. RS - MARC Redevelopment Stage 2	7,458	7,663	7,663	7,663	0	Completed.
1632.750573. MARC squash court roof drainage	20,000	3,043	3,043	3,043	0	Completed.
1632.750575. Central Boardwalk	80,000	100,000	100,000	88,568	11,432	Major works 95% complete with minor landscaping still to be finished. Overspend of \$15,000 to be funded from MARC Systems Integration underspend.
1632.750451. Bortolo Reserve Sports Lighting	67,488	57,095	47,570	57,095	0	Completed.
1632.750498. Museum Courtroom Interpretation Project		11,561	11,561	11,561	0	Completed.
1632.750550. Indoor Sports Facility		0	0	0	0	Completed.
1632.750612. WMC Tipping Shed Security Doors		60,000	60,000	51,713	8,287	Construction complete and financially complete.
1632.750512. Mandurah Library Staff Workroom		0	0	(129)	129	Credit received for works on 2018/19 capital project.
1632.750613. MARC Aquatic Condensation		44,616	29,448	0	44,616	Scope of works received and works programmed to commence late May.
1632.750614. Museum Office Ceiling Refurbishment		10,144	6,694	0	10,144	Project proposed to be cancelled following COVID-19 Review.
1632.750615. MSLSC Carpet Replacement		6,000	3,960	6,000	0	Completed.
1632.750616. Park Rd SES Building Workshop Upgrade		5,000	3,300	0	5,000	Construction 30% complete. Overspend of \$10,000 due to increased scope to be funded from Electric BBQ Replacement Program.
Bridges						
1634.880011. Mandurah Traffic Bridge Feature Lighting	10,570	10,072	8,394	10,072	1	Completed.
1634.880001. Old Mandurah Bridge	495,220	500,000	416,600	100,000	400,000	Design in progress in line with the plans for the western foreshore redevelopment and reviewing site requirements.
1634.880010. New Bridge boardwalk extension stairway	239,190	243,234	243,230	219,219	24,015	Stairs complete. Shared path anti skid works commenced, however delayed due to weather. Anticipated completion mid-May.
Parks						
1635.700395. Falcon Reserve Activation Plan	250,639	250,639	165,422	39,548	211,091	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1635.700396. Falcon Skate Park Upgrade	400,000	400,000	264,000	32,964	367,036	Earthworks 90% complete.
1635.700397. Fowler Reserve - Cricket Nets	18,000	18,000	14,994	16,980	1,020	Completed.
1635.700398. Rushton Park Development Works	40,000	40,000	33,328	40,000	0	Completed.
1635.700399. Lakelands Community Garden	30,000	30,000	24,996	0	30,000	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1635.700436. Upgrade Billy Dowers Outdoor Space	32,000	32,000	26,666	30,940	1,060	Construction 95% complete.
1635.700400. Westbury Way Offset Fencing	16,000	13,745	13,745	13,745	0	Completed.
1635.700430. Kerosene Tank Bunding	15,000	15,000	15,000	0	15,000	Tank to be delivered and installed prior to the end of May. Quotes have been received with imminent issuance of purchase order.
1635.700401. Birchley Reserve Upgrade Stage 2	136,712	136,712	136,712	133,533	3,179	Construction 95% complete.
1635.700402. Falcon Bay Foreshore Stage 3 of 4	341,780	341,780	341,781	338,493	3,287	Construction complete. Finances to be finalised.
1635.700403. Grahame Heal Reserve	96,838	96,839	96,840	14,161	82,678	Playground equipment has been ordered, delay on shipment due to COVID-19. Construction to commence Q1 2020/21.
1635.700404. Halls Head Recycled Water	227,854	227,854	150,384	40,079	187,775	Engaged contractor. Works to commence mid May.
1635.700405. Mandjar Square Final Stage	341,780	336,780	280,618	301,692	35,088	Construction 95% complete. Unforeseen additional drainage/roof works still to be undertaken.
1635.700406. Pebble Beach Boulevard Res 46649	182,282	182,282	182,282	25,337	156,945	Project proposed to be deferred to 2020/21 following COVID-19 Review.
1635.700407. Pinjarra Road East Stage 2	284,817	284,817	284,817	244,375	40,442	Construction 75% complete.
1635.700408. Riverview Foreshore Stage 2	22,785	17,785	17,786	2,785	15,000	Construction 95% complete.
1635.700409. San Marco Quays Playground Final Stage	22,785	24,053	24,053	24,053	(0)	Completed.
1635.700410. Westbury Way North side POS Stage 3	227,854	227,854	227,855	122,523	105,331	Construction 50% complete.
1635.700411. Convert Sporting Ovals to SDS	50,000	50,000	50,000	16,057	33,943	Construction 75% complete.
1635.700412. Dawesville Reserve Firebreaks	14,810	14,810	14,810	0	14,810	Construction commenced. Completion due end of May, weather permitting.
1635.700413. Duverney Park Picnic Facilities	22,785	22,785	22,786	20,159	2,626	Construction 95% complete.
1635.700415. Melaleuca Reserve Shade Sail	30,760	30,760	30,761	31,170	(410)	Completed.
1635.700416. Moorhen Green Upgrade	34,178	34,178	34,178	33,963	215	Construction 75% complete.
1635.700417. Old Yacht Club Superficial Bore	41,074	41,074	41,074	26,038	15,036	Construction 95% complete.
1635.700414. Jerramungup Gdn/Wittenoorn Turn	28,481	28,481	28,482	22,340	6,141	Construction 95% complete.
1635.700418. Shade Sales Various Sites	113,927	113,927	113,927	74,756	39,171	Construction 95% complete.
1635.700420. Basketball Hoops Renewal	20,000	20,000	20,000	18,134	1,866	Completed.
1635.700421. Eastern Foreshore Softfall Renewal	12,134	12,134	12,134	0	12,134	New contractor being sought to complete softfall projects. Construction to commence Q4.
1635.700422. Louis Dawe Park Renewal	68,356	68,356	68,357	21,260	47,096	Construction 50% complete. Playground equipment has been ordered, delay on shipment due to COVID-19. Construction to commence Q1 2020/21.
1635.700423. Mogum Reserve Softfall Renewal	30,000	30,000	30,000	0	30,000	Construction delayed due to award of contractor. Works are estimated to be completed by end of May.
1635.700424. Olive Road Foreshore Renewal	28,481	17,000	16,999	17,981	(981)	Construction 95% complete.
1635.700425. Quandong Reserve Renewal	60,000	60,000	60,002	14,152	45,848	Construction 50% complete.
1635.700426. Rushton Park Fencing Renewal	20,000	20,000	20,000	17,210	2,790	Completed.
1635.700427. Signage	56,963	16,963	16,963	13,486	3,477	2019-2020 Ongoing Program.
1635.700431. Electric BBQ Replacement	68,708	68,708	57,252	58,696	10,012	2019-2020 program complete. \$10,000 underspend to be allocated to overspend on Park Rd SES Workshop Upgrade.
1635.700432. Goegrup Lake Boardwalk	63,470	3,470	2,890	0	3,470	Project cancelled due to location not in the city's boundaries.
1635.700433. Estuary Road Boardwalk	21,237	13,281	11,062	13,281	0	Completed.
1635.700434. Bethyl Corner Renewal	158,554	140,767	129,234	45,466	95,301	Construction 75% complete.
1635.700435. Power Meter Enclosures	95,133	95,133	79,268	53,189	41,944	2019-2020 Ongoing Program.
1635.700429. Town Beach Shower	20,937	19,032	15,854	19,032	(0)	Completed.
1635.700364. Mandjar Square Water Feature	199,325	196,736	163,928	196,736	(0)	Completed.
1635.700346. Coote Reserve BMX Track	60,000	65,000	54,162	65,079	(79)	Completed.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent	
					Funds	Comment
1635.700361. Mandjar Square Stage 3 & 4	90,000	62,150	51,792	62,150	0	Completed.
1635.700365. Novara Foreshore Stage 3	50,000	106,354	88,612	94,684	11,670	Construction 95% complete.
1635.700377. MARC improvement to car park area	5,000	4,570	3,810	3,750	820	Construction complete.
1635.700385. Lakes Lawn Cemetery - Signage	9,998	8,316	6,932	6,427	1,889	Construction 95% complete.
1635.700387. Parks and Reserves Signage	12,925	0	0	0	0	Carryover budget not required. Completed in 2018/19. Committed PO has been cancelled.
1635.700389. Lakes Lawn Cemetery Gates/signage	7,500	0	0	0	0	Completed.
1635.700376. Mandurah Rd median - Gordon to Meadow Sp	40,000	48,491	40,408	48,491	0	Completed.
1635.700363. Falcon Bay Foreshore Stage 2		17,798	14,832	7,388	10,410	Construction complete and finances to be finalised.
1635.700437. Mandurah Croquet Club Shade Structures		7,000	4,620	0	7,000	Works to commence early June, following building approval.
Roads						
1636.500946. Flaggpole Lighting ADC Buildings	15,855	5,711	4,760	5,711	(0)	Completed.
1636.500947. Reserve Lighting Device Upgrade	7,000	7,000	5,832	5,390	1,610	Works to commence Q4.
1636.500948. Sthn Districts Fire Brigade (Carpark)	54,516	54,516	45,422	33,591	20,925	Construction 95% complete.
1636.500949. City Centre Parking and Signage	160,385	160,385	133,632	0	160,385	Project proposed to be cancelled following COVID-19 Review.
1636.500950. Smart Street Mall Upgrade	1,503,613	1,503,613	1,252,810	55,134	1,448,479	Civil Engineers are progressing with the detail design. On track to commence works in May.
1636.500951. RC Dower Street	817,747	817,747	817,747	812,409	5,339	Completed.
1636.500952. RC Mississippi Drive	436,132	386,132	386,128	235,946	150,186	Construction 100% complete. Street lighting to be installed by Western Power.
1636.500953. RC Peel Street	817,747	817,747	654,197	7,653	810,094	Construction to commence mid May.
1636.500954. RC Pinjarra Road	760,839	760,839	760,839	740,327	20,512	Civil construction complete. Services and landscaping works to be completed.
1636.500955. RR Bailey Boulevard	281,154	281,154	281,155	90,152	191,002	Construction 50% complete. Estimated overspend of \$25,000 due to change in scope to be confirmed.
1636.500956. RR Beacham Street	365,501	275,501	275,502	236,005	39,496	Completed.
1636.500957. RR Clarice Street	275,531	325,531	260,426	304,895	20,636	Construction complete. Finances to be finalised.
1636.500958. RR Creery Street	84,347	80,056	80,057	80,056	0	Completed.
1636.500959. RR Fernwood Rd/Old Coast Rd	208,054	68,054	68,057	62,163	5,891	Completed.
1636.500960. RR Gordon Road	281,154	221,154	261,355	221,171	(17)	Completed.
1636.500961. RR Merrivale Street	404,862	354,862	354,861	329,561	25,301	Completed.
1636.500962. RR Thera Street	337,385	397,385	289,708	40,663	356,722	Construction to commence early to mid May. To be completed by end of financial year.
1636.500963. TM Discretionary Traffic Mgmt	109,033	109,033	87,227	62,322	46,711	2019-2020 Ongoing Program.
1636.500964. TM Old Coast Rd/Rutland Dr Roundabout	109,033	109,033	109,032	122,116	(13,083)	Construction complete and financially complete. Budget variation for overspend to be approved with March Financial Report.
1636.500965. TM Wilderness Dr/Old Coast Rd	109,033	109,033	109,033	102,481	6,552	Civil construction complete, lighting to be installed.
1636.500966. CP Aldgate St Realignment Stage 2	81,775	81,775	81,780	7,161	74,614	Civil construction complete, lighting to be installed.
1636.500967. CP Pinjarra Rd/Sutton St	32,710	62,710	62,710	63,364	(654)	Construction 95% complete.
1636.500968. RS Aberdeen Close	15,183	43,245	43,243	43,245	(0)	Completed.
1636.500969. RS Aberdeen Cl/Balmoral Pde Intersection	10,122	0	0	0	0	Funds reallocated to RS Aberdeen Close.
1636.500970. RS Achilles Place	67,477	40,510	40,506	40,510	(0)	Completed.
1636.500971. RS Aldgate St/Parkway St Intersection	16,026	24,120	20,769	17,112	7,008	Construction complete. Line markings to be completed.
1636.500972. RS Beam Road	56,230	44,984	44,984	44,683	301	Completed.
1636.500973. RS Esprit Parkway	140,577	56,685	56,685	56,685	0	Completed.
1636.500974. RS Ferguson St/Ivanhoe Crs	56,230	43,421	43,418	43,422	(1)	Completed.
1636.500975. RS Fernwood Rd/Timbers Edge Intersection	56,230	56,230	56,229	49,143	7,087	Completed.
1636.500976. RS Frankland Place	41,050	56,230	56,230	45,909	10,321	Completed.
1636.500977. RS Hillway Street	38,517	30,492	30,490	30,492	(0)	Completed.
1636.500978. RS Leighton Rd/Halls Head Pde	33,176	79,347	82,698	76,253	3,094	Completed.
1636.500979. RS Lord Hobart Dve/Addingham Blvd	16,869	297,477	297,479	179,170	118,307	Construction 95% complete.
1636.500980. RS Mississippi Drive	134,954	112,462	112,462	42,918	69,544	Construction 50% complete.
1636.500981. RS Peel St/Ormsby Tce Roundabout	39,361	84,347	84,348	14,605	69,742	Construction to commence mid-May.
1636.500982. RS Peelwood Parade	35,706	85,000	84,996	10,379	74,621	Construction to commence beginning of June.
1636.500983. RS Peelwood Pde/Mahogany Dr	25,303	27,903	27,902	27,904	(1)	Completed.
1636.500984. RS Watersun Drive	84,347	51,809	51,809	51,809	0	Completed.
1636.500985. RS Yalgor Heights	67,477	23,288	23,287	23,288	(0)	Completed.
1636.500986. RS Yarri Way	24,180	17,187	17,187	17,187	0	Completed.
1636.500987. SP Albermarle Close	28,349	0	2	2,349	(2,349)	Funds returned at Budget Review.
1636.500988. SP Blakeley Street	57,242	51,885	39,158	36,965	14,920	Construction is 95% complete.
1636.500989. SP Boileau Place	19,626	19,663	15,730	19,664	(1)	Completed.
1636.500990. SP Cox Bay	21,807	26,807	19,096	3,029	23,778	Construction to commence mid-May, delayed due to level of footpath and kerb work required for Mississippi RS project.
1636.500991. SP Dichondra Pass	58,333	54,064	43,252	50,940	3,124	Construction complete. Finances to be finalised.
1636.500992. SP Duverney Park PAW	70,872	70,872	56,699	65,711	5,161	Construction 95% complete.
1636.500993. SP Gillark Street	32,165	42,679	34,143	42,680	(1)	Completed.
1636.500994. SP Janice Avenue	119,936	98,144	78,515	98,144	0	Completed.

Council Meeting Attachments

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Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
1636.500995. SP Jubata Gardens	39,252	56,059	47,200	42,481	13,578	Completed.
1636.500996. SP Lefroy Street	52,881	43,612	34,891	27,252	16,360	Construction complete. Finances to be finalised. \$8,000 underspend to be allocated to SP Swinton Place overspend.
1636.500997. SP Mandurah Road, Erskine	21,807	10,000	8,001	3,659	6,341	Construction not going ahead. Budget variation to be completed once finances for design costs finalised.
1636.500998. SP Missing Links	87,227	87,227	69,782	39,203	48,024	Construction 25% complete.
1636.500999. SP Oakwood Gate	41,433	39,007	31,204	39,007	(0)	Completed.
1636.501000. SP Old Coast Road, Halls Head	43,612	49,516	41,964	36,237	13,279	Construction 75% complete.
1636.501001. SP Orelia Street	28,349	26,901	21,523	26,901	0	Completed.
1636.501002. SP Pedestrian Crossing Upgrades	54,516	54,516	43,613	9,326	45,190	2019-2020 Ongoing Program.
1636.501003. SP Perida Way	26,168	22,739	18,190	22,738	1	Completed.
1636.501004. SP Sandeland Avenue	25,077	24,092	19,274	24,091	1	Completed.
1636.501005. SP Sunview Rise PAW	27,803	9,638	7,709	9,638	(0)	Completed.
1636.501006. SP Swinton Place	25,077	22,897	18,316	580	22,317	Construction commenced 28/04. Project has been rescope with estimated overspend of \$8,000 to be funded from underspend on Lefroy Street.
1636.501007. Bus shelters	63,612	63,612	53,002	21,432	42,180	2019-2020 Ongoing Program.
1636.501008. SL Gibson Street	109,033	109,033	87,227	36,385	72,648	Construction complete and financially complete.
1636.501009. SL Lakes Road	76,324	76,324	76,324	75,934	390	Completed.
1636.501010. SL Minor Improvements	54,516	98,182	62,095	63,182	35,000	2019-2020 Ongoing Program.
1636.501011. SL Train Station Access Path	54,516	19,516	0	2,235	17,281	Construction 25% complete.
1636.501012. Depot Stockpile Upgrades	25,000	35,000	35,000	0	35,000	Currently being designed. Forecasted for construction to be completed prior to EOFY.
1636.501015. Light Pole Replacement Program	105,703	0	0	0	0	Funds returned at Budget Review. Works to be re-budgeted in the future.
1636.501016. MOM Canal Light Poles	98,304	78,304	78,306	70,090	8,214	Completed.
1636.501022. Parks and Reserves LED Program	63,422	63,422	52,842	40,453	22,969	Completed.
1636.501017. Port Mandurah SL Rectification Project	52,851	52,851	44,032	51,085	1,766	Completed.
1636.501018. WMC Out Weighbridge Road Repairs	50,120	50,120	41,760	0	50,120	Construction to commence Q4. Forecasted to be completed prior to EOFY.
1636.501019. WMC Recovery Facility Hardstand	250,602	190,602	158,808	0	190,602	Construction to commence Q4. Forecasted to be completed prior to EOFY.
1636.501021. South Harbour Paving Replacement	78,515	45,459	37,888	45,459	(0)	Completed.
1636.500798. Dower St - Pinjarra Rd Intersection	381,206	379,369	316,088	378,397	972	Completed.
1636.500887. Dower Street	261,047	348,861	290,668	348,974	(113)	Completed.
1636.500889. Lakes Rd	27,312	55,759	46,460	30,850	24,909	Completed.
1636.500892. Smokebush Retreat	132,000	131,033	109,176	34,087	96,946	Construction 95% complete. Western Power connection works remaining.
1636.500894. Coodanup Drive	90,000	206,290	171,882	92,210	114,080	Construction 75% complete. Lighting currently being scoped by Western Power.
1636.500904. Yeedong Road	5,000	28,125	23,444	28,771	(646)	Completed.
1636.500909. Pinjarra Road Carpark	200,000	183,097	152,564	183,097	(0)	Completed.
1636.500914. Coolibah Avenue Resurfacing	205,000	200,222	166,822	200,222	0	Completed.
1636.500932. Pedestrian Lighting to PAW	37,472	37,472	31,218	24,344	13,128	Construction completed, waiting for Western Power connection.
1636.500942. PTA Bus Embayment - 27636	248,122	235,400	196,146	235,399	1	Completed. Funds to be returned to PTA.
1636.500943. PTA Bus Embayment - 27635	192,502	189,746	158,104	189,746	(0)	Completed. Funds to be returned to PTA.
1636.500944. WMC Top Shed Roadworks	30,000	34,165	28,474	34,165	(0)	Completed.
1636.501023. Dudley Park PS Carpark		86,467	57,647	64,255	22,212	Construction complete. Balance of funds to be returned to Department of Education.
1636.501024. Mandurah Terrace Modifications		19,000	19,000	18,731	269	Completed.
Drainage						
1637.600155. DR Discretionary Improvements	112,462	112,462	112,463	21,376	91,086	2019-2020 Ongoing Program.
1637.600156. DR Donnelly Gardens	11,246	11,246	11,245	8,419	2,827	Completed.
1637.600157. DR Estuary Heights Place	44,984	44,984	44,984	40,399	4,585	Completed.
1637.600158. DR Estuary View Road	22,493	37,492	37,488	17,181	20,311	Construction complete. Finances to be finalised.
1637.600159. DR Harvey View Drive	16,869	16,869	16,870	9,772	7,097	Completed.
1637.600160. DR Henson St/Mandurah Tce	33,739	33,739	33,739	22,122	11,617	Construction 95% complete.
1637.600161. DR Leura Street	84,347	84,347	84,346	11,847	72,501	Construction 50% complete.
1637.600162. DR Lord Hobart Drive	67,477	67,477	67,476	51,865	15,612	Construction 95% complete.
1637.600163. DR Mulberry Close	22,493	22,493	22,492	25,295	(2,802)	Construction complete and financially complete. \$2,800 overspend due to additional excavation costs to be funded from underspend on DR Sunview Rise.
1637.600164. DR Orion Rd Park Stage 2	112,462	112,462	112,463	73,787	38,675	Civil construction complete. Landscaping 75% complete.
1637.600165. DR Rialto & Bermuda Plcs Accessway	22,493	7,393	7,390	7,393	0	Completed.
1637.600166. DR Riverina Avenue	16,869	16,869	16,870	9,342	7,527	Completed.
1637.600167. DR Spinaway Parade	56,230	226,231	226,229	660	225,571	Construction to commence start of May.
1637.600168. DR Sunview Rise	56,230	56,230	56,229	18,606	37,624	Construction 75% complete. \$2,800 underspend to be allocated to DR Mulberry Close overspend.
1637.600169. DR Water Sensitive Urban Design	224,924	0	0	0	0	Funds reallocated at Budget Review to other drainage and road projects.
1637.600170. DR Yalgorup Drive	11,246	11,246	11,245	0	11,246	Project proposed to be cancelled following COVID-19 Review.
1637.600152. William/Bertram Road	150,000	37,360	31,128	37,360	(0)	Completed.
1637.600148. City Centre Drainage Upgrade Stage 2	50,000	55,293	46,060	55,292	1	Completed.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
Coastal & Estuary						
1639.910095. Avalon Foreshore (Westview Parade)	56,963	70,963	70,966	10,780	60,183	Project to commence Q4. Engaging contractor to complete work.
1639.910096. San Remo Beach Universal Access	17,089	17,089	17,089	6,210	10,879	Construction 95% complete.
1639.910097. Breakwater Parade Fishing Platform	73,280	51,470	53,859	51,459	11	Completed.
1639.910098. Jetties - ABCDEFGH Main Marina	12,562	7,312	6,092	7,312	0	Completed.
1639.910099. Jetties - J and K	52,342	36,121	30,096	36,121	0	Completed.
1639.910100. Marina Commercial Jetty	52,342	34,352	29,091	34,345	7	Completed.
1639.910101. Marina Sth Harbour MATV Pits	10,468	10,468	8,722	0	10,468	Project proposed to be cancelled following COVID-19 Review.
1639.910102. South Harbour Upgrade	240,777	286,643	232,381	240,249	46,394	Construction 85% complete. Earthworks due to be completed early May, awaiting 3 picnic shelter quotes approx. \$30K.
1639.910103. Dawesville Channel Fishing Platform	52,342	52,342	43,610	2,342	50,000	Work was expected to commence in May 2020, however further delays due to materials being sourced from China.
1639.910104. Mariners Cove Café	31,405	31,405	26,166	0	31,405	Project proposed to be cancelled following COVID-19 Review.
1639.910105. Parkridge Boat Ramp	73,280	60,680	56,898	0	60,680	Project proposed to be deferred to 2020/21 following COVID-19 Review. 2019/20 RFBS funding \$16,410 cancelled, required to reapply in 2020/21.
1639.910084. Cambria Island Abutment wall repairs	92,128	127,128	127,128	24,607	102,521	Geotechnical investigations to commence early May.
1639.910094. Dredging Port Mandurah Entrance	245,895	0	0	0	0	Completed.
1639.910089. Shark Mitigation Project	600,000	0	0	0	0	Carryover project not going ahead.
Equipment						
1640.820171. MARC Basketball Backboards	55,000	55,000	45,830	51,600	3,400	Completed.
1640.820172. Christmas Decorations 2019	190,266	190,266	190,266	182,916	7,350	Completed.
1640.820173. Council Chambers Furniture	190,266	170,266	170,266	142,190	28,076	Construction 95% complete.
1640.820174. MPAC Orchestra Lift		120,000	79,200	0	120,000	Works were due to commence Q4, however obtaining a contractor to perform the work is proving difficult due to COVID-19.
Plant & Machinery						
1641.770001. Light Passenger Vehicles - Replacement	321,510	338,580	273,517	315,645	22,935	
1641.770002. Light Commercial Vehicles - Replacement	642,161	642,161	535,048	309,093	333,068	
1641.770005. Light Passenger Vehicles - New	22,000	22,000	18,334	22,866	(866)	
1641.770018. Light Commercial Vehicles - New	78,500	78,500	65,406	40,283	38,217	
1641.770006. Trucks & Buses Replacements	2,020,384	1,316,706	1,097,082	1,160,202	156,504	
1641.770007. Trailers	135,035	135,035	112,508	92,395	42,640	
1641.770009. Parks & Mowers	363,150	363,150	302,574	110,255	252,895	
1641.770011. Miscellaneous Equipment >\$1500	345,526	494,348	389,896	88,944	405,404	
1641.770008. Construction Vehicles	136,500	136,500	113,728	136,500	0	
Other Infrastructure						
1643.930032. Road Sweeper Spoil	35,000	65,000	65,000	0	65,000	Design currently being finalised. Construction to commence during May/June.
1643.930030. Waterfront Design Project	260,000	379,270	316,006	345,668	33,602	Project 99% complete.
1643.930027. Tims Thicket Septage Ponds Upgrade	368,451	0	2	0	0	Project on hold due to pending department approval. Funds in reserve until ready to commence.
1644.000000. Eastern Foreshore	55,129	53,529	53,529	47,271	6,258	Completed. Savings captured in COVID-19 Review.
1646.750496. Lakelands DOS Clubroom Facility	2,325,470	2,757,070	2,652,892	1,331,702	1,425,368	Construction 30% complete.
1646.000000. Lakelands DOS	2,682,890	2,149,839	2,149,836	400,423	1,749,416	Sports ground lighting tender out early May. Construction of cricket mat shed has commenced.
1647.920027. Eastern Foreshore South Precinct	2,255,420	2,255,420	1,879,220	7,991	2,247,429	Works due to commence in May, however may be delayed if materials cannot be supplied. Skate Park- Full Detail Design Review completion proposed for mid-May. Playspace- Procurement process for play towers (including cubbies) complete. Contractor to be engaged.
1647.920028. Western Foreshore Recreation Precinct	4,029,683	4,029,683	3,357,536	58,283	3,971,400	
Grand Total	39,716,652	37,941,613	33,799,205	17,372,803	20,568,810	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020

FINANCING ACTIVITIES
NOTE 6
BORROWINGS

Repayments - Borrowings

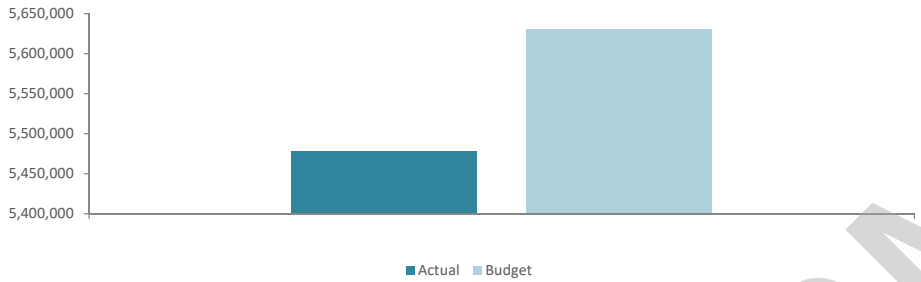
Information on Borrowings Particulars	1 July 2019	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Total	29,682,151	0	5,450,000	5,477,596	5,630,871	24,204,555	29,501,280	445,012	1,029,460
Current borrowings	5,630,871		5,450,000	5,477,596	5,630,871	-516,891	5,630,871	445,012	1,029,460
Non-current borrowings	24,051,280					24,721,446	23,870,409		
	29,682,151					24,204,555	29,501,280		

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

2019/20 Principal Repayments



Principal Repayments

\$5,477,596

Interest Expense

\$445,012

Loans Due

\$24.2 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

NOTE 7**OPERATING GRANTS AND CONTRIBUTIONS****Operating Grants, Subsidies and Contributions Revenue**

Provider	Adopted Budget	Budget Variations	Annual Budget	YTD Revenue Actual
	\$	\$	\$	\$
Operating Grants and Subsidies				
General purpose funding				
Financial Assistance Grant - General Purpose	845,000		845,000	669,334
Financial Assistance Grant - Local Roads	670,000		670,000	460,305
Law, order, public safety				
ADF Grant - Alcohol and Drug Foundation	40,000		40,000	28,040
Healthways Grant	0		0	9,750
Operating Grant SES	38,816		38,816	38,816
Operating Grant Southern Districts Fire Brigade	24,624		24,624	23,656
DFES Bushfire Mitigation Funding	0	292,850	292,850	146,425
Lifeguard Service Funding	100,000		100,000	95,667
A.W.A.R.E. Funding	0		30,000	0
Education and welfare				
Waterwise Verge Grant	10,000		10,000	10,000
NAIDOC	3,000		3,000	0
International Disability Day Grant	1,000		1,000	0
Lighthouse Project (Local Governments Professionals)	0		0	10,000
Mental Health Initiatives (WA Primary Health Alliance)	0	75,000	75,000	52,500
Digital Springboard Grant	0		0	2,941
BeConnected Grant - Mandurah Library	0		0	2,000
Get Online Week - Mandurah Library	0		0	1,500
BeConnected Grant - Falcon Library	0		0	2,000
Get Online Week - Falcon Library	0		0	1,500
BeConnected Grant - Lakelands Library	0		0	2,000
Get Online Week - Lakelands Library	0		0	1,500
Recreation and culture				
Stretch Festival Grant WA Health Promotion Grant	15,000		15,000	0
Wearable Art Grant WA Healthy Promotions	58,226		58,226	0
Gnoonie Youth Football Cup 2019	1,000		1,000	2,000
CHRMAP	37,500		37,500	0
Lotterywest (Childrens Festival Grant)	8,750		8,750	10,000
Lotterywest (Christmas Pageant)	10,000		10,000	10,000
Tourism WA (Crabfest Sponsorship)	139,992		139,992	115,000
Every Club Funding	20,000		20,000	20,000
Friday Night Skillz - DLGSCI	0		15,000	15,840
	2,022,908	367,850	2,435,758	1,730,774
TOTALS	2,022,908	367,850	2,435,758	1,730,774

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020

NOTE 8

NON-OPERATING GRANTS AND CONTRIBUTIONS

Non Operating Grants, Subsidies and Contributions Revenue

Provider	Adopted Budget Revenue	Budget Variations	Annual Budget	YTD Revenue Actual (b)
	\$	\$	\$	\$
Non-Operating Grants and Subsidies				
Law, order, public safety				
Shark Mitigation Project	200,000	(200,000)	0	0
Recreation and culture				
Eastern Foreshore South Precinct	2,250,000	0	2,250,000	2,250,000
Western Foreshore Recreation Precinct	2,750,000	0	2,750,000	2,750,000
Tuart Av Community Kitchen Retrofit	99,000	(99,000)	0	0
Marina Floating Public Jetty	128,339	0	128,339	128,340
Parkridge Boat Ramp	56,000	(39,590)	16,410	0
Falcon Skate Park Upgrade	200,000	0	200,000	9,300
Lakelands DOS Clubroom Facility	150,000	0	150,000	100,000
Lakelands DOS Clubroom Facility	60,000	0	60,000	60,000
Lakelands DOS	975,000	0	975,000	650,000
Change Rooms Upgrade Program	0	50,000	50,000	50,000
Transport				
RC Dower Street	500,000	0	500,000	500,000
RC Peel Street	500,000	0	500,000	200,000
RC Pinjarra Road	500,000	0	500,000	500,000
RR Merrivale Street	360,000	0	360,000	360,000
RR Beacham Street	325,000	0	325,000	325,000
RR Thera Street	155,708	0	155,708	155,708
TM Wilderness Dr/Old Coast Rd	65,500	0	65,500	66,500
RS Esprit Parkway	125,000	0	125,000	125,000
RS Mississippi Drive	120,000	0	120,000	120,000
RS Watersun Drive	74,935	0	74,935	74,935
Dower Street	200,000	0	200,000	200,000
Lakes Rd	20,000	0	20,000	20,000
Other property and services				
Bush Fire Brigade	381,177	84,000	465,177	465,177
	10,195,659	(204,590)	9,991,069	9,109,960
Non-Operating Contributions				
Recreation and culture				
Port Bouvard Surf Life Saving Club	300,000	0	300,000	300,000
Fowler Reserve - Cricket Nets	1,000	0	1,000	1,000
Fowler Reserve - Cricket Nets	900	(510)	390	390
MARC Backboards	0	40,000	40,000	40,000
Mandurah Bridge Club	0	0	0	2,000
Mandurah Surf Life Saving Club				5,000
Port Bouvard Surf Life Saving Club				5,000
Transport				
PTA Bus Embayment - 27636	151,394	(10,217)	141,177	151,394
PTA Bus Embayment - 27635	109,370	(4,539)	104,831	109,370
Dudley Park PS Carpark	0	86,467	86,467	64,255
Mandurah Terrace Modifications	0	10,000	10,000	10,000
Other property and services				
Lakelands Community Infrastructure Contribution	0	1,065,909	1,065,909	1,065,909
Bush Fire Brigade	0	0	0	15,993
	562,664	1,187,110	1,749,774	1,770,311
Total Non-operating grants, subsidies and contributions	10,758,323	982,520	11,740,843	10,880,271

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

NOTE 9

BUDGET AMENDMENTS APPROVED

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus				(350,000)
1632.750523.	Bush Fire Brigade	Adopted	Capital Expenses			(84,000)	(434,000)
315915.0070.	Fire prevention Capital Grant	Adopted	Capital Revenue		84,000		(350,000)
	Carryover Capital Expenditure Adjustment September Financial Report	Adopted	Capital Expenses		388,552		38,552
	Carryover Capital Grant Funding Adjustment September Financial Report	Adopted	Capital Revenue			(200,000)	(161,448)
	Carryover Capital Reserve Funding Adjustment September Financial Report	Adopted	Capital Revenue		441,767		280,319
	Carryover Capital Loan Funding Adjustment September Financial Report	Adopted	Capital Revenue			(685,695)	(405,376)
	Carryover CoM General Revenue Funding Adjustment September Financial Report	Adopted	Capital Revenue		55,376		(350,000)
1632.750612.	WMC Tipping Shed Security Doors	Adopted	Capital Expenses			(60,000)	(410,000)
1636.501019.	WMC Recovery Facility Hardstand: decreased	Adopted	Capital Expenses		60,000		(350,000)
318910.0050.	Bushfire Mitigation Operating Grant	Adopted	Operating Revenue		292,850		(57,150)
9655.163032.	Bushfire Mitigation Activity	Adopted	Operating Expenses			(292,850)	(350,000)
1636.500968.	RS Aberdeen Close	Adopted	Capital Expenses		24,178		(325,822)
1636.500969.	RS Aberdeen Cl/Balmoral Pde Intersection	Adopted	Capital Expenses			(10,122)	(335,944)
1636.500970.	RS Achilles Place	Adopted	Capital Expenses			(16,869)	(352,813)
1636.500971.	RS Aldgate St/Parkview St Intersection	Adopted	Capital Expenses		3,093		(349,720)
1636.500972.	RS Beam Road	Adopted	Capital Expenses			(11,246)	(360,966)
1636.500973.	RS Esprit Parkway	Adopted	Capital Expenses			(84,347)	(445,313)
1636.500976.	RS Frankland Place	Adopted	Capital Expenses		15,180		(430,133)
1636.500978.	RS Leighton Rd/Halls Head Pde	Adopted	Capital Expenses		51,171		(378,962)
1636.500979.	RS Lord Hobart Dve/Addingham Blvd	Adopted	Capital Expenses		50,608		(328,354)
1636.500980.	RS Mississippi Drive	Adopted	Capital Expenses			(22,492)	(350,846)
1636.500981.	RS Peel St/Ormsby Tce Roundabout	Adopted	Capital Expenses		44,986		(305,860)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1636.500982.	RS Peelwood Parade	Adopted	Capital Expenses		14,902		(290,958)
1636.500983.	RS Peelwood Pde/Mahogany Dr	Adopted	Capital Expenses		2,812		(288,146)
1636.500984.	RS Watersun Drive	Adopted	Capital Expenses			(22,493)	(310,639)
1636.500985.	RS Yalgor Heights	Adopted	Capital Expenses			(39,361)	(350,000)
1636.500987.	SP Albermarle Close	Adopted	Capital Expenses			(13,907)	(363,907)
1636.500988.	SP Blakeley Street	Adopted	Capital Expenses			(10,357)	(374,264)
1636.500989.	SP Boileau Place	Adopted	Capital Expenses		3,271		(370,993)
1636.500991.	SP Dichondra Pass	Adopted	Capital Expenses			(9,269)	(380,262)
1636.500993.	SP Gillark Street	Adopted	Capital Expenses		9,000		(371,262)
1636.500994.	SP Janice Avenue	Adopted	Capital Expenses			(10,903)	(382,165)
1636.500995.	SP Jubata Gardens	Adopted	Capital Expenses		21,807		(360,358)
1636.500996.	SP Lefroy Street	Adopted	Capital Expenses			(9,269)	(369,627)
1636.500997.	SP Mandurah Road, Erskine	Adopted	Capital Expenses		22,352		(347,275)
1636.500999.	SP Oakwood Gate	Adopted	Capital Expenses			(8,723)	(355,998)
1636.501000.	SP Old Coast Road, Halls Head	Adopted	Capital Expenses		10,904		(345,094)
1636.501005.	SP Sunview Rise PAW	Adopted	Capital Expenses			(2,726)	(347,820)
1636.501006.	SP Swinton Place	Adopted	Capital Expenses			(2,180)	(350,000)
	Loan repayments - refinance	R0002540689	Capital Expenses			(670,166)	(1,020,166)
	Interest repayments - refinance	R0002540689	Operating Revenue		18,904		(1,001,262)
	Loan refinance opening surplus	R0002540689	Opening Surplus(Deficit)		654,006		(347,256)
0555.101024.31012.55	Community Development Operating Grants		Operating Revenue		75,000		(272,256)
9555.101031.	Suicide Prevention Project		Operating Expenses			(75,000)	(347,256)
347810.9083.10	Contribution to MPAC		Operating Expenses			(80,000)	(427,256)
427810.9052.10	Financial Services subscriptions		Operating Expenses		20,000		(407,256)
428800.9000.05	Financial Accounting Salaries		Operating Expenses		60,000		(347,256)
347810.9083.10	Mandurah Performing Arts Centre RVIF works Stage 3		Operating Expenses			(250,000)	(597,256)
347970.0804.98	Transfer from Cultural Reserve		Capital Revenue		225,000		(372,256)
347970.0800.98	Transfer from Building Reserve		Capital Revenue		25,000		(347,256)
1632.750573.	MARC squash court roof drainage		Capital Expenses		15,268		(331,988)
1632.750416.	SL Peelwood Parade Reserve		Capital Expenses			(15,268)	(347,256)
1641.770011.	Replacement crane on T022 Patching Truck		Capital Expenses			(9,680)	(356,936)
1641.770011.	ERS Turbo Wash Parts Washer will not be replaced this		Capital Expenses				(336,078)
1641.770011.	financial year life of asset to be extended until 2021/22		Capital Expenses		20,858		(337,788)
455965.0756.97	Cityfleet Proceeds of Sale		Capital Revenue			(1,710)	(337,788)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

**NOTE 9
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
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GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1632.750532.	Civic Building – Tuckey Room		Capital Expenses			(120,000)	(457,788)
1635.700432.	Geogrup Boardwalk		Capital Expenses		60,000		(397,788)
1640.820173.	Council Chamber Furniture		Capital Expenses		20,000		(377,788)
1632.750501.	MARC Systems Integration		Capital Expenses		40,000		(337,788)
1632.750578.	CSRFF program		Capital Expenses		85,000		(252,788)
359915.0070.60	CSRFF Funding - Non Operating Grant		Capital Revenue		50,000		(202,788)
9645.140512.10058.10	Community facility Planning - Design		Operating Expenses		10,000		(192,788)
1632.750516.	Change Rooms Upgrade Program		Capital Expenses			(145,000)	(337,788)
456925.0100.	Non-Operating Revenue		Capital Revenue		1,065,909		728,121
	Lakelands Community Infrastructure reserve		Capital Revenue			(1,065,909)	(337,788)
	Georup Boardwalk unspent loans		Operating Revenue			(43,926)	(381,714)
	Transfer from Sustainability reserve		Operating Revenue			(58,044)	(439,758)
1636.501023.	Dudley Park Primary School		Capital Expenses			(86,467)	(526,225)
381925.0100.72	Dudley Park Primary School - contribution DOE		Capital Revenue		86,467		(439,758)
1632.750567.	South Mandurah FC Changerooms		Capital Expenses			(4,850)	(444,608)
1632.750578.	CSRFF		Capital Expenses		3,000		(441,608)
1632.750606.	South Mandurah Football Club Pavilion		Capital Expenses		1,850		(439,758)
435800.9001.05	Casual Labour - Records		Operating Expenses		10,000		(429,758)
435810.9917.10	Archive Operating - Records		Operating Expenses			(10,000)	(439,758)
435810.9917.10	Archive Operating - Records		Operating Expenses			(27,000)	(466,758)
305810.9051.10	Election expenses		Operating Expenses		27,000		(439,758)
355810.9058.10	Swim School - General Advertising		Operating Expenses		1,500		(438,258)
362810.9058.10	Health and Fitness – General Advertising		Operating Expenses		3,000		(435,258)
363810.9058.10	Café – General Advertising		Operating Expenses		500		(434,758)
467810.9058.10	OSHC – General Advertising		Operating Expenses		1,000		(433,758)
379810.9059.10	Festival & Events - other operating costs		Operating Expenses			(6,000)	(439,758)
1641.770011.	Generator MARC		Capital Expenses			(120,000)	(559,758)
9578.105000.10752.10	MARC Maintenance - Lease Costs		Operating Expenses		40,000		(519,758)
455965.0756.97	Proceeds from Disposal of assets		Capital Revenue		80,000		(439,758)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

NOTE 9

BUDGET AMENDMENTS APPROVED

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1636.500979.	RS Lord Hobart Drive/ Addingham Blvd		Capital Expenses			(230,000)	(669,758)
1636.500956.	RR Beacham Street		Capital Expenses		90,000		(579,758)
1636.500959.	RR Fernwood Rd/ Old Coast Road		Capital Expenses		90,000		(489,758)
1636.500961.	RR Merrivale Street		Capital Expenses		50,000		(439,758)
	BUDGET REVIEW ADOPTION		Opening Surplus(Deficit)		957,839		518,081
	BUDGET REVIEW ADOPTION		Operating Revenue		435,840		953,921
	BUDGET REVIEW ADOPTION		Operating Expenses			(2,774,910)	(1,820,989)
	BUDGET REVIEW ADOPTION		Non Cash Item		3,644,577		1,823,588
	BUDGET REVIEW ADOPTION		Capital Expenses		1,722,259		3,545,847
	BUDGET REVIEW ADOPTION		Capital Expenses			(1,503,000)	2,042,847
	BUDGET REVIEW ADOPTION		Capital Revenue			(1,859,988)	182,859
1636.501024.	Mandurah Terrace Modifications		Capital Expenses			(19,000)	163,859
381925.0100.72	Capital Contribution - Mandurah Terrace business owners		Capital Revenue		10,000		173,859
9667.101902.10058.10	City Centre Activation - Linger Longer Day		Operating Expenses		9,000		182,859
1632.750501.	MARC Systems Integration		Capital Expenses		40,000		222,859
1641.770011.	Miscellaneous Equipment >\$1500 - Generator MARC		Capital Expenses			(40,000)	182,859
9655.163032.14000.05	Emergency Management Bushfire Mitigation Project		Operating Expenses		117,140		299,999
9655.163032.14000.13	Emergency Management Bushfire Mitigation Project		Operating Expenses			(117,140)	182,859
318910.0050.55	Emergency Management Grants & Subs Op		Operating Revenue		30,000		212,859
9655.163032.14000.05	Emergency Management Bushfire Mitigation Project		Operating Expenses			(30,000)	182,859
1639.910105.	Parkridge Boat Ramp		Capital Expenses		12,600		195,459
404915.0070.60	Waterways Grants & Subs Non-op Capital Revenue		Capital Revenue			(39,590)	155,869
1639.910097.	Breakwater Parade Fishing Platform		Capital Expenses		21,810		177,679
1639.910100.	Marina Commercial Jetty		Capital Expenses		5,180		182,859
1639.910100.	Marina Commercial Jetty		Capital Expenses		12,810		195,669
1639.910102.	South Harbour Upgrade		Capital Expenses			(12,810)	182,859
	Transfer from Sports Clubs Maintenance Levy Reserve		Other: Transfer Out of Reserve		850		183,709
	Facility Management : Mandurah Sportsman & Football Club.		Operating Expenses			(850)	182,859
9569.104535.10607.10	Furniture. Materials		Capital Expenses		20,000		202,859
1636.501016.	MOM Canal Light Poles		Capital Expenses			(20,000)	182,859
1632.750591.	Civic Chamber Meeting Rooms		Capital Expenses		5,000		187,859
1636.501000.	SP Old Coast Road, Hall Head		Capital Expenses			(5,000)	182,859
1636.500990.	SP Cox Bay		Capital Expenses			(5,000)	182,859
1646.700349.	Lakelands DOS Earthworks		Capital Expenses		431,600		614,459

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

NOTE 9

BUDGET AMENDMENTS APPROVED

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
1646.750496.	Lakelands DOS Clubroom Facility		Capital Expenses			(431,600)	182,859
1632.750604.	Falcon Pavilion Roof		Capital Expenses		17,213		200,072
1635.700434.	Bethyl Corner Renewal		Capital Expenses			(17,213)	182,859
1636.500995.	SP Jubata Gardens		Capital Expenses		5,000		187,859
1636.500988.	SP Blakeley Street		Capital Expenses			(5,000)	182,859
1636.500978.	RS Leighton Rd/Halls Head Pde		Capital Expenses		5,000		187,859
1636.500971.	RS Aldgate St/Parkview St Intersection		Capital Expenses			(5,000)	182,859
1636.500960.	RR Gordon Road		Capital Expenses		60,000		242,859
1636.500962.	RR Thera Street		Capital Expenses			(60,000)	182,859
1636.501011.	SL Train Station Access Path		Capital Expenses		35,000		217,859
1636.501010.	SL Minor Improvements		Capital Expenses			(35,000)	182,859
455965.0756.97	Proceeds from Disposal of assets		Other: Proceeds From Sale of Assets		30,000		212,859
1641.770001.	Light Passenger Vehicles - Replacement		Capital Expenses			(17,070)	195,789
9667.101901.	City Centre - Winter Wonderland		Operating Expenses		73,000		268,789
9624.102245.	Economic Development Projects - New Projects		Operating Expenses		150,000		418,789
9564.102830.	Cultural Development - Wearable Art General		Operating Expenses		47,000		465,789
0562.102313.	Crabfest Revenue		Operating Revenue			(240,000)	225,789
9562.102313.	Crabfest Expenditure		Operating Expenses			(30,000)	195,789
301950.0711.90	Rate Penalty Interest		Operating Revenue			(60,000)	135,789
347945.0319.85	Facility Management Lease revenue		Operating Revenue			(100,000)	35,789
310810.9200.10	Strategy and Business Performance Corporate Projects		Operating Expenses		7,600		43,389
303810.9059.10	Elected Members Operating Costs		Operating Expenses			(25,000)	18,389
1636.500952	RC Mississippi Drive		Capital Expenses		15,000		33,389
1636.500964	TM Old Coast Rd / Rutland Drive Roundabout		Capital Expenses			(15,000)	18,389
				0	12,447,389	(12,079,000)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

NOTE 10

PROPOSED BUDGET VARIATIONS FOR COUNCIL APPROVAL

The following are for consideration for Council to approve as budget variations

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption						18,389
	COVID BUDGET REVIEW ADOPTION		Operating Revenue			(3,370,422)	(3,352,033)
	COVID BUDGET REVIEW ADOPTION		Operating Expenses		3,354,616		2,583
	COVID BUDGET REVIEW ADOPTION		Non Cash Item			(872)	1,711
	COVID BUDGET REVIEW ADOPTION		Capital Expenses		1,000,023		1,001,734
	COVID BUDGET REVIEW ADOPTION		Capital Revenue			(166,410)	835,324
	COVID BUDGET REVIEW ADOPTION		Other: Transfer Out of Reserve		45,000		880,324
	COVID BUDGET REVIEW ADOPTION		Other: Transfer Into Reserve			(885,103)	(4,779)
1632.750501	MARC Systems Integration		Capital Expenses		15,000		10,221
1632.750575	Central Boardwalk		Capital Expenses			(15,000)	(4,779)
1635.700431	Electric BBQ Replacement Program		Capital Expenses		10,000		5,221
1632.750616	Park Rd SES Workshop Upgrade		Capital Expenses			(10,000)	(4,779)
1636.500996	SP Lefroy Street		Capital Expenses		8,000		3,221
1636.501006	SP Swinton Place		Capital Expenses			(8,000)	(4,779)
1637.600168	DR Sunview Rise		Capital Expenses		2,800		(1,979)
1637.600163	DR Mulberry Close		Capital Expenses			(2,800)	(4,779)
	Transfer from Sportsclub Maintenance Levy Reserve		Other: Transfer Out of Reserve		8,865		4,086
	Port Bouvard Surf Lifesaving Club Flooring Replacement		Capital Expenses			(8,865)	(4,779)
9655.163032.14000.05	Emergency Management Bushfire Mitigation Project		Operating Expenses		30,000		25,221
318910.0050.55	Emergency Management Grants & Subs Operating		Operating Revenue			(30,000)	(4,779)
				0	4,474,304	(4,497,472)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2020**

NOTE 11**EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2019-20 year is 10.00%

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Operating grants, subsidies and contributions	(263,962)	(13.23%)	▼ Timing	Claim 2 for DFES Bushfire Mitigation Funding not yet received. Budget to be adjusted per Covid Review for Stretch Festival Grant income that will not be received.
Interest earnings	(185,980)	(12.12%)	▼ Permanent	Budget to be adjusted per Covid Review.
Profit on disposal of assets	23,634	100.00%	▲ Permanent	Unbudgeted non-cash variance from disposal of assets.
Expenditure from operating activities				
Materials and contracts	5,391,039	14.21%	▲ Timing	Budget to be adjusted per Covid review it is then expected that all expenditure will be realised by 30 June.
Interest expenses	429,524	49.11%	▲ Timing	Full effect from loan restructure not fully realised. Will continue to monitor.
Insurance expenses	163,556	19.38%	▲ Timing	Timing of insurance payments.
Other expenditure	75,827	27.58%	▲ Timing	Timing of loss on sale of assets.
Loss on disposal of assets	(232,376)	100.00%	▼ Permanent	Unbudgeted non-cash variance from disposal of assets.
Investing Activities				
Capital Acquisitions	16,426,402	48.60%	▲ Timing	Refer to note 4.
Financing Activities				
Unspent Loans	1,751,101	100.00%	▼ Timing	Refer to note 6.
Prepaid Rates	(1,821,987)	100.00%	▼ Permanent	Prepaid rates for current year not budgeted for.
Repayment of debentures	(785,204)	(16.73%)	▼ Timing	Timing due to YTD budget spread evenly over the year.

	Current Budget 2019/20	Change	Revised Budget 2019/20
Opening Funding Surplus / (Deficit)	7,744,000		7,744,000
Operating Income			
Rates	80,945,588	(417,872)	80,527,716
Operating grants, subsidies and contributions	2,435,758	(73,226)	2,362,532
Other income	2,914,326	40,659	2,954,985
Fees & Charges	26,166,991	(2,509,983)	23,657,008
Interest Earnings	1,805,000	(410,000)	1,395,000
Profit on disposal of assets	3,000	-	3,000
Operating Income Total	114,270,663	(3,370,422)	110,900,241
Operating Expenses			
Direct Employee costs	(47,093,009)	745,930	(46,347,078)
Materials and Contracts	(46,238,725)	2,607,951	(43,630,774)
Utilities	(3,876,462)	-	(3,876,462)
Depreciation	(33,707,463)	872	(33,706,591)
Interest Expense	(1,030,728)	-	(1,030,728)
Insurance	(1,013,367)	(137)	(1,013,504)
Other Expenses	(200,000)	-	(200,000)
Loss on disposal of assets	(327,000)	-	(327,000)
Operating Expenses Total	(133,486,754)	3,354,616	(130,132,138)

Non-cash amounts excluded from operating activities
Amount attributable to operating activities

34,031,463	(872)	34,030,591
14,815,372	(16,678)	14,798,694

Investing activities

Non-operating grants, subsidies and contributions
 Proceeds from disposal of assets
 Payments for property, plant and equipment
Amount attributable to investing activities

11,740,843	(16,410)	11,724,433
1,654,021	-	1,654,021
(37,941,613)	1,000,023	(36,941,590)
(24,546,749)	983,613	(23,563,136)

Financing Activities

Proceeds from new debentures
 Unspent Loans Utilised
 Prepaid Rates
 Payment of lease liability
 Proceeds from self-supporting loans
 Transfer from reserves
 Payments for self supporting loans
 Repayment of debentures
 Transfer to reserves
Amount attributable to financing activities

5,450,000	(150,000)	5,300,000
1,751,101	-	1,751,101
(3,092,036)	-	(3,092,036)
(1,503,000)	-	(1,503,000)
100,000	-	100,000
8,572,232	45,000	8,617,232
-	-	-
(5,630,871)	-	(5,630,871)
(3,641,660)	(885,103)	(4,526,763)
2,005,766	(990,103)	1,015,663

Closing Funding Surplus / (Deficit)

18,389	(23,168)	(4,779)
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Business Unit	Sub-Type	Current Budget 2019/20.	Revised Budget 2019/20.	Revision Variance.	Comment
Corporate Services					
Rating Services	Rates	(80,412,658)	(79,994,786)	417,872	Decreased to be in line with YTD actuals for interim rates
Rating Services	Donations & Reimbursements	(160,000)	(100,000)	60,000	Decreased to be in line with YTD actuals for legal costs recovered
General Purpose Funding	Fees & Charges	(391,000)	(257,600)	133,400	Reduction in commercial lease revenue as a result of relief assistance granted to businesses impacted by covid restriction closures
General Purpose Funding	Interest Earnings	(1,160,000)	(750,000)	410,000	The City has turned off interest from 1 April to 30 June 2020 for outstanding rates
Financial Accounting	Materials and Contracts	183,700	124,700	(59,000)	Decreased to be in line with YTD actuals for audit and asset valuation expenditure
Legal Services	Materials and Contracts	322,650	239,550	(83,100)	Savings found in tender advertising and internal audit expenditure
Purchasing	Materials and Contracts	12,550	39,750	27,200	Increased to be in line with YTD actuals, offset by savings found in unspent training costs
Rating Services	Materials and Contracts	797,000	599,000	(198,000)	Decreased to be in line with YTD actuals for legal fees, valuation costs and cash in transit expenditure
Sustainable Development					
Cultural Develop	Grants & Subsidies	(73,226)	-	73,226	Stretch Festival and Wearable Arts events cancelled
Animal Control	Fees & Charges	(495,000)	(515,000)	(20,000)	Increased to be in line with YTD actuals
Parking Management	Fees & Charges	(168,000)	(128,000)	40,000	Decreased to be in line with YTD actuals
Building Services	Fees & Charges	(690,000)	(561,700)	128,300	Decreased to be in line with YTD actuals
Senior Citizens Centre	Fees & Charges	(159,600)	(140,565)	19,035	Closure of facility
CSC Dining Room	Fees & Charges	(172,000)	(98,000)	74,000	Facility closure
Lakelands Library	Fees & Charges	(41,600)	(18,720)	22,880	Facility closure
Mandurah Library	Fees & Charges	(80,950)	(57,650)	23,300	Facility closure
Falcon Library	Fees & Charges	(64,500)	(40,110)	24,390	Facility closure
Cultural Develop	Fees & Charges	(64,275)	(38,275)	26,000	Stretch Festival and Wearable Arts events cancelled
Environ Health Sampling	Direct Employee costs	623,040	581,320	(41,720)	Vacancy not filled
Mandurah Library	Direct Employee costs	794,602	767,377	(27,225)	Facility closure
Youth Development	Direct Employee costs	620,841	537,512	(83,329)	Services and programs revised
City Centre Activation	Materials and Contracts	517,700	329,257	(188,443)	Winter Wonderland event for 2020 cancelled
Emergency Management	Materials and Contracts	458,981	433,981	(25,000)	Services and programs revised
Healthy Communities	Materials and Contracts	40,000	15,000	(25,000)	Services and programs revised
Fire Prevention	Materials and Contracts	28,994	8,994	(20,000)	Services and programs revised
Environ Health Sampling	Materials and Contracts	80,221	60,301	(19,920)	Services and programs revised
Community Plan & Develop	Materials and Contracts	549,141	495,278	(53,863)	Services and programs revised
Community Safety	Materials and Contracts	130,386	104,536	(25,850)	Services and programs revised
Museum	Materials and Contracts	104,231	18,128	(86,103)	Facility closure
Mandurah Library	Materials and Contracts	430,708	265,987	(164,721)	Facility closure
Lakelands Library	Materials and Contracts	381,500	310,681	(70,819)	Facility closure
Falcon Library	Materials and Contracts	122,100	147,944	25,844	Facility closure
CSC Dining Room	Materials and Contracts	128,200	83,300	(44,900)	Facility closure
Senior Citizens Centre	Materials and Contracts	127,523	84,733	(42,790)	Facility closure
Youth Development	Materials and Contracts	154,439	118,369	(36,070)	Services and programs revised
Cultural Develop	Materials and Contracts	922,212	616,989	(305,223)	Stretch Festival and Wearable Arts events cancelled

Eco Services	Materials and Contracts	616,767	492,298	(124,469)	Services and programs revised
Works & Services					
Sports Ground	Donations & Reimbursements	(165,000)	(210,123)	(45,123)	Increased revenue to be in line with YTD actuals
Road Reactive	Donations & Reimbursements	-	(29,249)	(29,249)	Increased revenue to be in line with YTD actuals
Sports Ground	Fees & Charges	(165,000)	(92,000)	73,000	Closure of facilities
Facility Management	Fees & Charges	(830,000)	(693,500)	136,500	Closure of facilities
Marina	Fees & Charges	(1,679,000)	(1,521,670)	157,330	Decreased to be in line with YTD actuals for boat pen income and reduction in commercial lease revenue as a result of relief assistance granted to businesses impacted by coved restriction closures
Chalets	Fees & Charges	(750,000)	(600,000)	150,000	Decline in bookings due to Covid Restrictions
Street Tree	Direct Employee costs	539,817	502,322	(37,495)	Decreased to be in line with YTD actuals
Asset Management	Materials and Contracts	232,094	60,630	(171,464)	Operating Projects deferred to 2020/21. Funds transferred to reserve
Waterways	Materials and Contracts	1,444,113	1,364,113	(80,000)	Savings in sand bypassing expenditure
Marina	Materials and Contracts	713,787	674,087	(39,700)	Savings in sand bypassing expenditure
CEO					
Mandurah Business Centre	Direct Employee costs	67,934	-	(67,934)	FTE redeployed to Citybuild
Chief Executives Office	Materials and Contracts	550,500	320,500	(230,000)	Services and programs revised
Economic Development	Materials and Contracts	558,815	387,182	(171,633)	Services and programs revised
Tourism	Materials and Contracts	793,000	717,000	(76,000)	Services and programs revised
Strategy & BP					
HHCRC	Fees & Charges	(110,984)	(45,599)	65,385	Closure of facility
MARC	Fees & Charges	(4,887,943)	(3,449,930)	1,438,013	Closure of facility
Elected Member Support	Direct Employee costs	446,185	382,048	(64,137)	Vacancy not filled
Festivals & Events	Direct Employee costs	493,259	473,106	(20,153)	Casual event labour not required
MARC	Other Employee Costs	558,108	447,468	(110,640)	Facility closure
Human Resource	Other Employee Costs	182,374	143,903	(38,471)	Employee benefit program revised
Civic Events & Functions	Materials and Contracts	132,400	101,200	(31,200)	Services and programs revised
Festivals & Events	Materials and Contracts	1,395,844	1,342,018	(53,826)	Services and programs revised for External Event Management
HHCRC	Materials and Contracts	71,459	16,202	(55,257)	Closure of facility
MARC	Materials and Contracts	789,999	636,188	(153,811)	Closure of facility
RSV Administration	Materials and Contracts	344,741	298,887	(45,854)	Services and programs revised

COVID-19 Budget Review - Capital Deferrals

Asset type	Description	Actuals 01/05/2020	Current Budget	% Completed Inc. CMT	COVID-19 Review Budget	Capital Expenditure Variance	Funding Current Budget		Funding COVID-19 Budget Review		CoM Funding Variance
							External Grants & Contributions	COM Funding (incl Sales, Loans & Reserves)	External Grants & Contributions	COM Funding (incl Sales, Loans & Reserves)	
Buildings	Mh Mustangs FC - Facility Development	-	174,410	0%	-	174,410	-	174,410	-	-	174,410
Buildings	Peelwood Res - Changeroom Upgrade	-	21,140	0%	-	21,140	-	21,140	-	-	21,140
Buildings	CASM Ablution Upgrade	4,691	31,711	15%	4,691	27,020	-	31,711	-	4,691	27,020
Buildings	Admin Building First Floor Carpet	14,316	52,851	27%	14,316	38,535	-	52,851	-	14,316	38,535
Total Buildings		19,007	280,112		19,007	261,105	-	280,112	-	19,007	261,105
Parks	Lakelands Community Garden	-	30,000	0%	-	30,000	-	30,000	-	-	30,000
Total Parks		-	30,000		-	30,000	-	30,000	-	-	30,000
Coastal & Estuary	Parkridge Boat Ramp	-	60,680	0%	-	60,680	16,410	44,270	-	-	44,270
Total Coastal & Estuary		-	60,680		-	60,680	16,410	44,270	-	-	44,270
GRAND TOTAL		19,007	370,792		19,007	351,785	16,410	354,382	-	19,007	335,375

CONFIDENTIAL

COVID-19 Budget Review - Capital Savings

Asset type	Description	Actuals 01/05/2020	Current Budget	% Completed Inc. CMT	COVID-19 Review Budget	Capital Expenditure Variance	Funding Current Budget		Funding COVID-19 Budget Review		CoM Funding Variance
							External Grants & Contributions	COM Funding (incl Sales, Loans & Reserves)	External Grants & Contributions	COM Funding (incl Sales, Loans & Reserves)	
Buildings	Owen Avenue Ablution	11,664	158,554	7%	11,664	146,890	-	158,554	-	11,664	146,890
Buildings	Marina Ablution Facility Shed	8,321	13,000	64%	8,321	4,679	-	13,000	-	8,321	4,679
Buildings	Museum Office Ceiling Refurbishment	-	10,144	0%	-	10,144	-	10,144	-	-	10,144
Total Buildings		19,985	181,698		19,985	161,713	-	181,698	-	19,985	161,713
Parks	Shade Sales Various Sites	74,756	113,927	79%	93,927	20,000	-	113,927	-	93,927	20,000
Total Parks		74,756	113,927		93,927	20,000	-	113,927	-	93,927	20,000
Roads	City Centre Parking and Signage	-	160,385	0%	-	160,385	-	160,385	-	-	160,385
Roads	RR Beacham Street	236,005	275,501	86%	236,005	39,496	236,215	39,286	236,215	(210)	39,496
Roads	RR Merrivale Street	329,561	354,862	93%	329,561	25,301	329,561	25,301	329,561	-	25,301
Roads	CP Aldgate St Realignment Stage 2	7,161	81,775	48%	41,775	40,000	-	81,775	-	41,775	40,000
Roads	SL Gibson Street	36,385	109,033	33%	49,033	60,000	-	109,033	-	49,033	60,000
Roads	Smokebush Retreat	34,087	131,033	32%	46,033	85,000	-	131,033	-	46,033	85,000
Total Roads		643,198	1,112,589		702,407	410,182	565,776	546,813	565,776	136,631	410,182
Drainage	DR Yalgorup Drive	-	11,246	0%	-	11,246	-	11,246	-	-	11,246
Total Drainage		-	11,246		-	11,246	-	11,246	-	-	11,246
Coastal & Estuary	Marina Sth Harbour MATV Pits	-	10,468	0%	-	10,468	-	10,468	-	-	10,468
Coastal & Estuary	Mariners Cove Café	-	31,405	0%	-	31,405	-	31,405	-	-	31,405
Total Coastal & Estuary		-	41,873		-	41,873	-	41,873	-	-	41,873
Roads	Eastern Foreshore	44,911	53,529	90%	50,305	3,224	-	53,529	-	50,305	3,224
Total Eastern Foreshore Wall		44,911	53,529		50,305	3,224	-	53,529	-	50,305	3,224
GRAND TOTAL		782,851	1,514,862	-	866,624	648,238	565,776	949,086	565,776	300,848	648,238

ELECTED MEMBER ENTITLEMENTS

COUNCIL POLICY

POL-GVN 07

Objective:

The Elected Member Entitlements Policy (Policy) outlines the allowances, fees and reimbursement of expenses that may be paid to Elected Members.

This Policy is in accordance with the relevant legislation and determinations, being the *Local Government Act 1995*, the *Local Government (Administration) Regulations 1996* and determination of the Salaries and Allowances Tribunal (SAT) for Local Government Chief Executive Officers and Elected Members in accordance with the *Salaries and Allowances Act 1975*.

The Policy details other support provided by the City of Mandurah (City) to Elected Members to support the delivery of their functions, including equipment and other supplies, insurance cover provided while performing the official duties of office and gifts from the local government.

Statement:

1. FEES AND ALLOWANCES

1.1 Annual meeting attendance fee

In lieu of paying Elected Members a meeting attendance fee for Council or Committee meetings, Elected Members shall be paid an annual amount for meeting attendance as determined by Council when adopting the budget, and within the prescribed range as set by the Salaries and Allowances Tribunal (SAT).

1.2 Mayor and Deputy Mayor Allowance

The Mayor and Deputy Mayor shall be paid an annual allowance as determined by Council when adopting the budget, and within the prescribed range as set by the SAT.

1.3 Payment

- a. Meeting attendance fees and the Mayor and Deputy Mayor allowances are to be made on a monthly, quarterly or six monthly pro-rata basis, at the discretion of the Elected Member.
- b. Payments may be made to an Elected Members' superannuation fund, as nominated, in accordance with the Australian Taxation Office requirements.

1.4 Information Communication and Technology Allowance

- a. Elected Members shall be entitled to an annual Information Communication and Technology (ICT) allowance, as determined by Council when adopting the budget, and within the prescribed range as set by the Salaries and Allowances Tribunal (SAT). The allowance covers information and communications technology costs that are a kind of expense for which Elected Members may be reimbursed.
- b. This allowance is designed to meet all Elected Member related call costs and all other relevant telecommunication costs, including relevant hardware to use a telephone, mobile phone, and the internet and consumables for computer equipment (e.g. Internet dongle, printing cartridges, paper, storage devices).

- c. Any claims by Elected Members for expenses incurred over the maximum annual allowance for ICT expenses detailed above are to be submitted on the provided claim form.
- d. Additional claims above the maximum limit must be supported by receipted invoices for the maximum limit plus the additional amounts claimed. Claims must be made by 31 July of that year (31 days after end of the financial year).
- e. Full payment of the ICT allowance will be made in advance at the commencement of the financial year. Where an Elected Member's term of office ceases at the local government election in a financial year, the Elected Member will be paid the ICT expenses on a pro-rata basis up until the local government election. Should the Elected Member be re-elected, the remainder of the annual allowance will be paid following the Election Day.

1.5 Conditions of payment

- a. All allowances and fees shall be paid automatically unless an Elected Member has advised the Chief Executive Officer in writing that he/she does not wish to claim any or part of those fees and allowances.
- b. The City will not pay attendance or allowance fees in advance prior to the start of the financial year. Payments will not extend to any period beyond the expiry date of the Elected Members' term of office.
- c. Advanced payments are to be repaid by any Elected Member who resigns or leaves office prior to the expiry of their term of office.
- d. The taxation liability arising from these payments is the individual responsibility of each Elected Member and should seek independent financial advice.

2. EXPENSES TO BE REIMBURSED

- a. Elected Members will be reimbursed child care and/or travel expenses necessarily incurred while performing their duties so that no Elected Member should be unreasonably financially disadvantaged due to meeting the requirements of their office.
- b. The extent to which an Elected Member can be reimbursed for child care and travel expenses is set out under Regulation 31 of the *Local Government (Administration) Regulations 1996*.

2.1 Child Care expenses

- a. Child care expenses incurred by Elected Members as a result of attending Council or Committee meetings will be reimbursed in accordance with the rate set by SAT as the maximum amount or the actual cost, whichever is the lesser.
- b. Child care costs will not be paid where the care is provided by a member of the immediate family or relative living in the same premises as the Elected Member.

2.2 Travel expenses

2.2.1 Travel expenses relating to attendance at a Council meeting or meeting of a Committee of Council

- a. Elected Members who incur travel costs while driving a privately owned or leased vehicle (rather than a commercially hired vehicle) because of the Elected Member's attendance at a Council meeting or a meeting of a committee of which he or she is also a member are to be reimbursed at the same rate contained in section 30.6 of the *Local Government Officers' (Western Australia) Interim Award 2011* shall be entitled to reimbursement of travelling

~~expenses incurred while using their own private motor vehicle in the performance of the official duties of their office, subject to claims being verified.~~

- ~~b. As the City of Mandurah is a regional local government, the Elected Member will be reimbursed reasonable travel costs from the Elected Members place of residence or work to the meeting and back.~~

2.2.2 Travel expenses relating to performance of function in the capacity of an Elected Member

- ~~a. Elected Members who incur travel costs, while driving a privately owned or leased vehicle (rather than a commercially hired vehicle) because the Elected Member is performing a local government function, are to be reimbursed at the same rate contained in Schedule F of the Public Service Award 1992.~~

~~a.b. Eligible claims for such functions include: must relate to travel for a destination from the Elected Members normal place of residence or work and return in respect to the following:~~

- ~~i. Council or Committee meetings, Citizenship Ceremonies or and civic functions.~~
- ~~ii. Meetings where an Elected Member has been appointed by Council as its delegate or a deputy to the delegate (except where the other body pays the Elected Member for meeting attendance and/or travel).~~
- ~~iii. Any City convened meeting requiring Elected Member attendance, including briefing sessions, workshops, and other forums.~~
- ~~iv. Functions where the Elected Member is representing the Mayor or is attending by resolution of Council or where the function is an otherwise authorised activity. Note: attendance at functions as a matter of personal choice and not representing Council in an official capacity does not give rise to a claim for reimbursement of expenses incurred as a result of attending.~~
- ~~v. Training courses, seminars and conferences attended in the capacity of an Elected Member.~~
- ~~vi. Meetings in connection with matters relating to local government, listed on any Council agenda paper, including site inspections or meetings with electors/ratepayers.~~
- ~~vii. Any other occasion in the performance of an act, under the express authority of Council.~~

2.2.3 Reimbursement of Actual Expenses Incurred

- ~~a. Where an Elected Member deems to consider it more appropriate to not utilise their own private vehicle to attend a Council related commitment (mentioned above in 2.2.1 and 2.2.3), a taxi/ride hailing company or public transport may be used and the actual cost incurred will be reimbursed.~~

~~Elected Members are to be reimbursed travelling expenses incurred while using their own private motor vehicle in the performance of the official duties of Council, as set out below:~~

- ~~i. if the person lives or works in the local government district or an adjoining local government district, the actual cost for the person to travel from the person's place of residence or work to the meeting and back; or~~
- ~~ii. if the person does not live or work in the local government district or an adjoining local government district, the actual cost, in relation to a journey from the person's place of residence or work and back:~~

~~— for the person to travel from the person's place of residence or work to the meeting and back; or~~

~~— if the distance travelled referred to in subparagraph (i) is more than 100 kilometres, for the person to travel from the outer boundary of an adjoining local government district to the meeting and back to that boundary.~~

~~2 The rate for travel reimbursements is to be calculated at the same rate contained within Section 30.6 of the *Local Government Officers' (Western Australia) Interim Award 2011*.~~

2.3 Claiming expenses

- a. Elected Members are advised that care needs to be taken in making application for claims for reimbursement of expenses and to differentiate between expenditure incurred in their private capacity and expenditure necessary to fulfil their role as an Elected Member.
- b. Reimbursement of expenses is conditional upon adequate evidence of such expenditure in the form of invoices or receipts. A claim for reimbursement for travel expenses must include the date, particulars of travel, nature of business, distance travelled, vehicle displacement and total kilometres travelled.
- c. All claims for reimbursement must be submitted to the Office of the Mayor and Councillors on the provided claim form, on a monthly basis. Final claims relating to the financial year must be submitted by 31 July of that year (31 days after the end of the financial year). No back payment of claims relating to prior financial years will be permitted.
- d. Under no circumstances is any reimbursement to be made in connection with costs incurred for re-election to office.

4. MAYOR VEHICLE

- a. In accordance with the *Local Government Act 1995* and regulation 34AD of the *Local Government (Administration) Regulations 1996*, the Mayor is to be provided with a fully maintained local government motor vehicle for the purpose of carrying out the functions of the Mayoral office.
- b. The value of the vehicle will be determined by Council at budget time. The replacement of the Mayor's vehicle will occur once every four years, after the Mayoral Election and in consultation with the newly elected Mayor.
- c. The vehicle use by the Mayor will be in accordance with the terms and conditions of the City's standard private use of motor vehicle responsibilities. The vehicle may be used for personal use by the Mayor subject to reimbursement to the City for the extent of private use and completion of a written agreement detailing the terms and conditions.
- d. Where the Mayor is provided with a vehicle as detailed in 4.a. above, the costs associated with the Mayor's private use of the vehicle is to be reimbursed by the Mayor on an annual basis, using the travel rate contained in Schedule F of the *Public Service Award 1992* Section 30.6 of the *Local Government Officers' (Western Australia) Interim Award 2011* and multiplying the private kilometres travelled from the log book information supplied (annualising the private kilometres travelled for the three months). It is expected that the Mayor utilise the log book in the first three months of being elected. The log book should be completed in accordance with the requirements of the Australian Taxation Office. The private kilometres will be annualised and used for the four-year term of office. The Mayor can provide to the City a revised log book, if the private rate from the current log book does not reflect the private usage kilometres being travelled, at any time, during the term of office. Reimbursement by the Mayor can be offset against any remuneration that is due to the Mayor for holding office.

- e. Where the Mayor has exercised the option of using a motor vehicle provided by the City, no further reimbursements for travel costs will be made where such travel can practicably be undertaken in that vehicle.

5. EQUIPMENT

5.1 Issue and return electronic equipment

- a. The City is to provide Elected Members with a suitably equipped Microsoft Windows based device i.e. laptop or tablet, for use during their term of office.
- b. The electronic equipment is to be used for Council related business only and the Elected Member is responsible for the safe guarding and protection of the device from misuse.
- c. The electronic equipment will be issued in accordance with the City's supply arrangement in place at the time of the request, with all costs being met by the City.
- d. Consumables for the electronic equipment i.e. sim card or internet access, forms part of the ICT allowance as described in 1.4 of this Policy and are not separately provided or reimbursed.

5.2 Maintenance and replacement of electronic equipment

- a. The City is responsible for the ongoing maintenance of the electronic equipment with all costs being met by the City.
- b. The replacement of the electronic equipment will be in accordance with the City's standard replacement program, which will be every three years, unless determined by the Chief Executive Officer that replacement is required earlier due to performance of electronic equipment.

5.3 Other equipment

- a. Elected Members will be supplied with the following:
 - i. Parking permit for Council related business within specified areas; and
 - ii. Building security access card.

6. OTHER SUPPLIES

6.1 Clothing

- a. The City will reimburse Elected Members for expenses relating to suitable professional attire including clothing and footwear, to a maximum cost to the City of \$500.00 per annum per Councillor and \$1,000 for the Mayor per annum. All claims relating to a financial year must be submitted by 31 July (31 days after the end of the financial year) to be eligible for reimbursement.
- b. All claims for reimbursement must be submitted to the Office of the Mayor and Councillors on the provided claim form and must be accompanied by invoices or receipts.

6.2 Home office furniture

- a. The City will reimburse Elected Members for expenses relating to home office furniture including a printer and furniture, to a maximum cost of \$500.00 per Elected Member for each term of office, for relevant Council use.

- b. All claims for reimbursement must be submitted to the Office of the Mayor and Councillors on the provided claim form and must be accompanied by invoices or receipts.

6.3 Miscellaneous

The City will provide the following to all Elected Members:

- Name Badge;
- Upon request, a briefcase or satchel for Council business use, for each term of office;
- Elected Member electronic letterhead for relevant Council business use, for each term of office.
- 500 printed business cards per annum, in accordance with the City's style guide, for relevant Council business use.

7. INSURANCE

- a. The City will insure or provide insurance cover for Elected Members for the following:
 - i. Councillor's liability to cover losses incurred due to alleged wrongful acts committed whilst acting in official capacity as an Elected Member.
 - ii. Liability protection for third party property damage and/or personal injury allegedly caused by an Elected Member's actions whilst performing official duties.
 - iii. Personal injury is provided in the event of personal injury whilst on Council duties, including direct travel to and from such duties.
 - iv. Motor vehicle coverage for use of private vehicle, when performing official duties.
 - v. Personal property cover is provided for accidental loss or damage to personal property owned whilst an Elected Member is performing official duties.
 - vi. Travel insurance for Council related business trips, including cover for expenses for overseas medical treatment, emergency medical evacuation, flight cancellations, lost baggage and personal effects.
- b. Elected Members must determine whether the benefits and endorsements of the above insurance cover is adequate. Elected Members may wish to obtain their own insurance cover, at their own cost, to ensure the benefits and endorsements are adequate for their individual needs.

9. GIFTS FROM THE LOCAL GOVERNMENT

- a. In accordance with section 5.100A of the *Local Government Act 1995* and regulation 34AC of the *Local Government (Administration) Regulations 1996*, gifts may only be given to Elected Members upon the occasion of their retirement, following the completion of at least one full four-year term of office.
- b. On the retirement of an Elected Member and in recognition of their years of service the following will be presented:
 - i. Gift up to the value of \$100 per year of service to a maximum of \$1000;
 - ii. Framed photograph celebrating the Elected Members time in office.

Responsible Directorate:

Corporate Services

Reviewer:

Director Corporate Services

Creation date:

Minute G.45/8/07, 21 August 2007

Amendments:

Minute G.39/6/08, 17 June 2008
Minute G.26/5/10, 25 May 2010
Minute G.57/2/12, 28 February 2012
Minute SP.5/7/13, 15 July 2013
Minute G.35/2/15, 24 February 2015
Minute SP.2/8/16, 2 August 2016
Minute G.38/12/19, 17 December 2019

Related Documentation and/or Legislation:

Local Government Act 1995:
sections 5.98, 5.98A, 5.99 and 5.99A, 5.100A, 5.101A
Local Government (Administration) Regulations 1996:
regulations 34, 34AC and 34AD
Salaries and Allowances Act 1975:
section 7B
Local Government Officers' (WA) Interim Award 2011:
section 30.6
Elected Member Expenses Claim Form
Schedule of Expenses and Allowances
Public Service Award 1992
Schedule F



CITY OF MANDURAH

ELECTED MEMBER EXPENSE CLAIM FORM

Name		Month		Year	
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VEHICLE TRAVEL EXPENSES

Make / Model of Vehicle		Vehicle CC's	
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Date	<u>Council/Committee Meeting (tick)</u>	<u>Other Travel (tick)</u>	Travel to Council/Committee OR Travel relating to performance of function (state from and to location)	Details of travel (Purpose, Destination and stakeholder)	Kilometres travelled
Please note this table is for travel expenses incurred in accordance with section 2.2 of Policy POL-GVN 07 Elected Member Entitlements					

OTHER EXPENSES INCURRED

Date	Meeting or Purpose	Amount Claimed

** Please attach copies of all receipts		\$

I certify that the expenses claimed herein were actually incurred by me:

1. In attending meetings of Council or Committee of the City of Mandurah;
2. As a result of an activity authorised by Council;
3. In carrying out my duties as an Elected Member in accordance with section 5.98 of the *Local Government Act 1995* and Council’s Policy for Elected Member Entitlements (POL-GVN 07).

Elected Member Signature

Date

Lodgement of this form can be made:

- 1) In person at the Office of the Mayor and Councillors – 83 Mandurah Tce, Mandurah
- 2) By email to the Office of the Mayor and Councillors at OMC@mandurah.wa.gov.au
- 3) By post – City of Mandurah, Office of the Mayor and Councillors, Po Box 210, Mandurah WA 6210

Authorised for Payment

Director Corporate Services

Date

Office use only		
City of Mandurah - Creditor Data Entry		
Supplier Number		
Name		
Transaction Description		
Transaction Value		
Bank ACC No		
Account Number	Description	Amount

Note: There are two rates for reimbursement:

- -In accordance with 2.2.1 of the policy travel expenses relating to attendance at a Council meeting or meeting of a Committee of Council are to be reimbursed at the same rate contained in section 30.6 of the *Local Government Officers (Western Australia) Interim Award 2011*.
- In accordance with 2.2.2 of the policy is travel expenses relating to performance of function in the capacity of an Elected Member, Elected Members are to be reimbursed at the same rate contained in Schedule F of the *Public Service Award 1992*.

travel costs incurred while driving a privately owned or leased vehicle are to be calculated at the same rate contained in section 30.6 of the *Local Government Officers (Western Australia) Interim Award 2011*

POLICY

POL-CPM 01

Objective:

The purpose of the Regional Price Preference Policy (Policy) is to promote local economic development through the provision of a price preference to suppliers when evaluating and awarding contracts under a tender process.

This Policy is developed in accordance with Part 4A of the *Local Government (Functions and General) Regulations 1996* (Regulations).

Statement:

1. APPLICABILITY

This Policy is applicable where a tender has been conducted (according to the Regulations) by the City of Mandurah for the supply of Goods and Services and Construction Services.

2. PRICE PREFERENCE

In accordance with regulation 24D of the Regulations, the following price preferences will be applied for each tender (where applicable):

- a. Goods and Services: 10 per cent discount up to a maximum price reduction of \$50,000;
- b. Construction Services: 5 per cent discount up to a maximum price reduction of \$50,000;
- c. Goods and Services and Construction Services, tendered for the first time where Council previously supplied the Goods or Services: 10 per cent discount up to a maximum price reduction of \$500,000.

3. REGIONAL PRICE PREFERENCE

- a. The Regional Price Preference (RPP) enables local suppliers within the district of the City of Mandurah local government municipal area, to claim a price preference for their whole bid, regardless of the origin of the labour or materials, as all labour and materials are deemed to be regional content.
- b. To claim a RPP, suppliers are required to have a permanent office in Mandurah for at least six (6) months prior to the tender(s) being sought.
- c. The submitted price for the tender will be reduced (for evaluation purposes only), by the amounts set out in Section 2 of this Policy.

4. LOCAL CONTENT PRICE PREFERENCE

- a. The Local Content Price Preference enables suppliers operating outside of Mandurah to claim a price preference where they can demonstrate a commitment that some or all of the goods or services are to be supplied from local suppliers within the district of the City of Mandurah local government municipal area. Where the local content is not 100 per cent, the discount will be proportioned based on the percentage of local content that is committed.
- b. Local content components of goods and services and construction can include goods, materials, labour, sub-contractors, professional services, and employment of a local workforce.
- c. Written evidence (proof) of the local content components, including how it relates to the price submitted, must be provided.
- d. The value of those goods and services claimed by the supplier may be adjusted during the tender assessment process if the value claimed is considered unreasonable or cannot be justified.

- e. The submitted price for the tender will be reduced (for evaluation purposes only), by the amounts set out in Section 2 of this Policy.
- f. If successful, local content reporting will form part of the contractual obligations.

5. VALUE FOR MONEY PRINCIPLES

Value for money principles will be used to achieve the best possible overall outcome for the City. The City is not required to accept the lowest tender or any tender based on price offered.

6. TRANSPARENCY AND PROBITY

Where local preferences are to be applied during procurement processes, they must be notified within the relevant request for tender or request for quotation documents. All suppliers must be treated fairly and consistently when evaluating procurement outcomes.

7. DEFINITIONS

Construction Services: is the carrying out of any works that include construction of a structure or reconstruction, renovation or alteration to any structure where there is a design element that has been initiated by the City. This includes but is not limited to residential buildings, commercial buildings, shelters and civil construction.

Local Content Preference: discount for suppliers outside of Mandurah to purchase goods and services from local suppliers that are located within the municipal area (district) of the City of Mandurah and engage a local workforce.

Regional Price Preference: discount for suppliers located within the municipal area (district) of the City of Mandurah.

Responsible Directorate:	Corporate Services
Reviewer:	Manager Governance Services
Creation date:	Minute G.51/1/02, 22 January 2002
Amendments:	Minute G.13/08/05, 16 August 2005 Minute G.43/12/09, 15 December 2009 Minute G.57/2/12, 28 February 2012 Minute G.37/5/12, 22 May 2012 Minute G.35/2/15, 24 February 2015 Minute S. 4/8/18, 21 August 2018 Minute G.19/10/18, 23 October 2018 Minute G.17/2/20, 25 February 2020 (Advertising)
Related Documentation and/or Legislation:	<i>Local Government (Functions & General) Regulations 1996 - Regulation 24E</i>

Rivers Regional Subsidiary

Business Plan 2020 - 2025

1/15/2020
Rivers Regional Council
John McNally
Chief Executive officer

CONFIRMED

Business Plan Rivers Regional Subsidiary

1. Introduction

Over the last 8 years the Rivers Regional Council has been working towards achieving a Zero Waste outcome. Tenders for Alternative Waste Treatment options were called in 2013 and contracts for a Waste to Energy Facility were executed in November 2015. Financial Close was achieved in October 2018 with the Plan for the plant to be commissioned in mid 2021. Now that the major task has been achieved the participants in the agreements are seeking to establish an efficient and effective organisation to manage the responsibilities under the agreements over the next 20 to 30 years.

The Rivers Regional Subsidiary (RRS) will replace the Rivers Regional Council as Principal under the terms of the 2015 Receipt and Processing of Waste for Resource Recovery Agreement, Participants Agreement for the Receipt and Processing of Waste for Resource Recovery and Supplemental Deed - Energy Supply & Delay Costs (Waste Supply Agreements).

Rivers Regional Council comprises the City of South Perth, City of Armadale, City of Gosnells, Shire of Murray, Shire of Serpentine Jarrahdale and the City of Mandurah. The City of Canning is also a participant in the Resource Recovery Agreements and has declined the invitation to join the RRS.

2. Rivers Regional Subsidiary

The Rivers Regional Subsidiary is being formed to:-

- Replace the Rivers Regional Council and act as Principal under the terms of the 2015 Receipt and Processing of Waste for Resource Recovery Agreement ,Participants Agreement for the Receipt and Processing of Waste for Resource Recovery and Supplemental Deed - Energy Supply & Delay Costs (Waste Supply Agreements);
- Assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;
- Associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- Undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;
- strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;

- develop further cooperation between the participants for the benefit of the communities of the Region;
- develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- undertake projects that benefit the Region and its communities.

3. Local Government Act Regulations

The Local Government Act (Regional Subsidiaries) Regulations 2017 requires that this Plan includes an overall assessment of the formation of the regional subsidiary and is to include details of:-

- a) Its expected effect on the provision of facilities and services by the participants

The participating Councils have already entered into contracts for the provision of waste to the Waste to Energy Plant (WtE) which is anticipated to divert up to 97.5% of the waste stream from Landfill. Councils will retain their current collection arrangements. The sharing of transfer station facilities is also possible but this will be the subject of separate agreements directly between Councils. As a result of the Waste to Energy contract arrangements landfill sites currently provided by Councils (only the City of Armadale has an operating landfill) will be phased out.

- b) Its expected effect on other persons providing facilities and services in the participants' districts;

The coordination of education programs may result in increased expenditure in local communities otherwise there is no impact on other persons or facilities.

- c) Its expected financial effect on the participants;

Savings of up to \$200,000 (based on the 2018/19 Budget) could be possible based on the transition from a Regional Council to a Regional Subsidiary (RRS). A Regional Subsidiary Budget of approximately \$250,000 per annum. Arrangements for calculation and collection are detailed in the current Waste Supply Agreements.

- d) Its expected effect on matters referred to in each participant's current plan prepared under section 5.56;

City of South Perth

Assist in achieving Outcome 4.3a - Promote and implement sustainable water, waste, land and energy management practices.

City of Armadale

Assist in achieving Outcome 2.4 Best Practice Waste Management - 2.4.1 Apply effective waste collection methodologies 2.4.2 Maximise recycling opportunities 2.4.3 Improve waste

disposal practices 2.4.4 Apply efficient waste administration. Target: Diminishing percentage of collected waste deposited in landfill (towards zero).

City of Gosnells

Assist in achieving Goal 3.4 Manage waste generated in the City of Gosnells in an environmentally responsible and sustainable manner. Outcome - The environmental impact of waste is minimised and waste is disposed of in a sustainable and cost effective manner.

Shire of Serpentine Jarrahdale

Assist in achieving Outcome 2.2 A sustainable natural environment, 2.2.2 Seek to minimise resource usage and continue to maximise reuse opportunities 2.2.3 Continue to minimise the volume and impact of waste generated within the district.

Shire of Murray

Assist in achieving Outcome 5 A healthy and sustainable natural environment - 5.4 Waste is responsibly managed to minimise environmental impacts.

City of Mandurah

Assist in achieving:-

- *Strategy 1.3 - Encourage and enable our community to take ownership of our natural assets, and to adopt behaviours that assist in achieving our environmental targets and 1.3.2 Reduce per capita waste generation and waste-to-landfill.*
- *Strategy 1.4 - Become a leader in proactive and innovative environmental management and 1.4.2 Develop and implement waste-to-energy solutions for residential and industrial waste.*
- *Strategy 1.5. Factor climate change predictions into land-use planning, building design and future council decisions and 1.5.2 Demonstrate leadership in meeting the challenges of climate change at regional, state and national level*

e) the service that is proposed to be provided, or the activity that is proposed to be carried on, by the regional subsidiary;

- *replace the Rivers Regional Council (RRC) and act as principal under the terms of the:*
 - *Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015;*
 - *Participant's agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015.*
 - *Financier Direct Deed dated 16 October 2018; and*
 - *Supplemental Deed dated 16 July 2018.*

- *assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;*
- *associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;*
- *undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;*
- *develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;*
- *assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;*
- *develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;*
- *strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;*
- *develop further cooperation between the participants for the benefit of the communities of the Region;*
- *develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and*
- *undertake projects that benefit the Region and its communities.*

- f) why the regional subsidiary is proposed to be formed to provide that service or carry on that activity.

The participating Councils have entered into agreements to supply waste to the Waste to Energy Plant for a period of 20 to 30 years. The Rivers Regional Council (RRC) has the role of principal under those contracts and a Regional Subsidiary arrangement is considered more efficient to manage these responsibilities on a shared services arrangements.

4. Outline of Activities

- a) Establish governance, administration and accounting arrangements.
- b) Prepare the annual Waste Delivery Plan in accordance with the provisions of the agreements.
- c) Calculate and recover waste charges under the agreements.
- d) Manage contract responsibilities and act as Principal.
- e) Co-ordinate Waste Recovery, Reuse and Disposal Education programs required under the agreements.
- f) Co-ordinate the energy supply arrangements.
- g) Advocate on behalf of member Councils.

5. Budget

Account Description	Full Year Reg Sub				
	Year 1	Year 2	Year 3	Year 4	Year 5
	\$	\$	\$	\$	\$
ADMINISTRATION					
Operating Revenue					
Other Income	0				
Total Operating Revenue	0				
Operating Expenditure					
Salaries & Wages	(100,000)	(100,000)	(102,000)	(103,000)	(104,000)
Superannuation	(15,000)	(15,000)	(15,300)	(15,450)	(15,600)
Leave Accruals	(3,000)	(3,000)	(3,060)	(3,090)	(3,120)
Insurance - Workers Compensation	(2,500)	(2,500)	(2,600)	(2,700)	(2,800)
Training & Conferences	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Accounting & Administration Services	(30,000)	(30,000)	(31,000)	(31,500)	(32,000)
Bank Fees	(500)	(500)	(500)	(500)	(500)
Advertising	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Information Technology	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Insurance - Other	(7,100)	(7,100)	(7,100)	(7,100)	(7,100)
Legal Services	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Other Office Expenses	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Publications	(500)	(500)	(500)	(500)	(500)
Furniture & Equipment	(500)	(500)	(500)	(500)	(500)
Health and Safety	(500)	(500)	(500)	(500)	(500)
Accommodation	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Consultants - Contingency	(25,400)	(25,400)	(25,400)	(25,400)	(25,400)
Total Operating Expenditure	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Net Administration Costs to be allocated	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Allocation of Administration Expenditure					
Community Amenities	203,000	203,000	206,460	208,240	210,020
Total Allocations	203,000	203,000	206,460	208,240	210,020
Total After Allocation of Net Costs	0	0	0	0	0
COMMUNITY AMENITIES					
Operating Revenue					
Waste Recovery Charges Member Councils	250,000	228,000	231,460	233,240	235,020
Total Operating Revenue	250,000	228,000	231,460	233,240	235,020
Operating Expenditure					
Waste Recovery Expenses - Avertas					
Legal Services	(42,000)	(20,000)	(20,000)	(20,000)	(20,000)
Project Management	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Administration Allocation	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Total Operating Expenditure	(250,000)	(228,000)	(231,460)	(233,240)	(235,020)
Total	0	0	0	0	0
Recovery	1.00%	0.89%	0.94%	0.91%	0.85%

**CHARTER OF
THE RIVERS REGIONAL
SUBSIDIARY**

CONFIRMED

A Regional Subsidiary

incorporated pursuant to section 3.69 of the Local Government Act 1995 (WA)

RIVERS REGIONAL SUBSIDIARY**CHARTER*****Local Government Act 1995 (WA)*****1. ESTABLISHMENT & OBJECTS**

1.1 Local Government Act 1995

- (a) This Charter governs the operation of the Subsidiary and both this Charter and the Subsidiary are subject to the requirements of Part 3, Division 4 of the Act and the Regional Subsidiaries Regulations.
- (b) Pursuant to section 3.69(3) of the Act the Subsidiary is a body corporate and has a common seal. Its Board has responsibility for the management of the business and other affairs of the Subsidiary.

1.2 Definitions

In this Charter:

“Act” means the *Local Government Act 1995 (WA)*;

“Anticipated Exceptional Deficit” means the amount, if any, of a Deficit which, during a financial year the Subsidiary determines will, or is likely to, occur in that year by reason of:

- (a) an expense for which no expenditure estimate is included in the Subsidiary’s annual budget for that year; or
- (b) an expense for which an expenditure estimate is included in the Subsidiary’s annual budget for that year but the expense is exceptional having regard to that estimate; or
- (c) a shortfall in income for which an income estimate is included in the annual budget for that year but the shortfall is exceptional having regard to that estimate;

“Board” means the Board of Management established under Clause 8;

“Board member” means a person who has been appointed to the Board by a participant in accordance with clause 8.2(a);

“Budget Deficiency” has the same meaning as the expression is given in Part 6 of the Act;

“Business Plan” means the business plan prepared by the participants pursuant to regulation 4 of the Regional Subsidiaries Regulations;

“Chairperson” means the person elected as Chairperson of the Board pursuant to Clause 8.4(a) and includes a person authorised by this Charter to act in place of the Chairperson;

“CEO” means the chief executive officer of the Subsidiary or a participant as specified in this Charter;

“district” means district as that term is defined in the Act;

“Deficit”, for a financial year, means the amount, if any:

- (a) by which the expenses of the Subsidiary exceeds the revenues and other income of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations;

“local government” means a local government constituted under the *Local Government Act 1995 (WA)*;

“elected member” means a Mayor, Chairman or Councillor of a Council;

“financial year” means a year beginning on 1 July in each year and ending on 30 June of the following year;

“meeting” includes both ordinary and special meetings of the Board;

“Minister” means the Minister for the time being responsible for the administration of the *Local Government Act 1995 (WA)*;

“Objects” means the objects of the Subsidiary as set out in clause 1.4;

“participant” means a local government that is a member of the Subsidiary named in clause 1.3;

“parties” as described in clause 11 means a participant or participants or the Subsidiary and party means any one or more of them according to context

“Region” means the total area of the districts of the participants;

“Regional Subsidiaries Regulations” means the *Local Government (Regional Subsidiaries) Regulations 2017 (WA)*

“RRC” means the Rivers Regional Council;

“RRC Waste Agreements” means the agreements and documents itemised in Schedule 1;

“special resolution” means a resolution passed by a two thirds majority of all Board members present at a meeting and entitled to vote on the issue;

“Subsidiary” means the Rivers Regional Subsidiary; and

“Surplus”, for a financial year, means the amount if any:

- (a) by which the revenues and other income of the Subsidiary exceeds the expenses of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

1.3 Establishment

The Subsidiary is a regional subsidiary established pursuant to section 3.69 of the Act by the following local governments:

- (a) The City of Gosnells;
- (b) The City of Armadale;
- (c) The City of South Perth;
- (d) The City of Mandurah;
- (e) The Shire of Serpentine-Jarrahdale; and
- (f) The Shire of Murray.

1.4 Objects

The Subsidiary is established to:

- (a) replace the RRC and act as principal under the terms of the:
 - (i) Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015 referred to in item 2 of Schedule 1; and
 - (ii) Participant's Agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015 referred to in item 1 of Schedule 1.
 - (iii) Financier Direct Deed dated 16 October 2018 and referred to in item 6 of Schedule 1; and
 - (iv) Supplemental Deed dated 16 July 2018 and referred to in item 4 of Schedule 1.
- (b) assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;
- (c) associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- (d) undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- (e) develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- (f) assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- (g) develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;
- (h) strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;

- (i) develop further cooperation between the participants for the benefit of the communities of the Region;
- (j) develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- (k) undertake projects that benefit the Region and its communities.

1.5 Review of Charter

- (a) This Charter will be reviewed by the participants acting in concurrence at least once in every four (4) years.
- (b) Where the participants determine that the Charter ought to be amended, either at the time of review or any other time, then the participants shall thereafter comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations to enable any proposed amendment to be made.

2. THE RIVERS REGIONAL COUNCIL

2.1 Establishment

The RRC is a regional local government established under section 3.61 of the Act.

2.2 Novation of Rights and Obligations

Upon the establishment of the Subsidiary it is the intention of both the RRC and the Subsidiary that:

- (a) the RRC shall novate all of its rights, title, interest and obligations in the RRC Waste Agreements (**Novation**) to the Subsidiary subject to the consents where required of the parties to the RRC Waste Agreements; and
- (b) the Subsidiary shall take the Novation.

2.3 Transfer of Assets as Deemed Contributions

It is also the intention of the both the RRC and the Subsidiary that:

- (a) the RRC shall transfer all of its assets to the Subsidiary (**Transfer**) and the Subsidiary shall deem these assets to be contributions from the participants.
- (b) the deemed contributions shall be apportioned by the Subsidiary to each participant by multiplying the total asset value received from the RRC by each participant's waste volume in tonnes for the previous five (5) financial years as a percentage of the participant's total waste for the same period.

2.4 Order of Precedence

To the extent that any of the provisions of this Charter, as set out below, are also dealt with in any of the RRC Waste Agreements then, for the purposes only of the RRC Waste Agreements, the provisions of the RRC Waste Agreement/s shall take precedence over the provisions of this Charter to the extent of any inconsistency.

- (a) Clause 4 - Non Derogation and Direction of Participants;
- (b) Clause 5 - Funding by the Participants; and
- (c) Clause 11 – Dispute Resolution

2.5 Wind Up of RRC

It is the intention of the RRC to wind itself up after completion of the Novation and Transfer referred to in clauses 2.2 and 2.3.

3. POWERS FUNCTIONS AND DUTIES

The powers, functions and duties of the Subsidiary are to be exercised in the performance of the Subsidiary's Objects. The Subsidiary shall have those powers and functions provided under the Act, the Regional Subsidiaries Regulations and this Charter which include:

- (a) becoming a member of or cooperating or contracting with any other association or organisation, whether within or outside of the area of the participants, which shares similar objects and purposes to those of the Subsidiary;
- (b) entering into contracts or arrangements with any Government agency or authority that are incidental or conducive to the attainment of the Objects and the exercise of the powers of the Subsidiary;
- (c) entering into contracts with any person or body including a participant for the acquisition or supply of goods and services or for any other reason that is consistent with the Subsidiary's Objects;
- (d) Subject to clause 9 appointing, employing, remunerating, removing or suspending officers, managers, employees and agents;
- (e) raising revenue by:
 - (i) charging the participants fees incurred by the Subsidiary in undertaking and carrying out its Objects;
 - (ii) arrangements with sponsor organisations;
 - (iii) making submissions for and accepting grants, subsidies and contributions to further the Subsidiary's Objects;
 - (iv) arrangements or contracts with any other person or body; and
 - (v) any other means not inconsistent with the Objects of the Subsidiary.
- (f) printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;
- (g) appointing such committees as it deems necessary and to define the duties of such committees provided that the acts of any such committee shall be submitted before execution or discharge for the approval of the Subsidiary and appointing persons to committees which may consist partly of persons who are not representatives of participants;
- (h) delegating any of the Subsidiary's powers and functions to persons or committees and altering or revoking such delegations;

- (i) co-opting to any duly appointed committee, any Board member, any officer of a participant, or any other appropriate person as deemed desirable for the efficient function of that committee;
- (j) acquiring, holding, dealing with and disposing of any real or personal property of the Subsidiary;
- (k) opening and operating bank accounts;
- (l) investing monies in any manner in which trust moneys may be invested in accordance with the provisions of section 6.14 of the Act and regulation 19C of the *Local Government (Financial Management) Regulations 1996 (WA)*, as those provisions are modified by regulation 22 of the Regional Subsidiaries Regulations;
- (m) subject to regulation 11 of the Regional Subsidiaries Regulations borrowing money in accordance with an approved Business Plan;
- (n) giving security for the discharge of liabilities of the Subsidiary;
- (o) imposing fees and charges in accordance with Part 6, Division 5, Subdivision 2 of the Act as modified by regulation 23 of the Regional Subsidiaries Regulations;
- (p) the development of a code of conduct to be observed by members of the Board, employees of the Subsidiary and members of any committee appointed by the Subsidiary;
- (q) establish a reserve fund or funds clearly identified for the upkeep and / or replacement of fixed assets or for meeting any deferred liability; and
- (r) doing all other things that are necessary or convenient for or incidental or conducive to the attainment of the Objects, and the exercise, performance or discharge of the powers, functions and duties of the Subsidiary.

4. DIRECTION BY PARTICIPANTS

4.1 Participants

All of the participants listed at Clause 1.3 are the members of the Subsidiary.

4.2 Non-Derogation and Direction by Participants

- (a) The establishment of the Subsidiary does not derogate from the power of any of the participants to act independently in relation to a matter within the jurisdiction of the Subsidiary.
- (b) Provided that all of the participants unanimously agree on the action to be taken, the participants may direct and control the Subsidiary. Non Compliance maybe dealt with under clause 8.3.
- (c) Any decision of the participants under clause 4.2(b) and/or direction given or control exercised by the participants must be given in writing to the CEO of the Subsidiary.

4.3 Provision of Information to Participants

- (a) The Subsidiary must, at the written request of a participant, furnish to the participant information or records in the possession or control of the Subsidiary as the participant may require in such manner and form as the participant may require.
- (b) If the Board of the Subsidiary considers that information or a record furnished under this clause contains matters that should be treated as confidential, the Board may advise the participant of that opinion giving the reason for the opinion and the participant must, subject to sub clause (c), act on that advice.
- (c) If the Subsidiary owes a duty of confidence in respect of a matter, the participant must ensure the observance of that duty in respect of the matter, but this sub clause does not prevent a disclosure as required in the proper performance of the functions or duties of the participant.

5. FUNDING BY PARTICIPANTS

5.1 Application of Clause

This clause applies if in any year:

- (a) A Budget Deficiency is disclosed in the annual budget of the Subsidiary;
- (b) A Deficit is disclosed in the annual financial report of the Subsidiary; or
- (c) An Anticipated Exceptional Deficit is determined by the Subsidiary.

5.2 Contributions by Participants

The participants must pay to the Subsidiary contributions towards a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit as the case may be, in accordance with the steps set out in Schedule 2. If a participant has acted independently under clause 4.2 and chosen not to participate in a project that is not a requirement of the RRC Waste Agreements then there is no obligation to contribute to a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit caused by that project.

5.3 Time for Payment of Contributions

The contributions referred to in clause 5.2 must be paid by each participant to the Subsidiary within 42 days, or any earlier time agreed by the participants, after:

- (a) In the case of contributions towards a Budget Deficiency – the date on which the annual budget is prepared and adopted by the Subsidiary;
- (b) In the case of contributions towards a Deficit – the date on which the annual financial report is prepared and submitted to the auditor;
- (c) In the case of contributions towards an Anticipated Exceptional Deficit – the date on which the Anticipated Exceptional Deficit is determined by the Subsidiary.

5.4 Late Payment of Contributions

If a participant fails to pay the contribution referred to in clause 5.2 on or before the due date for payment then, in addition to the contribution, the participant must pay to the Subsidiary interest on the contribution at the overdraft rate charged by the Subsidiary's bank on amounts of the same size as the unpaid contribution calculated from and including the due date to but excluding the actual date of payment.

5.5 Contributions to the Acquisition of Land

- (a) Where the Subsidiary determines that the participants are to make contributions towards the acquisition of land then the participants must make those contributions in equal proportions.
- (b) Contributions referred to in subclause 5.5(a) are capital contributions for the purpose of clause 6.2 (f) and 7.2.

5.6 Distribution of a Paid Surplus

- (a) The participants acknowledge that it is for the Subsidiary to determine if a Surplus or portion of a Surplus is to be paid to the participants and the manner and timing of any payment, having a regard to the prudent management of its cash flow and financial requirements and other relevant matters (**Paid Surplus**).
- (b) The participants agree that any Paid Surplus is to be distributed between them in proportions calculated in accordance with Schedule 3.

6. NEW AND WITHDRAWAL OF PARTICIPANTS

6.1 New Participants

Subject to the provisions of the Act, including but not limited to Ministerial approval under regulation 7 of the Regional Subsidiaries Regulations, this Charter may be amended by a resolution of the participants to provide for the admission of a new participant or participants, with or without conditions of membership, such conditions to be determined jointly by the Board and the member participants.

6.2 Withdrawal of a Participant

- (a) A participant may seek to withdraw from the Subsidiary but withdrawal shall be subject to and conditional upon the Subsidiary being able to successfully comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations.
- (b) A participant which intends to withdraw from the Subsidiary shall give to the CEO of the Subsidiary and to the CEO's of all of the other participants written notice of such intention, specifying the date of intended withdrawal. The notice shall be a minimum of three months.
- (c) Upon receipt of a notice of intention to withdraw from the Subsidiary the remaining participants and the Subsidiary shall, subject to clause 6.2(d), use their best endeavours, acting reasonably to achieve compliance with regulations 6 and 7 of the Regional Subsidiaries Regulations to allow the withdrawal to proceed.

- (d) However, to the extent that the participants may have entered into contractual obligations and liabilities relying on the withdrawing participant's ongoing support, the participants may refuse the request of an individual participant to withdraw if, in the reasonable opinion of the remaining participants, they will incur an unreasonable financial burden by reason of the withdrawal.
- (e) The withdrawal of the participant does not extinguish the proportionate liability of that participant to make payment of its budgeted contribution for the financial year in which it gives notice and in respect of any other amounts outstanding.
- (f) The payment of any proportionate entitlement sought by the withdrawing participant shall only be made where the remaining participants and the Subsidiary agree with the withdrawing participant as to the amount and terms of payment.

7. WINDING UP

7.1 Form of Wind Up

The Subsidiary may be wound up by the Minister acting upon a unanimous resolution of the participants or by the Minister in accordance with the provisions of section 8.15 (2) of the Act as those provisions are modified by regulation 24 of the Regional Subsidiaries Regulations.

7.2 Division of Assets

- (a) Where the Subsidiary is to be wound up and there remains, after satisfaction of all its debts and liabilities, any property and assets of the Subsidiary, then the property and assets are to be realised and:
 - (i) firstly, to the extent that the proceeds, along with any surplus funds, are sufficient to do so, the participants are to be repaid their respective capital contributions as shown in the accounting records of the Subsidiary; and
 - (ii) secondly, the balance, if any, is to be divided among the participants in the proportions set out in Schedule 4.
- (b) For the avoidance of doubt, for the purposes of subclause (a) the capital contributions of the participants do not accrue interest.

7.3 Division of Liabilities

If the subsidiary is to be wound up and there remains any liability or debt in excess of the realised property and assets of the Subsidiary then the liability or debt is to be met by each of the participants in the proportions set out in Schedule 4.

8. BOARD OF MANAGEMENT

The Board shall have the responsibility to manage the business and other affairs of the Subsidiary ensuring that the Subsidiary acts in accordance with this Charter.

8.1 Functions of the Board

The functions of the Board shall be:

- (a) the formulation of strategic plans and strategies aimed at improving the activities of the Subsidiary;
- (b) to provide professional input and policy direction to the Subsidiary;
- (c) to monitor, oversee and evaluate the performance of the CEO of the Subsidiary;
- (d) ensuring that ethical behaviour and integrity is established and maintained by the Subsidiary and its Board Members in all activities undertaken by the Subsidiary;
- (e) subject to clause 8.6(j), ensuring that the activities of the Subsidiary are undertaken in an open and transparent manner;
- (f) the review and amendment of the Business Plan to be considered in consultation with the participants;
- (g) exercising the care, diligence and skill required by the Act and the Regional Subsidiaries Regulations and in any event such that a prudent person of business would exercise in managing the affairs of other persons; and
- (h) To manage the Subsidiaries responsibilities of the RRC Waste Agreements.

8.2 Membership of the Board

- (a) Subject to subclause (b), the Board shall consist of one (1) natural person appointed by each participant who must be an employee of the participant.
- (b) Each participant shall appoint their Board member from time to time, as required, for a period not exceeding four (4) years, and give notice in writing to the CEO of the Subsidiary, of the person who is or will be its Board member.
- (c) Notwithstanding subclause (a), a participant may appoint its Board member for a lesser period by nominating the period in the written appointment provided to the CEO of the Subsidiary. In such circumstances, any continuation of appointment following the expiry of the initial period nominated shall be in writing addressed to the CEO of the Subsidiary.
- (d) Each Constituent Council will also appoint a natural person and employee of the participant as deputy Board Member. The deputy Board Member is entitled to act in place of a Board Member appointed by the same Participant if the Board Member is unable for any reason to be present at a Board meeting.
- (e) In the absence of the Board Member, a deputy Board Member will be deemed to be the Board Member and can exercise all rights, privileges and obligations of the Board Member during the absence of that Board Member.
- (f) A notice signed by the Chief Executive Officer of a Participant will be sufficient evidence of the appointment of a Board Member and deputy Board Member of the Board of Management.

8.3 Termination of Membership of the Board

The appointment of a Board member shall terminate upon any of the grounds set out below:

- (a) the participant which appointed him/her ceasing to be a participant;
- (b) the appointing Participant providing written notice of termination to the Board Member and the Board
- (c) ceasing to be employed by the participant which appointed him/her;
- (d) the death of the Board member;
- (e) completion of a term of office without re appointment;
- (f) written resignation from the Board Member being served on the participant who appointed him / her;
- (g) personal bankruptcy or application for the benefit of a law for the relief of insolvent debtors;
- (h) the Board, by special resolution, resolves to terminate the appointment of that Board member for:
 - (i) any behaviour of the Board member which, in the opinion of the Board, amounts to impropriety;
 - (ii) serious neglect of duty in attending to his/her responsibilities as a Board member;
 - (iii) breach of fiduciary duties to the Subsidiary or the participant(s);
 - (iv) breach of the duty of confidentiality to the Subsidiary or the participant(s);
 - (v) any other behaviour which may discredit the Subsidiary or the participants.
- (i) Notwithstanding any other clause of this Charter, a Board member may be removed from office as a Board member by special resolution of the Board prior to the expiration of a term of appointment.
- (j) If any vacancy occurs in the membership of the Board it must be filled in the same manner as the original appointment under clause 8.2. The person appointed to the Board to fill a vacancy will be appointed for the balance of the term of the original appointment and at the expiry of that term, subject to satisfying the requirements of this Charter, shall be eligible for re-appointment.

8.4 Chairperson of the Board

- (a) The Chairperson of the Board shall be appointed by the Board from amongst its members and shall hold office for a term agreed by the Board, unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.
- (b) There shall also be a Deputy Chairperson of the Board appointed by the Board from amongst its members who shall hold office for a term agreed by the Board

unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.

- (c) The Chairperson and Deputy Chairperson shall be eligible for re-appointment upon their term of office expiring.
- (d) If the Chairperson either resigns or is no longer eligible to act as a Board member prior to the expiry of his/her term as Chairperson, the Deputy Chairperson shall act in that office. In the event of the Deputy Chairperson refusing or being unable to act, the Board shall elect from amongst their own number a new Chairperson who shall hold office until the conclusion of the original term.

8.5 Powers of the Chairperson and the deputy Chairperson

- (a) The Chairperson shall preside at all meetings of the Board.
- (b) In the event that the Chairperson is absent from a meeting, the Deputy Chairperson shall preside at that meeting, and in the event that both the Chairperson and Deputy Chairperson are absent from the meeting, the Board shall appoint a member from amongst them who shall preside at that meeting or until the Chairperson or Deputy Chairperson is present.
- (c) If any circumstance arises on which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chairperson may decide the action to be taken to ensure achievement of the objects of the Subsidiary and its effective administration.
- (d) The Chairperson shall report any such decision at the next ordinary meeting

8.6 Meetings of the Board

- (a) The Board may determine procedures in addition to but not inconsistent with those specified in this Charter to apply at or in relation to its meetings.
- (b) The Board shall meet:
 - (i) for ordinary meetings at such times and places as may be fixed by the Board from time to time provided that there will be not less than three ordinary meetings each financial year; and
 - (ii) for special meetings if demanded in writing by the Chairperson, the CEO of the Subsidiary or by the Board members appointed by any three (3) participants.
- (c) An ordinary meeting of the Board will constitute an ordinary meeting of the Subsidiary. The Board shall administer the business of an ordinary meeting.
- (d) For the purposes of this sub-clause, the contemporary linking together by telephone, audio-visual or other instantaneous means ("telecommunications meeting") of a number of the Board members, provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board members taking part in a telecommunications meeting must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board members present. At the commencement of the meeting each Board member must announce his/her presence to all other Board members taking part in the meeting. A Board member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or

other communication equipment, unless that Board member has previously notified the Chairperson of the meeting.

- (e) A resolution may be passed without a meeting being held if all the Board Members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.
- (f) Except as otherwise provided in this Charter, notice of ordinary meetings will be forwarded by the CEO of the Subsidiary to the Board members and the CEO's of the participants at least 7 days prior to the date of the meeting, either by post to the participant's address or by post to any other location, or via any other means of giving notice (eg. facsimile or email) as nominated by the Board member and the CEO of a participant in writing addressed to the CEO of the Subsidiary.
- (g) Notice of meetings will be sent by the CEO of the Subsidiary to the Board members and the CEOs of the participants at least seven (7) days prior to the date of the meeting in the manner provided for at clause 8.6(e). Notice of a meeting for the purpose of making a recommendation to wind up the Subsidiary shall be sent to the Board members and the CEOs of the participants at least eight (8) weeks before the date of the meeting in the manner provided for at clause 8.6(f).
- (h) A majority of the Board members present at a meeting of the Board may adjourn the meeting from time to time and from place to place.
- (i) Subject to clause 8.6(k), meetings of the Board will be conducted in a place open to the public where deemed appropriate by the Chairman or CEO of the Subsidiary.
- (j) All Board members must keep confidential all documents and any information provided to them on a confidential basis for their consideration prior to a meeting of the Board.
- (k) The Board may order that the public be excluded from attendance at any meeting in order to enable the Board to consider in confidence any information or matter listed in section 5.23(2) of the Act (after taking into account any relevant consideration under that subsection).

The exercise of this power does not exclude Board members and any other person permitted by the Board to remain in the room.

- (l) Where an order is made under clause 8.6(k), a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- (m) Where the Board has considered any information or a matter in confidence under Clause 8.6(k) it may subsequently resolve to keep minutes and/or any other documents considered during that part of the meeting confidential.
- (n) The CEO of the Subsidiary must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented to the next ordinary meeting of the Board for confirmation and adoption.
- (o) Where the CEO of the Subsidiary is excluded from attendance at a meeting of the Board pursuant to clause 8.6(k), the person presiding at the meeting shall cause the minutes to be kept.

- (p) The Board may invite any person to attend at a meeting of the Board to act in an advisory capacity.

8.7 Quorum

The quorum for any meeting of the Board is a majority of the number of Board members in office, being a number ascertained by dividing the total number of Board members for the time being in office by two (2), ignoring any fraction, and adding one (1). No business will be transacted at a meeting of the Board unless a quorum is present.

8.8 Voting

- (a) Unless stipulated otherwise in this Charter, questions arising for decision at meetings of the Board will be decided by a simple majority of eligible votes on the basis of one (1) vote per Board member present at the meeting. The Chairperson shall not, in the event of equality of votes, have a second or casting vote. In the event of equality of votes the matter will lapse.
- (b) Subject to a conflict of interest, each Board member validly present at a meeting must vote on a question arising for a decision at the meeting. Failure by any Board member to vote will be deemed to be a negative vote in relation to the question for decision.

8.9 Standing Orders or Rules

- (a) Subject to this Charter, the Board may pass, alter or rescind standing orders, policies or rules for the due management and regulation of meetings of the Subsidiary.
- (b) Standing orders, policies or rules made pursuant to this clause 8.9 shall be entered in a record which will be kept for the information of the Board members and may be printed and/or circulated at the discretion of the Board.
- (c) The standing orders, policies and rules in existence shall remain in operation for a period of one (1) year, at which time they shall be reviewed by the Board and confirmed, varied or discontinued by resolution of the Board.

8.10 Common Seal

- (a) Pursuant to section 3.69(3) of the Act the Subsidiary shall have a common seal upon which its corporate name shall appear in legible characters.
- (b) The common seal shall not be used without the express authorisation of a resolution of the Board and every use of the common seal shall be recorded in the minute book of the Subsidiary.
- (c) The affixing of the common seal shall be witnessed by the Chairperson or the Deputy Chairperson and the CEO of the Subsidiary or such other person as the Board may appoint for the purpose.
- (d) The common seal shall be kept in the custody of the CEO of the Subsidiary or such other person as the Board may from time to time decide.

8.11 Committees

- (a) The Board may establish a committee of Board members for the purposes of:

- (i) enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference given by the Board to the committee;
- (ii) exercising, performing or discharging delegated powers, functions or duties.
- (b) A member of a committee established under clause 8.11(a) of this Charter holds office at the pleasure of the Board.
- (c) The Board may otherwise establish advisory committees consisting of or including persons who are not Board members for enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference.
- (d) The Chairperson of the Board is an ex-officio member of any committee or advisory committee established by the Board.

8.12 Fees and Allowances

The Board shall determine annually the fees, annual allowances or reimbursements, if any, for expenses payable to Board Members.

9. EMPLOYEES OF THE SUBSIDIARY

- 9.1 The Board must appoint a CEO of the Subsidiary to manage the business of the Subsidiary on terms agreed between the CEO and the Board. The CEO of the Subsidiary may be a natural person or a body corporate approved by the Board.
- 9.2 The CEO of the Subsidiary shall cause records to be kept of the business and financial affairs of the Subsidiary in accordance with this Charter, in addition to other duties provided for by this Charter and those specified in the terms and conditions of appointment.
- 9.3 In the absence of the CEO of the Subsidiary for any period exceeding six weeks a suitable person to act in the position of CEO of the Subsidiary must be appointed by the Board.
- 9.4 The Board shall delegate responsibility for the day to day management of the Subsidiary to the CEO of the Subsidiary, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Subsidiary.
- 9.5 The functions of the CEO of the Subsidiary shall be specified in the terms and conditions of appointment and shall include but are not limited to:
 - (a) appointing, managing, suspending and dismissing employees of the Subsidiary;
 - (b) determining the conditions of employment of employees of the Subsidiary within the budgetary constraints set by the Board;
 - (c) attending at all meetings of the Board unless excluded by resolution of the Board;
 - (d) ensuring that the decisions of the Board are implemented in a timely and efficient manner;

- (e) providing information to assist the Board to assess the Subsidiary's performance against its Strategic and Business Plans;
- (f) providing advice and reports to the Board on the exercise and performance of its powers and functions under the Act, the Regional Subsidiaries Regulations and this Charter;
- (g) ensuring that the Subsidiary is at all times complying with the Act, the Regional Subsidiaries Regulations and this Charter;
- (h) ensuring that the Subsidiary's annual report prepared in accordance with section 5.53 of the Act as modified by regulation 18 of the Regional Subsidiaries Regulations is distributed to the participants in time to be incorporated in their annual reports;
- (i) co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Subsidiary;
- (j) ensuring that the assets and resources of the Subsidiary are properly managed and maintained;
- (k) exercising, performing or discharging other powers, functions or duties conferred on the CEO of the Subsidiary by or under the Act or any other legislation, and performing other functions lawfully directed by the Board; and
- (l) inviting any person to attend at a meeting to act in an advisory capacity.

9.6 The CEO of the Subsidiary shall provide a report on his/her activities to the Board at every ordinary meeting.

10. MANAGEMENT OF THE SUBSIDIARY

10.1 Financial Management

- (a) The Subsidiary shall keep proper books of account which must be available for inspection by any Board member or authorised representative of any participant at any reasonable time on request.
- (b) The Subsidiary must establish and maintain a bank account at a bank and with such bank facilities to be determined by the Board.
- (c) The Subsidiary shall appoint, the CEO of the Subsidiary, the Chairperson and Deputy Chairperson as authorised operators of the bank accounts. A minimum of two authorised operators must be required to deal with the bank account at any one time.
- (d) All cheques must be signed by two of the persons appointed under or listed at clause 10.1(c).
- (e) Any payments made by electronic funds transfer must be made in accordance with procedures which have received the prior approval of the Board.

10.2 Reporting

- (a) The CEO of the Subsidiary shall ensure that the CEO and the Board member of each participant receive, within 14 days of a Board meeting, a copy of the minutes from that Board meeting for distribution to the elected members of the participants.
- (b) The CEO of the Subsidiary must act prudently in the handling of all financial transactions for the Subsidiary and must provide quarterly financial and corporate reports to the Board and, if requested, the Participants.
- (c) The Board must submit their annual report, annual budget and auditor's report to the participants upon completion of those reports.

10.3 Business Plan

The Board shall:

- (a) compare the Business Plan against performance targets at least twice every financial year;
- (b) review the contents of the Business Plan annually; and
- (c) undertake reasonable consultation with the participants prior to adopting or amending the Business Plan.

10.4 Annual Report

The Subsidiary shall prepare an annual report for each financial year in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.5 Annual Budget

The Subsidiary shall prepare an annual budget in accordance with the provisions of section 6.2 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.6 Audit

The audit functions of the Subsidiary may be undertaken by a subcommittee which may include Finance Manager representatives from the participants.

11. DISPUTE RESOLUTION

11.1 Negotiation

- (a) The procedure in Clause 11 must be applied to any dispute that arises between the Subsidiary and a participant or participants concerning the affairs of the Subsidiary, or between participants concerning the affairs of the Subsidiary, including a dispute as to the meaning or effect of this Charter.
- (b) In the event of a dispute between the parties (**Dispute**) one party may deliver a written notice to the other party that identifies the Dispute (**Notice of Dispute**).

- (c) The party that delivers the Notice of Dispute should also provide enough information about the Dispute for the other parties to reasonably understand the:
 - (i) alleged facts on which the claim is based
 - (ii) legal basis on which the claim is made; and
 - (iii) relief that is claimed.
- (d) Within 10 Business Days of a Notice of Dispute being delivered, the receiving parties must deliver a written response to the other parties stating:
 - (i) its position in relation to the Dispute; and
 - (ii) the basis for its position.
- (e) Within ten Business Days of receipt of the response referred to in clause 11.1 (c), the parties agree to attempt in good faith to resolve through negotiation any Dispute arising under or in relation to this Charter.

11.2 Mediation

- (a) If the parties fail to resolve the Dispute within the 10 Business Days under clause 11.1(d), any of the parties may refer the Dispute to mediation by notice in writing to the other parties.
- (b) Within 10 Business Days of a party referring the Dispute to mediation, the parties will attempt in good faith to agree the appointment of a mediator for the purposes of mediation.
- (c) In the event the parties are unable to agree the appointment of a mediator then the Chairperson of the Resolution Institute in Western Australia shall appoint a mediator for the purposes of mediation.
- (d) Once a Mediator has been appointed then the parties must within 10 Business Days of the mediator being appointed agree a mutually convenient date, time and place for the mediation to take place.

11.3 Terms of Mediation

The mediation must be conducted on the following terms:

- (a) the reference to the mediator is made in accordance with, and subject to, the Resolution Institute Mediation Rules;
- (b) the mediator will assist the parties to explore the options for and, if possible, achieve expeditious resolution of the dispute by agreement;
- (c) the mediator will not make decisions for a party or impose a solution on the parties;
- (d) the mediator will not obtain from any independent person advice or an opinion as to any aspect of the Dispute unless:
 - (i) the mediator is requested in writing by all parties to do so;

- (ii) all parties have agreed upon the identity of the independent person to give such advice or opinion; and
- (iii) all parties have agreed on who will be responsible to pay for the costs or fees in relation to the advice provided by the independent person;
- (e) all parties will co-operate in good faith with the mediator and each other during the mediation;
- (f) each party will use its reasonable endeavours to comply with reasonable requests made by the mediator to promote the efficient and expeditious resolution of the Dispute;
- (g) the mediation, including all preliminary steps, shall be conducted in such manner as the mediator considers appropriate having regard to the nature and circumstances of the Dispute, the agreed goal of an efficient and expeditious resolution to the Dispute and, to the extent that the mediator may deem appropriate, to the view of each party as to the conduct of the mediation;
- (h) the proceedings, discussions and all documents created during the course of the mediation and all things said or disclosed during the course of the mediation shall be privileged and shall be for the purposes of any future matters or actions between the parties be without prejudice save to the extent that the parties shall reach an enforceable agreement;
- (i) if, after consultation with the parties, the mediator forms the view that the mediator will be unable to assist the parties to achieve resolution of a Dispute, the mediator may immediately terminate its engagement as mediator by giving written notice to the parties of that termination, upon which, the mediator's role shall cease;
- (j) the mediation shall be terminated immediately upon the earlier of:
 - (i) execution of a settlement agreement in respect of the Dispute; and
 - (ii) withdrawal of the Dispute;
- (k) the costs of the mediation shall be paid equally by each participant.

11.4 Arbitration

- (a) If the Dispute has not been resolved by mediation under clause 11.2 and 11.3, then the Dispute may be submitted by any party to the arbitration of a single arbitrator in accordance with, and subject to, Resolution Institute Arbitration Rules. Unless the parties agree on the appointment of an arbitrator, any party may request a nomination from the Chair of the time being of the Resolution Institute Western Australia Division.
- (b) The arbitrator's award shall be final and binding on the parties.
- (c) The costs of the submission, reference or award are in the discretion of the arbitrator.
- (d) Nothing in this Charter shall prevent a party from obtaining any urgent injunctive, declaratory or other interlocutory relief from a court which may be required in respect of a Dispute under clause 11 or any matter under this Charter.

CONFIRMED

SCHEDULE 1**RRC WASTE AGREEMENTS**

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Dated 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 4 November 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 16 July 2018
5	Exercise of Rights letter by the RRC	Dated 23 April 2018
6	Exercise of Rights Letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 October 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd and BTA Institutional Services Australia Limited	Dated 16 October 2018
9	Participants Agreement Deed of Variation between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd	Dated 14 September 2018

SCHEDULE 2**CALCULATION OF CONTRIBUTIONS****2.1 Contributions towards a Budget Deficiency**

Each participant must pay a contribution towards the Budget Deficiency calculated as follows:

$$\text{participant's contribution} = \text{BD} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) BD is the Budget Deficiency;
- (b) TP is the number of tonnes of the participant's Waste in the previous year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Budget Deficiency is to occur; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.2 Contributions towards a Deficit

Each participant must pay a contribution towards the Deficit calculated as follows:

$$\text{participant's contribution} = \text{D} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) D is the Deficit;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Deficit occurs; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.3 Contributions towards an Anticipated Exceptional Deficit

Each Participant must pay a contribution towards the Anticipated Exceptional Deficit as follows:

$$\text{participant's contribution} = \text{AED} \times \frac{\text{PT}}{\text{PTT}}$$

Where:

- (a) AED is the Anticipated Exceptional Deficit;
- (b) PT is the number of tonnes of the participant's Waste in the previous year;
- (c) PTT is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Anticipated Exceptional Deficit is determined; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

CONFIRMED

SCHEDULE 3**CALCULATION OF PROPORTIONS IN WHICH PARTICIPANTS ARE TO RECEIVE A PAID SURPLUS****3.1 Calculation of proportions**

Each participant is to receive a proportion of the Paid Surplus calculated as follows:

$$\text{participant's proportion} = \text{PS} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) PS is the Paid Surplus;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Surplus occurs; and
- (e) "participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

SCHEDULE 4**PROPORTIONS OF PARTICIPANTS FOR THE PURPOSE OF WINDING UP**

- 4.1** For the purpose of clauses 7.2(a)(ii) and 7.3, the proportion of each participant is the proportion that the number of tonnes of the participant's Waste for the previous five (5) financial years (including RRC member tonnes as defined in the Establishment agreement if required) bear to the number of tonnes of all of the participants' Waste for the same period.

"participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

CONFIRMED

DEED OF DISSOLUTION OF THE RIVERS REGIONAL COUNCIL

**CITY OF ARMADALE, CITY OF GOSNELLS, CITY OF SOUTH PERTH, CITY OF
MANDURAH, SHIRE OF MURRAY, SHIRE OF SERPENTINE - JARRAHDALE**

-and-

**RIVERS REGIONAL COUNCIL
ABN 80 479 097 483**

COMPLETED

THIS DEED is made the _____ day of _____ 2019

BETWEEN:

CITY OF ARMADALE of 7 Orchard Avenue, Armadale, Western Australia

and

CITY OF GOSNELLS of 2120 Albany Highway, Gosnells, Western Australia

and

CITY OF SOUTH PERTH of corner Sandgate Street and South Terrace, South Perth, Western Australia

and

CITY OF MANDURAH of 3 Peel Street, Mandurah, Western Australia

and

SHIRE OF MURRAY of 1915 Pinjarra Road, Pinjarra, Western Australia

and

SHIRE OF SERPENTINE-JARRAHDALE of 6 Paterson Street, Mundijong, Western Australia

and

RIVERS REGIONAL COUNCIL (ABN 80 479 097 483) of 155 Jull Street, Armadale, Western Australia.

RECITALS

- (A) The Minister approved the First Establishment Agreement, and, in the Government Gazette dated 3 July 2001, the Minister declared the establishment of the South East Metropolitan Regional Council pursuant to section 3.61 of the Act.
- (B) By the Second Establishment Agreement, City of Armadale, City of Gosnells and City of South Perth agreed to amend the First Establishment Agreement by revoking it and substituting it with the Second Establishment Agreement. The Minister approved the Second Establishment Agreement. Under the Second Establishment Agreement the name continued as the South East Metropolitan Regional Council.
- (C) By the Third Establishment Agreement, City of Armadale, City of Gosnells and City of South Perth agreed to amend the Second Establishment Agreement by revoking it and substituting it with the Third Establishment Agreement. The Minister approved the Third Establishment Agreement. Under the Third Establishment Agreement the name was changed to the Rivers Regional Council.
- (D) By the First Deed of Amendment:
- (a) City of Armadale, City of Gosnells and City of South Perth agreed to amend the Third Establishment Agreement to include City of

Mandurah, Shire of Murray and Shire of Serpentine-Jarrahdale as "Participants"; and

- (b) City of Mandurah, Shire of Murray and Shire of Serpentine-Jarrahdale agreed to be bound by the Third Establishment Agreement as 'Participants'.

The Minister approved the First Deed of Amendment.

- (E) By the Second Deed of Amendment:

- (a) City of Armadale, City of Gosnells, City of South Perth, City of Mandurah, Shire of Murray and Shire of Serpentine-Jarrahdale agreed to amend the Third Establishment Agreement to include Shire of Waroona as one of the Participants; and
- (b) Shire of Waroona agreed to be bound by the Third Establishment Agreement as one of the Participants.

The Minister approved the Second Deed of Amendment.

- (F) By the Third Deed of Amendment, the Participants and the Shire of Waroona agreed to amend the Third Establishment Agreement by deleting clause 6.1(2) and inserting a new clause 6.8.

The Minister approved the Third Deed of Amendment.

- (G) By the Fourth Deed of Amendment the Participants and the Shire of Waroona agreed to amend the Third Establishment Agreement to provide for the withdrawal of the Shire of Waroona as Participant.

The Minister approved the Fourth Deed of Amendment.

- (H) The RRC has transferred all of its assets, liabilities, rights, obligations and functions to the Subsidiary as set out in this Deed.
- (I) This Deed is now made pursuant to section 3.63 of the *Local Government Act 1995 (WA)* to set out the terms under which the RRC shall be dissolved; and
- (J) The Participants and the RRC have resolved on the dates referred to in Schedule 1 to enter into this Deed.

OPERATIVE PART

1. DEFINITIONS

In this Deed, unless the context requires otherwise:

Act means the *Local Government Act 1995 (WA)*;

Deed means this deed as amended varied or supplemented from time to time;

Establishment Agreement means the Third Establishment Agreement as amended by the First Deed of Amendment, Second Deed of Amendment, Third Deed of Amendment and Fourth Deed of Amendment.

Minister means the Minister for the time being responsible for the administration of the Act);

Operative Date means the date which is # days after the latest of:

- (a) the Parties execution of the Deed of Asset Transfer, a copy of which is annexed to this Deed and marked "A" or
- (b) the Parties execution of the Deed of Novation, a copy of which is annexed to this Deed and marked "B" .;

Participants means the City of Armadale, City of Gosnells, City of South Perth, City of Mandurah, Shire of Murray and Shire of Serpentine -Jarrahdale and "**Participant**" is a reference to any one of them;

Parties means the parties to this Deed and party means any one or more of them according to context;

RRC means the Rivers Regional Council;

RRC Waste Agreements means the agreements and documents referred to in Schedule 2; and

Subsidiary means the Rivers Regional Subsidiary, a body corporate that has been established by the Participants and the City of Canning under section 3.69 of the Act to take over the functions of the RRC.

2. CONDITIONS

This Deed is subject to and conditional upon the approval of the Minister under section 3.63 of the Act.

3. DISSOLUTION

In accordance with clause 10.1 of the establishment Agreement the Parties hereby agree that the RRC shall be dissolved on the Operative Date.

4. ASSETS AND LIABILITIES

- (a) By a Deed of Novation datedthe RRC novated all of its right, title, interest, liabilities and obligations in the RRC Waste Agreements to the Subsidiary;
- (b) By a Deed of Transfer datedthe RRC transferred all of its right title and interest in all of its assets, books of account, financial records and statements and all other property owned by it, free of all encumbrances, to the Subsidiary and
- (c) Each Party has on the Dates of Resolution shown in Schedule 1 agreed to enter into this Deed..

5. PROPER LAW

This Deed is governed by, and to be interpreted in accordance with, the laws of Western Australia and where applicable the laws of the Commonwealth of Australia.

6. SEVERANCE

If any part of this Deed is, or becomes void or unenforceable, that part is or will be, severed from this Deed to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

7. WAIVERS

- (a) Failure to exercise or delay in exercising any right, power or privilege in this Deed by a Party does not operate as a waiver of that right, power or privilege.
- (b) A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege, or the exercise of any other right, power or privilege.

8. FURTHER ASSURANCES

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.

9. ENTIRE AGREEMENT

This Deed constitutes the entire agreement between the Parties and contains all of the representations, warranties, covenants and agreements of the parties in relation to the subject matter of this Deed.

Schedule 1
Resolution dates

Party	Date of Resolution to enter into this Deed
City of Armadale	
City of Gosnells	
City of South Perth	
City of Mandurah	
Shire of Murray	
Shire of Serpentine- Jarrahdale	

CONFIRMED

SCHEDULE 2**RRC Waste Agreements**

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Date 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 4 Nov 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, , City of Canning and Kwinana WTE (Drafter?)	Dated 16 July 2018
5	Exercise of Rights Letter by the RRC	Dated 23 April 2018
6	Exercise of Rights Letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 Oct 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE and BTA Institutional Services Australia Limited	Dated 16 Oct 2018

EXECUTED as a DEED

THE COMMON SEAL of the **CITY OF**)
ARMADALE was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
GOSNELLS was affixed pursuant to)
a resolution of the Council in the)
presence of:)

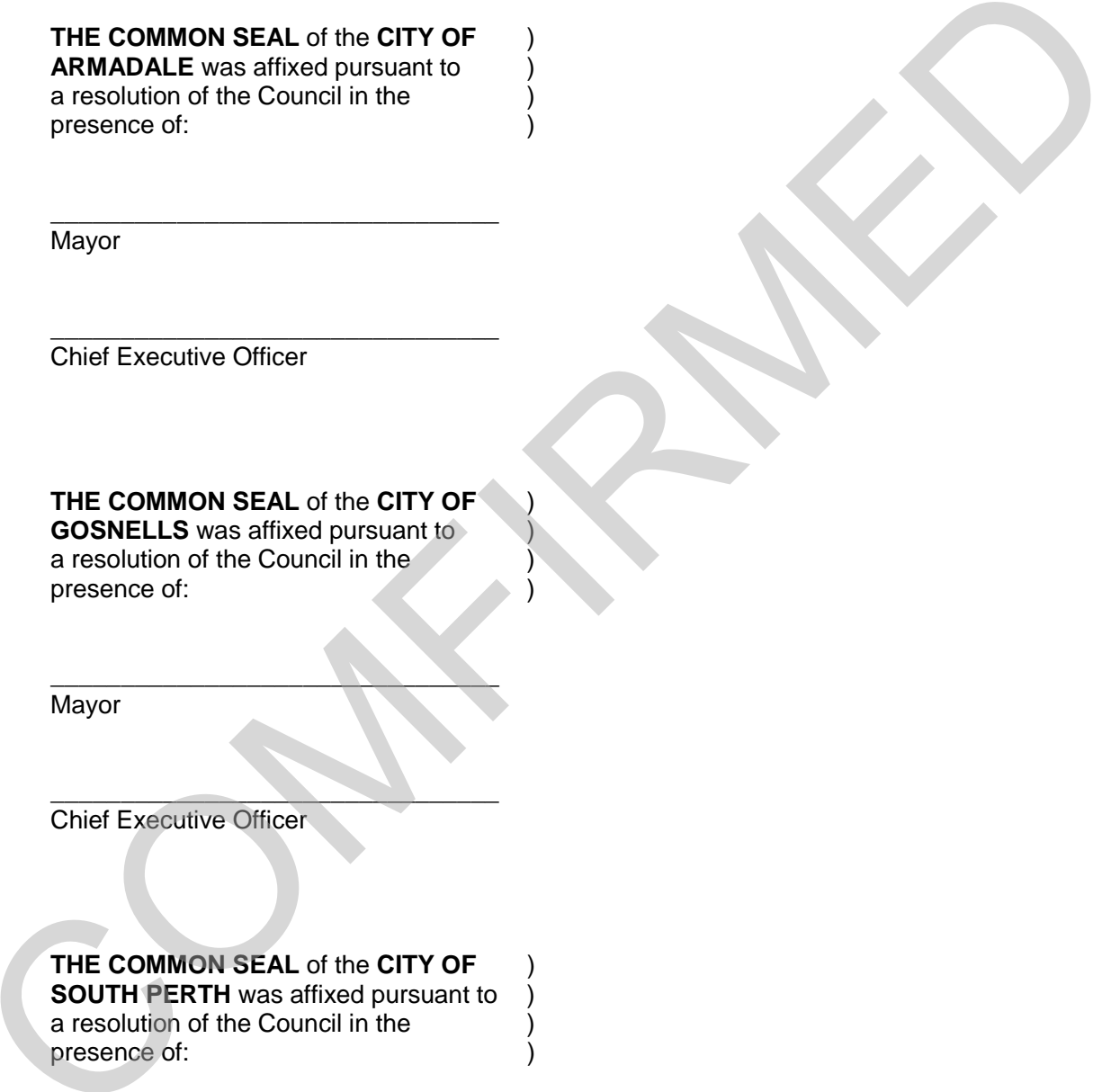
Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
SOUTH PERTH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer



THE COMMON SEAL of the **CITY OF**)
MANDURAH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
MURRAY was affixed pursuant to)
a resolution of the Council in the)
presence of:)

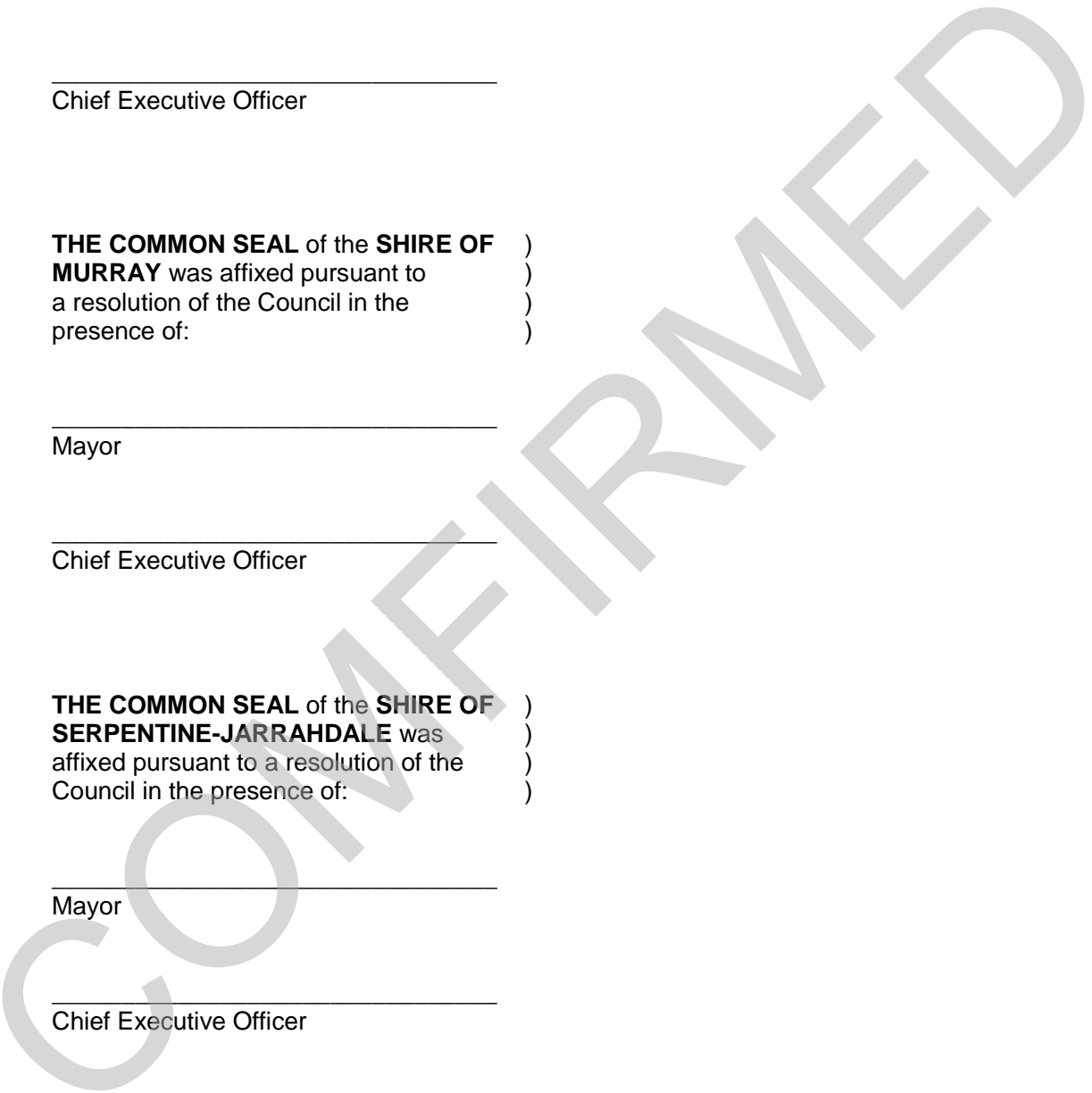
Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
SERPENTINE-JARRAHDALE was)
affixed pursuant to a resolution of the)
Council in the presence of:)

Mayor

Chief Executive Officer



THE COMMON SEAL of RIVERS)
REGIONAL COUNCIL)
(ABN 80 479 097 483) was affixed)
in the presence of:)

Chairperson

Chief Executive Officer

Approved by the Minister for Local Government

David Templeman MLA

Date

CONFIRMED

DEED OF ASSET TRANSFER

**RIVERS REGIONAL COUNCIL
(ABN 80 479 097 483)**

- and -

RIVERS REGIONAL SUBSIDIARY

- and -

**CITY OF ARMADALE, CITY OF GOSNELLS, CITY OF SOUTH PERTH, CITY OF
MANDURAH, SHIRE OF MURRAY, SHIRE OF SERPENTINE – JARRAHDALÉ,**

COMPLETED

THIS DEED is made _____ day of _____ 2019

B E T W E E N

RIVERS REGIONAL COUNCIL of 13 Third Road, Armadale, Western Australia

and

RIVERS REGIONAL SUBSIDIARY of 13 Third Road, Armadale, Western Australia

and

CITY OF ARMADALE of 7 Orchard Avenue, Armadale, Western Australia;

and

CITY OF GOSNELLS of 2120 Albany Highway, Gosnells, Western Australia;

and

CITY OF SOUTH PERTH of Cnr Sandgate Street and South Terrace, South Perth, Western Australia;

and

CITY OF MANDURAH of 3 Peel Street, Mandurah, Western Australia;

and

SHIRE OF MURRAY of 1915 Pinjarra road, Pinjarra, Western Australia;

and

SHIRE OF SERPENTINE – JARRAHDAL of 6 Paterson Street, Mundijong, Western Australia;

RECITALS:

- A. The RRC intends to hand over all of its assets, liabilities, rights, obligations and functions to the Subsidiary and there upon wind itself up.
- B. The Subsidiary is a body corporate that has been established by the Participants and the City of Canning under section 3.69 of the *Local Government Act 1995 (WA)* (Act) to take over the functions of the RRC.
- D. To enable the Subsidiary to take over these functions the RRC will transfer all of its Assets to the Subsidiary on and from the Transfer Date.

THE PARTIES COVENANT AND AGREE:

1. DEFINITIONS

Unless otherwise required by the context or subject matter:

“Assets” means all of the assets of the RRC including but not limited to the assets contained in the Schedule

“Deed” means this deed as varied, modified or supplemented from time to time;

“Participants” means the City of Armadale, City of Gosnells, City of South Perth, City of Mandurah, Shire of Murray and Shire of Serpentine -Jarrahdale and “Participant” is a reference to any one of them;

"Parties" means the parties to this Deed and Party means any one or more of them according to context;

"RRC" means the Rivers Regional Council

"Schedule" means the schedule to this Deed;

"Subsidiary" means the Rivers Regional Subsidiary, a body corporate that has been established by the Participants and the City of Canning under section 3.69 of the Act to take over the functions of the RRC; and

"Transfer Date means....."

2. TRANSFER

In consideration of the Subsidiary agreeing to take over the functions, obligations and liabilities of the RRC, on and from the Transfer Date, the RRC, as beneficial owner, hereby transfers to the Subsidiary absolutely all of the RRC's right, title and interest in all of the Assets free of all encumbrances on the Transfer Date and on the terms and conditions of this Deed.

3. COSTS AND EXPENSES

The Parties shall each pay their own costs and expenses in relation to the instructions for, preparation and execution of this Deed, except that the Subsidiary agrees to pay any duty assessed on this Deed (if any).

4. SUBSIDIARY'S COVENANTS WITH THE RRC

The Subsidiary covenants with the RRC:

- (a) to assume all liability for any costs, claims and expenses, debts or liabilities incurred or accrued by the RRC (whether actual or contingent) arising out of or in connection with their ownership of the Assets up to and including the Transfer Date; and
- (b) to indemnify and keep indemnified the RRC against all proceedings, costs, claims and expenses arising out of or in connection with their ownership of the Assets occurring on or after the Transfer Date.

5. PROPER LAW

This Deed is governed by, and to be interpreted in accordance with, the laws of Western Australia and where applicable the laws of the Commonwealth of Australia.

6. SEVERANCE

If any part of this Deed is, or becomes void or unenforceable, that part is or will be, severed from this Deed to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

7. FURTHER ASSURANCES

Each Party must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.

8. MISCELLANEOUS

In this Deed:

- (a) a reference to a person includes that person's executors, administrators, successors and assigns;
- (b) a covenant, agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and severally;
- (c) an agreement, representation or warranty given or made by 2 or more persons shall bind them jointly and severally.

CONFIRMED

SCHEDULE

Assets of the RRC

--	--	--

Item	Description of Asset	Value

CONFIRMED

EXECUTED BY THE PARTIES AS A DEED

THE COMMON SEAL of RIVERS REGIONAL COUNCIL (ABN 80 479 097 483) was affixed in the presence of:))))

Chairperson

Chief Executive Officer

THE COMMON SEAL of RIVERS REGIONAL SUBSIDIARY was affixed in the presence of:)))

Chairperson

Chief Executive Officer

THE COMMON SEAL of the CITY OF ARMADALE was affixed pursuant to a resolution of the Council in the presence of:))))

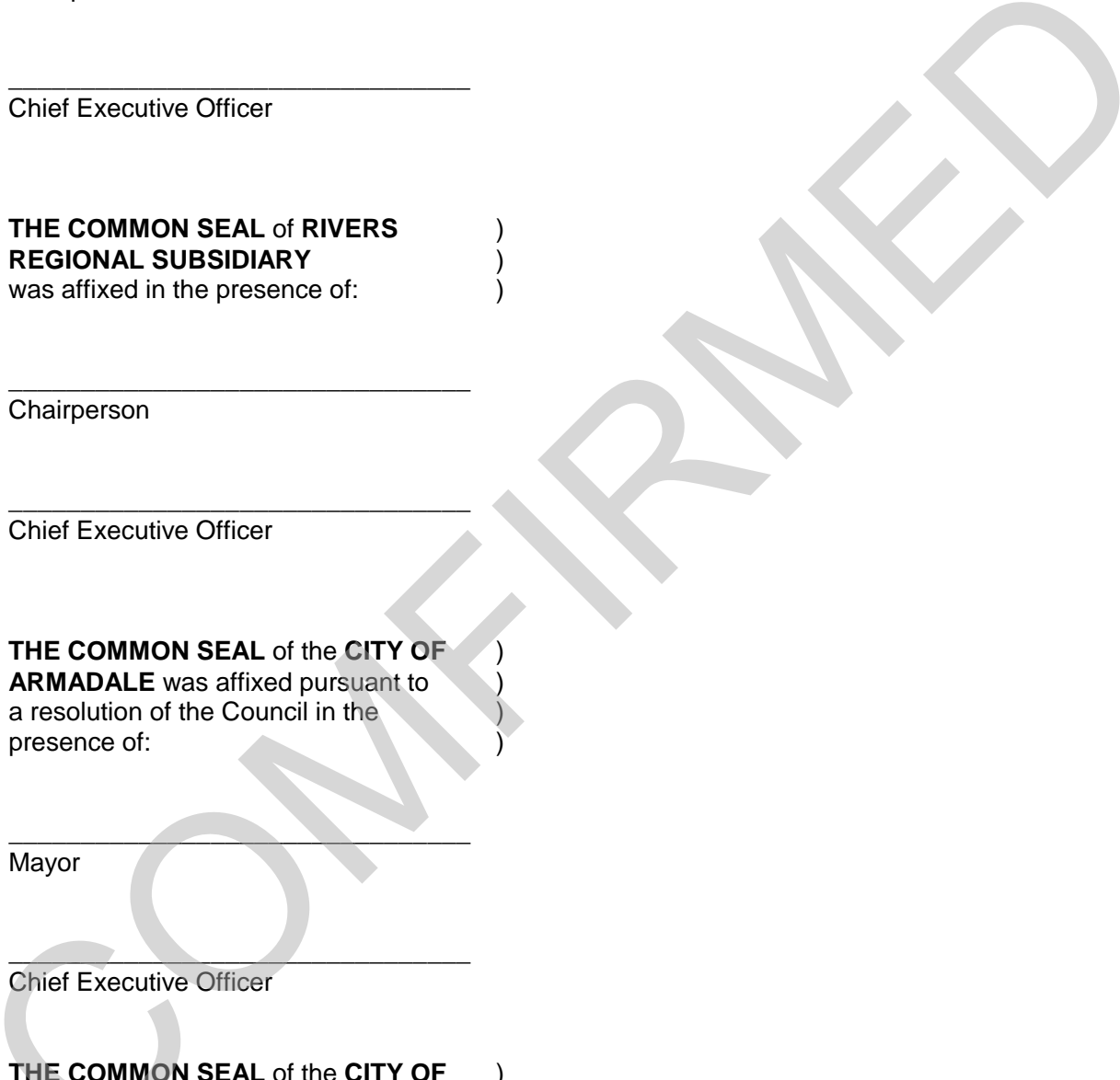
Mayor

Chief Executive Officer

THE COMMON SEAL of the CITY OF GOSNELLS was affixed pursuant to a resolution of the Council in the presence of:))))

Mayor

Chief Executive Officer



THE COMMON SEAL of the **CITY OF**)
SOUTH PERTH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
MANDURAH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
MURRAY was affixed pursuant to)
a resolution of the Council in the)
presence of:)

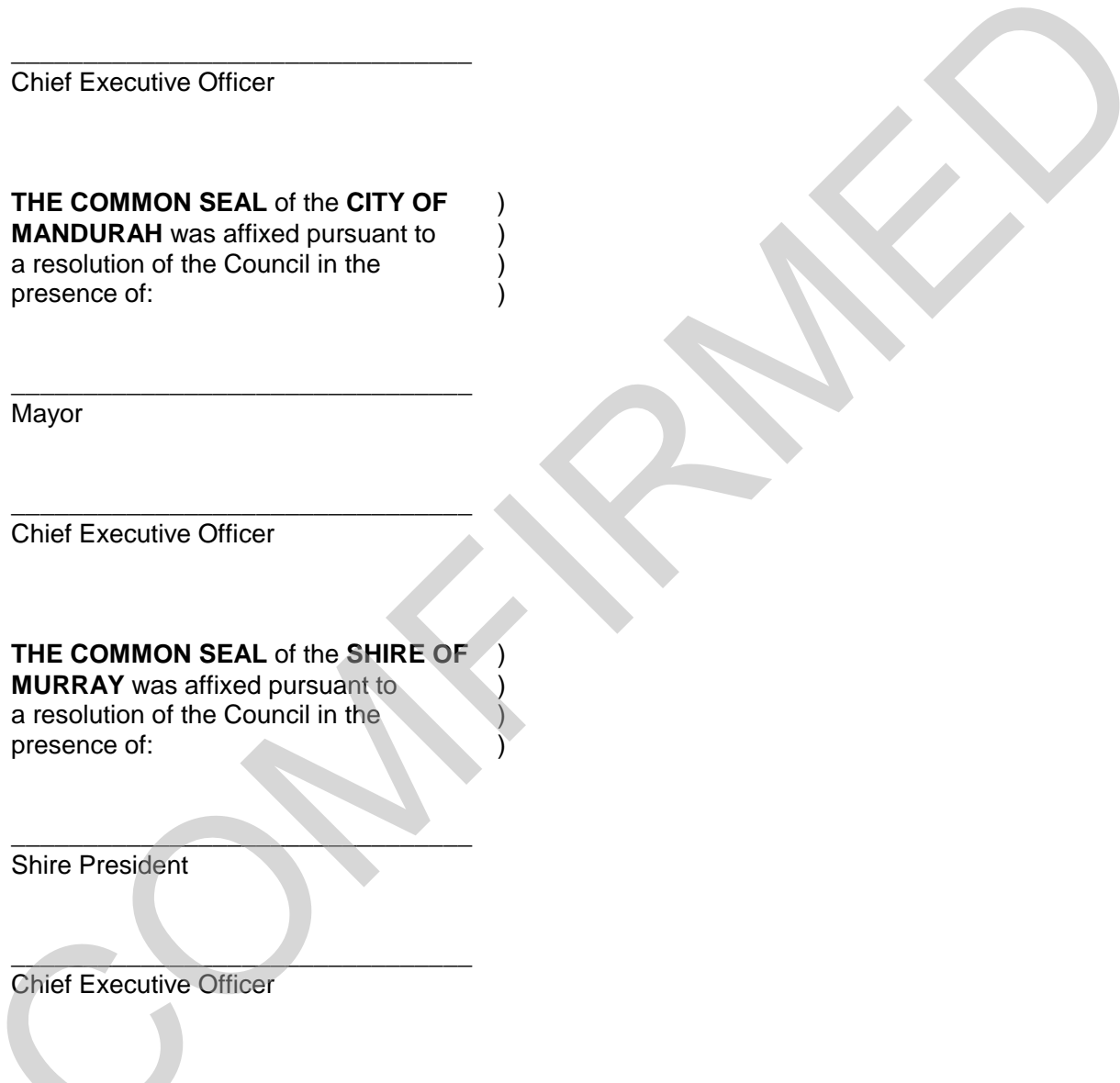
Shire President

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
SERPENTINE-JARRAHDALE was)
affixed pursuant to a resolution of the)
Council in the presence of:)

Shire President

Chief Executive Officer



DEED OF NOVATION

**RIVERS REGIONAL COUNCIL
(ABN 80 479 097 483)**

- and -

RIVERS REGIONAL SUBSIDIARY

- and -

**CITY OF ARMADALE, CITY OF GOSNELLS, CITY OF SOUTH PERTH, CITY OF
MANDURAH, SHIRE OF MURRAY, SHIRE OF SERPENTINE – JARRAHDALÉ,
CITY OF CANNING**

- and -

**KWINANA WTE PROJECT CO PTY LTD
(ACN 165 661 263) in its capacity as trustee of the Kwinana WTE Project Trust
(ABN 50 113 636 774)**

- and -

**BTA INSTITUTIONAL SERVICES AUSTRALIA LIMITED
(ABN 002 916 396)**

THIS DEED is made _____ day of _____ 2019

B E T W E E N

RIVERS REGIONAL COUNCIL (ABN 80 479 097 483) of 13 Third Road, Armadale, Western Australia

and

RIVERS REGIONAL SUBSIDIARY of 13 Third Road, Armadale, Western Australia

and

CITY OF ARMADALE of 7 Orchard Avenue, Armadale, Western Australia;

and

CITY OF GOSNELLS of 2120 Albany Highway, Gosnells, Western Australia;

and

CITY OF SOUTH PERTH of Cnr Sandgate Street and South Terrace, South Perth, Western Australia;

and

CITY OF MANDURAH of 3 Peel Street, Mandurah, Western Australia;

and

SHIRE OF MURRAY of 1915 Pinjarra road, Pinjarra, Western Australia;

and

SHIRE OF SERPENTINE – JARRAHDALE of 6 Paterson Street, Mundijong, Western Australia;

and

CITY OF CANNING of 1317 Albany Highway, Cannington, Western Australia

and

KWINANA WTE PROJECT CO PTY LTD (ACN 165 661 263) in its capacity as trustee of the Kwinana WTE Project Trust (ABN 50 113 636 774) of Lot 9501 Leath Road, Kwinana, Western Australia

and

BTA INSTITUTIONAL SERVICES AUSTRALIA LIMITED (ACN 002 916 396) of Level 2, 1 Bligh Street Sydney, New South Wales

RECITALS:

- A.** The RRC, the Local Governments, Kwinana WTE and BTA are parties to some, or all, of the RRC Waste Agreements.
- B.** The RRC intends to hand over all of its functions to the Subsidiary.
- C.** The Subsidiary is a body corporate that has been established by the Local Governments under section 3.69 of the *Local Government Act 1995 (WA)* (Act) to take over the functions of the RRC.

- D. To enable the Subsidiary to take over these functions the RRC will novate and the Subsidiary has agreed to take a novation of the RRC Waste Agreements on and from the Novation Date.
- E. The Local Governments, Kwinana WTE and BTA consent to the novation of the RRC Waste Agreements from the RRC to the Subsidiary.

THE PARTIES COVENANT AND AGREE:

1. DEFINITIONS

Unless otherwise required by the context or subject matter:

“BTA” means BTA Institutional Services Australia Limited;

“Deed” means this deed as varied, modified or supplemented from time to time;

“Deed of Asset Transfer” means a deed of that name between the RRC, the Subsidiary and the Local Governments;

“Kwinana WTE” means Kwinana WTE Project Co Pty Ltd in its capacity as trustee of the Kwinana WTE Project Trust (ABN 50 113 636 774);

“Local Governments” means the City of Armadale, City of Gosnells, City of Mandurah, City of South Perth and City of Canning, the Shire of Murray and the Shire of Serpentine-Jarrahdale;

“Minister” means the Minister for the time being responsible for the administration of the *Local Government Act 1995 (WA)*;

“Novation Date” means the [REDACTED];

“Parties” means the parties to this Deed and Party means any one or more of them according to context;

“RRC” means the Rivers Regional Council;

“RRC's Covenants” means the covenants, agreements, warranties and obligations contained or implied in the RRC Waste Agreements or imposed by law in each case to be observed and performed (or warranted) as the case may be by the RRC;

“RRC Rights” means the estate, rights and interests of the RRC set out in the RRC Waste Agreements;

“RRC Waste Agreements” means those agreements and documents referred to in Schedule 1;

“Schedule” means a schedule to this Deed; “Specified Encumbrances” means the encumbrances listed in Schedule 2

“Subsidiary” means the Rivers Regional Subsidiary, a body corporate that has been established by the Local Governments under section 3.69 of the Act to take over the functions of the RRC.

2. OPERATIVE PART

- (a) Subject to clause 2(b), in consideration of the Subsidiary agreeing to observe, , perform and be bound by the RRC's Covenants on and from the Novation Date, the RRC as beneficial owner novates to the Subsidiary absolutely all of the

RRC's right, title and interest in the RRC Waste Agreements on and from the Novation Date and on the terms and conditions of this Deed.

- (b) This Deed does not commence until:
- (i) each Party to this Deed has duly executed this Deed;
 - (ii) each party to the Deed of Asset Transfer has duly executed the Deed of Asset Transfer;
 - (iii) the Minister has consented to the establishment of the Subsidiary for the purposes as are set out in the Charter of the Subsidiary and evidence of such consent in form and substance satisfactory to Kwinana WTE and BTA (each acting reasonably) has been provided to Kwinana WTE and BTA; and
 - (iv) each of the Local Governments has duly passed resolutions to enter into this Deed and the Deed of Asset Transfer and certified copies of those resolutions have been provided to Kwinana WTE and BTA.

3. RRCS' COVENANTS WITH THE SUBSIDIARY

RRC covenants with the Subsidiary that:

- (a) the RRC Waste Agreements are valid and subsisting and enforceable in accordance with their terms, and sets out all of the RRC's Rights in relation to the subject matter of the RRC Waste Agreements;
- (b) the RRC's Rights do not infringe the rights of any third party;
- (c) the RRC has full power to novate its right, title and interest in the RRC Waste Agreements to the Subsidiary except for the Specified Encumbrances;
- (d) the novation contemplated by this Deed shall be taken by the Subsidiary free and clear of any mortgage, pledges, liens, charges or other encumbrances or claims or interests of any other person;
- (e) the RRC shall on the Novation Date or as soon as practicable thereafter deliver to the Subsidiary copies of all contracts, invoices and other records, papers, books and documents of the RRC relating to the RRC Waste Agreements; and
- (f) the RRC shall do all acts and things as may be reasonably required by the Subsidiary to give effect to the novation contemplated by this Deed.

4. THE SUBSIDIARY'S COVENANTS WITH THE RRC

The Subsidiary covenants with the RRC and as a separate covenant with the Local Governments, Kwinana WTE and BTA:

- (a) to pay all money payable by the Subsidiary under this Deed (if any);
- (b) to observe, perform and be bound by the RRC's Covenants on and from the Novation Date;
- (c) to assume all liability for any costs, claims and expenses, debts or liabilities incurred or accrued by the RRC (whether actual or contingent) arising out of or in connection with the performance and execution of the RRC Waste

Agreements up to and including the Novation Date, including any costs, claims and expenses, debts or liabilities owed or accruing to any of the Local Governments and / or Kwinana WTE and / or BTA; and

- (d) to indemnify and keep indemnified the RRC against all proceedings, costs, claims and expenses resulting from any failure to observe, perform and be bound by the RRCs' Covenants occurring on or after the Novation Date, or arising from the RRC's failure to promptly pay, discharge or satisfy the expenses, debts or liabilities referred to in paragraph (c) of this clause.

5. CONSENT TO NOVATION

The Local Governments, Kwinana WTE and BTA hereby consent to the novation of each of the RRC Waste Agreements to which they are a party as contemplated by this Deed.

6. MUTUAL RELEASE

6.1 The RRC covenants and agrees that on and from the Novation Date, the RRC:

- (a) releases and discharges the Local Governments Kwinana WTE and BTA from and against all liability whatsoever now existing or which might but for this Deed arise, relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements; and
- (b) will not at any time commence or continue any action, suit or proceeding, or make any claim or demand of any nature against the Local Governments Kwinana WTE or BTA relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements;

and the RRC covenants and agrees that this Deed may be pleaded in bar to any action, suit or proceeding mentioned in paragraph (b) of this sub-clause.

6.2 The Local Governments, Kwinana WTE and BTA covenant and agree that on and from the Novation Date, they will:

- (a) release and discharge the RRC from and against all liability whatsoever now existing or which might but for this Deed arise, relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements; and
- (b) will not at any time commence or continue any action, suit or proceeding, or make any claim or demand of any nature against the RRC relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements;

and the Local Governments, Kwinana WTE and BTA covenant and agree that this Deed may be pleaded in bar to any action, suit or proceeding mentioned in paragraph (b) of this sub-clause.

7. COSTS AND EXPENSES

The Parties shall each pay their own costs and expenses in relation to the instructions for, preparation and execution of this Deed, except that the Subsidiary agrees to pay any duty assessed on this Deed (if any).

8. PROPER LAW

This Deed is governed by, and to be interpreted in accordance with, the laws of Western Australia and where applicable the laws of the Commonwealth of Australia.

9. SEVERANCE

If any part of this Deed is, or becomes void or unenforceable, that part is or will be, severed from this Deed to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

10. FURTHER ASSURANCES

Each Party must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.

11. MISCELLANEOUS

In this Deed:

- (a) a reference to a person includes that person's executors, administrators, successors and assigns;
- (b) a covenant, agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and severally;
- (c) an agreement, representation or warranty given or made by 2 or more persons shall bind them jointly and severally.

SCHEDULE 1**RRC Waste Agreements**

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Date 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 4 Nov 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE (Drafter?)	Dated 16 July 2018
5	Exercise of Rights Letter by the RRC	Dated 23 April 2018
6	Exercise of Rights letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 Oct 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE and BTA	Dated 16 Oct 2018

SCHEDULE 2

Specified Encumbrances

Doc	Description
1	Charge by BTA over the waste supply agreement referred to in doc 2 and 3 of Schedule 1

CONFIRMED

EXECUTED BY THE PARTIES AS A DEED

THE COMMON SEAL of RIVERS REGIONAL COUNCIL (ABN 80 479 097 483) was affixed in the presence of:))))

Chairperson

Chief Executive Officer

THE COMMON SEAL of RIVERS REGIONAL SUBSIDIARY was affixed in the presence of:)))

Chairperson

Chief Executive Officer

THE COMMON SEAL of the CITY OF ARMADALE was affixed pursuant to a resolution of the Council in the presence of:))))

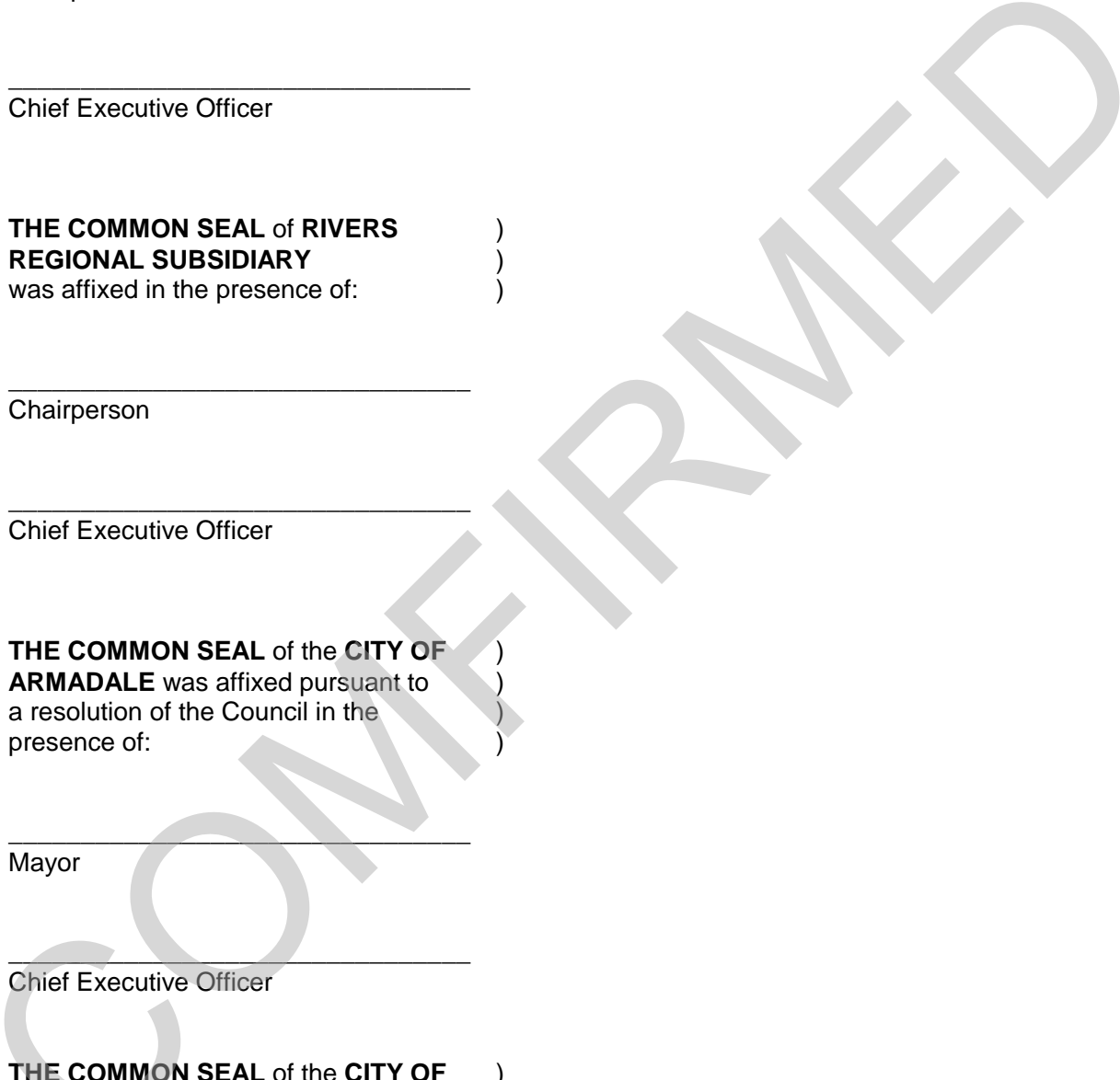
Mayor

Chief Executive Officer

THE COMMON SEAL of the CITY OF GOSNELLS was affixed pursuant to a resolution of the Council in the presence of:))))

Mayor

Chief Executive Officer



THE COMMON SEAL of the **CITY OF SOUTH PERTH** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF MANDURAH** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF MURRAY** was affixed pursuant to a resolution of the Council in the presence of:)
)
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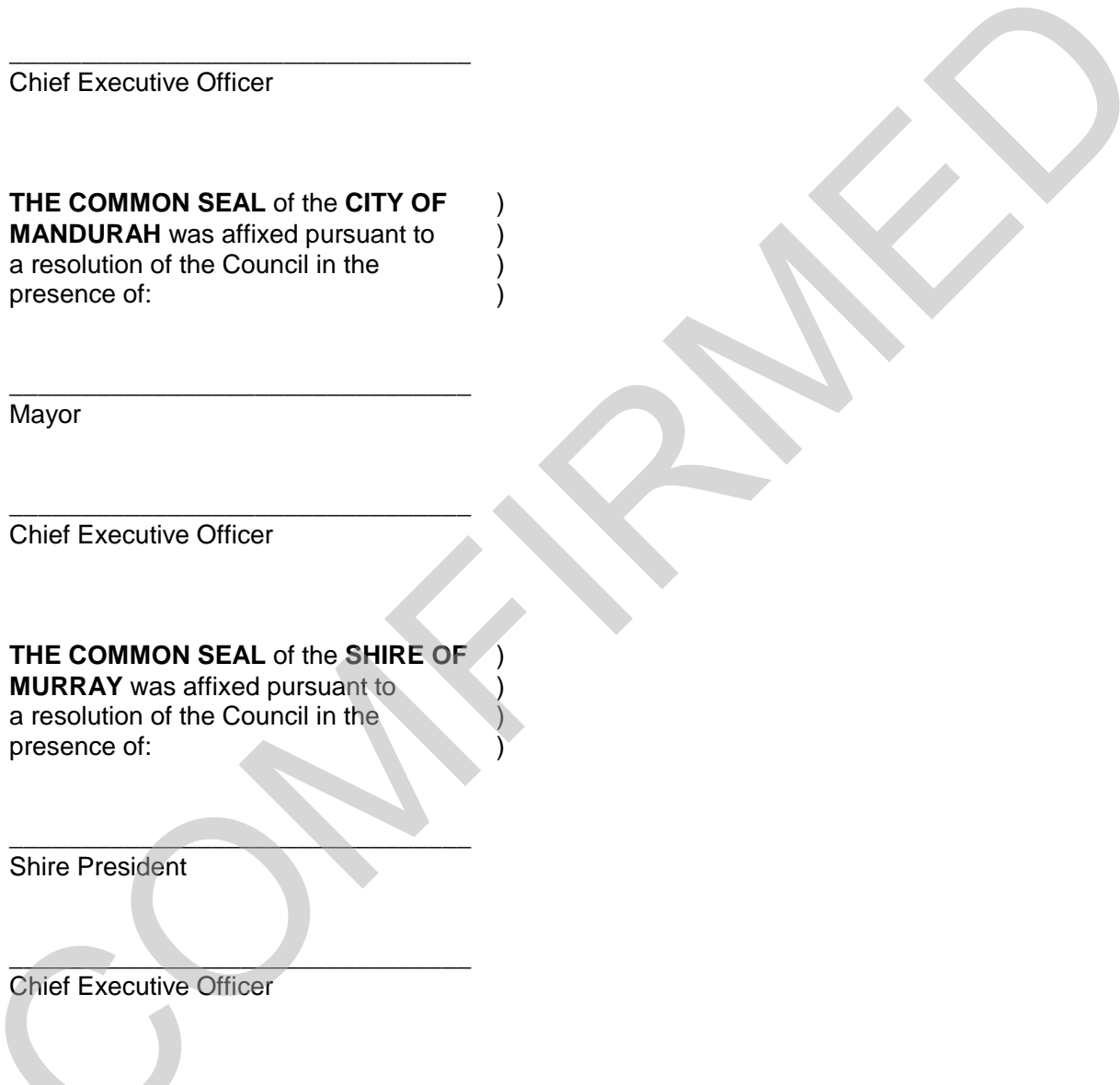
Shire President

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF SERPENTINE-JARRAHDALE** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Shire President

Chief Executive Officer



THE COMMON SEAL of the **CITY OF CANNING** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

Executed by
KWINANA)
WTE PROJECT CO PTY LTD)
(ACN 165 661 263)
in accordance with Section 127
of the Corporations Act 2001 (Cth) in the presence of:)

Director

Director/Secretary

Full Name

Full Name

Executed by
BTA)
INSTITUTIONAL SERVICES)
AUSTRALIA LIMITED
acting by its duly authorised signatory :)

Authorised Signatory

Full Name
