UNCONFIRMED MINUTES

Shire of West Arthur
Ordinary Council Meeting
Thursday 27 August 2026

Forest to Wheatbelt

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The purpose of this council meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on basis of such decision or on any advice or information provided by a member or officer, or on the content of any discussion occurring, during the course of the meeting.

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Content

MINUTES OF SHIRE OF WEST ARTHUR
ORDINARY COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
ON THURSDAY, 27 AUGUST 2026 AT 11:30 AM

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 7.30pm.

The Presiding Member advised all attendees that this meeting is being audio recorded by the Shire of West Arthur. Attendance at this meeting may involve the collection of personal information, including an individual’s voice, and any statements made. Recordings are made for the purpose of maintaining accurate records, enabling transparency in decision-making and fulfilling the legislative requirement of the Local Government Act 1995, and regulations 14F-14I of the Local Government (Administration) Regulations 1996. Recordings are published and made available to the public in accordance with applicable legislation. Personal information is managed in accordance with applicable privacy legislation and the Shire of West Arthur’s Privacy and Responsible Information Sharing Policy.

2 ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE

COUNCILLORS:	Cr Karen Harrington	(Shire President)
	Cr Duncan South	(Deputy Shire President)
	Cr Neil Morrell	(Elected Member)
	Cr Graeme Peirce	(Elected Member)
	Cr Russell Prowse	(Elected Member)
	Cr Natalie O'Neill	(Elected Member)
	Cr Helen Lubcke	(Elected Member)
STAFF:	Mark Hook	(Acting Chief Executive Officer)
	Kylie Caley	(Deputy Chief Executive Officer)
	Gary Rasmussen	(Manager Works and Services)
	Kerryn Chia	(Projects Officer)
APOLOGIES:	Nil	
ON LEAVE OF ABSENCE:	Vin Fordham Lamont	(Chief Executive Officer)
ABSENT:	Sharon Bell	(Community Development Officer)
MEMBER OF THE PUBLIC:	Nil	

3 ANNOUNCEMENTS OF PRESIDING MEMBERS

Nil

4 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5 PUBLIC QUESTION TIME

Nil

6 PETITIONS, DEPUTATIONS, PRESENTATIONS, SUBMISSIONS

Nil

7 APPLICATIONS FOR LEAVE OF ABSENCE

7.1 LEAVE OF ABSENCE REQUEST - CR HARRINGTON

File Ref: **ADM053**

Background

Cr Harrington has submitted Requests for Leave of Absence from the 31st August to 4th September to participate in the Pathway to Politics program at UWA and from the 24th September to 26th September for personal leave.

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION OCM-2026-094

Moved: Cr Graeme Peirce
Seconded: Cr Duncan South

That Council approve the Leave of Absence Requests from Cr Harrington for the 31st August to 4th September and the 24th September to 26th September.

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED 7/0

8 DISCLOSURE OF INTEREST

Nil

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS HELD

9.1 ORDINARY MEETING OF COUNCIL 23 JULY 2026

File Ref:	**ADM378**
Author:	**Renee Schinzig, Administration Officer**
Authorising Officer:	**Mark Hook, Acting Chief Executive Officer**
Date:	**31/07/2026**

Statutory Environment:

Section 5.22 of the *Local Government Act* provides that minutes of all meetings are to be kept and submitted to the next ordinary meeting of the council or the committee, as the case requires, for confirmation.

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION OCM-2026-095

Moved: Cr Neil Morrell
Seconded: Cr Helen Lubcke

That the Minutes of the Ordinary Meeting of Council held in the Council Chambers on 23 July 2026 be confirmed as true and correct.

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED 7/0

10 REPORTS FROM COUNCILLORS

Cr Karen Harrington (Shire President)

Friday 24th July: Attended Downtown Dowerin luncheon as a guest of WALGA and spoke with WALGA President Mark Irwin and CEO Nick Sloan about current issues.

Tuesday 28th July: Attended 4WDL meeting at Lake Grace with Acting CEO. This was my first meeting as the chairperson of 4WDL and spent most of the meeting discussing priorities and strategies of the group for the next 12 months. We will be looking at commercial/industrial land opportunities to build off our success of the key worker housing strategy.

Attended the Community Benefit Fund Pilot Program online and later in the day hosted Cassy Beek of Harvest Housing Solutions where they presented an alternative housing model strategy with houses constructed via 3D printing.

Tuesday 4th August attended the Central Country Zone Executive meeting online

Friday 7th August attended the community planning session with Rob Cossart and Jack Richardson-Cooke from Powering WA together with Acting CEO and Projects Officer. This session was around engagement and communication plans in readiness for the community benefit planning sessions to be held early next year.

Tuesday 11th August attended Community Benefit Pilot Program online. Later in the day was a short/informal meeting with The Energy Charter regarding their recent appointment by Powering WA.

Friday 14th August attended the Central Country Zone meeting at Kulin with Acting CEO and Cr South. We held a strategy planning meeting and some top priorities were promoted. These will now be presented in an action plan by 150 Square Consulting.

Tuesday 18th August attended the final budget workshop. Thank you to the finance staff, particularly our officer, Melinda King who has put an enormous amount of work into preparing the budget at a high standard. Later in the day I attended online a meeting with Powering WA and The Energy Charter to start initial discussions

Tuesday 25th August attended Community Benefit Pilot Program online. Later in the day, attended an online a meeting with Powering WA and other government agencies to discuss issues specific to the energy transition in West Arthur.

Wednesday 26th August attended an online meeting with Aurecon who is a company appointed by Powering WA to undertake an extensive community analysis prior to the CBF community workshops.

Cr Duncan South (Deputy Shire President)

Attended the Central Country Zone Meeting in Kulin on Friday 14th August.

Cr Neil Morrell

Attended the Budget workshop held in the Council Chambers on Tuesday 18th August.

Cr Graeme Peirce

Attended the meeting of the West Arthur Community Resource Centre Committee on Wednesday 29th July.

Cr Russell Prowse

Nil.

Cr Helen Lubcke

Attended the Budget workshop held in the Council Chambers on Tuesday 18th August.

Cr Natalie O’Neill

Attended the meeting of the West Arthur Cottage Homes Committee on Tuesday 11th August.

The Cottage Homes Committee has asked me to pass on a thank you to the Works Manager Mr Gary Rassmutton for the works undertaken at the cottage homes gardens recently.

11 OFFICE OF THE CHIEF EXECUTIVE OFFICER

11.1 EXECUTION OF COMMON SEAL - THE SHED MEMORANDUM OF UNDERSTANDING

File Ref:	**ADM603**
Location:	**N/A**
Applicant:	**N/A**
Author:	**Sharon Bell, Community Development Officer**
Authorising Officer:	**Mark Hook, Acting Chief Executive Officer**
Date:	**20/08/2026**
Disclosure of Interest:	**Nil**
Attachments:	**1. The Shed Memorandum of Understanding**

SUMMARY:

Council is requested to authorise by Council Resolution, the affixation of the Common Seal to execute the Memorandum of Understanding between the Shire of West Arthur and The Shed.

BACKGROUND:

Whilst applying for funding for The Shed, it was discovered that there is no official Memorandum of Understanding (MOU) between the Shire of West Arthur and The Shed. This is a requirement of the funding body, and as such, a MOU has been developed.

It was also discovered that The Shed has a Procedures Manual, dated November 2005, which states that “The Shed operates as a subcommittee of the West Arthur Shire Council. Appointments to the Committee are made in May every two years following the Council elections.” it lists six Shed members as Committee members, along with a Shire representative and a Council representative.

The Community Development Officer is working with The Shed members to reinstate the Committee and review the Procedures Manual.

COMMENT:

The MOU was developed in August 2026, with input by The Shed members and the Acting Chief Executive Officer.

CONSULTATION:

The Shed
Acting CEO

STATUTORY ENVIRONMENT:

Local Government Act 1995:
- S9.49A Execution of Documents

POLICY IMPLICATIONS:

Policy C19 – Execution of Documents and Use of Common Seal

FINANCIAL IMPLICATIONS:

Cost of preparation of MOU

STRATEGIC IMPLICATIONS:

West Arthur Strategic Community Plan 2021-2031
Community – Safe, Friendly and Inclusive
Outcome 1.2 - Support available for people of all ages and abilities

- Provide infrastructure to meet the needs of the community.

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence		**Insignificant**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Likelihood		**1**	**2**	**3**	**4**	**5**
Almost Certain	**5**	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	**4**	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	**3**	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	**2**	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	**1**	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Failure to ensure MOU is in place
Risk Likelihood (based on history and with existing controls)	Possible (3)
Risk Consequence	Minor (2)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Medium (6)
Principal Risk Theme	Inadequate asset management
Risk Action Plan (Controls or Treatment Proposed)	Execute MOU as recommended

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION OCM-2026-096

Moved: Cr Graeme Peirce
Seconded: Cr Russell Prowse

That Council authorise the Shire President and Acting Chief Executive Officer to execute the following attached document under the Common Seal of the Shire of West Arthur.

1. Memorandum of Understanding between the Shire of West Arthur and The Shed.

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED 7/0

SHIRE OF WEST ARTHUR

AND

THE SHED

MEMORANDUM OF UNDERSTANDING

TO UTILISE THE SHED

LOCATED IN RAILWAY RESERVE

DARKAN

Forest to Wheatbelt

1. PARTIES TO THIS MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is between the following parties:

Shire of West Arthur
31 Burrowes St, Darkan WA 6392
(Lessor of building)

And

The Shed
Railway Reserve, Darkan WA 6392
(Lessee of building)

2. BACKGROUND INFORMATION

2.1 This land, being Reserve 49176, is owned by the State of Western Australia, with a Management Order to the Shire of West Arthur.

2.2 The purpose of this Memorandum of Understanding is to regulate the occupation and use of the building known as The Shed, located on Reserve 49176.

2.3 The Memorandum of Understanding relates only to The Shed, located on Reserve 49176.

All parties agree as follows:

2.4 The general terms and conditions for the use of the Site are set out in Section 3 (the Agreement)

2.5 All parties agree that the Shire of West Arthur are the recognised Site Owner of this facility.

2.6 The Shed members ensures all and any work, meetings, workshops, events and other activities are not detrimental to the Shire of West Arthur's core business and facilities.

3. THE AGREEMENT

3.1 For the members of The Shed to use the facility for the purpose of conducting a Men's Shed Facility.

3.2 The Lessee is not to make or erect any alterations or improvements to the workshop without the Site Owner's express written agreement.

3.3 Any alterations, improvements, renovations, refurbishments must be submitted to the Shire of West Arthur prior to work commencement for approval.

3.4 To ensure any and all electrical, plumbing installation work to be carried out by a qualified tradesperson.

3.5 To ensure all insurances including public liability are kept current and/or in agreement with the Shire of West Arthur.

3.6 To ensure all equipment, structures etc are to be kept in a safe and good working condition.

3.7 That all effort is made to ensure all members, participants and guests of The Shed employ safe working practices during workshops and any practical demonstrations of equipment and machinery.

4. GRANT OF LEASE

4.1 The Shire grants to The Shed and The Shed accepts a lease of the premises for a term of ten (10) years plus eleven (11) years) from the date of commencement (see Schedule).

5. AUTHORITY TO BIND

5.1 Nothing contained in this MOU shall be deemed to constitute a relationship between the Shire and The Shed or that of principal and agent, and neither of the parties has the power or authority to incur any liability or expenses on behalf of the other without prior written consent.

6. TERMINATION

6.1 Either party may terminate this MOU by giving the other not less than six (6) months' notice in writing.

7. DISPUTE RESOLUTION

7.1 In the event of any dispute arising out in relation to the obligation of the Parties or a breach thereof the parties agree to try in good faith to settle the dispute by mediation.

Schedule

1. **Owner of Land**

   State of Western Australia, with a Management Order to the Shire of West Arthur

2. **Owner of Building**

   Shire of West Arthur

3. **Tenant**

   The Shed

4. **Land**

   Reserve 49176, known as Railway Reserve Park

5. **Site**

   This MOU relates only to the land and building outlined in a red square on the diagram contained within Appendix A

6. **Commencement Date**

   This agreement commences on 31st August 2026, for a period of ten (10) years, plus eleven (11) years

7. **Option to Renew**

   This agreement will be renewed prior to the expiration date of the MOU, if all parties are in agreement

8. **Termination**

   Either party may terminate this MOU by giving the other not less than six (6) months' notice in writing

9. **Rent**

   $0

10. **Areas of Responsibility**

Shire of West Arthur

- Property Insurance
- Shire Rates (if levied)
- Water Rates and Consumption Charges
- Fire Extinguisher Service
- External Building Maintenance

- ESL Charges
- Rubbish Collection Charges
- Power Consumption Charges

The Shed

- Toiletries, cleaning products and other consumable items
- Internal painting
- Internal building maintenance
- Yard maintenance
- Internal building cleaning
- Provision and maintenance of all equipment and materials associated with the activities of The Shed
- Provision and maintenance of furniture, crockery/cutlery, cooking utensils, decorations, window treatments and floor coverings

Appendix A

EXECUTED

The Common Seal of the Shire of)
West Arthur was hereunto affixed)
in the presence of)

Karen Harrington	Mark Hook
SHIRE PRESIDENT	ACTING CHIEF EXECUTIVE OFFICER
SHIRE OF WEST ARTHUR	SHIRE OF WEST ARTHUR
DATED:	DATED:

Phil Harrington
ORGANISER
THE SHED
DATED:

12 CORPORATE SERVICES

12.1 MONTHLY FINANCIAL REPORTS - JULY 2026

File Ref:	**ADM339**
Location:	**N/A**
Applicant:	**N/A**
Author:	**Melinda King, Manager Financial Reporting**
Authorising Officer:	**Kylie Caley, Deputy Chief Executive Officer**
Date:	**12/08/2026**
Disclosure of Interest:	**Nil**
Attachments:	**1. Monthly Financial Report July 2026**

SUMMARY:

Council is requested to consider the financial reports for the period ending 31 July 2026.

BACKGROUND:

The financial reports for the period ending 31 July 2026 are attached.
The annual budget for the 2026/2027 will be adopted in August 2026, accordingly there is no adopted budget or variance to budget reported in the July monthly financial report.

COMMENT:

As the adoption of the 2026/27 Budget is scheduled for August, the July financial reports have been prepared to meet statutory reporting obligations only. Meaningful year-to-date comparisons are not available at this stage, as the new financial year budget has not yet been formally adopted and there are no approved budget figures against which actual results can be compared.

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

CONSULTATION:

No consultation required.

STATUTORY ENVIRONMENT:

Regulation 34 (1) of the Local Government (Financial Management) Regulations 1996 states that a Local Government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for the previous month (the relevant month) in the following detail —

(a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c); and
(b) budget estimates to the end of the relevant month and
(c) actual amounts of expenditure, revenue and income to the end of the relevant month and
(d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
(e) the net current assets at the end of the relevant month, and a note containing a summary explaining the composition of the net existing assets.

POLICY IMPLICATIONS:
Nil

FINANCIAL IMPLICATIONS:
This item reports on the current financial position of the Shire. The recommendation does not in itself have a financial implication.

STRATEGIC IMPLICATIONS:
West Arthur Towards 2031
Theme: Leadership and Management
Outcome: Establish and maintain sound business and governance structures
Strategy: Ensure that the local community is provided with value for money through the prudent expenditure of rates

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

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- Inadequate supplier / contract management
- Providing inaccurate advice / information
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Risk Matrix:

Consequence		**Insignificant**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Likelihood		**1**	**2**	**3**	**4**	**5**
Almost Certain	**5**	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	**4**	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	**3**	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	**2**	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	**1**	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Not preparing monthly financial statement which affects Council's ability to oversee the Shire's financial management.
Risk Likelihood (based on history and with existing controls)	Rare (1)
Risk Consequence	Minor (2)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Low (2)
Principal Risk Theme	Compliance Failure
Risk Action Plan (Controls or Treatment Proposed)	Prepare monthly financial statements for the Council

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION OCM-2026-097

Moved: Cr Neil Morrell
Seconded: Cr Helen Lubcke

That Council notes the monthly financial statements for the period ending 31 July 2026.

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED 7/0

SHIRE OF WEST ARTHUR

MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

For the period ended 31 July 2026

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

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SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

	Note	Adopted Budget Estimates (a) $	YTD Budget Estimates (b) $	YTD Actual (c) $	Variance* $ (c) - (b) $
OPERATING ACTIVITIES					
Revenue from operating activities					
Grants, subsidies and contributions		0	0	**90,719**	90,719
Fees and charges		0	0	**31,304**	31,304
Interest revenue		0	0	**5,965**	5,965
Other revenue		0	0	**21,039**	21,039
Profit on asset disposals		0	0	**56,162**	56,162
		0	**0**	**205,189**	**205,189**
Expenditure from operating activities					
Employee costs		0	0	**(247,268)**	(247,268)
Materials and contracts		0	0	**(151,947)**	(151,947)
Utility charges		0	0	**(1,475)**	(1,475)
Depreciation		0	0	**(316,184)**	(316,184)
Insurance		0	0	**(81,030)**	(81,030)
		0	**0**	**(797,904)**	**(797,904)**
Amounts excluded from operating activities	2(c)	0	0	**260,022**	260,022
Amount attributable to operating activities		**0**	**0**	**(332,693)**	**(332,693)**
INVESTING ACTIVITIES					
Inflows from investing activities					
Proceeds from disposal of property, plant and equipment		0	0	**56,162**	56,162
		0	**0**	**56,162**	**56,162**
Outflows from investing activities					
Acquisition of property, plant and equipment		0	0	**(2,024)**	(2,024)
Acquisition of infrastructure		0	0	**(1,171)**	(1,171)
		0	**0**	**(3,195)**	**(3,195)**
Amount attributable to investing activities		**0**	**0**	**52,967**	**52,967**
FINANCING ACTIVITIES					
Outflows from financing activities					
Transfer to reserves		0	0	**(3,007)**	(3,007)
Amount attributable to financing activities		**0**	**0**	**(3,007)**	**(3,007)**
MOVEMENT IN SURPLUS OR DEFICIT					
Surplus or deficit at the start of the financial year	2(a)	1,828,120	1,828,120	**1,828,120**	0
Amount attributable to operating activities		0	0	**(332,693)**	(332,693)
Amount attributable to investing activities		0	0	**52,967**	52,967
Amount attributable to financing activities		0	0	**(3,007)**	(3,007)
Surplus or deficit after imposition of general rates		**1,828,120**	**1,828,120**	**1,545,387**	**(282,733)**

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data outside the adopted materiality threshold.
▲ Indicates a variance with a positive impact on the financial position.
▼ Indicates a variance with a negative impact on the financial position.
Refer to Note 3 for an explanation of the reasons for the variance.

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

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SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 JULY 2026

	Actual 30 June 2026	Actual as at 31 July 2026
	$	$
CURRENT ASSETS		
Cash and cash equivalents	5,334,081	5,003,223
Trade and other receivables	185,705	70,906
Other financial assets	33,136	33,136
Inventories	102,294	102,294
Other assets	137,699	105,573
Non-current assets classified as held for sa	65,107	65,107
TOTAL CURRENT ASSETS	5,858,022	5,380,239
NON-CURRENT ASSETS		
Other financial assets	299,540	299,540
Property, plant and equipment	20,100,486	20,043,007
Infrastructure	111,341,644	111,086,134
TOTAL NON-CURRENT ASSETS	131,741,670	131,428,681
TOTAL ASSETS	137,599,692	136,808,920
CURRENT LIABILITIES		
Trade and other payables	312,746	112,506
Other liabilities	1,979,771	1,979,771
Borrowings	97,168	97,168
Employee related provisions	413,858	416,041
TOTAL CURRENT LIABILITIES	2,803,543	2,605,486
NON-CURRENT LIABILITIES		
Borrowings	497,158	497,158
Employee related provisions	28,674	28,674
Other provisions	55,324	55,324
TOTAL NON-CURRENT LIABILITIES	581,156	581,156
TOTAL LIABILITIES	3,384,699	3,186,642
NET ASSETS	**134,214,993**	**133,622,278**
EQUITY		
Retained surplus	6,947,624	6,351,902
Reserve accounts	1,667,504	1,670,511
Revaluation surplus	125,599,865	125,599,865
TOTAL EQUITY	**134,214,993**	**133,622,278**

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

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

1 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements
Section 6.4(2) of the Local Government Act 1995 read with the *Local Government (Financial Management) Regulations 1996,* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied with exception to the following:

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supplementary information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 18 August 2026

The local government reporting entity
All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements.

Material accounting policies
Material accounting policies utilised in the preparation of these statements are as described within the 2026-27 Annual Budget. Please refer to the adopted budget document for details of these policies.

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment
  - Infrastructure
- Impairment losses of non-financial assets
- Expected credit losses on financial assets
- Assets held for sale
- Measurement of employee benefits
- Measurement of provisions

SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

2 NET CURRENT ASSETS INFORMATION

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

	Note	Adopted Budget Opening 1 July 2026	Actual as at 30 June 2026	Actual as at 31 July 2026
		$	$	$
Current assets				
Cash and cash equivalents		0	5,334,081	5,003,223
Trade and other receivables		0	185,705	70,906
Other financial assets		0	33,136	33,136
Inventories		0	102,294	102,294
Other assets		0	137,699	105,573
Assets classified as held for sale		0	65,107	65,107
		0	5,858,022	5,380,239
Less: current liabilities				
Trade and other payables		0	(312,746)	(112,506)
Other liabilities		0	(1,979,771)	(1,979,771)
Borrowings		0	(97,168)	(97,168)
Employee related provisions		0	(413,858)	(416,041)
		0	(2,803,543)	(2,605,486)
Net current assets		0	3,054,479	2,774,753
Less: Total adjustments to net current assets	2(b)	0	(1,226,359)	(1,229,366)
Closing funding surplus / (deficit)		**0**	**1,828,120**	**1,545,387**

(b) Current assets and liabilities excluded from budgeted deficiency

	Note	Adopted Budget Opening 1 July 2026	Actual as at 30 June 2026	Actual as at 31 July 2026
Adjustments to net current assets				
Less: Reserve accounts		0	(1,667,504)	(1,670,511)
Less: Current assets not expected to be received at end of year				
- Financial assets at amortised cost - self supporting loans		0	(33,136)	(33,136)
- Land held for resale		0	(79,118)	(79,118)
Assets Held for sale		0	(65,107)	(65,107)
Add: Current liabilities not expected to be cleared at the end of the year				
- Current portion of borrowings		0	97,168	97,168
- Current portion of employee benefit provisions		0	521,338	521,338
Total adjustments to net current assets	2(a)	**0**	**(1,226,359)**	**(1,229,366)**

(c) Amounts excluded from operating activities

	Adopted Budget Estimates 30 June 2027	YTD Budget Estimates 31 July 2026	YTD Actual 31 July 2026
	$	$	$
Less: Profit on asset disposals	0	0	(56,162)
Add: Depreciation	0	0	316,184
Total amounts excluded from operating activities	**0**	**0**	**260,022**

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 local governments' operational cycle.

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SHIRE OF WEST ARTHUR
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

3 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 2026-27 year is
Operating transactions the greater of 10% or $10,000
Capital transactions the greater of 20% or $25,000

There are no reportable variances for the period July 2026

12.2 ACCOUNTS FOR PAYMENT LISTING - JULY 2026

File Ref:	**ADM338**
Location:	**N/A**
Applicant:	**N/A**
Author:	**Kylie Whitaker, Finance Officer**
Authorising Officer:	**Kylie Caley, Deputy Chief Executive Officer**
Date:	**12/08/2026**
Disclosure of Interest:	**Nil**
Attachments:	**1. Accounts for Payment Listing - 1 July 2026 - 31 July 2026** **2. Corporate Card Summary Statement - 26 June 2026 to 25 July 2026**

SUMMARY:

Council is requested to endorse payments of accounts for July 2026 as listed and note the attached credit card transactions.

BACKGROUND:

The schedule of accounts for payment is included as attachments for Council information.

COMMENT:

If you have any questions regarding payments in the listing, don't hesitate to contact the office before the Council meeting.

CONSULTATION:

No consultation required.

STATUTORY ENVIRONMENT:

Local Government (Financial Management) Regulations 1996

12. Payments from municipal fund or trust fund, restrictions on making
    1. A payment may only be made from the municipal fund or the trust fund —
        (a) if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or
        (b) otherwise, if the payment is authorised in advance by a resolution of the council.
    2. The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.
13. Payments from municipal fund or trust fund by CEO, CEO’s duties as to etc.
    1. If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
        (a) the payee’s name; and
        (b) the amount of the payment; and
        (c) the date of the payment; and
        (d) sufficient information to identify the transaction.
    2. A list of accounts for approval to be paid is to be prepared each month showing —
        (a) for each account which requires council authorisation in that month —
            (i) the payee’s name; and
            (ii) the amount of the payment; and
            (iii) sufficient information to identify the transaction; and

   (b) the date of the meeting of the council to which the list is to be presented.

3. A list prepared under sub regulation (1) or (2) is to be —
   (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
   (b) recorded in the minutes of that meeting.

POLICY IMPLICATIONS:

Policy F29 – Purchasing Policy
Policy F2 – Corporate Transaction Cards Policy

FINANCIAL IMPLICATIONS:

There are no financial implications. Reported expenditure is assessed by management as being consistent with the adopted Annual Budget.

STRATEGIC IMPLICATIONS:

West Arthur Towards 2031
Theme: Leadership and Management
Outcome: Establish and maintain sound business and governance structures
Strategy: Comply with regulations and best practice standards to drive good decision making by Council and Staff

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence / Likelihood		Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
Almost Certain	**5**	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	**4**	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	**3**	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	**2**	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	**1**	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Unauthorised (or incorrectly authorised) payments being made
Risk Likelihood (based on history and with existing controls)	Rare (1)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Low (4)
Principal Risk Theme	Misconduct
Risk Action Plan (Controls or Treatment Proposed)	Payments listing provided to Council each month

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION OCM-2026-098

Moved: Cr Graeme Peirce
Seconded: Cr Duncan South

That Council:

1. in accordance with section 13 of the Financial Management Regulations of the Local Government Act 1995 and in accordance with delegation, note July 2026 Municipal Fund vouchers 10072026.1-10072026.28, 24072026.1-24072026.26, Licensing, Salaries and Wages, EFT Transfers and Direct Debits totalling $626,801.70 listed (attached) as approved for payment.
2. note the attached Corporate Credit Card facility transaction summary from 26 June 2026 to 25 July 2026.

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED 7/0

Shire of West Arthur
Creditor Payments
July 2026

Date	Reference	Detail	Amount
1/07/2026	Bpay	**Dept of Transport**	12,598.45
		2627 plant & vehicle licensing	
14/07/2026	Bpay	**Australian Communications & Media**	118.00
		Land Mobile System at Mount Fisher. Renewed to 28/7/27	
3/07/2026	Direct Debit	**Aware Super Clearing House**	12,603.55
		Fortnightly Superannuation Contributions	
7/07/2026	Direct Debit	**Synergy**	1,032.37
		CRC Supply Charge & consumption 19/5 - 15/6/26	
8/07/2026	Direct Debit	**National Australia Bank**	39.99
		Connect Fee May 2026	
16/07/2026	Direct Debit	**Rentfind Technologies Pty Ltd**	22.00
		Rent Find Monthly Fee July 2026	
17/07/2026	Direct Debit	**Aware Super Clearing House**	12,075.95
		Fortnightly Superannuation Contributions	
21/07/2026	Direct Debit	**Telstra**	45.00
		Mobile, Landlines & Data for Shire facilities to 1/7/26	
23/07/2026	Direct Debit	**WA Treasury Corporation**	2,127.80
		Guarantee fee for Shire loans	
27/07/2026	Direct Debit	**NAB Credit Card**	684.00
		See attached statement	
27/07/2026	Direct Debit	**Synergy**	1,526.93
		Streetlights 25/5 - 24/6/26	
27/07/2026	Direct Debit	**Telstra**	1,463.42
		Mobile, Landlines & Data for Shire facilities to 1/7/26	
27/07/2026	Direct Debit	**Telstra**	1,514.12
		Mobile, Landlines & Data for Shire facilities to 1/7/26	
28/07/2026	Direct Debit	**Synergy**	6,073.95
		6 & 22 Hillman, Admin office, Depot, 10 King, Darkan Hall, 162 Moodiarrup Rd, Arthur River Hall, Lake, Darkan Fire Shed, The Shed, Moodi Hall, Dura Water, Info Bay, Hull Park, 10 Gibbs Supply Charge & Consumption 7/5-6/7/26	
29/07/2026	Direct Debit	**Motorpass**	13.54
		Management Fees - Arthur River & Darkan Fuel Card	
29/07/2026	Direct Debit	**Synergy**	2,291.73
		Caravan Park, Rail Reserve House, Arthur River Historical Site Supply Charge & Consumption 7/5 - 6/7/26	
30/07/2026	Direct Debit	**National Australia Bank**	48.23
		Connect Fee Access & Usage	
31/07/2026	Direct Debit	**National Australia Bank**	276.18
		Merchant Fee	
31/07/2026	Direct Debit	**National Australia Bank**	31.00
		Account Fee	

Shire of West Arthur
Creditor Payments
July 2026

Date	Reference	Detail	Amount
31/07/2026	Direct Debit	**National Australia Bank**	10.00
		Account Fee 50-831-4406	
31/07/2026	Direct Debit	**Aware Super Clearing House**	13,086.63
		Fortnightly Superannuation Contributions	
2/07/2026	Eft	**Salaries and Wages**	80,526.09
		Payroll	
16/07/2026	Eft	**Salaries and Wages**	62,097.82
		Payroll	
30/07/2026	Eft	**Salaries and Wages**	64,831.69
		Payroll	
10/07/2026	10072026.1	**Air Liquide**	57.28
		Cylinder Fees	
10/07/2026	10072026.2	**AMPAC Debt Recovery (WA)**	249.35
		Rate Recovery Costs A2685 & A406	
10/07/2026	10072026.3	**Australia Post**	65.91
		Registered post - new leases & postage bag for postage of history book	
10/07/2026	10072026.4	**Australian Museums & Galleries Association**	165.00
		AMAGA Annual Membership 2627	
10/07/2026	10072026.5	**Bookeasy Australia Pty Ltd**	220.00
		Caravan Park Booking System - June 2026	
10/07/2026	10072026.6	**Chargefox Pty Ltd**	79.86
		EV Charging Station - monthly fee	
10/07/2026	10072026.7	**David Wills and Associates**	946.00
		HSPS2 - Tender Documentation	
10/07/2026	10072026.8	**Dept of Local Govt, Industry Regulation & Saf**	144.26
		January 2026 Remittance & June 2026 Remittance	
10/07/2026	10072026.9	**Fleays Store**	44.56
		Milk & biscuits for office & groceries for seniors meals	
10/07/2026	10072026.10	**Fuel Distributors of WA**	20,243.35
		11000L Diesel for depot, star card fees & fuel for executive vehicles	
10/07/2026	10072026.11	**JLT Risk Solutions**	346.50
		Marine Cargo - Renewal M9M032560CAN	
10/07/2026	10072026.12	**Kelley Contracting Pty Ltd**	8,111.40
		Supply & Install retaining wall 10 King Street	
10/07/2026	10072026.13	**Local Health Authorities Analytical Comm**	420.74
		LHAAC Sampling Scheme Annual Fee 26/27	
10/07/2026	10072026.14	**Magiq Software Limited**	32,447.95
		Subscription - Magiq Suite & Reporting	

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Shire of West Arthur
Creditor Payments
July 2026

Date	Reference	Detail	Amount
10/07/2026	10072026.15	**Market Creations**	13,876.50
		Annual website subscription to 1/7/27 & SSL wildcard certificate	
10/07/2026	10072026.16	**Museum of Perth**	548.90
		Annual subscription	
10/07/2026	10072026.17	**Ocean Edge Plumbing & Gas**	1,460.80
		Footy oval septics - assess & 11 King St leaking cistern	
10/07/2026	10072026.18	**Pederick Engineering**	302.37
		Hydraulic Hose 2850mm long with fittings, Cut & weld out fitting to new crimp 2850mm long with fittings	
10/07/2026	10072026.19	**Regional Communications Solutions**	510.00
		Starlink subscription - 6 months	
10/07/2026	10072026.20	**Shire of Collie**	1,268.40
		Pool Barricade Compliance Inspection Fees	
10/07/2026	10072026.21	**Shire of Narrogin**	1,028.25
		Regional Environmental Health Officer Services June 2026 & Manager Services June 2026	
10/07/2026	10072026.22	**Sprys Meat Market**	64.03
		Seniors Meals - meat	
10/07/2026	10072026.23	**St Luke's Family Practice**	2,310.00
		Darkan Clinic Doctor Service & travel Fees - June 2026	
10/07/2026	10072026.24	**Team Global Express**	73.57
		Express Print Freight	
10/07/2026	10072026.25	**Think Project**	9,655.27
		Digital Asset Register 01 Jul 2026 to 30 Jun 2027	
10/07/2026	10072026.26	**Warren Blackwood Waste**	3,202.45
		Recycling, commercial & domestic waste June 26 incl fuel levy	
10/07/2026	10072026.27	**West Arthur Community Resource Centre**	1,835.75
		Betty Brown Centre Advertising & Promo 2526, laminating & Dr's hours June 2026	
10/07/2026	10072026.28	**WML Consultants**	5,321.80
		Darkan Parking Bay Initial 2D Concept Design for Shire Review	
24/07/2026	24072026.1	**Auspire - Australia Day Council**	836.00
		Gold Membership Subscription	
24/07/2026	24072026.2	**Bell Sharon**	1,020.75
		Reimbursement for seniors meals groceries, office supplies & uht milk for caravan park	

Shire of West Arthur
Creditor Payments
July 2026

Date	Reference	Detail	Amount
24/07/2026	24072026.3	**City of Kalamunda**	208.33
		Building Services June 2026	
24/07/2026	24072026.4	**Darkan Agri Services**	1,796.37
		Various items for maint./cleaning of shire buildings	
24/07/2026	24072026.5	**DKM Workplace Solutions**	444.40
		Monthly Workplace Subscription - July 26 etc	
24/07/2026	24072026.6	**Exurban Rural and Regional Planning**	1,553.36
		Town Planning Consultancy Services June 2026	
24/07/2026	24072026.7	**Filters Plus WA**	1,089.33
		Parts & Repairs	
24/07/2026	24072026.8	**FL Costello and Co**	990.00
		Replacement coin operating slot - washing machine	
24/07/2026	24072026.9	**Fordham Lamont Vin**	59.00
		Reimbursement for Optus Broadband - CEO Home Internet	
24/07/2026	24072026.10	**Fortus Group**	7,534.67
		Grader blade, plow nut & freight	
24/07/2026	24072026.11	**Infinitum Technologies Pty Ltd**	10,035.84
		Managed Service Agreement - Gold July 26 & Lenovo ThinkPad	
24/07/2026	24072026.12	**Institute of Public Works Engineering Aus IPW**	2,090.00
		BuildPlus subscription fee 26/27	
24/07/2026	24072026.13	**Landgate**	132.20
		UV Interim - Rural Areas & caveat document 17 Nangip	
24/07/2026	24072026.14	**LGISWA**	134,664.03
		First instalment Insurances 2627	
24/07/2026	24072026.15	**Local Government Professionals Aus WA**	1,220.00
		2026 - 2027 Bronze Local Government Shire of West Arthur & 2026-2027 Full membership Vin Fordham Lamont	
24/07/2026	24072026.16	**Mcleods Lawyers Pty Ltd**	1,276.00
		Review of lake lease	
24/07/2026	24072026.17	**Metal Artwork Badges**	137.50
		Desk Plates x2 - ACEO & DCEO, freight	
24/07/2026	24072026.18	**Monarch 360 Pty Ltd**	39,476.80
		Monarch EDRMS - Licence 2026-2027	
24/07/2026	24072026.19	**Narrogin Betta**	2,301.00
		Replacement oven & dishwasher for shire housing	
24/07/2026	24072026.20	**Peez Mark William**	214.00
		Reimbursement for hire of Darkan Hall bond	
24/07/2026	24072026.21	**Procare Locksmiths**	850.00
		Airkey instal - sports club	

Shire of West Arthur
Creditor Payments
July 2026

Date	Reference	Detail	Amount
24/07/2026	24072026.22	**Signs Plus**	71.00
		2 x Staff Deluxe Domed Magnetic Clip Badges	
24/07/2026	24072026.23	**Source Machinery Pty Ltd**	408.32
		Parts & Repairs	
24/07/2026	24072026.24	**Team Global Express**	103.21
		SOS Office Freight & Filters Plus Freight	
24/07/2026	24072026.25	**WA Contract Ranger Services Pty Limited**	1,039.50
		Ranger Services 2, 7, 9 July 2026	
24/07/2026	24072026.26	**WALGA**	20,142.15
		Association Subscription 2627, Procurement Services 2627, Employee Relations 2627, Governance Service 2627	
MUNICIPAL FUND		**VOUCHERS**	
		BPAY	12,716.45
		DIRECT DEBIT	54,966.39
		EFT	207,455.60
		10072026.1-10072026.28	105,000.25
		24072026.1-24072026.26	229,693.76
		LICENSING JULY 2026 TRANSFERS	16,969.25
		TOTAL	626,801.70

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SHIRE OF WEST ARTHUR
PAYMENTS OF ACCOUNTS BY NAB VISA CARD
FOR THE STATEMENT PERIOD: 26 June to 25 July 2025

DATE	PAYEE	PO NUMBER	DESCRIPTION	SOWA EXPENSE CODE	EXPENSE DESCRIPTION	TOTAL
			1. CARD NUMBER 4336-XXXX-XXXX-8951 R. SUNNER			
29-Jun-26	Transport WA	104642	Special plate series John Hetherington	E141025	OTHER PROPERTY & SERVICES.:Private Works:Online Licensing	$225.00
			CARD 1 PAYMENTS			$225.00
				MARK HOOK Authorised by ACTING CEO	Signed	
			2. CARD NUMBER 4336-XXXX-XXXX-1064 G. RASMUSSEN			
13-Jul-26	Starlink	104636	Depot Wifi	E142020	OTHER PROPERTY & SERVICES.:Administration Overheads:Computer Maintenance	150.00
			CARD 2 PAYMENTS			$150.00
	GARY RASMUSSEN Cardholder Name		Cardholder Signed	MARK HOOK Authorised by ACTING CEO	Signed	
			3. CARD NUMBER 4336-XXXX-XXXX-2128 V. FORDHAM LAMONT			
02-Jul-26	Shire of West Arthur	104358	Movement permit for trailer inspection	E129010	TRANSPORT.:Transport Administration:Transport Admin & Permits	$25.20
03-Jul-26	Shire of West Arthur	104369	Registration of trailer AW5425	E144010	OTHER PROPERTY & SERVICES.:Plant Cost Overheads:Plant Maintenance	$58.40
06-Jul-26	J & J Swan Pty Ltd	104367	Inspection of trailer at Collie Inspection Centre	E129010	TRANSPORT.:Transport Administration:Transport Admin & Permits	$225.40
			CARD 3 PAYMENTS			$309.00
	VINCENT FORDHAM LAMONT Cardholder Name		Signed by ACTING CEO, MARK HOOK	KAREN HARRINGTON Reviewed by Shire President	Signed	
			4. CARD NUMBER 4336-XXXX-XXXX-2128 M. HOOK			
			CARD 4 PAYMENTS			$0.00
	MARK HOOK Cardholder Name		Cardholder Signed	KAREN HARRINGTON Reviewed by Shire President	Signed	
			5. CARD NUMBER 4336-XXXX-XXXX-2128 K. CALEY (Card not activated)			
			CARD 5 PAYMENTS			$0.00
				MARK HOOK Authorised by ACTING CEO	Signed	
			6. CARD NUMBER 4336-XXXX-XXXX-2128 P. GIBSON (CESM)			
			CARD 6 PAYMENTS			$0.00
				MARK HOOK Authorised by ACTING CEO	Signed	
			TOTAL NAB VISA CARD PAYMENTS 4336-XXXX-XXXX-7507			*$684.00*
			Direct Debit Date			*27-Jul-26*

I, Kylie Whitaker, Finance Officer have reviewed the NAB visa card payments and confirm that from the descriptions on the documentation provided that:
1. all transactions are expenses incurred by the Shire of West Arthur;
2. all purchases have been made in accordance with the Shire of West Arthur policies and procedures;
3. all purchases are in accordance with the Local Government Act 1995 and associated regulations;
4. no misuse of the corporate card is evident.

Kylie Whitaker: KWhitaker DATE: 29.7.26

Forest to Wheatbelt

12.3 ADOPTION OF THE 2026-2027 ANNUAL BUDGET

File Ref:	**ADM130**
Location:	**N/A**
Applicant:	**N/A**
Author:	**Kylie Caley, Deputy Chief Executive Officer**
Authorising Officer:	**Mark Hook, Acting Chief Executive Officer**
Date:	**12/08/2026**
Disclosure of Interest:	**Nil**
Attachments:	**1. Shire of West Arthur Statutory Budget 2026 2027 - As Adopted**

SUMMARY:

Council is requested to consider and adopt the Municipal Fund Budget for the 2026/2027 financial year, along with supporting schedules. This includes the imposition of rates and minimum payments, endorsement of existing reserve funds, and other consequential matters arising from the budget papers.

BACKGROUND:

The *Local Government Act 1995* (Act) requires each Local Government to prepare a budget each financial year. The form, manner and content of the budget are prescribed in the Act and the *Local Government (Financial Management) Regulations 1996*. Council must adopt its budget by an Absolute Majority no later than 31 August in the budget year unless the Minister for Local Government has granted an extension.

The draft 2026/2027 Annual Budget has been developed in alignment with the principals and information set out in the Strategic Community Plan, Long Term Financial Plan and Corporate Business Plan.

The budget preparation process incorporated guidance and feedback from a series of Councillor workshops held in March, April, May, June, and August 2026. The workshops included detailed consideration of the Plant Replacement Program, Road Construction Program, and the prevailing economic environment. These discussions provided Councillors with the information and context necessary to make informed and well-considered decisions in the development of the 2026/2027 Budget.

COMMENT:

To give context to the components of the 2026/2027 Annual Budget, an overview of the previous two (2) financial years along with the proposed budget for 2026/2027 is listed below:

BUDGET OVERVIEW	2024/2025 Adopted Budget	2025/2026 Adopted Budget	2026/2027 Proposed Budget
Operating Revenue	$3.4m	$4.6m	$4.1m
New Loans	$0m	$0m	$0m
Capital Grants	$1.7m	$4.4m	$4.5m
Sale of Assets	$0.19m	$0.16m	$0.31m
Transfers from Reserves	$1.5m	$1.0m	$0.5m
Opening Balance	$1.4m	$0.84m	$1.8m
	$8.2m	**$11m**	**$11.2m**
Operating Expenditure	$7.2m	$8.0m	$8.5m
Non-Cash Added Back	($3.0m)	($3.7m)	($3.9)m
Capital Expenditure	$3.5m	$5.7m	$5.7m
Transfers to Reserves	$0.4m	$0.9m	$0.8m
Loan Repayments	$0.1m	$0.09m	$0.09m
	$8.2m	**$11m**	**$11.2m**

Key features of the proposed 2026/2027 budget include:

- A rate revenue increase of 7%
- A capital works program of $5,685,084 which focuses on infrastructure investment, particularly housing support program projects, road construction, replacement of a grader, and water projects.
- Fees and charges have been reviewed to reflect statutory increases, cost recovery, and current economic conditions
- Emergency Services Levy continues to be levied by State Government and collected by local governments. The State Government has increased the levy from $108 in 2025/2026 to $113 in 2026/2027.
- Household and commercial waste charges are proposed to increase by $50 per annum
- Reserve transfers have been included to fund expenditure in the proposed budget and for funds to be set aside for future strategic priorities.

<u>Capital Expenditure</u>
The proposed budget includes $5,685,084 of capital expenditure continuing Council's commitment to asset renewal and upgrade. This is made up of 80% grant funding, 8% reserve funding, 6% proceeds on disposal of assets and 7% council own source funding.

The major capital grant funding sources include:

- Housing Support Program $2,865,613
- Regional Road Group $504,573
- Roads to Recovery $527,791
- Federal Assistance Grant Scheme Special Bridge Project Funding $166,000

<u>Borrowings</u>
No new borrowings have been included in the proposed budget. Details of existing borrowings are included in Note 7 of the budget document.

<u>Elected Members Remuneration</u>
Elected members remuneration included in the budget are in line with the allowances set out in the Salaries and Allowances Tribunal - Local Government Chief Executive Officers and Elected Council Members Determination No 1 of 2026 for Band 4 councils. There is a 0% increase in the elected member allowances from 2025/2026 to 2026/2027.

Brought Forward Balance
The budget is based on an estimated opening surplus of $1,828,120, of which $1,302,842 is an advance payment of the Federal Assistance Grant Scheme 2026/2027 funding.

CONSULTATION:
Councillors
Staff

STATUTORY ENVIRONMENT:
Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next 30 June.

Division 5 and 6 of Part 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The draft 2026/2027 budget as presented is considered to meet statutory requirements.

Section 67 of the *Waste Avoidance and Resource Recovery Act 2007* enables a local government to impose an annual charge in respect of premises provided with a waste service by the local government.
Section 7B(2) of the *Salaries and Allowances Act 1975* requires the Tribunal, at intervals of not more than 12 months, to inquire into and determine –

- the amount of fees to be paid to Council members;
- the amount of expenses to be reimbursed to Council members;
- the amount of allowances to be paid to Council members.

The Determination on Local Government Chief Executive Officers and Elected Members requires local governments to set an amount within the relevant range determined for fees, expenses, or allowances.

Section 5.98 of the *Local Government Act 1995* sets out fees, expenses, and reimbursements payable to Council members as determined by the Tribunal.

Section 5.98A of the *Local Government Act 1995* sets out fees, expenses, and reimbursements which may be paid to Deputy Presidents or Deputy Mayors up to a percentage determined by the Tribunal (Absolute Majority required).

Section 5.99 of the *Local Government Act 1995* provides a local government may pay an annual fee in lieu of fees for attending meetings, as determined by the Tribunal (Absolute Majority required).

Section 5.99A of the *Local Government Act 1995* sets out a local government may pay an annual allowance for Council members in lieu of reimbursement of expenses, as determined by the Tribunal (Absolute Majority required).

Regulations 30, 31, 32, and 34ACA of the *Local Government (Administration) Regulations 1996* set the limits, parameters and types of allowances that can be paid to Council members.

POLICY IMPLICATIONS:
The 2026/2027 budget considers Policy C8 – Council Member Entitlements

FINANCIAL IMPLICATIONS:
The adopted budget of the Shire sets the financial direction for the proceeding financial year and is prepared following consideration of the Corporate Business Plan, Long Term Financial Plan and all other informing

documents and strategies. The adoption of the budget enables the operations of the Council to continue effectively and issue rates in a timely manner to assist with income generation and cash flow.

STRATEGIC IMPLICATIONS:

The Shire of West Arthur Strategic Community Plan – Towards 2031 provides:

Leadership and Management – inspirational, dynamic, transparent

Outcome 4.3 - Establish and maintain sound business and governance structures

- *Ensure that the local community is provided with value for money through the prudent expenditure of rates.*
- *Provide informed decision making based on our strategic directions and legal requirements and that these are open, transparent and adequately communicated with the community.*
- *Comply with regulations and best practice standards to drive good decision making by Council and Staff*

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		**1**	**2**	**3**	**4**	**5**
Almost Certain	**5**	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	**4**	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	**3**	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	**2**	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	**1**	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Delays in the adoption of the 2026/27 Budget may lead to non-compliance with statutory requirements and disrupt the effective functioning of the Shire.
Risk Likelihood (based on history and with existing controls)	Almost Certain (5)
Risk Consequence	Major (4)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Extreme (20)
Principal Risk Theme	Compliance Failure
Risk Action Plan (Controls or Treatment Proposed)	Adoption of the 2026/2027 Annual Budget as presented.

Officer's Note: Council were provided an updated version of the attachment prior to the meeting showing clarification in the following areas;

The President's Allowance disclosed in Note 10, was identified that the note had inadvertently been prepared using individual Councillor remuneration amounts rather than remuneration by position. The note has now been amended to present remuneration by position to improve clarity and avoid any further confusion.

In addition, remuneration for the independent Audit, Risk and Improvement Committee (ARIC) member was incorrectly included on the note and has now been removed.

As the remuneration note is provided for informational purposes only and is not linked to any of the budget statements, these corrections do not affect the budget figures or financial outcomes presented in the document.

The updated version is the version included in these Minutes.

VOTING REQUIREMENTS:

Absolute Majority

RESOLUTION OCM-2026-099

Moved: Cr Graeme Peirce
Seconded: Cr Neil Morrell

PART 1 – BUDGET FOR 2026/2027
Pursuant to the provisions of Section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, council adopt the Budget as contained in Attachment xx of this agenda for the Shire of West Arthur for the 2026/2027 financial year which includes the following:

- Statement of Comprehensive Income.
- Statement of Cash Flows.
- Statement of Financial Activity.
- Notes to and Forming Part of the Budget.

Absolute Majority Required

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED BY ABSOLUTE MAJORITY 7/0

VOTING REQUIREMENTS:

Absolute Majority

RESOLUTION OCM-2026-100

Moved: Cr Duncan South
Seconded: Cr Russell Prowse

PART 2 – GENERAL RATES, MINIMUM PAYMENTS, INSTALMENT
For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part 1 above, council pursuant to Sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* impose the following general rates and minimum payments on Gross Rental Values (GRV) and Unimproved Values (UV) properties:

(a) General Rates

- Residential Townsite (GRV) 0.0838000 cents in the dollar
- Residential Other Townsites (GRV) 0.0838000 cents in the dollar
- Commercial/ Industrial (GRV) 0.0838000 Cents in the dollar
- Rural (UV) 0.0028580 cents in the dollar
- Mining (UV) 0.0028580 cents in the dollar

(b) Minimum Payments
- Residential Townsite (GRV) $730
- Residential Other Townsites (GRV) $479
- Commercial/ Industrial (GRV) $730
- Rural (UV) $730
- Mining (UV) $730

Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, Council nominates the following due dates for the payment of rates either in full or by instalments:

(a) Option 1 (Full Payment)
Full amount of rates and charges including arrears, to be paid on or before 12 October 2026 or 35 days after the date of issue appearing on the rate notice whichever is the later.

(b) Option 2 (Four Instalments)
- First instalment to be made on or before 12 October 2026 or 35 days after the date of issue appearing on the rate notice, whichever is later, including all arrears and a quarter of the current rates and service charges;
- Second instalment to be made on or before 11 December 2026, or 2 months after the due date of the first instalment, whichever is later;
- Third instalment to be made on or before 11 February 2027, or 2 months after the due date of the second instalment, whichever is later; and
- Fourth instalment to be made on or before 12 April 2027, or 2 months after the due date of the third instalment, whichever is later.

Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 67 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an instalment administration charge of $10 for each instalment after the initial instalment is paid.

Pursuant to Section 6.45 of the *Local Government Act 1995* and Regulation 68, Council adopts an interest rate of 5.5% where the owner has elected to pay rates through the instalment option.

In accordance with the provisions of Section 6.51(1) and subject to Section 6.51(4) of the *Local Government Act 1995* and Regulation 70 of the *Local Government (Financial Management) Regulations 1996*, Council adopts an interest rate of 11% for rates and charges that remain unpaid after the due date.
Absolute Majority Required

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke
Against: Nil

CARRIED BY ABSOLUTE MAJORITY 7/0

VOTING REQUIREMENTS:

Simple Majority

RESOLUTION OCM-2026-101

Moved: Cr Graeme Peirce
Seconded: Cr Neil Morrell

PART 3 – OTHER STATUTORY FEES FOR 2026/2027

In accordance with the provisions of the *Waste Avoidance and Resource Recovery Act 2007* Council adopts a charge of $405 per rubbish service per annum for the removal and deposit of domestic and commercial waste.

Simple Majority Required

In Favour: Crs Karen Harrington, Duncan South, Neil Morrell, Graeme Peirce, Russell Prowse, Natalie O'Neill, Helen Lubcke

Against: Nil

CARRIED 7/0

SHIRE OF WEST ARTHUR

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

SHIRE OF WEST ARTHUR
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue		$	$	$
Rates	2(a)	2,408,977	2,253,147	2,252,484
Grants, subsidies and contributions		664,452	2,968,230	1,668,654
Fees and charges	14	464,390	415,330	406,331
Interest revenue	9(a)	133,971	184,832	122,314
Other revenue		257,247	237,529	139,059
		3,929,037	6,059,068	4,588,842
Expenses				
Employee costs		(2,404,988)	(2,284,839)	(2,273,833)
Materials and contracts		(1,758,198)	(1,342,163)	(1,668,570)
Utility charges		(118,360)	(122,892)	(119,390)
Depreciation	6	(3,979,816)	(3,776,956)	(3,676,619)
Finance costs	9(c)	(29,098)	(24,256)	(23,952)
Insurance		(156,959)	(158,967)	(157,053)
Other expenditure		(56,345)	(43,519)	(83,800)
		(8,503,764)	(7,753,592)	(8,003,217)
		(4,574,727)	(1,694,524)	(3,414,375)
Capital grants, subsidies and contributions		4,532,557	1,395,011	4,428,614
Profit on asset disposals	5	171,487	5,194	14,292
Loss on asset disposals	5	(68,260)	(5,107)	(27,554)
Fair value adjustments to financial assets at fair value through profit or loss		0	56,668	0
		4,635,784	1,451,766	4,415,352
Net result for the period		**61,057**	**(242,758)**	**1,000,977**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**61,057**	**(242,758)**	**1,000,977**

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

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SHIRE OF WEST ARTHUR
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2027

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Receipts		$	$	$
Rates		2,408,977	2,403,058	2,227,484
Grants, subsidies and contributions		664,452	2,848,964	1,918,654
Fees and charges		464,390	415,330	406,331
Interest revenue		133,971	184,832	122,314
Goods and services tax received		295,000	328,432	295,000
Other revenue		257,247	237,529	139,059
		4,224,037	6,418,145	5,108,842
Payments				
Employee costs		(2,404,988)	(2,248,559)	(2,273,833)
Materials and contracts		(1,622,787)	(1,223,015)	(1,686,872)
Utility charges		(118,360)	(122,892)	(119,390)
Finance costs		(29,098)	(24,256)	(23,952)
Insurance paid		(156,959)	(158,967)	(157,053)
Goods and services tax paid		(295,000)	(330,475)	(235,000)
Other expenditure		(56,345)	(43,519)	(83,800)
		(4,683,537)	(4,151,683)	(4,579,900)
Net cash provided by (used in) operating activities	4	(459,500)	2,266,462	528,942
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(3,544,253)	(1,119,320)	(4,028,421)
Payments for construction of infrastructure	5(b)	(2,140,831)	(2,116,602)	(1,662,428)
Proceeds from capital grants, subsidies and contributions		2,552,786	3,344,584	4,398,416
Proceeds from disposal of property, plant and equipment	5(a)	317,600	44,546	161,364
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	33,136	32,059	32,059
Net cash provided by (used in) investing activities		(2,781,562)	185,267	(1,099,010)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(97,168)	(91,150)	(91,151)
Proceeds from new borrowings	7(a)	0	110,000	0
Net cash provided by (used in) financing activities		(97,168)	18,850	(91,151)
Net increase (decrease) in cash held		(3,338,230)	2,470,579	(661,219)
Cash at beginning of year		5,334,081	2,863,502	2,863,502
Cash and cash equivalents at the end of the year	4	**1,995,851**	**5,334,081**	**2,202,283**

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

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2027

OPERATING ACTIVITIES	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue from operating activities		$	$	$
General rates	2(a)(i)	2,294,906	2,149,440	2,149,187
Rates excluding general rates	2(a)	114,071	103,707	103,297
Grants, subsidies and contributions		664,452	2,968,230	1,668,654
Fees and charges	14	464,390	415,330	406,331
Interest revenue	9(a)	133,971	184,832	122,314
Other revenue		257,247	237,529	139,059
Profit on asset disposals	5	171,487	5,194	14,292
Fair value adjustments to financial assets at fair value through profit or loss		0	56,668	0
		4,100,524	6,120,930	4,603,134
Expenditure from operating activities				
Employee costs		(2,404,988)	(2,284,839)	(2,273,833)
Materials and contracts		(1,758,198)	(1,342,163)	(1,668,570)
Utility charges		(118,360)	(122,892)	(119,390)
Depreciation	6	(3,979,816)	(3,776,956)	(3,676,619)
Finance costs	9(c)	(29,098)	(24,256)	(23,952)
Insurance		(156,959)	(158,967)	(157,053)
Other expenditure		(56,345)	(43,519)	(83,800)
Loss on asset disposals	5	(68,260)	(5,107)	(27,554)
		(8,572,024)	(7,758,699)	(8,030,771)
Non cash amounts excluded from operating activities	3(c)	3,876,589	3,799,035	3,689,881
Amount attributable to operating activities		**(594,911)**	**2,161,266**	**262,244**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		4,532,557	1,395,011	4,428,614
Proceeds from disposal of property, plant and equipment	5(a)	317,600	44,546	161,364
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	33,136	32,059	32,059
		4,883,293	1,471,616	4,622,037
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(3,544,253)	(1,119,320)	(4,028,421)
Acquisition of infrastructure	5(b)	(2,140,831)	(2,116,602)	(1,662,428)
Payments for financial assets at amortised cost - term deposits		0	0	
		(5,685,084)	(3,235,922)	(5,690,849)
Amount attributable to investing activities		**(801,791)**	**(1,764,306)**	**(1,068,812)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	7(a)	0	110,000	0
Transfers from reserve accounts	8(a)	488,678	961,149	1,016,027
		488,678	1,071,149	1,016,027
Outflows from financing activities				
Repayment of borrowings	7(a)	(97,168)	(91,150)	(91,151)
Transfers to reserve accounts	8(a)	(822,928)	(408,860)	(956,688)
		(920,096)	(500,010)	(1,047,839)
Amount attributable to financing activities		**(431,418)**	**571,139**	**(31,812)**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	1,828,120	860,021	838,380
Amount attributable to operating activities		(594,911)	2,161,266	262,244
Amount attributable to investing activities		(801,791)	(1,764,306)	(1,068,812)
Amount attributable to financing activities		(431,418)	571,139	(31,812)
Surplus remaining after the imposition of general rates	3	**0**	**1,828,120**	**0**

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

SHIRE OF WEST ARTHUR
FOR THE YEAR ENDED 30 JUNE 2027
INDEX OF NOTES TO THE BUDGET

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

1 BASIS OF PREPARATION

The annual budget of the Shire of West Arthur which is a Class 4 local government is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the annual budget be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from *AASB 16 Leases* which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity
All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 11 to the annual budget.

2025/26 actual balances
Balances shown in this budget as 2025/26 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

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

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

Rounding off figures
All figures shown in this statement are rounded to the nearest dollar.

Statement of Cashflows
Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

Initial application of accounting standards
During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.
- *AASB 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements*
- *AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments*
- *AASB 2024-3 Amendments to Australian Accounting Standards - Standards – Annual Improvements Volume 11*
- *AASB 2025-1 Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity*

It is not expected these standards will have an impact on the annual budget on initial application.

New accounting standards for application in future years
The following new accounting standards will have application to local government in future years:
- *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2024-4b Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*

It is not expected these standards will have an impact on the annual budget on initial application.
- *AASB 18 Presentation and Disclosure in Financial Statements*
- *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements - (Appendix D) [for not-for-profit and superannuation entities]*

These accounting standards will materially change the presentation of the annual financial report and annual budget

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

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

The annual budget is a forward-looking statement and is comprised of management estimates. As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the annual budget.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:
- Fair value measurement of assets carried at reportable value including:
- Property, plant and equipment
- Infrastructure
- Expected credit losses on financial assets
- Assets held for sale
- Impairment losses of non-financial assets
- Measurement of employee benefits
- Measurement of provisions

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
				$	$	$	$	$	$
(i) General rates									
GRV Townsite	Gross rental valuation	0.083800	96	1,067,506	89,457	0	89,457	82,300	82,123
GRV Commercial	Gross rental valuation	0.083800	11	228,540	19,152	0	19,152	17,582	17,582
GRV Industrial	Gross rental valuation	0.083800	5	102,960	8,628	0	8,628	7,921	7,921
GRV Other Townsite	Gross rental valuation	0.083800	17	137,800	11,548	0	11,548	9,689	9,689
UV Rural	Unimproved valuation	0.002858	361	757,915,000	2,166,121	0	2,166,121	2,031,948	2,031,872
Total general rates			490	759,451,806	2,294,906	0	2,294,906	2,149,440	2,149,187
		Minimum $							
(ii) Minimum payment									
GRV Townsite	Gross rental valuation	730.00	35	128,041	25,550	0	25,550	23,555	23,555
GRV Commercial	Gross rental valuation	730.00	10	32,695	7,300	0	7,300	6,730	6,730
GRV Industrial	Gross rental valuation	730.00	5	25,810	3,650	0	3,650	3,365	3,365
GRV Other Townsite	Gross rental valuation	479.00	17	8,655	8,143	0	8,143	8,949	8,949
UV Rural	Unimproved valuation	730.00	89	14,246,767	64,970	0	64,970	56,942	56,532
Total minimum payments			156	14,441,968	109,613	0	109,613	99,541	99,131
Total general rates and minimum payments			646	773,893,774	2,404,519	0	2,404,519	2,248,981	2,248,318
(iii) Ex-gratia rates									
Ex-gratia rates					4,458		4,458	4,166	4,166
Total rates					2,408,977	0	2,408,977	2,253,147	2,252,484
Instalment plan charges							1,900	1,914	1,932
Instalment plan interest							5,500	3,206	2,773
Late payment of rate or service charge interest							15,000	16,062	17,216
							22,400	21,182	21,921

The Shire did not raise specified area rates for the year ended 30th June 2027.

*Rateable Value at time of adopting budget.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV).

The general rates detailed for the 2026/27 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		$	%	%
Option one				
Single full payment	12/10/2026	0	5.5%	11.0%
Option two				
First instalment	12/10/2026	0	5.5%	11.0%
Second instalment	11/12/2026	10	5.5%	11.0%
Third instalment	11/02/2027	10	5.5%	11.0%
Fourth instalment	12/04/2027	10	5.5%	11.0%

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Service Charges

The Shire did not raise service charges for the year ended 30th June 2027.

(d) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2027.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
Current assets		$	$	$
Cash and cash equivalents	4	1,995,851	5,334,081	2,202,283
Financial assets		34,250	33,136	33,136
Receivables		185,705	185,705	202,562
Inventories		102,294	102,294	100,597
Other assets		2,288	137,699	3,936
Non-current assets held for sale		65,107	65,107	0
		2,385,495	5,858,022	2,542,514
Less: current liabilities				
Trade and other payables		(312,746)	(312,746)	(334,729)
Capital grant/contributions liabilities		0	(1,979,771)	0
Long term borrowings	7	(99,115)	(97,168)	(88,646)
Employee provisions		(413,858)	(413,858)	(366,876)
		(825,719)	(2,803,543)	(790,251)
Net current assets		1,559,776	3,054,479	1,752,263
Less: Total adjustments to net current assets	3(b)	(1,559,776)	(1,226,359)	(1,752,263)
Net current assets used in the Statement of Financial Activity		0	1,828,120	0

(b) Current assets and liabilities excluded from budgeted deficiency

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

Adjustments to net current assets	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Less: Reserve accounts	8	(2,001,754)	(1,667,504)	(2,160,454)
Less: Current assets not expected to be received at end of year				
- Financial assets at amortised cost - self supporting loans		(34,250)	(33,136)	(33,136)
- Inventory - land held for resale		(79,118)	(79,118)	(79,118)
- Assets held for sale		(65,107)	(65,107)	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		99,115	97,168	88,646
- Current portion of employee benefit provisions		521,338	521,338	431,799
Total adjustments to net current assets		(1,559,776)	(1,226,359)	(1,752,263)

EXPLANATION OF DIFFERENCE IN SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

(c) Amounts excluded from operating activities	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
		$	$	$
Less: Profit on asset disposals	5	(171,487)	(5,194)	(14,292)
Less: Fair value adjustments to financial assets at fair value through profit and loss		0	(56,668)	0
Add: Loss on asset disposals	5	68,260	5,107	27,554
Add: Depreciation	6	3,979,816	3,776,956	3,676,619
Movement in current liabilities:				
- Current portion of employee benefit provisions		0	84,195	0
Non-cash movements in non-current assets and liabilities:				
- Employee benefit provisions		0	(5,361)	0
Non cash amounts excluded from operating activities		3,876,589	3,799,035	3,689,881

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

3. NET CURRENT ASSETS (CONTINUED)

(d) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION
The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

TRADE AND OTHER PAYABLES
Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

PREPAID RATES
Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

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

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

INVENTORY - LAND HELD FOR RESALE
Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Inventory - land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

SUPERANNUATION
The Shire contributes to a number of superannuation funds on behalf of employees and council members. All funds to which the Shire contributes are defined contribution plans.

GOODS AND SERVICES TAX (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CONTRACT LIABILITIES
Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

TRADE AND OTHER RECEIVABLES
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS
Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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

EMPLOYEE BENEFITS
Short-term employee benefits
Provision is made for the Shire's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position.
The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits
Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

CONTRACT ASSETS
Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

4. RECONCILIATION OF CASH

(a) Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
		$	$	$
Cash and cash equivalents		1,995,851	5,334,081	2,202,283
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
Cash and cash equivalents		2,001,754	3,647,275	2,160,454
		2,001,754	3,647,275	2,160,454
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	8	2,001,754	1,667,504	2,160,454
Contract liabilities		0	0	
Capital grant/contributions liabilities		0	1,979,771	
Total restricted financial assets		2,001,754	3,647,275	2,160,454

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Net result		61,057	(242,758)	1,000,977
Non-cash items:				
Depreciation	6	3,979,816	3,776,956	3,676,619
(Profit)/loss on sale of assets	5	(103,227)	(87)	13,262
Adjustments to fair value of financial assets at fair value through profit and loss		0	(56,668)	0
Changes in assets and liabilities:				
Decrease in receivables		0	28,602	285,000
(Increase)/decrease in inventories		0	(197)	1,500
Decrease in other assets		135,411	202,978	
(Decrease) in trade and other payables		0	(83,633)	(19,802)
Increase/(decrease) in capital grant/contributions liabilities		(1,979,771)	1,949,573	(30,198)
Increase in employee related provisions		0	36,280	
Capital grants, subsidies and contributions		(2,552,786)	(3,344,584)	(4,398,416)
Net cash provided by/(used in) operating activities		(459,500)	2,266,462	528,942

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS
Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST
The Shire 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.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

5. PROPERTY, PLANT AND EQUIPMENT

	2026/27 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$	$	$
Land - freehold land	2,879,451	(112,874)	115,000	56,162	(54,036)
Buildings - non-specialised	50,027	0	0		0
Buildings - specialised	25,000	0	0	0	0
Furniture and equipment	7,500	0	0		0
Plant and equipment	582,275	(101,499)	202,600	115,325	(14,224)
Total	3,544,253	(214,373)	317,600	171,487	(68,260)
(b) Infrastructure					
Infrastructure - roads	1,228,991	0	0	0	0
Infrastructure - other	690,180	0	0	0	0
Infrastructure - bridges	221,660	0	0	0	0
Total	2,140,831	0	0	0	0
Total	5,685,084	(214,373)	317,600	171,487	(68,260)

	2025/26 Actual				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$	$	$
Land - freehold land	390,708	0	0		0
Buildings - non-specialised	59,544	0	0		0
Buildings - specialised	48,289	0	0	0	0
Furniture and equipment	6,361	0	0		0
Plant and equipment	614,418	(44,459)	44,546	5,194	(5,107)
Total	1,119,320	(44,459)	44,546	5,194	(5,107)
(b) Infrastructure					
Infrastructure - roads	1,129,955	0	0	0	0
Infrastructure - other	192,380	0	0	0	0
Infrastructure - bridges	794,267	0	0	0	0
Total	2,116,602	0	0	0	0
Total	3,235,922	(44,459)	44,546	5,194	(5,107)

	2025/26 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$	$	$
Land - freehold land	3,164,890	(64,059)	50,000	0	(14,059)
Buildings - non-specialised	114,525	0	0	0	0
Buildings - specialised	0	0	0	0	0
Furniture and equipment	6,000	0	0	0	0
Plant and equipment	743,006	(110,567)	111,364	14,292	(13,495)
Total	4,028,421	(174,626)	161,364	14,292	(27,554)
(b) Infrastructure					
Infrastructure - roads	1,337,741	0	0	0	0
Infrastructure - other	324,687	0	0	0	0
Infrastructure - bridges	0	0	0	0	0
Total	1,662,428	0	0	0	0
Total	5,690,849	(174,626)	161,364	14,292	(27,554)

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS
Assets for which the fair value as at the date of acquisition is under $5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

GAINS AND LOSSES ON DISPOSAL
Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

6. DEPRECIATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Class			
Buildings - non-specialised	48,036	48,210	34,726
Buildings - specialised	252,394	221,018	219,967
Furniture and equipment	43,164	37,985	11,373
Plant and equipment	475,029	461,919	423,596
Infrastructure - roads	2,054,325	1,954,534	1,947,796
Infrastructure - Other	257,832	219,886	207,462
Infrastructure - bridges	849,036	833,404	831,699
	3,979,816	3,776,956	3,676,619
By Program			
Governance	6,214	6,214	0
General purpose funding	0		437
Law, order, public safety	113,950	113,949	78,313
Health	44,700	44,700	44,700
Housing	11,892	11,892	11,892
Community amenities	23,398	22,539	8,053
Recreation and culture	353,171	294,075	295,615
Transport	2,924,425	2,809,017	2,802,448
Economic services	56,025	41,405	35,744
Other property and services	446,041	433,165	399,417
	3,979,816	3,776,956	3,676,619

MATERIAL ACCOUNTING POLICIES

DEPRECIATION
The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Major depreciation periods used for each class of depreciable asset are:

Buildings	30 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	70 years
seal	
bituminous seals	15 to 25 eyars
asphalt surfaces	15 to 25 years
Gravel roads	
formation	not depreciated
pavement	50 years
gravel sheeting	10 to 15 years
Formed roads (unsealed)	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage system:	75 years
Bridges	60 to 90 years

AMORTISATION
The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

7. BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2026	2026/27 Budget New Loans	2026/27 Budget Principal Repayments	Budget Principal outstanding 30 June 2027	2026/27 Budget Interest Repayments	Actual Principal 1 July 2025	2025/26 Actual New Loans	2025/26 Actual Principal Repayments	Actual Principal outstanding 30 June 2026	2025/26 Actual Interest Repayments	Budget Principal 1 July 2025	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding 30 June 2026	2025/26 Budget Interest Repayments
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Industrial Land	72	WATC	3.3%	0	0	0	0	0	5.798	0	(5.798)	0	(391)	5.798	0	(5.798)	0	(86)
ERP	75	WATC	4.1%	89.697	0	(28.665)	61.032	(3.854)	117.196	0	(27.499)	89.697	(5.216)	117.196	0	(27.499)	89.697	(5.216)
Loader	74	WATC	4.0%	178.339	0	(26.845)	151.494	(7.914)	204.133	0	(25.794)	178.339	(9.145)	204.133	0	(25.795)	178.338	(9.145)
Industrial Land	75	WATC	5.4%	110.000	0	(8.522)	101.478	(9.131)	0	110.000	0	110.000	0	0	0	0	0	0
				378,036	0	(64,032)	314,004	(20,899)	327,127	110,000	(59,091)	378,036	(14,752)	327,127	0	(59,092)	268,035	(14,447)
Self Supporting Loans																		
WA Cottage Homes	73	WATC	3.3%	216,292	0	(33,136)	183,156	(8,199)	248,351	0	(32,059)	216,292	(9,504)	248,351	0	(32,059)	216,292	(9,505)
				216,292	0	(33,136)	183,156	(8,199)	248,351	0	(32,059)	216,292	(9,504)	248,351	0	(32,059)	216,292	(9,505)
				594,328	0	(97,168)	497,160	(29,098)	575,478	110,000	(91,150)	594,328	(24,256)	575,478	0	(91,151)	484,327	(23,952)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

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SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

7. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2027

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2026 nor is it expected to have unspent borrowing funds as at 30th June 2027.

(d) Credit Facilities

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	150,000	150,000	150,000
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	(225)	0
Total amount of credit unused	165,000	164,775	165,000
Loan facilities			
Loan facilities in use at balance date	497,160	594,328	484,327

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS
The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.
Borrowings fair values are based on discounted cash flows using a current borrowing rate.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget Opening Balance	2026/27 Budget Transfer to	2026/27 Budget Transfer (from)	2026/27 Budget Closing Balance	2025/26 Actual Opening Balance	2025/26 Actual Transfer to	2025/26 Actual Transfer (from)	2025/26 Actual Closing Balance	2025/26 Budget Opening Balance	2025/26 Budget Transfer to	2025/26 Budget Transfer (from)	2025/26 Budget Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave Reserve	102,379	188,323	(15,366)	275,336	37,034	65,345	0	102,379	37,034	41,243	0	78,277
(b) Plant Reserve	390,085	321,603	(374,400)	337,288	735,456	227,746	(573,117)	390,085	735,456	224,675	(652,420)	307,711
(c) Building Reserve	26,861	157,074	(25,000)	158,935	83,703	3,158	(60,000)	26,861	83,703	2,808	(80,000)	6,511
(d) Town Development Reserve	1,794	72	0	1,866	1,728	66	0	1,794	1,728	58	0	1,786
(e) Recreation Reserve	27,248	1,090	0	28,338	41,676	1,572	(16,000)	27,248	41,676	1,398	(16,000)	27,074
(f) Heritage Reserve	8,308	332	0	8,640	7,437	871	0	8,308	7,437	250	0	7,687
(g) Community Housing Reserve	225,190	15,008	(5,000)	235,198	205,439	19,751	0	225,190	205,439	18,893	0	224,332
(h) Waste Management Reserve	132,993	5,320	0	138,313	128,158	4,835	0	132,993	128,158	4,300	0	132,458
(i) Darkan Swimming Pool Reserve	32,921	51,317	(30,000)	54,238	41,361	1,560	(10,000)	32,921	41,361	1,388	(10,000)	32,749
(j) Information Technology Reserve	23,002	920	0	23,922	22,166	836	0	23,002	22,166	744	0	22,910
(k) Darkan Sport and Community Centre Reserv	250,416	50,016	0	300,432	270,835	50,218	(70,637)	250,416	270,835	49,087	0	319,922
(l) Arthur River Country Club Reserve	72,664	8,907	0	81,571	64,240	8,424	0	72,664	64,240	8,155	0	72,395
(m) Museum Reserve	136,716	5,469	(5,000)	137,185	136,563	5,153	(5,000)	136,716	136,563	4,582	(5,000)	136,145
(n) Moodiarrup Sports Club Reserve	29,687	6,187	0	35,874	26,680	3,007	0	29,687	26,680	5,895	0	32,575
(o) Landcare Reserve	22,442	898	0	23,340	21,626	816	0	22,442	21,626	726	(8,000)	14,352
(p) Corporate Planning and Valuation Reserve	5,224	209	0	5,433	5,034	190	0	5,224	5,034	169	0	5,203
(q) Kids Central Reserve	8,590	344	(1,500)	7,434	7,971	619	0	8,590	7,971	267	0	8,238
(r) The Shed Reserve	14,220	569	(1,000)	13,789	13,455	765	0	14,220	13,455	451	0	13,906
(s) Recreation Trails Reserve	2,934	117	0	3,051	2,827	107	0	2,934	2,827	95	0	2,922
(t) Community Gym Reserve	12,466	3,499	0	15,965	15,098	568	(3,200)	12,466	15,098	507	(10,000)	5,605
(u) Economic Development Reserve	50,202	2,008	(31,412)	20,798	86,456	3,261	(39,515)	50,202	86,456	3,303	(50,927)	38,832
(v) Road Reserve	91,162	3,646	0	94,808	264,850	9,992	(183,680)	91,162	264,850	587,694	(183,680)	668,864
	1,667,504	822,928	(488,678)	2,001,754	2,219,793	408,860	(961,149)	1,667,504	2,219,793	956,688	(1,016,027)	2,160,454

(b) Reserve Accounts - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by legislation		
Restricted by council		
(a) Leave Reserve	Ongoing	To be used to fund long service leave and annual leave requirements
(b) Plant Reserve	Ongoing	To be used for the purchase of major plant
(c) Building Reserve	Ongoing	To be used for the construction and maintenance of Council buildings
(d) Town Development Reserve	Ongoing	To be used to enhance town infrastructure
(e) Recreation Reserve	Ongoing	To be used to enhance recreation infrastructure
(f) Heritage Reserve	Ongoing	To be used to maintain and improve the heritage buildings of the Shire
(g) Community Housing Reserve	Ongoing	To be used for the maintenance and provision of housing within the Shire
(h) Waste Management Reserve	Ongoing	To assist with funding future infrastructure requirements for waste management and to provide for the costs of closing landfill sites within the district.
(i) Darkan Swimming Pool Reserve	Ongoing	To be used to assist with funding works at the Darkan Swimming Pool
(j) Information Technology Reserve	Ongoing	To be used for upgrades to computers and office equipment
(k) Darkan Sport and Community Centre Reserv	Ongoing	Top be used to maintain and improve the Darkan Sport and Community Centre
(l) Arthur River Country Club Reserve	Ongoing	To be used to maintain and improve the Arthur River Country Club
(m) Museum Reserve	Ongoing	To be used to maintain and to provide new displays in the Museum
(n) Moodiarrup Sports Club Reserve	Ongoing	To be used to maintain and improve the Moodiarrup Sports Club
(o) Landcare Reserve	Ongoing	To be used to fund the landcare expenditure of the Shire
(p) Corporate Planning and Valuation Reserve	Ongoing	To be used to fund the corporate planning and valuation expenditure of the Shire
(q) Kids Central Reserve	Ongoing	To be used to fund the renewal of equipment and infrastructure
(r) The Shed Reserve	Ongoing	To be used to fund the renewal of equipment and infrastructure
(s) Recreation Trails Reserve	Ongoing	To be used for the construction and maintenance of recreation trails
(t) Community Gym Reserve	Ongoing	To be used for the renewal of gym equipment and activities
(u) Economic Development Reserve	Ongoing	To be used for economic development initiatives that benefit the Shire
(v) Road Reserve	Ongoing	To be used to fund road improvements or urgent repairs

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

9. OTHER INFORMATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
The net result includes as revenues	$	$	$
(a) Interest earnings			
Investments	113,471	165,564	102,325
Other interest revenue	20,500	19,268	19,989
	133,971	184,832	122,314
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	52,000	50,671	50,000
	52,000	50,671	50,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	29,098	24,256	23,952
	29,098	24,256	23,952
(d) Write offs			
General rate	0	94,088	0
	0	94,088	0

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

10. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
President			
President's allowance	6,400	6,400	6,400
Meeting attendance fees	4,020	5,000	5,200
Annual allowance for ICT expenses	535	535	535
Travel and accommodation expenses	721	1,918	2,200
Superannuation contribution payments	628	1,349	1,392
	12,304	15,202	15,727
Deputy President			
Deputy President's allowance	1,600	1,200	1,600
Meeting attendance fees	4,020	3,460	8,200
Annual allowance for ICT expenses	535	535	535
Travel and accommodation expenses	721	954	3,650
Superannuation contribution payments	628	0	1,176
	7,504	6,149	15,161
Council member 3			
Meeting attendance fees	4,020	3,565	2,850
Annual allowance for ICT expenses	535	535	535
Travel and accommodation expenses	721	831	1,150
Superannuation contribution payments	628	447	342
	5,904	5,378	4,877
Council member 4			
Meeting attendance fees	4,020	3,020	2,000
Annual allowance for ICT expenses	535	535	535
Travel and accommodation expenses	721	288	50
Superannuation contribution payments	628	0	240
	5,904	3,843	2,825
Council member 5			
Meeting attendance fees	4,020	2,800	3,800
Annual allowance for ICT expenses	535	535	535
Travel and accommodation expenses	720	775	1,150
Superannuation contribution payments	628	0	456
	5,903	4,110	5,941
Council member 6			
Meeting attendance fees	4,020	1,830	0
Annual allowance for ICT expenses	535	401	0
Travel and accommodation expenses	720	2	0
Superannuation contribution payments	628	0	0
	5,903	2,233	0
Council member 7			
Meeting attendance fees	4,020	2,485	0
Annual allowance for ICT expenses	535	401	0
Travel and accommodation expenses	720	154	0
Superannuation contribution payments	628	0	0
	5,903	3,040	0
Council member 8			
Meeting attendance fees	0	755	3,500
Annual allowance for ICT expenses	0	134	535
Travel and accommodation expenses	0	115	400
Superannuation contribution payments	0	0	420
	0	1,004	4,855
Council member 9			
Meeting attendance fees	0	650	2,450
Annual allowance for ICT expenses	0	134	535
Travel and accommodation expenses	0	0	400
Superannuation contribution payments	0	219	294
	0	1,003	3,679
Total Council Member Remuneration	49,325	41,962	53,065
President's allowance	6,400	6,400	6,400
Deputy President's allowance	1,600	1,200	1,600
Meeting attendance fees	28,140	23,565	28,000
Annual allowance for ICT expenses	3,745	3,745	3,745
Travel and accommodation expenses	5,044	5,037	9,000
Superannuation contribution payments	4,396	2,015	4,320
	49,325	41,962	53,065

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

11. MAJOR LAND TRANSACTIONS

Residential Land Development Project

(a) Details

Undertake subdivision, headworks and construction of land for worker housing in Darkan.

(b) Current year transactions	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
		$	$	$
Capital revenue				
Housing Support Program Stream 2		2,847,993	144,021	2,992,014
Capital expenditure				
Housing Support Program Stream 2	5(a)	(2,847,993)	(144,021)	(2,992,014)
		0	0	0

(c) Expected future cash flows

	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	$	$	$	$	$	$
Cash outflows						
Housing Support Program Stream 2	(2,847,993)	0	0	0	0	(2,847,993)
	(2,847,993)	0	0	0	0	(2,847,993)
Cash Inflows						
Housing Support Program Stream 2	2,847,993	0	0	0	0	2,847,993
	2,847,993	0	0	0	0	2,847,993
Net cash flows	0	0	0	0	0	0

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

12. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES
All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.
Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS
All amounts received as grants, subsidies and contributions that are not capital grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS
Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS
Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES
Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.
Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES
Service charges imposed under *Division 6 of Part 6 of the Local* Government Act 1995. Regulation 54 of the Local Government *(Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.
Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE
Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE
Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL
Gain on the disposal of assets including gains on the disposal of long-term investments.

EXPENSES

EMPLOYEE COSTS
All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.
Note: *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

MATERIALS AND CONTRACTS
All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.
Local governments may wish to disclose more detail such as contract services, consultancy, information technology and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)
Expenditures made to the respective agencies for the provision of power, gas or water.
Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE
All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL
Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS
Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS
Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE
Statutory fees, taxes, provision for bad debts, member's fees or levies including DFES levy and State taxes. Donations and subsidies made to community groups.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

12. REVENUE AND EXPENDITURE (CONTINUED)

(b) Revenue Recognition

Recognition of revenue from contracts with customers is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Timing of Revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contribtions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	On issue of rate notice
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

13. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE	ACTIVITIES
To set and achieve Council's goals and objectives for the ratepayers by providing high level direction, co-ordination and management policy.	Cost associated with meetings, elections, preparing annual reports and other statutory reporting requirements, public relations and policy development and review.
General purpose funding To collect revenue to allow for the provision of services.	Costs associated with raising and collecting rates, rate enquiries, preparing general purpose grant returns and investing the Shire's surplus funds.
Law, order, public safety To provide services to help ensure a safer and environmentally consious communnity.	Fire control and prevention, and animal control.
Health To provide an operational framework for environmental and community health.	Provision and maintenance of medical buildings and subsidies to health services, services of an Environmental Health Officer including food control.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	School bus routes, support to families and childrens services including schools, support for seniors and welfare services.
Housing To provide housing for employees of local industry and government departments.	Maintenance and provision of GROH and community housing.
Community amenities To provide services required by the community.	Rubbish collection services, operation of refuse site, administration of the town planning scheme, storm water drainage, protection of the environment, cemetery maintenance.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.	Maintenance of halls, provision of library services, maintenance of historical buildings and maintenance of reserves and recreation facilities.
Transport To provide a smooth, safe, efficient and clearly defined road network that is environmentally acceptable and which enhances travels throughout the Shire.	Maintenance of roads, drainage works, footpaths, street lighting, median strips, traffic management, parking facilities and roadworks program.
Economic services To help promote the local government and its economic wellbeing.	Tourism and area promotion, caravan park, standpipes, pest control services and implementation of building controls.
Other property and services To monitor and control operating accounts.	Public works overheads, plant/vehicle operations, stock and materials, depot operations and private works.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

14. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
General purpose funding	6,600	7,396	9,996
Law, order, public safety	3,315	3,812	2,500
Health	750	1,105	1,500
Education and welfare	18,290	20,039	13,250
Housing	98,500	94,765	88,000
Community amenities	147,955	99,473	88,085
Recreation and culture	14,880	13,496	11,200
Economic services	146,400	144,065	145,500
Other property and services	27,700	31,179	46,300
	464,390	415,330	406,331

13 WORKS AND SERVICES

13.1 FRUIT FLY MANAGEMENT

File Ref:	**ADM905**
Location:	**N/A**
Applicant:	**N/A**
Author:	**Gary Rasmussen, Manager Works and Services**
Authorising Officer:	**Mark Hook, Acting Chief Executive Officer**
Date:	**11/08/2026**
Disclosure of Interest:	**Nil**
Attachments:	**Nil**

SUMMARY:
Council is requested to consider the following recommendations from the Fruit Fly discussion at the Council Briefing Session in May 2026.

1. Keep the Status Quo - Using the natural trapping. This comes with a cost of $4000.00, no shire labour required, outside of purchasing.

2. Residents to spray their own trees and the shire to supply the insecticide $800.00 -$1000.00.

3. The shire stops the program completely - The cost is $0.00. Most shires have stopped completely. Narrogin, Williams, Boyup Brook, Kojonup, Wagin and Collie stopped. Wickepin Shire is on a natural trapping program like Darkan to keep costs down.

4. To reintroduce the baiting program by spraying. Total cost is $9000.00 which has been allowed in this year's budget.

BACKGROUND:
In 2025/2026, 215 trees were registered for the trapping program. In 2024/2025, 116 of these trees were registered. 37 residents registered in 2025/2026 to take the natural trapping, and only 20 residents registered in 2024/2025 to take the baiting. There has been an increase of 17 residents treating for fruit fly with the trapping program.

The shire has received 7 complaints in 2025/2026 about the natural trapping out of the 37 residents registered which equates to 19 per cent.

COMMENT:
The officer's recommendation will be based on the figures and information above.

CONSULTATION:
Gary Rasmussen
Public
Councillors
CEO
All Other Staff Members

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

There is no direct policy for the Fruit Fly.

FINANCIAL IMPLICATIONS:

Budgeted expenditure for the 2026/2027 financial year.

STRATEGIC IMPLICATIONS:

Nil

RISK IMPLICATIONS:

Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it. The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. ***Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.*** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

Risk Themes:

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

Risk Matrix:

Consequence		**Insignificant**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Likelihood		**1**	**2**	**3**	**4**	**5**
Almost Certain	**5**	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	**4**	Low (4)	Medium (8)	High (12)	High (16)	Extreme (25)
Possible	**3**	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	**2**	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	**1**	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

Description of Key Risk	Harmful to Nature
Risk Likelihood (based on history and with existing controls)	Possible (3)
Risk Consequence	Moderate (3)
Risk Rating (Prior to Treatment or Control): Likelihood x Consequence	Medium (9)
Principal Risk Theme	No risk to the Shire of West Arthur
Risk Action Plan (Controls or Treatment Proposed)	Cease fruit fly program

VOTING REQUIREMENTS:

Simple Majority

OFFICER RECOMMENDATION:

That Council approve of:

Option 1 - the cessation of the fruit fly spraying program in West Arthur.

Or

Option 2 - residents maintaining fruit fly controls on their own properties with the Shire of West Arthur supplying insecticides.

Cr Lubcke proposed an alternative motion to continue the control of fruit fly in the Shire.

RESOLUTION OCM-2026-102

Moved: Cr Helen Lubcke
Seconded: Cr Duncan South

That Council revert back to the chemical spraying of fruit fly or at the very least the natural baiting program with an education program on use and an 'opt-out' rather than 'opt-in'.

In Favour: Crs Karen Harrington, Duncan South, Russell Prowse, Helen Lubcke
Against: Crs Neil Morrell, Graeme Peirce, Natalie O'Neill

CARRIED 4/3

14 REGULATORY SERVICES

Nil

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16 NEW OR URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING

Nil

17 MATTERS BEHIND CLOSED DOORS

Nil

18 CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 8.00pm.