



A photograph of the entrance to Federation Park. In the foreground, a large, rusted metal sign with the words 'FEDERATION PARK' in raised, block letters stands on a bed of large, reddish-brown rocks. The background shows a park area with green grass, several trees, and a blue sky with light, wispy clouds. A building is visible in the distance on the right.

Annual Report

2014/15

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Introduction

The Shire of Exmouth is an area of 6,261 square kilometres situated on the tip of the North West Cape in Western Australia 1,270 kilometres north of Perth. Our remote town was originally constructed in 1964 as a support town for the United States Naval Communications Station Harold E Holt. Although Exmouth has a resident population of 2,500, in the period April to October the numbers swell to approximately 7,500 with the influx of many tourists that travel north for the beautiful climate and conditions that Exmouth has to offer.

The main local industries include tourism, pastoral, light engineering, building & construction, defence due to the Harold E Holt Military Communications Base and oil & gas due to the various mining companies having Floating Production Storage and Offtake (FPSO) facilities off the North West Cape. The major employers in town are Raytheon and the Department of Defence, the Department of Parks and Wildlife due to the World Heritage listed Ningaloo Reef and Cape Range National Park, the Shire of Exmouth, Exmouth Hospital, Exmouth District High School and the many tourism operators.

Exmouth is one of the few areas in Australia that can boast the Range to Reef experience. The Cape Range National Park, with its spectacular gorges, is nestled on the west coast of the Cape and provides a large variety of camp sites on the coastal fringe of the park. You can hike through walk trails and gorges offering some of the best views in the west, or indulge in relaxing at pristine sandy beaches with crystal clear turquoise waters. Visit the top of the Range to see the sun rise and set over the beautiful beaches that encompass the North West Cape.

The world-heritage listed Ningaloo Marine Park extends 260 kilometres along the west coast of the Cape and provides one of the world's best reef experiences. Accessible directly from the shore, the Ningaloo Reef boasts an abundance of beautiful corals and amazing marine life. Explore the reef by snorkelling, diving or swimming amongst unique and colourful fish, ancient and vibrant corals, inquisitive dolphins, dugongs, turtles and manta rays. Visit at the right time of year and swim alongside the majestic whalesharks as they migrate past the coast. All of the above makes Exmouth a great place to live, work and visit and we encourage everyone to visit our website at www.exmouth.wa.gov.au



The Shire of Exmouth in Focus

Shire Organisational and Management Structure

The Shire of Exmouth is formed under the Local Government Act 1995 and its operations and structures are a reflection of this State Legislation and its associated Regulations. Local Governments are also affected by many other pieces of Legislation which impose both powers and duties which must be carried out.

Members of the community are a vital part of the local government structure. Any member of the public who is an elector of the Shire may be elected a Councillor. Members who have been elected to represent the community meet regularly to make decisions on matters concerning the Council and to provide guidance to the Chief Executive Officer on community priorities and policy.

The Council during the period under review consisted of the following members

Cr C (Turk) Shales
Shire President



Cr M (Mick) Hood
Deputy Shire
President



Cr R (Ross)
Winzer



Cr R (Bob)
Todd



Cr S (Suzanne)
McHutchison

The organisation employs 72 staff which equates to a 67.7 Full Time Equivalent, and is managed by:

Mr Bill Price
Mrs Sue O'Toole
Mrs Jenny Kox
Mr Roge Kempe
Mr Rob Manning
Mr Rhassel Mhasho
Mr Keith Woodward

Chief Executive Officer
Executive Manager Corporate Services
Executive Manager Aviation Services
Executive Manager Community Engagement
Executive Manager Health & Building
Executive Manager Town Planning
Executive Manager Engineering Services



Strategic Directions

Introduction

The Shire of Exmouth is experiencing a period of unparalleled growth and development. Planning is also well underway for several strategic projects that will have an indelible impact on the community long term including the Ningaloo Centre, Harbour upgrade, affordable accommodation and rationalisation of old buildings to provide for future developable land. This will ensure that Exmouth will have a vibrant and contemporary central business district with services for our community and places to meet and recreate.

The Shire's Strategic Community Plan has a strong focus on our community. That is why Council encourages residents and stakeholders to actively participate in the future development of your community and town.

Council is of the view that these plans provide clear focus and direction for the work of the Shire of Exmouth over the coming years and we are confident that this will enable us to achieve our vision:

*~ to support and develop a vibrant, welcoming community
that embraces its past, values its present
and plans for a sustainable future ~*

It is recognised that we need to adopt an integrated and collaborative approach to prepare for, meet and benefit from the opportunities and challenges that face our community. We will therefore endeavour:

- ❖ To provide sustainable management of the organisation
- ❖ To consistently apply the Principles of Good Governance
 - ❖ To communicate effectively
 - ❖ To promote socioeconomic development
 - ❖ To value our environment and heritage

We encourage you to work alongside us in the best interests of current and future generations of the Shire of Exmouth.

The Key Strategic Objectives

The key objectives from the *Shire of Exmouth 10+ Year Strategic Community Plan 2011* are outlined below along with the Shire's performance measures and relevant actions taken during the 2014/15 financial year.

Economic

Objective 1: To be a diverse and innovative economy with a range of local employment opportunities.

The Shire of Exmouth is very fortunate to be bounded by World Heritage natural assets, as well as a range of industries including tourism, fisheries, resources, defence and mining which all provide diverse economic opportunities and stable employment.

We will promote growth by ensuring that Exmouth continues to be recognised as an attractive place to live, work and invest. An increase in our population and investment will also pave the way for better education, training and employment opportunities, to help retain our youth in town.

We will implement exceptional planning and ensure that there is adequate consideration of the social and environmental impacts of all future development, in order to achieve balanced growth for our community, whilst also conserving the pristine environment and retaining our local character and relaxed lifestyle.

| Outcome 1.1 - To increase the number of local business, industries and services that will provide a range of employment opportunities for the people of Exmouth | | | | | | |
|--|-----------------|---------|---|--|-----------------------|----------------------|
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Maintain and review town planning strategies to ensure a diversity of land use options | 1.1.1 | 2014/15 | Appoint consultant and initiate new Town Planning Scheme #4 & Local Planning Strategy | TPS #4 initiated | EMTP | Completed |
| | 1.1.1 | 2014/15 | Draft Local Planning Strategy & Draft Town Planning Scheme adopted by Council | Adoption of LPS & TPS | EMTP | In Progress |
| Explore the opportunities identified in the Gascoyne Pilbara Project Report stemming from the Resource sector | 1.1.2 | 2014/15 | Promote Exmouth Lifestyle Choice Project; Exmouth Boat Harbour Expansion; Airline connections to north and hinterlands (resource industry); by continued engagement with the resource industry | Develop & distribute Exmouth Lifestyle Choice Brochure; Engagement with the resource industry. Undertake feasibility study for airline connections | CEO | In Progress |
| | 1.1.2 | 2014/15 | Promote Exmouth Lifestyle Choice Project; Exmouth Boat Harbour Expansion; Airline connections to north and hinterlands (resource industry); by continued engagement with the resource industry | Support development of airline connections to other airports; Land released and residential lots created | CEO | In Progress |
| Continue to work with the Chamber of Commerce and the GDC to promote investment opportunities in the region | 1.1.3 | 2014/15 | Investigate and promote Flight Linkages with Pilbara towns. Coordinate Affordable Housing Initiative with local business. | Initiate feasibility study for flight linkages to Pilbara Region. Completed housing project | CEO | In Progress |
| | 1.1.3 | 2014/15 | Make land available within CBD precinct for future development. Continue initiatives identified in CBD revitalisation. Airline connections to north and hinterlands (resource industry); by continued engagement with the resource industry | Participate in trial of airline connections to the Pilbara EOI for land release | CEO | In Progress |

| | | | | | | |
|---|-----------------|---------|---|--|-----------------------|----------------------|
| Implement key projects identified in the Gascoyne Regional Development Plan 2010 - 2020 | 1.1.4 | 2014/15 | Participate in Gascoyne Regional Blueprint Planning | Rollout of Infrastructure projects identified in Plan | CEO | Completed |
| Attract industry specific recruitment and training provider/s | 1.1.5 | 2014/15 | Liaison with CCI, Durack, Community Resource Centre, Resource and Tourism Industries to promote the creation of Exmouth specific training | Regular contact | CEO | In Progress |
| Facilitate and assist innovative industries including research, marine, environment, aquaculture | 1.1.6 | 2014/15 | Promote Research programs through the Ningaloo Centre | Research Programs sponsored and operated from Ningaloo Centre | CEO | In Progress |
| Lobby to expand the capacity of the Exmouth Boat Harbour | 1.1.7 | 2014/15 | Staged expansion of the Exmouth Boat Harbour - Service Wharf, Fast Refuelling. | Upgrade of facilities & secured industry tenancies | CEO | In Progress |
| Lobby for improved telecommunication services | 1.1.8 | 2014/15 | Lobby for Broadband Network and Mobile coverage in Black Spot Areas | Ongoing Lobbying | ALL | Ongoing |
| Advocate for traineeships and apprenticeships throughout local | 1.1.9 | 2014/15 | Promote with ECCI to employ a local school leaver program with local businesses. Ongoing employment of a Trainee with Council | Increased employment opportunity for school leavers | CEO | Ongoing |
| Facilitate the development of coastal commercial assets at the industrial estate | 1.1.10 | 2014/15 | Make land appropriately zoned and promoted for the development of coastal commercial assets. | Structure plan approved | EMTP | Completed |
| | 1.1.10 | 2014/15 | Facilitating the development of coastal commercial assets. | Number of Development Applications | EMTP | In Progress |
| Outcome 1.2 - Planned and balanced economic growth | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Plan to encourage balanced growth | 1.2.1 | 2014/15 | Develop strategic plans which take into account sustainable development principles | No of Approved strategic plans | ALL | In Progress |
| Support local business that promote environmental awareness and reward best practice | 1.2.2 | 2014/15 | Ongoing promotion of environmental programs | Promotion of home composting and worm farm rebate scheme Ongoing support of aluminium can collection service | EMHB | Ongoing |
| Outcome 1.3 - Diverse tourism opportunities | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Develop and implement a Strategic Experience Plan for the Ningaloo - Shark Bay national landscapes | 1.3.1 | 2014/15 | EDS endorsed by National Landscape (NL) Steering Committee, Tourism WA and DEC. EDS submitted with National Landscapes Reference Committee. | Formal endorsement by relevant parties | EMCE | Completed |
| Review operations of the visitor centre and how the region is promoted | 1.3.2 | 2014/15 | Ongoing Monitoring of EVC operations; Development of detailed guidelines and priorities for the Shire' s ongoing promotion of Town, Ningaloo WH Area and Regional attractions | Monitor EVC operations through Funding Agreement; Guidelines Developed; Promotional opportunities identified. Budget available | EMCE | Ongoing |
| Develop an Economic Development Plan and Tourism Plan to take Exmouth's distinct characteristics into consideration | 1.3.3 | 2014/15 | Commence implementation of EDS Key Strategies with NL partners (regional approach) and utilise the EDS plan findings for a local Economic Development/Tourism Plan | Exmouth Tourism priority strategies and actions identified; Regional and Local EDS action undertaken | EMCE | Ongoing |

| Outcome 1.4 - Maintain and increase the defence presence | | | | | | |
|---|-----------------|---------|---|--|-----------------------|----------------------|
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Lobby government for Exmouth to become a strategic defence hub | 1.4.1 | 2013/14 | Seek commitment from Federal Government for Exmouth to become a Defence Hub for North West Australia - ADF Posture Review | Commitment from Federal Government | CEO | Ongoing |
| | 1.4.1 | 2014/15 | Continue liaison with Defence Department to assist in logistical arrangements. Make land available for accommodation Defence Force personnel | Land availability and logistical coordination | CEO | Ongoing |
| Outcome 1.5 - Maintain and improve Shire infrastructure | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Advocate for the provision of infrastructure and utilities to facilitate economic growth | 1.5.1 | 2014/15 | Upgrade of Exmouth Boat Harbour Continuation of staged underground power | Projects commenced | CEO & EMTP | In Progress |
| Lobby to become the hub for regional air services | 1.5.2 | 2014/15 | Engage with stakeholders at Learmonth Airport and Exmouth Aerodrome. Implement actions from feasibility study on Pilbara linked services. Engage with Exmouth Visitor Centre on tourism studies | Bi-monthly Heliport, Monthly Defence and Bi-annual Airlines/DoT Meetings. Outcomes of Feasibility Study Implemented Commenced engagement | EMAS | In Progress |
| Adopt and implement a plan for expansion of the airports and operations | 1.5.3 | 2013/14 | Undertake an Exmouth Aerodrome Master Plan - Develop tender for fuel facilities at Learmonth Airport & Exmouth Aerodrome. Implement infrastructure upgrades at Exmouth Aerodrome. Develop Car-park master plan for Learmonth Airport. | Completion of Master Plans Tender Awarded Infrastructure projects commenced | EMAS | In Progress |
| | 1.5.3 | 2014/15 | Implement outcomes of Exmouth Aerodrome Master Plan Implement infrastructure upgrades at Exmouth Aerodrome Implement outcomes of Car-park master plan for Learmonth Airport. | Projects undertaken | EMAS | In Progress |

Environment

Objective 2: To have a balanced respect for our environment and heritage, both natural and built.

The Exmouth community are passionate and proud of their natural environment. As a start, we encourage our community to be more involved in projects such as the Town Centre Revitalisation and the Ningaloo Centre, to instil a greater sense of local pride and make certain we all proudly celebrate our World Heritage status. Our unique environment also presents a tangible prospect for us to be a world class leader in eco-friendly initiatives.

We can work together as a community to all be proud and welcoming ambassadors, and take responsibility for the presentation of our town.

| Outcome 2.1 - To maintain and improve access and connectivity to our natural assets | | | | | | |
|---|-----------------|---------|--|--|-----------------------|-------------------------------------|
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Develop and implement the initiatives that address access and connectivity in the Town Centre Revitalisation and Foreshore Development Plan and the Structure Plan | 2.1.1 | 2013/14 | Continuation of revitalisation of CBD/Foreshore Continuation of footpath network as per plan | Program actions achieved as per plan | EMCE & EMES | Ongoing - subject to funding |
| | 2.1.1 | 2014/15 | Continuation of revitalisation of CBD/Foreshore Continuation of footpath network as per plan Development of a Trails Master plan | Program actions achieved as per plans Trail Master plan Adopted | ALL MANAGERS | Ongoing - subject to funding |
| Maintain and improve current level of access to coastal assets | 2.1.2 | 2014/15 | Continuation of revitalisation of Foreshore precincts | Program actions achieved as per plans | EMES | Ongoing |
| Lobby State Government to improve access roads into town and for improved transport services | 2.1.3 | 2013/14 | Advocate for greater investment by State Government for improvements to Exmouth strategic roads | Funding commitments achieved | EMES | In Progress |
| | 2.1.3 | 2014/15 | Advocate for greater investment by State Government for improvements to Exmouth strategic roads | Funding commitments achieved | EMES | Ongoing |
| Outcome 2.2 - Our pristine natural environment and biodiversity will be understood, maintained and protected | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Establishment of the Ningaloo Research Centre within the Ningaloo Centre | 2.2.1 | 2013/14 | Establish a formal Agreement/Vision Statement with Research industry partners (Ningaloo Alliance) Incorporate dedicated Research facilities/interpretation within the Ningaloo Centre Plans Seek leveraged funding. | Adopt Ningaloo Alliance vision Statement Adopt final designs for Ningaloo Centre incorporating Research components Funds Secured | CEO & EMCE | In Progress |
| | 2.2.1 | 2014/15 | Commence construction of the Ningaloo Centre Project | Commence construction of building | CEO & EMCE | Ongoing |
| Promote partnerships with key stakeholders to engage the community | 2.2.2 | 2014/15 | To actively seek representation on relevant committees i.e. DEC and Ningaloo Alliance in projects and community programs | Council represented on relevant committees | ALL MANAGERS | Ongoing |
| Employ additional resources in community and environmental programs | 2.2.3 | 2014/15 | Seek local implementation of environmental programs like Reef Check, Conservation Volunteers, to train and include community volunteers Seek additional financial resources Deliver and contribute to environmental and research programs. | Program delivered | EMCE | Ongoing |

Outcome 2.3 - To have a town and community that takes pride in its World Heritage status

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|---|----------|---------|---|--|----------------|---------------|
| Promote and celebrate World Heritage status | 2.3.1 | 2014/15 | Promotion of World Heritage values in partnership with primary stakeholders Include promotions of WH status and values in marketing and branding opportunities | World Heritage values promoted | ALL MANAGERS | Completed |
| Develop and provide information for local residents and tourists on World Heritage status | 2.3.2 | 2014/15 | Develop information on WH status in partnership with DEC; include in corporate communication and interpretation for the Ningaloo Centre | WH Information sheet with photo database developed with DEC; WH information utilised | ALL MANAGERS | Ongoing |

Outcome 2.4 - To be a leader in eco-friendly initiative and innovations

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|--|----------|---------|--|---|----------------|---|
| Investigate and consider preparation of local planning policies and/or design | 2.4.1 | 2014/15 | Advertise the draft plan | Number of comments received during the advertisement period | EMTP & EMHB | In Progress |
| The Shire and community, where possible, adopts best practice environmental sustainable design and use initiatives | 2.4.2 | 2013/14 | Investigating the feasibility of the introduction of localised grey water treatment and reuse for future subdivisions Obtain grant funding for the purchase of Pool Blankets to conserve water at the Paltridge Memorial Swimming Pool. | Commence investigations Grant Funding Received | EMHB | In Progress / Pool Blankets Completed |
| | 2.4.2 | 2014/15 | Ongoing investigations to the feasibility of the introduction of localised grey water treatment and reuse for future subdivisions | Program goals achieved | EMHB | Ongoing |
| Progress regional renewable initiatives (ie solar, recycling, water wise, energy efficiency) | 2.4.3 | 2013/14 | Complete the review of the Regional waste management strategy. Submit EOI to Horizon Power to participate in the Living Laboratory Project. | Complete strategy EOI submitted | EMHB | EOI Cancelled. Scheme was unsustainable. |
| | 2.4.3 | 2014/15 | Collaborate with Water Corp to expand waste water reuse scheme to reticulate Exmouth Golf Course Participation in Living Laboratory Project | Expansion of Golf course reticulation Ongoing participation in Living Lab Project | EMHB | EOI Cancelled. Scheme was unsustainable. |
| Develop and implement sustainable recycling initiatives | 2.4.4 | 2013/14 | Undertake initiatives for Regional Waste and Recycling project adopted by the RCG. Implement a waste water re-use system for the back-wash and wash-down water from the Water Spray Ground. Investigate tyre recycling initiative Investigate uses for fish offal | Completed construction of recycling depot for cans, cardboard and glass Waste Water reuse at Federation Park | EMHB & EMES | In Progress. Water Re-Use System Completed. |
| | 2.4.4 | 2014/15 | Implement a fish offal recycling program Implement a tyre recycling program | Reduction of tyres in Landfill | EMHB & EMES | In Progress |

Outcome 2.5 - To make Exmouth an attractive town that is a comfortable and welcoming place to live and visit, and reflects the

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|---|----------|---------|--|---|----------------|---------------|
| Implement the outcomes of the Town Centre Revitalisation and Foreshore Development Plan | 2.5.1 | 2014/15 | Relocate SES and Bush Fire Brigade to Emergency Response Precinct Relocate Police to Emergency Services building. Make application for grant funding for redevelopment of the Paltridge Memorial Swimming Pool | Relocations complete Application Lodged | ALL MANAGERS | In Progress |
| Implement the projects identified in the Gascoyne Regional Development Plan 2010 - 2020 | 2.5.2 | 2014/15 | Complete Ningaloo Centre Project, Upgrade of Exmouth Boat Harbour by DoT. Upgrade of Exmouth Health Campus, ongoing staged underground power program | Completed projects | CEO | In Progress |
| Advocate for relocation of key infrastructure in line with the Gascoyne Infrastructure Plan (ie powerhouse, power network and sewerage ponds) | 2.5.3 | 2014/15 | Engage with Horizon Power to coordinate a staged underground power network program | Staged underground power program | CEO | In Progress |
| Create the Ningaloo Centre to enhance the community and visitor experience | 2.5.4 | 2013/14 | Engage Builder & Architect, Secure all funding, commence construction | Secured funding and commencement of project | CEO & EMCE | In Progress |
| | 2.5.4 | 2014/15 | Completion of Ningaloo Centre construction, | Completed building, relocation of services and commencement of operations | | To Commence |

| | | | | | | |
|--|-----------------|----------------|--|--|-----------------------|---|
| Installed flood mitigation measures to protect the town centre and future land development | 2.5.5 | 2013/14 | Completion of Stage 2 LIA/Reid St Flood Mitigation Project | Complete construction | EMES | In Progress |
| | 2.5.5 | 2014/15 | Explore funding opportunities for further flood mitigation works | Funding applications submitted | EMES | In Progress |
| Continue to coordinate the Emergency Services (LEMC) for Exmouth | 2.5.6 | 2014/15 | Review LEMC arrangements Establish the Emergency Response Precinct for SES, Bushfire Brigade and Oil Spill Response Ongoing Training for LEMC members | Reviewed document Trained members | EMTP | Completed Establishment of ERP / Ongoing |
| Implement marketing strategies ie. Town Branding | 2.5.7 | 2013/14 | Develop a Strategy to promote Exmouth as a place to live and include Identification of key messages, images and style guides | Develop Strategy | EMCE | In Progress |
| | 2.5.7 | 2014/15 | Develop a new Shire Logo & Brand with branding guidelines; Implement the new Logo and Brand | New Shire Logo and Brand developed and used on Shire Communications, including email, letterhead and reports | EMCE | Completed |
| Outcome 2.6 - Incorporate Climate Change impacts into current and future planning and policy of Land Developments | | | | | | |
| Key Strategies | SCP Link | Actions | | Performance measure | Responsibility | Actions Taken |
| Ensure that disaster management (eg flood mitigation and essential services) takes into account potential climate change impacts including community essential services | 2.6.1 | 2014/15 | Incorporate the disaster management principles in the Local Planning Scheme | Draft Local Planning Scheme containing disaster | EMTP | Completed |
| | 2.6.1 | 2014/15 | Exmouth South flood modelling to identify floodways and flood fringe. | Completed Study | EMTP | Completed |
| Consider the effects of climate change in all future land development, planning and policy | 2.6.2 | 2014/15 | Inclusion of Exmouth South flood modelling in new Local Planning Strategy. State Planning Policy 2.6 State Coastal Planning to be included in preparation of new Local Planning Strategy. Incorporate WALGA climate change management principles in new Local Planning Strategy. | Draft Local Planning Scheme containing climate change principles | EMTP | In Progress |
| | 2.6.2 | 2014/15 | Advised Local Planning Strategy and Scheme incorporating climate change principles. | Number of comments received | EMTP | In Progress |

Social

Objective 3: To be a dynamic, passionate and safe community valuing natural and cultural heritage.

Exmouth's small town atmosphere, friendly spirit, relaxed lifestyle and safe community environment are highly regarded by our residents. We need to make sure we continue to provide services and infrastructure which will retain and enhance these highly valued social qualities.

We acknowledge we need to encourage moderate expansion, to improve our local services such as health, aged care and education to meet the expectations of our community.

Outcome 3.1 - Retain a safe community environment

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|---|----------|---------|---|--|----------------|---------------|
| To engage the community in decision making and a shared responsibility to achieve our goals | 3.1.1 | 2014/15 | Actively engage and inform the community through: Community Forums, newsletters, Shire Website, Notices, Focus groups, Council Meetings and similar. Specifically target young people through Youth Action Exmouth (YAE). | Number of Forums & newsletters Number of Meetings with Youth | CEO & EMCE | Ongoing |
| To facilitate better engagement between government agencies and service providers | 3.1.2 | 2014/15 | Engage State Government Agencies to co-ordinated outcomes in the Gascoyne Infrastructure Blue Print | Roll out of infrastructure projects | ALL MANAGERS | In Progress |
| Review and implement the Crime Prevention and Community Safety Plan | 3.1.3 | 2014/15 | To Review the Crime Prevention and Community Safety Plan (CPCS Plan) and seek community input (survey and focus group); Adopt the CPCS | Plan Adopted and Submitted | EMCE | Ongoing |
| | 3.1.3 | 2014/15 | Implement priority actions from the CPCS Plan Monitor Progress on the Plan. | Meetings with Key Stakeholders Priority actions implemented | EMCE | Ongoing |
| Incorporate 'designing out crime principles' in planning for new developments | 3.1.4 | 2014/15 | Incorporate the design out of crime principles in the Local Planning Scheme | Draft Local Planning Scheme containing design Out Crime principles | EMCE & EMTTP | In Progress |
| | 3.1.4 | 2014/15 | Advertising of the draft Town Planning Scheme | Comments received regarding the provisions | EMTP | In Progress |
| Expand the ranger services and lobby for other enforcement services | 3.1.5 | 2014/15 | Expand compliance and enforcement procedures throughout the organisation | Reduction of illegal activities | EMTP | Completed |

Outcome 3.2 - Excellent lifestyle, recreational and cultural facilities

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|---|----------|---------|--|---|----------------|---------------------------------|
| Create the Ningaloo Centre to enhance the community and visitor experience (refer 2.5.4) | 3.2.1 | 2014/15 | Engage Builder & Architect, Secure all funding, commence construction | Secured funding and commencement of project | CEO & EMES | In Progress |
| | 3.2.1 | 2014/15 | Completion of Ningaloo Centre construction | Completed building, relocation of services and commencement of operations | CEO & EMES | In Progress |
| Build a new boat ramp and land based facilities at Tantabiddi | 3.2.2 | 2014/15 | Commence carpark and tourism operator parking upgrades | Construction complete | EMES | To Commence |
| Develop, implement and regularly review a recreational, cultural facilities and open space plan | 3.2.3 | 2014/15 | Develop a Recreation Centre Precinct Plan (RCPP) Develop a Shire Hall Functionality Plan (SHFP) Incorporate Public Open Space Hierarchy (POSH) into the new TPS. | RCPP developed SHFP developed POSH developed | EMCE & EMES | RCPP Completed & SHFP Deferred. |
| | 3.2.3 | 2014/15 | Implement priority recommendations from the RCPP and SHFP | Priority recommendation implemented of the RCPP and RHFP | EMCE & EMES | Ongoing |
| Develop tourism and recreational infrastructure at the Exmouth Marina development | 3.2.4 | 2013/14 | Implement projects identified under the Foreshore Revitalisation program. Investigate funding opportunities for new jetties and fishing platforms. | Complete Landscaping at Marina Footbridge Commence investigations | EMCE & EMES | Ongoing |
| | 3.2.4 | 2014/15 | Investigate the design for landscaping within Superlot B Exmouth Marina Village . Apply for funding for the construction of jetties and fishing platforms. | Landscaping commenced Funding application submitted | EMES | Ongoing |

| Outcome 3.3 - An inclusive, responsible and cohesive community | | | | | | |
|---|-----------------|---------|--|--|-----------------------|---|
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| To be the tidiest town in Australia | 3.3.1 | 2014/15 | Promote and initiate projects under the Tidy Towns Program | Community ownership and awarded recognition Enhancement of town | ALL MANAGERS | Ongoing |
| Support festivals and events that promote and celebrate Exmouth's lifestyle, culture and heritage | 3.3.2 | 2014/15 | Contribute to Whaleshark Festival Programming, Ningaloo Music Festival and other major events as appropriate; Coordinate celebrations and commemorations of historical events as they occur | Successful festivals and events | EMCE | Ongoing |
| Undertake a needs analysis and develop and implement a Youth Plan | 3.3.3 | 2014/15 | Conduct a Youth Survey and Focus Group meeting on Youth issues and opportunities; Youth Action Exmouth (YAE) to have formal structure and process in place for input in council decision making | Youth Survey results available Priority from the Plan implemented; YAE formalised | EMCE | Youth Survey Completed. Meetings Held. |
| Outcome 3.4 - A community that is well informed and educated about our natural, cultural and built environment | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Establishment of the Ningaloo Research Centre within the Ningaloo Centre | 3.4.1 | 2014/15 | Establish a formal Agreement/Vision Statement with Research industry partners (Ningaloo Alliance) Incorporate dedicated Research facilities/interpretation within the Ningaloo Centre Plans Seek leveraged funding. | Adopt Ningaloo Alliance Vision Statement Adopt final designs for Ningaloo Centre incorporating Research components Funds Secured | CEO | Completed |
| | 3.4.1 | 2014/15 | Commence construction of the Ningaloo Centre Project | Commence construction of building | CEO | In Progress |
| Promote partnerships with key stakeholders | 3.4.2 | 2014/15 | Involve key Stakeholders in Community Forums to inform the community. Major community events and activities like Health Expo, Sports Conference, Career Expo's) are planned and delivered in partnership with other organisations. | Bi-annual Shire Community Forums held Contribute to community information sessions with other organisations | ALL MANAGERS | Ongoing |
| Employ additional resources in community and environmental programs | 3.4.3 | 2014/15 | Continue to seek grant support for community programs Engage key stakeholders and community volunteers to contribute to community programs. | Successful grants for community programs Increased volunteer participation in programs | EMCE | Ongoing |
| Organise cultural awareness training | 3.4.4 | 2014/15 | Recognition of cultural events and communicate the importance and meaning of events like Australia Day, ANZAC and Remembrance Day to the organisation and wider community Celebrate important cultural and historic events. | Cultural events held | EMCE | Ongoing |
| Outcome 3.5 - Maintain and increase the participation levels in local community organisations and clubs | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Support and acknowledge the contribution of volunteers through a variety of programs | 3.5.1 | 2014/15 | Ongoing Volunteer Emergency Services Reception and Sports Volunteer Awards; organise Australia day with Active Citizenship Awards. Continue the role of the Club Development Officer to provide training and support for Clubs; Assist volunteer organisations like Birds Australia, Reef Check, Conservation Volunteers, to undertake their activities in the Exmouth region. | Volunteer recognition programs and acknowledgement events conducted. | EMCE | Ongoing |
| Support and assist community organisations and sporting clubs | 3.5.2 | 2014/15 | Commenced development of Racecourse Ongoing support of clubs & community development positions Ongoing support for community volunteers/organisations via financial and/or in kind Prepare an Annual Community Development action plan. | Developed Commenced Training and skill development opportunities delivered Annual Community Development Action plan developed | CEO & EMCE | Ongoing |

| Outcome 3.6 - Expand education and training facilities and opportunities | | | | | | |
|---|-----------------|---------|---|--|-----------------------|--|
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Advocate to agencies for the development of an increase in the provision of secondary, tertiary, traineeships and adult learning | 3.6.1 | 2014/15 | Plan and secure primary tenancy arrangement for the Durack TAFE Institute within the Ningaloo Centre Participation in School Careers Local Expo | Secured Tenancy arrangement, Durack participation in design requirements | CEO | Completed |
| | 3.6.1 | 2014/15 | Relocation of Durack incorporated into Ningaloo Centre Participation in School Careers Local Expo | Relocation of Durack TAFE operations to the centre | CEO | Completed |
| Advocate for apprenticeships and traineeships throughout Exmouth | 3.6.2 | 2014/15 | Promote with ECCI a employ local school leaver program with local businesses | increased employment opportunity for school leavers Shire committed to employment of trainees | CEO & EMES | Engineering Services will engage with EDHS when Traineeship |
| Outcome 3.7 - Residents and visitors have access to appropriate services and facilities to enhance their health and wellbeing | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Advocate for a tiered approach to aged care | 3.7.1 | 2014/15 | Continue support of 36 Aged Persons Homes in Stokes-Hughes St Exmouth | Number of actions | CEO | Assets Transferred to suitable Housing Provider |
| Advocate for health and support services that meet the needs of the local community | 3.7.2 | 2014/15 | Continue to work with Health & Family Agencies on delivery of services Coordinate Health related awareness programs to be delivered (i.e. Pink October, Movember) Establish Men's Shed premises location | 5 Annual EXMOUTH VISITS undertaken by State Government Officers based in Carnarvon; Health & Support Booklet finalised; 2 Health | EMCE | Ongoing |
| Outcome 3.8 - There is a diverse range of residential land options available | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Advocate for State Government to release more land | 3.8.1 | 2014/15 | Initiate discussions with State Government on Native Title issues Construction and selling of first stage of Nimitz Street Subdivision. Host Exmouth Land Group Meetings | 40 Residential Lots released Participate in Quarterly Meetings | EMTP | In Progress |
| | 3.8.1 | 2014/15 | Advocate Residential land development with Landcorp Host Exmouth Land Group Meetings | Participate in Quarterly Exmouth Land Group Meetings | EMTP | In Progress |
| Council to investigate opportunities to acquire crown land for development | 3.8.2 | 2014/15 | Carrying out feasibility studies on the identified parcels of land, eg native title, flood modelling Business Case completed for identified parcels of land Identification and initiate the acquisition of Crown land | Feasibility Study completed, Business Case submitted 10 crown parcels identified | EMTP | In Progress |
| | 3.8.2 | 2014/15 | Construction of the subdivision to yield 11 lots and selling of the lots | 11 lots constructed | EMTP | Completed |
| Develop affordable service workers accommodation | 3.8.3 | 2014/15 | Develop a business case, approval and tendering for the Lefroy Street housing project in partnership with Department of Housing. | Approved business case and selected tendered to undertake the project. | EMTP | Completed |
| | 3.8.3 | 2014/15 | Construction of twenty dwellings | Construction of 20 dwellings. | EMTP | In Progress |

Civic Leadership

Objective 4: To work together as custodians of now and the future.

We will continue to strive to be forward thinking, have strong representation and provide good leadership. We will also proactively communicate and acknowledge local feedback to ensure the services we deliver are representative of our community's needs.

In addition to focussing on continually improving our quality of service, we will work smarter to leverage partnerships and greater collaboration. We will maximise our efforts and advocate to better represent our region's interests particularly in relation to our environment, as well as continuing to lobby for better services to support our community.

Outcome 4.1 - To be a collaborative community with the capacity to manage the current and future direction of Exmouth

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|---|----------|---------|---|--|----------------|---------------|
| To engage the community in decision making and a shared responsibility to achieve our goals | 4.1.1 | 2014/15 | Continue community meetings and consultations as a way of promoting effective information sharing. Ongoing review of Website content | Number of Forums & newsletters Review undertaken of Website | ALL MANAGERS | Ongoing |
| To facilitate better engagement between government agencies and service providers | 4.1.2 | 2014/15 | Engage State Government Agencies to co-ordinated outcomes in the Gascoyne Infrastructure Blue Print | Adoption of Blue Print | ALL MANAGERS | Ongoing |
| | 4.1.2 | 2014/15 | Engage State Government Agencies to co-ordinated outcomes in the Gascoyne Infrastructure Blue Print | Roll out of infrastructure projects | ALL MANAGERS | Ongoing |

Outcome 4.2 - A local government that is respected, professional, trustworthy and accountable

| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
|---|----------|---------|--|--|----------------|---------------|
| Provide opportunities for training, education and professional development of officers and elected members | 4.2.1 | 2014/15 | Provision of funding for attendance at relevant conferences and professional development opportunities for Staff and Councillors | Performance appraisals are conducted annually and effectively | ALL MANAGERS | In Progress |
| To strive for a high level of effective communication, internally and externally | 4.2.2 | 2013/14 | Upgrade to Website/Ongoing Newsletters Continue community engagement meetings. Incorporate communication strategies with Rate Notices Participation in regular staff meetings for each department | number of Forums & newsletters Initiate communications strategy Number of staff meetings | ALL MANAGERS | Ongoing |
| | 4.2.2 | 2014/15 | Monitor Website/Ongoing Newsletters Continue community engagement meetings Participation in regular staff meetings for each department | Number of Forums & newsletters Number of staff meetings | ALL MANAGERS | Ongoing |
| Encourage and promote a culture within the organisation that aligns with the values of the Strategic Community Plan | 4.2.3 | 2013/14 | Develop a communications strategy for improved knowledge sharing across the organisation | Develop communications strategy | ALL MANAGERS | Ongoing |
| | 4.2.3 | 2014/15 | Implement a communications strategy for improved knowledge sharing across the organisation | Implement communications strategy | ALL MANAGERS | Ongoing |
| Ensure compliance with all relevant legislation and regulation | 4.2.4 | 2014/15 | Conducting an Audit Committee Meeting Completion of Compliance Return | Statutory requirements met Number of Meetings | ALL MANAGERS | Completed |
| Maintain a corporate structure that reflects and meets the needs of the community | 4.2.5 | 2014/15 | Monitor staffing levels and operational performance in accordance with the Workforce Plan and ensure that sufficient resources are provided to deliver required service levels | Number of improvements implemented | ALL MANAGERS | Ongoing |
| Provide sufficient resources to facilitate effective governance | 4.2.6 | 2014/15 | Ensure adequate training, mentoring and remuneration is available to attract and retain staff and councillors Purchase Land Staff Housing | Maintain financial ratios within acceptable levels. Improved staff housing | ALL MANAGERS | Ongoing |

| | | | | | | |
|--|-----------------|---------|---|---|-----------------------|---------------------------------------|
| For the organisation to be responsive to the community's aspirations where appropriate | 4.2.7 | 2014/15 | Conduct a Community Survey regarding community needs and Shire services (performance) | Community Survey completed & considered | EMCE | In Progress |
| Investigate revenue generation and funding opportunities that will fund future operations | 4.2.8 | 2014/15 | Review Council properties and services to ascertain opportunity for commercial benefit and/or rationalisation | Commence Review | ALL MANAGERS | In Progress |
| | 4.2.8 | 2014/15 | Development of Land held for Resale Preston St & Marina Village Undertake actions to progress the opportunity for commercial benefit and/or rationalisation of Council properties | Tenders called, and construction underway. Review of Commercial Leases | ALL MANAGERS | In Progress |
| Ensure that community facilities are being developed and rationalised in line with Council's financial capacity for a growing community | 4.2.9 | 2013/14 | Develop a Recreation Centre Precinct Plan (RCPP) ; Develop a Shire Hall Functionality Plan (SHFP); Incorporate Public Open Space Hierarchy (POSH) into the new TPS. | RCPP developed; SHFP developed; POSH developed | ALL MANAGERS | RCPP Completed / SHFP Deferred |
| | 4.2.9 | 2014/15 | Review Council properties to ascertain opportunity for commercial benefit and/or rationalisation | Review Commenced | ALL MANAGERS | In Progress |
| Outcome 4.3 - To be strong advocates representing the region's interests | | | | | | |
| Key Strategies | SCP Link | | Actions | Performance measure | Responsibility | Actions Taken |
| Create platforms for better engagement with government agencies and key stakeholders | 4.3.1 | 2014/15 | Engage State Government Agencies to co-ordinated outcomes in the Gascoyne Infrastructure Blue Print | Adoption of Blue Print | ALL MANAGERS | Ongoing |
| | 4.3.1 | 2014/15 | Engage State Government Agencies to co-ordinated outcomes in the Gascoyne Infrastructure Blue Print | Roll out of infrastructure projects | ALL MANAGERS | Ongoing |
| Continually review the Strategic Community Plan through community engagement to ensure it represents the community's interests | 4.3.2 | 2014/15 | Commence a review of the Strategic Community Plan Conduct annual survey of community | Review completed Survey completed and considered | ALL MANAGERS | Ongoing |
| | 4.3.2 | 2014/15 | Continue to inform and seek input from the community regarding strategic projects and programs Conduct annual survey of community | Number of Forums & newsletters Survey completed and considered | ALL MANAGERS | Ongoing |

Shire Presidents Report



It is with pleasure that I present the Annual Report 2014/2015 for the Shire of Exmouth. I'm now into my 6th year as a Councillor and entering into my 5th year as Shire President which has been both a challenge but also a pleasure.

The start to the 2015 year was very busy with rain events and two major cyclones, TC Olwyn being a Cat 3 and TC Quang a Cat 2. I'm happy to say that there were no injuries, just infrastructure damage.

I am very proud of the Shire workers and the people of Exmouth. Thanks is extended to all of you as our town was up and running for business within weeks.

The Town Centre revitalisation, Federation Park and the Spray Park are all proving to be winners; many comments from families visiting our town are testament of this.

In finishing I would like to thank all Councillors, the CEO Bill Price, the Executive Managers and all staff of the Shire for their continued support and to the people of Exmouth, we continue to strive for excellence in this beautiful little place we call home.



A handwritten signature in black ink, appearing to read 'C. Shales'.

**Cr C (Turk) Shales
Shire President**

Executive Services

Chief Executive Officer

Bill Price

Executive Services Team

Sue O'Toole – Executive Manager Corporate Services

Jenny Kox – Executive Manager Aviation Services

Roge Kempe – Executive Manager Community Engagement

Rob Manning – Executive Manager Health & Building

Rhassel Mhasho – Executive Manager Town Planning

Keith Woodward – Executive Manager Engineering Services

Andrew Forte – Strategic Projects Officer

Brooke Shales– Executive Secretary

Strategic Planning

Governance

Policy

Organisational Development

Economic Development



Executive Services

The purpose of this annual report is to keep Councillors and the community informed on both the operations and accountability of the Shire of Exmouth. The information contained herein provides a detailed description of the finances of the Shire as well as reports of major happenings and activities that have occurred throughout the year.

In what has been another very busy year with many achievements the Council continues its emphasis on high end strategic planning for the long term future of Exmouth.

A summary of the major strategic activities undertaken during the period include:

Advocacy for State Government Infrastructure Projects

Council during the year under review, continually lobbied State Government and associated agencies to have the essential infrastructure projects within Exmouth completed.

1. Exmouth Marina Harbour Expansion – it was extremely pleasing during the year the announcement that the Marina Harbour project was successful in obtaining \$20m for a major upgrade of the service wharf. It is essential that the Marina is upgraded to accommodate the growth potential of industry utilising the facility that will have significant economic and employment knock on effects for the community.
2. Waste Water Treatment Plant (WWTP) – again is a priority for the Council to have relocated from its existing site to the proposed new site north of the Golf Course. This will allow future developments that were previously affected by a buffer zone surrounding the WWTP as well as addressing the increasing overall capacity requirements. It is proposed that the new facility will be operational by 2019.
3. Nimitz Street Residential Land Subdivision – Council has approved a Landcorp Outline Development Plan (ODP) for a 399 residential lot subdivision, which was to have an initial release of 45 lots in early 2015. Unfortunately due to limited demand response the project has been postponed until the market improves.
4. Affordable Service Worker Housing Project – Council have been successful in the facilitation of an affordable service worker housing project proposed for 2015 with the provision of a portion of land located in Lefroy Street. The project proposes 16 – 1, 2 or 3 bedroom dual key units at an estimated cost of \$8.5m.
5. Underground Power Network – Council have ongoing dialogue with Horizon Power and funding agencies to promote the need for a Gascoyne Underground Power Programme (GUPP) similar to what has been implemented in the Pilbara towns.

Ningaloo Centre Project

The Ningaloo Centre continues to be the intergenerational landmark project for the Council and has progressed significantly over the year. During this period the contracted Builder/Architect partnership (Matera/Site Architecture) has seen the completion of the Stage 1 'Design & Documentation' component of the project which comprises of 4 separate phases

1. Design Brief Finalisation
2. Schematic Design

3. Design Development
4. Final Construction Documentation

Unfortunately during the year Council were compelled to terminate the Design & Construct Contract with the Matera Group but instead have retained all of the existing sub-contractors being engaged directly by the Council to complete the project.

Council have since readvertised the Stage 2 'Construction Phase' tender and with the current depressed building market conditions suspect a competitive price.

During this period Council also secured an additional \$ 3.5m from LotteryWest towards the community aspects of the project. Council have also secured long term tenancy agreements with the Department of Training and Workplace Development (Durack) as well as the University of WA Oceans Institute on behalf of the Ningaloo Alliance members.



Airport & Aerodrome

Council continue to operate the Learmonth Airport and Heliport to an extremely high standard thanks largely to the efforts of the management and personnel employed at the facility. Upgrades to the facility are ongoing that will continue to improve the visitation experience for commuters.

Development in accordance to the Exmouth Aerodrome Master Plan will continue over the ensuing years subject to the availability of funds.

Tidy Town

Council engineering crew continue to improve the amenity and presentation of public areas throughout the town. Council again participated in the State Tidy Towns Awards and though we were unsuccessful in winning any categories this year, we are still very satisfied and proud with the improvements over the years.

We intend to continue implementing projects that will complement the work already achieved to ensure that Exmouth is a Tidy Towns in everyone's eyes!

Future Projects

Projects that will require additional planning and development by the Council in 2015/16 include:

- Multi-Purpose Deep Water Wharf – Exmouth Gulf
- New Emergency Response Precinct
- Men's Shed Development

- Cruise Shipping Opportunities
- Exmouth Race Track
- Stage 2 Reid Street Flood Mitigation Works
- Canal Jetties Development
- Recycling Drop-off Processing Centre
- Development of the Old Seniors Building site

Looking Ahead

I believe Exmouth will continue to experience exciting development opportunities in the future and it will be critical that Council manages this potential development effectively to ensure that it both benefits and is sustainable to the Exmouth community whilst not impinging on the environmental and lifestyle experience that Exmouth stands for.

Having said all this, I am extremely confident that with the experience and competence of elected members and staff that Council will continue to represent the community effectively during this testing period.



I would like to take this opportunity to express my appreciation to the Council for their excellent leadership and Council staff who have committed themselves industriously for the benefit of the community and I look forward to a successful working relationship into the future.

Council Meeting Dates

The Councillors meet regularly to discuss matters requiring decision and consideration. These meetings are held at 4.00pm on the last Thursday of every month. These Council meetings are governed by Regulations and Standing Orders.

A Council Agenda Briefing Session is held on the Tuesday before the monthly Ordinary Council meeting. These Briefing sessions enable Councillors to be regularly briefed on current matters and to enable Councillors to discuss matters other than those listed on the Council Agenda.

Election Dates

Elections are held for the position of Councillor in October every second year. The next ordinary election is due to be held on October 2017.

Access to the Decision Making Process

The Council has various powers and obligations under legislation which requires it to make decisions on a regular basis. As the position is not full time, the Councillors rely upon the staff to collect, collate and provide advice on decisions which they must make. The decision making process usually follows the following broad outline:

- Applications to the Council Staff or correspondence to the Council.
- Preparation of an Officers Report including an Officers recommendation to Council.
- Presentation of the recommendation to the Council in a meeting agenda document.
- A Council Meeting at which a decision is made.

- Minutes of the meeting are prepared.
- The applicant is advised of the decision by the staff (in writing if appropriate)

If you have an interest in a matter that is due to be considered by the Council you have a number of avenues by which you can have access to, and review, the decision making process. These are as follows:

Prior to the Meeting

You may contact the Council staff and be informed about meeting dates, legislative requirements, and Council policy and seek their advice on the application requirements.

The Councillors receive an agenda the week before the scheduled Council meeting. This agenda sets out the issues to be considered at the meeting and contains recommendations from the staff to the Councillors. This agenda is available for you to inspect, and take copies, at the Office, at any time after it has been sent to the Councillors.

Councillors are your representatives and you may contact them directly before the meeting.

At the Meeting

Council meetings are open to the public. Anyone may attend. Agenda documents will be available at the meeting or on-line and you will be provided the opportunity to ask questions. This question time is at the commencement of the meeting and up to 15 minutes is allocated.

After the Meeting

Minutes of the meeting are required to be produced at least 10 working days after the meeting date. In the case of the Shire of Exmouth, minutes are usually available at the Counter and Shire website within 7 working days after the meeting.

Persons requiring the issue of monthly minutes of Council Meetings have the option of purchasing them for an annual fee, or downloading them from the Shire website www.exmouth.wa.gov.au when they are available.



Corporate Services

Executive Manager Corporate Services

Sue O'Toole

Corporate Services Team

Vanessa Volkoff – Administration Manager (April 2015)
Michelle Head – Administration Officer
Robyn Thomas – Administration Officer
Vicky Nelson – Administration Officer

Kevin Perraudin – Accountant
Cally Schmidt – Finance Officer
Sara Bailey – Finance Officer

Maureen Graham – Centrelink Officer
Kevin Bayne – Centrelink Officer

Administration Services

Financial Services

Records Management & Information Systems

Insurance & Risk Management

Cemetery

Aged Care facilities

Centrelink Agency



Corporate Services

The 2014/15 Financial Year was a busy year for Corporate Services, with the updating of integrated planning and reporting requirements as well as continuing with implementing many improvements to our records management system, in particular, archiving and disposal of records.

Information Communication and Technology

Council's Information Communication and Technology (ICT) systems were reviewed by the City of Busselton's IT Co-ordinator, Hendrik Boshoff during 2014, who provided a comprehensive report on key activities required to meet the future demands of Council's ICT systems. Council partnered with Spyker Technologies to deliver the objectives from the report which saw the ICT related hardware replaced with leased equipment. It also included relocation of servers and the installation of an antenna on the Administration Building, which enables a wireless link to improve the connectivity between the Works Depot, Learmonth Airport to the Administration Building.

The outcomes achieved from this project has allowed the asset management of our ICT equipment cycle to become more self-managed.



Before: Servers were previously located in Admin General Area



After: Servers now located in a purpose built rack in the Strong Room

Community Donations/Assistance

Council provided donations, fee-waivers and in-kind assistance to various community groups during the year, which included:

| Donation Recipient | Amount \$ |
|---|----------------------|
| EDHS Chaplaincy Program | 3,000 |
| Exmouth Cultural Arts Centre | 600 |
| Exmouth District High School | 3,282 |
| Exmouth Golf Club | 294 |
| Exmouth Sea Rescue | 12,048 |
| Exmouth Motorcycle Club | 1,032 |
| Exmouth Swimming Club | 15,528 |
| Exmouth Ballet | 108 |
| Exmouth Lioness Club | 42 |
| Christian Surfers | 161 |
| Exmouth Basketball Association | 1,088 |
| Rio Tinto Iron Ore | 3,007 |
| Australasian Safari | 626 |
| PCYC | 536 |
| North West Cape Exmouth Aboriginal Corporation | 111 |
| Exmouth Eagles Football Club | 143 |
| GDC Perth Royal Show Display | 2,500 |
| RFDS (Learmonth Landing Fees) | 7,231 |
| TOTAL | 51,337 |

Aged Care Facilities

A Joint Venture Agreement between Department of Housing (DoH) and Council has been in place since 1987 to manage 35 aged person units located at Stokes-Hughes Street Exmouth. These units were constructed over five stages, with the final units being completed in 2001.

During 2014/15, a proposal was drafted by DoH to consolidate all agreements for affordable housing, allowing Council the opportunity to surrender its equity and Management Order over the reserve. Due to the ongoing financial obligation by Council for the short and long term maintenance of the units, Council agreed as at 30 June 2015 to relinquish its management of the units, and surrendered the reserve. These units are now being managed by DoH through a community housing organisation. Prior to the changeover, a morning tea was hosted by Council to introduce the new team to the residents who will oversee the management of the units.

Cemeteries

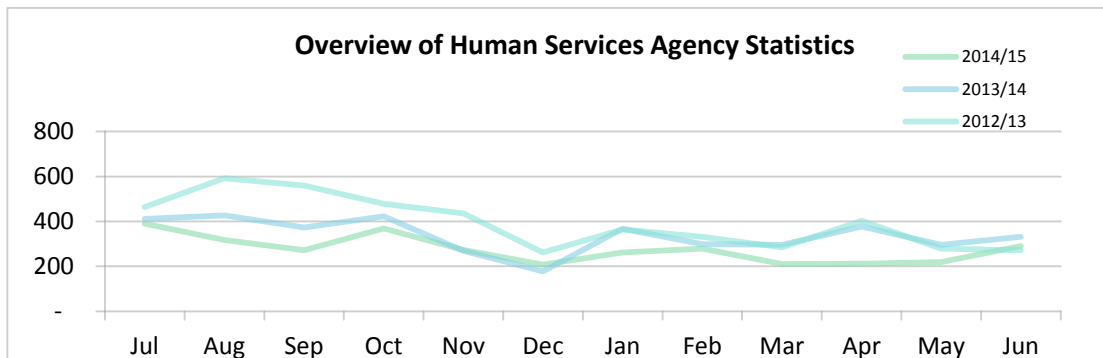
A guide to the Exmouth Public Cemetery was published in early 2008 and it assists on an ongoing basis in the process of arranging a suitable grave or niche memorial.

Digital photos of each headstone and niche plaque are now captured and held within our cemetery register. This provides a useful source of information and for genealogical purposes, so when a request is received from the public, we can retrieve the relevant information quickly.

Human Services (formerly Centrelink Agency)

The agency continues to provide a limited service to recipients of health, social and welfare payments. The centre operates from 9am to 11:30am Monday to Friday.

During 2014/15, 790 forms were lodged on behalf of the public and staff responded to 1,442 general enquiries. The centre also assists with referrals to the call centre as well as use of the computer equipment.



Comparing statistics from previous years show figures are lower and is partly due a rise in the number of customers utilising the Human Services website.

Human Resources

As at 30 June 2015, the Shire has a workforce of approximately 74 staff (permanent full time and part-time, contract and casuals), equivalent of 67.6 full time employees (FTE). During 2014/15 there were 17 resignations with a turnover rate of 23%.

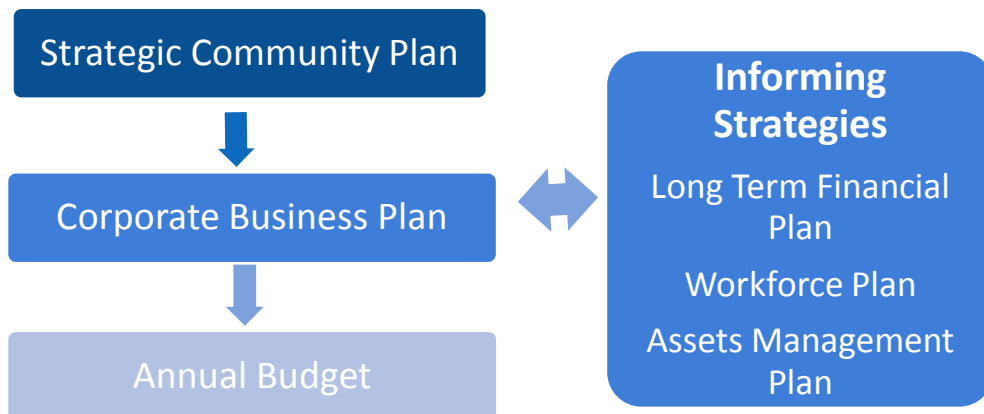
This is higher than the previous year which had a turnover rate of 15%.

Integrated Planning and Reporting

In August 2010 the Minister for Local Government introduced Integrated Planning and Reporting reforms, a new approach to how councils develop their budgets and corporate plans. Integrated Planning ensures that councils better reflect community aspirations within their activities by taking a long term (10 year) outlook. It is based around a community Strategic Plan which must reflect these aspirations.

The Strategic Community Plan was adopted by Council in 2011 and a full review to be scheduled in 2015/16.

Integrated Planning and Reporting Framework:



Council continue to review the informing strategies that are the elements of the integrated planning framework; Corporate Business Plan, Workforce Plan, Asset Management Plan and Long Term Financial Plan.

- **A Corporate Business Plan** was developed by Council Officers detailing the specific actions, priorities, projects, services and activities that council will undertake in response to the aspirations and objectives stated in the Strategic Community Plan. The Plan includes resources (human and financial) to achieve each strategy and will act as an organisational guide to Council and management.

The plan is for a minimum of 4 years and is being used in future Annual Reports detailing our progress in achieving each of the strategies.

- **A Workforce Plan** was developed by Bandt Gatter & Associates, consultants to perform a review of council's workforce that demonstrates we will have a sustainable workforce for the future that will support the organisational requirements. This plan will be reviewed every four years to ensure the workforce required is budgeted for in the Corporate Business Plan and the Long Term Financial Plan.
- **An Asset Management Plan** was developed by consultants, UHY Haines Norton and it will be used to demonstrate acquiring and maintaining assets at the required level of service to the community in the most cost effective manner within accepted resource constraints.

The plan will allow us to progressively develop asset management systems for all Council assets and the aim of this is to utilise this planned approach to influence the annual budget cycle.

- **A Long Term Financial Plan (LTFP)** was developed by consultants, UHY Haines Norton and will serve an important function in Council's strategic planning process.

The LTFP is a tool to test the community's aspirations and goals against financial realities and will be used to inform decision making during the review of the Corporate Business Plan. This plan will be reviewed each year when developing the annual budget.

Financial Report Summary

The Financial Report is for the period 1 July 2014 to 30 June 2015 and provides an overview of Council's financial management and performance.

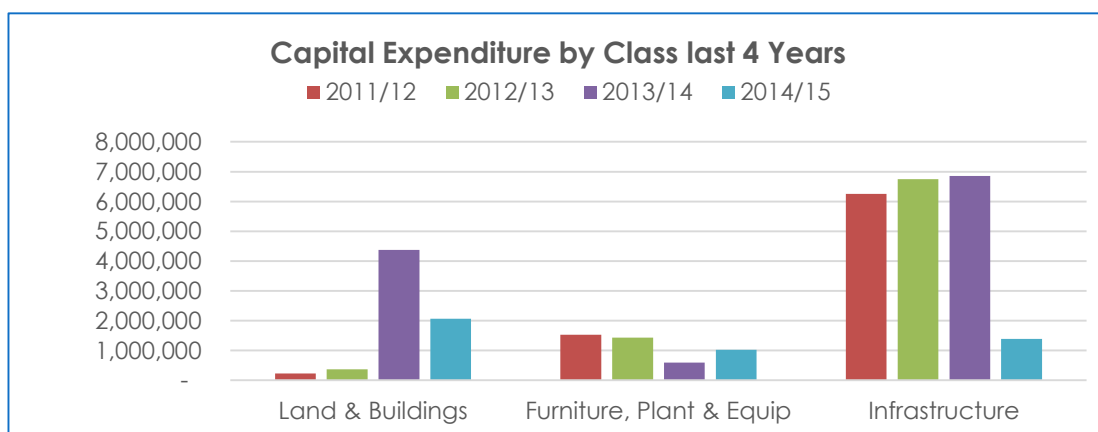
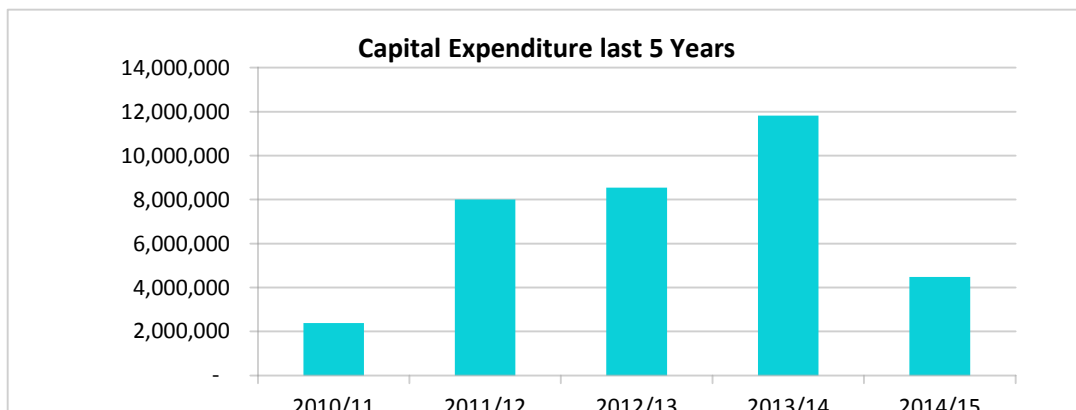
Summary of Revenue and Expenses:

| | 2014/15 | 2013/14 | 2012/13 |
|--|--------------|--------------|--------------|
| | \$ | \$ | \$ |
| Operating Revenue | 16,139,102 | 12,066,776 | 14,677,584 |
| Operating Expenditure | (18,113,046) | (15,701,986) | (15,116,344) |
| | | | |
| Non Operating Grants | 1,779,556 | 6,352,714 | 4,910,840 |
| Capital Works: Buildings & Infrastructure | (4,476,008) | (11,823,951) | (8,547,176) |

Council budgeted an estimated closing surplus of \$11,851, however finished the year with a closing surplus of \$1,403,494 for 2014/15. \$962,389 is attributed to the advance payment of the 2015/16 Financial Assistance Grant which was paid to Council on 30 June 2015. Also various projects came under budget with the remainder of projects not being initiated during the year.

Capital Acquisitions

During 2014/15, \$4,476,008 was expended on capital acquisitions and when included in the previous four years, the total expenditure is \$35m. Council relies on government grants to fund the majority of its capital works.

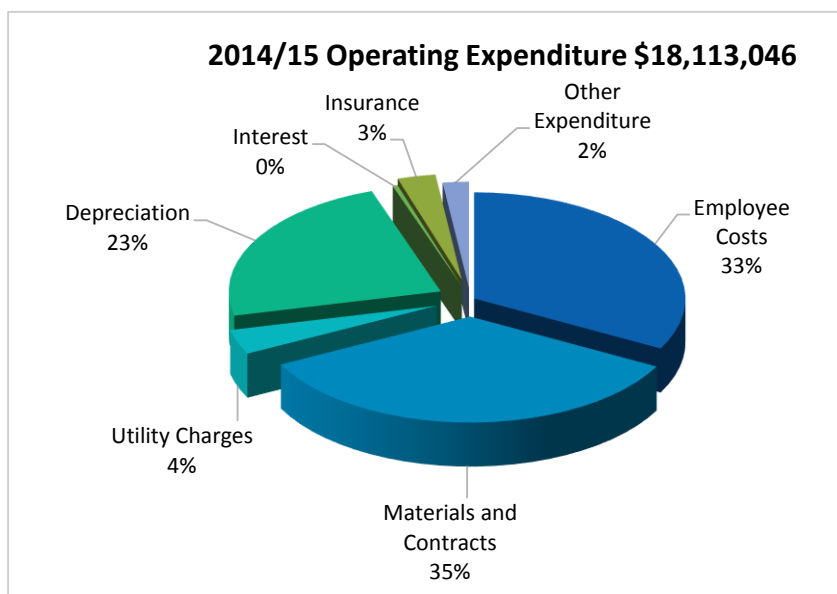
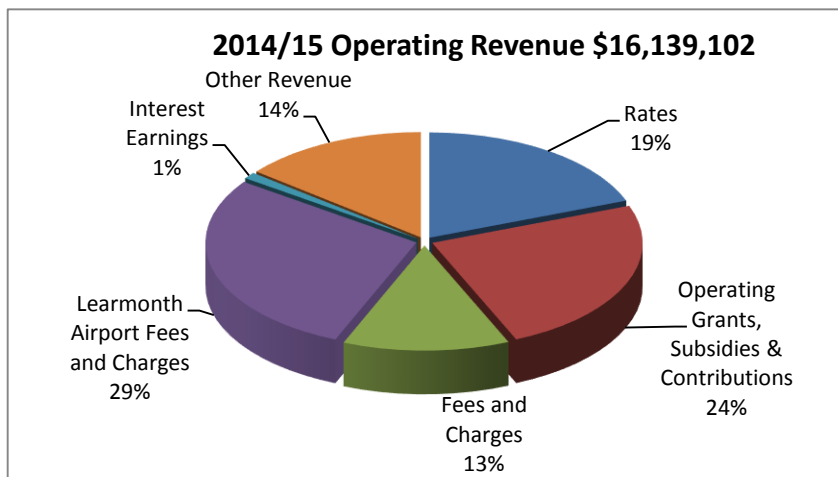


Borrowings

Council is easily servicing its debt with principal repayments representing 7% of the debt servicing obligation during 2014/15. There were no borrowings during the financial year and Council is capable of increasing its borrowing level should the need for capital replacement be required.



Graphical overview of Operating Revenue & Expenditure



In 2014/15 for every \$100 the Shire of Exmouth spent:



Aviation Services

Executive Manager Aviation Services

Jenny Kox

Airport Team (at 30 June 2015)

| | |
|-------------------|----------------------|
| Stephen Kox | Airport Manager |
| Clif O'Toole | Heliport Coordinator |
| Edward Boney | Aviation Officer |
| Stephanie Daniell | Aviation Officer |
| Brooklyn Foster | Aviation Officer |
| Andrew Froome | Aviation Officer |
| Isabella Froome | Aviation Officer |
| Julia Kernaghan | Aviation Officer |
| Renata Miller | Aviation Officer |
| Jeffrey Nelson | Aviation Officer |
| Delores Percival | Aviation Officer |
| Stephanie Price | Aviation Officer |
| Sheonie Quayle | Aviation Officer |
| Maryann Smidt | Aviation Officer |
| William Smidt | Aviation Officer |
| Sherree Stevens | Aviation Officer |
| Geoff Woodvine | Aviation Officer |
| Roger Wren | Aviation Officer |

Airport Services
Aerodrome Services
Heliport Services



Aviation Services

The Aviation Services Department covers the strategic, regulatory and operational requirements of Learmonth Airport (including Learmonth Heliport) and Exmouth Aerodrome.

Compliance activities and staff training & development have again been the focus of the year as well as managing a number of capital improvement projects. Nine staff have left Aviation Services during the last year as operations moved to greater flexibility between airport and heliport operations.

All staff have completed or upgraded qualifications to Certificate II in Aviation Transport Protection which is the new regulated aviation-specific security screening qualification. Learmonth Airport staff were the first in WA to complete this new qualification.



Learmonth Airport

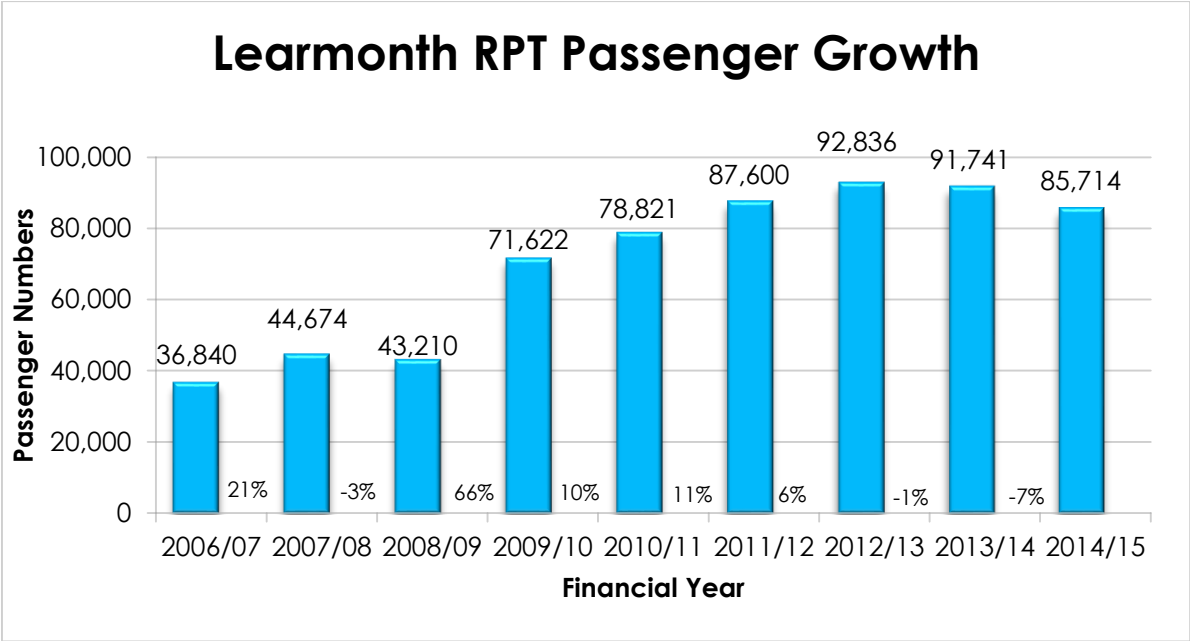
Airlines

In October 2014, Virgin Australia Regional Airlines ceased operations into Learmonth, thus returning Learmonth to a single airline route. Airlines operating Regular Public Transport (RPT) services into Learmonth continues to be semi-regulated by the State Government's Department of Transport (DoT) which allows two airlines to provide a minimum of three services a week. A review of regulated RPT services in Western Australia has been undertaken by the State Government in anticipation of the end of the current regulated service agreements in February 2016. The draft review proposes that the Perth-Learmonth air route become fully deregulated from 17 February 2016. Concerns from the community around fare prices and vulnerability to schedule changes should there be only one airline operating the route have been raised with DoT for consideration in the final report.

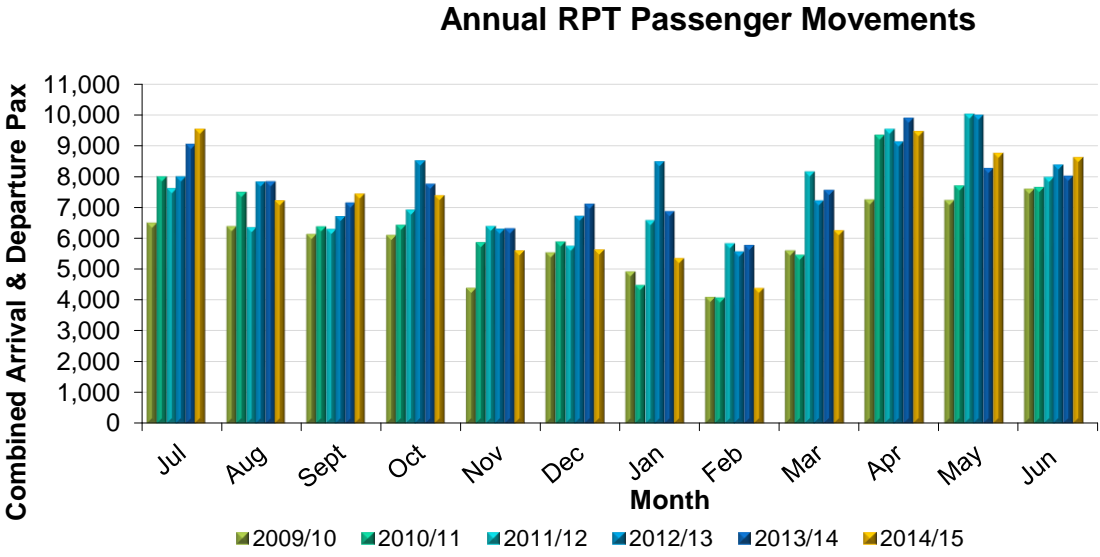
Qantas moved to full jet operations with their B717 (125 seats) and Network Aviation's F100 (100 seats) aircraft from March 2015 following the Q400's returning to operations on the east coast.

There were 85,714 RPT passengers for the 2014/15 financial year which represents around 7% decrease (or 6,027 less passengers) on the previous financial year. This is in line with other airports in WA, most of which saw decreases between 3 and 33% with some larger airports seeing 80-100,000 less passengers.

This decrease can be attributed to the reduced drilling campaign by most of the offshore oil and gas companies due to the low international price of oil and one of the FPSO vessels being away for maintenance for 18 months.



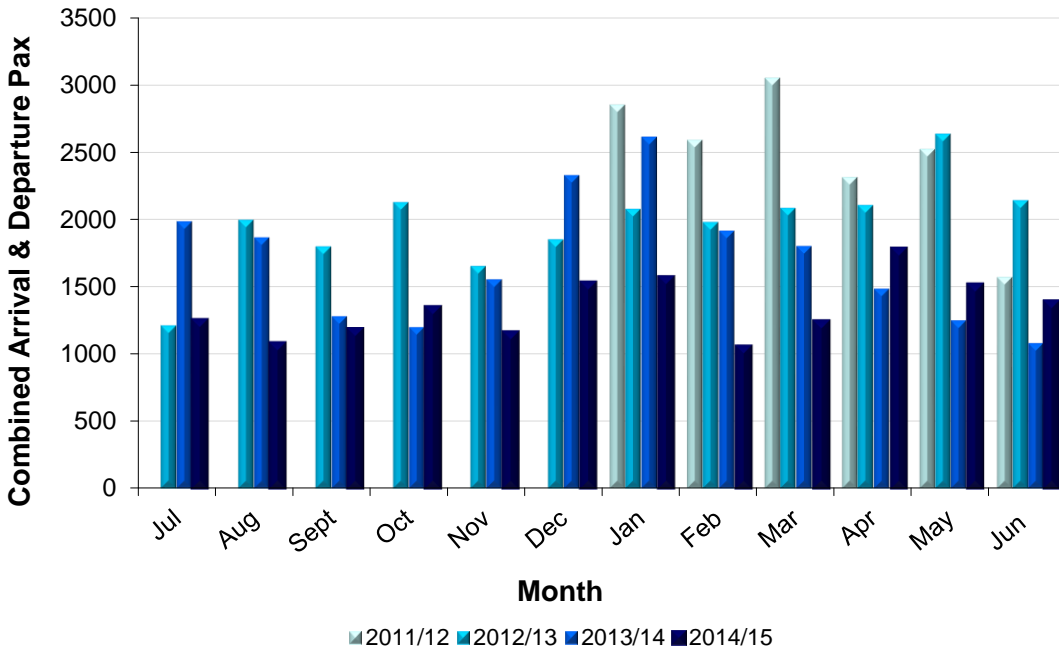
July 2014 and June 2015 were both record months of number of RPT passengers.



Heliport

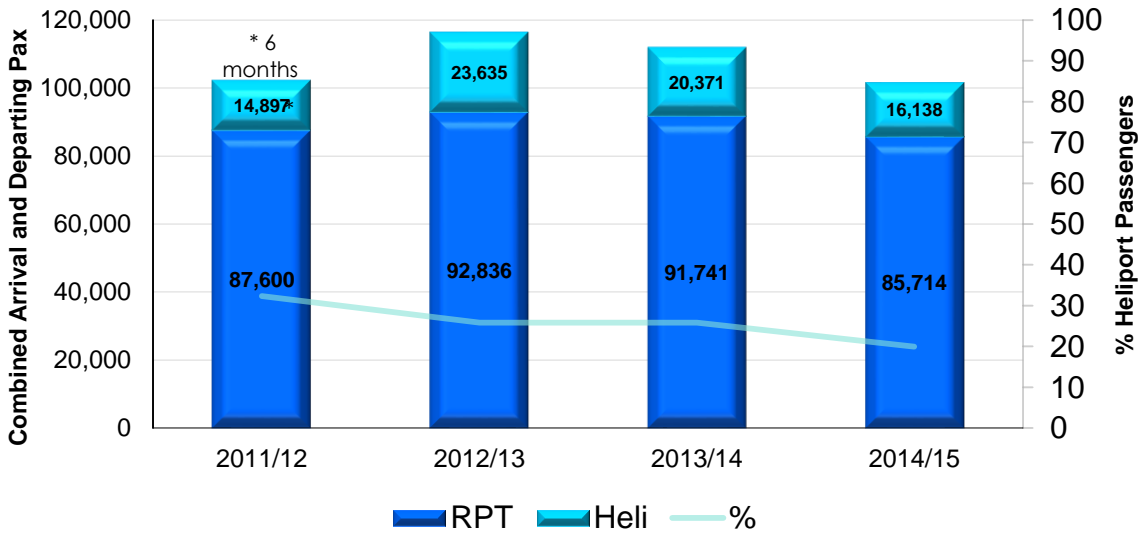
This year 16,138 passengers travelled in and outbound through the Heliport, which was 4,233 less passengers than the previous financial year (-21%).

Annual Helicopter Passenger Movements



The average for the financial year of RPT verses helicopter passengers was 20%, again down 3% on the previous year.

Annual RPT & Helicopter Passengers



Projects

On 24 April 2014, the 'Charles Learmonth Story' and the 'Ningaloo Aquarium' window displays in the terminal café and arrivals hall respectively were officially opened to the public to coincide with the Anzac Day Centenary. The 'Ningaloo Aquarium' photos are the work of Blue Water Media Exmouth and give arriving passengers a sense of place – celebrating the Ningaloo Reef. The Charles Learmonth story provides departing passengers with the story of the man who gave his life and his name to the airport. All the prints were installed by Tint-X.



Replacement of toilets within the airport terminal was a priority project for 2014/15. Improvements were also made to the quality

of water at Learmonth by the inclusion of 2 commercial water softeners and 5 new water fountains with each containing its own reverse-osmosis unit. Some improvements were also made to meeting rooms and staff amenities.



Internal painting of the terminal continued with the screening point and departures lounge receiving their fresh coat of paint. Repairs after damage suffered during TC Olwyn & Quang in March and May 2015 has also seen replacement of the ceiling in the screening area and changeover to LED lighting in this area.

Changes to the car park were undertaken to improve passenger safety and access throughout the car park. The one way entrance, pick-up/drop-off area, dedicated walkways to rental car bays and parking restrictions to the area in front of arrivals has greatly improved traffic flow, visibility and safe passenger movement.



Exmouth Aerodrome

Visitors to Exmouth Aerodrome now have access to their own enviro-toilet which uses captured and bore water for handwashing. A new shed for storage of maintenance and airfield equipment has also been installed during the year.

Investigations commenced during the year to look to provide fuel (AvGas) at Exmouth Aerodrome as this was highlighted during previous off-shore emergency response exercises as being a requirement for emergency response operations.



The new roadways to align with the General Aviation and Helicopter precincts have been pushed through with some final grading work still to occur.

A new tenant took up residence in the GA precinct to support a whale-shark operator.

Design of movement areas within the GA precinct commenced however the cost to undertake works was outside the allocated budget requiring a redesign.

Development of the Exmouth Aerodrome Master Plan has commenced with a view to completion in the coming year.

Looking forward

Next year, the Department will focus on the following major activities:

- Upgrade of security screening equipment;
- Airport branding and development of customer service standards for all airport workers;
- Staged changeover of internal lights to LED;
- Progressing of the Master Plan for Exmouth Aerodrome;
- Investigate fuel provision at Exmouth Aerodrome; and
- Further development of Exmouth Aerodrome movement areas.

Community Engagement

Executive Manager Community Engagement

Rogé Kempe

Community Engagement Team

Sharon Regterschot –Library Coordinator

Sara Dunny-Fox, Julie Throne, Taryn Ryan– Library Officers

Rebecca Hammill – Community Development Officer

Jaci Cutler – Community Activities Officer

Amanda Fuery – Community Development Officer

Community & Cultural Development

Tourism

Library Services

Youth and Seniors support

Disability support

Festivals & Events

Heritage

Grants

Communications & Marketing



Community Engagement

The principal functions of the Council's Community Engagement Department are within Community Development, Library Services and Tourism.

In addition, the department is responsible for corporate communications and marketing through newsletters and media releases and plays a role in preserving and communicating Exmouth's history. The Department also contributes to the management of existing and development of new community infrastructure.

Community Development

Officers continue to assist Exmouth residents, groups and clubs through community development activities, school holiday programs and commemorative services.

Recognition of Emergency Services took place during National Volunteers Week with a "Thank an Emergency Volunteer Night" organised specifically for those emergency services volunteers that keep our community and our visitors safe, like St. John's Ambulance, Volunteer Fire Services and Marine Rescue. The *Premier's Active Citizenship Awards* also recognised Exmouth volunteers and were handed out during a presentation on Australia Day.



A review of the *Community Safety & Crime Prevention Plan* was finalised.

Officers and Councillors continue to support the now incorporated Exmouth Men's Shed with finding a place of their own.

Olympic Swimmer Lisa Curry delivered her 'One Life - One Chance' tour, combined with a healthy living presentation, a free exercise class for the community in Federation Park and some swim clinics.

Culture and the Arts

Shire officers continued to work with Country Arts WA and the Exmouth Cultural Arts Centre and others to further develop arts & cultural opportunities in Exmouth.

The Shire organised and supported a range of events, like:

- Sponsorship of *Artquest 2014* and the Art & Craft Fair.
- Supported various local groups with their events through fee waivers and other means of assistance.
- The Shire partnered with the Exmouth Yacht Club in bringing the show 'Dust of *Uruzgan*' to Exmouth, with workshops available for EDHS students.

The Shire purchased some photos and paintings from local artists with the aim to have them on public display in the future Ningaloo Centre.

Club Development

The Club Development Program of the Department of Sport & Recreation (DSR) continues with Shire officers assisting Exmouth clubs to improve their governance and other operational activities. Various training and workshop opportunities were organised for clubs to attend.

The Shire continues to participate in the KidSport program to assist children from low income families with a financial contribution towards sporting club fees and small equipment.

A review was finalised into the Shire's Fees & Charges applied to local sports clubs, sport related businesses who use Shire facilities, and sporting clubs who have a lease with the Shire for their own premises.

Infant, Youth and Seniors Services

School holiday programs offered a wide range of activities, including Sand Castle competition, Beach Craft, 'Halloween Crafternoon', pool party, plastic bottle craft, and 'Shell Creatures'.

The Shire supported Exmouth District High School with Careers Week and set up a display about working for local government and highlighted the projects that Exmouth Shire is undertaking.

A review of the Shire's Youth Plan was commenced with a survey and youth needs analysis that looks at the experiences of young people in Exmouth. The reviewed plan is expected to be finalised early in the next financial year.



The Youth Cultural Exchange Project Our Youth Development Programme continues to provide young people with opportunities for new experiences and learn valuable skills for organising and running future Youth Events in Exmouth. This includes working and communicating together, networking, risk management, promotions and event management and has resulted in the formation of the *Youth Action Exmouth* (YAE) group.

Outcomes this year were:

- Securing a new meeting space at the Exmouth PCYC offices.
- Delivered 'The Amazing Race' event and a Halloween Party for young people in Exmouth.
- Attendance of young people at Hyperfest in Perth (Midland) to gain event management skills
- Delivered the Youth short film Festival at the Ningaloo Whaleshark Festival.
- Finalised an *Event Planning Handbook* for young people which has been utilised throughout the year.
- Contribution of youth elements and activities at the CARnival (Town Centre Revitalisation) celebrations.

In July Exmouth won a Tidy Town State Award for the Category 'Young Legends' for the **effort** in the previous year. The Category Award acknowledges the outstanding youth engagement programme run by Shire staff and fantastic hands-on participation by the YAE kids and others in our community.

Disability Services

Officers commenced the planning stages for the inclusion of Outcome 7 into the Disability Access and Inclusion Plan (DAIP). Outcome 7 states that: *“People with disability have the same opportunities as other people to obtain and maintain employment with a public authority”*. A new section on Disability Access & Inclusion was added to the Shire website.

Events & Commemorations

The Shire organised, often in partnership, various community events like NAIDOC week, Australia Day, ANZAC Day, Remembrance Day, and Vietnam Veterans Day.

The Shire supports the preparations for Relay for Life which will be held next financial year.

Support was given to the *Australasian Safari* which is an annual off road endurance motorsport event that traverse's over 3,200kms of unforgiving terrain over 7 days. They arrived in Exmouth in September 2014 with over 500 competitors and support crew.



The official opening of Stage 2 - CBD & Foreshore Revitalisation was conducted on 11 October 2014 under the name CARnival. A variety of festive activities was held throughout the town centre, including remote-control car races, face painting, music, colouring competitions and activities organised by businesses.

The Honourable Terry Redman, Minister for Regional Development, officially opened the revitalised town centre and said that *“Exmouth is set to become a dynamic and diverse region and projects such as this assist in attracting visitors and retaining residents, and building strong and vibrant regional communities”*.

Immediately after Cyclone Olwyn, officers worked with community members to organise a music event in Federation Park so the community could come together to relax and share stories. The event was well attended with B2M providing the music for what turned to be a great night out.

Anzac 100 Years was a great success with an estimated 1200 people attending the dawn service and 300 at the commemorative service.

Festivals



Officers continue to be a member of the Whaleshark Festival Committee which was successful again this year. The Shire's own contribution to the programme was called *Message in a Bottle*; an awareness campaign regarding the amount of plastic used in households. The end result was a 5 metre high whale tail made of more than 1000 plastic bottles. The Shire also ran a plastic bottle sculpture competition which attracted 48 entries. Officers continue to represent Exmouth on the *Gascoyne*

in May committee, to assist in the regional coordination and support for all Gascoyne festivals.

Celebrating our History

Throughout the year officers have assisted people from Australia and the USA with historical information about their families in Exmouth. In addition, historical information and artefacts have been collated and, with the assistance of volunteers, been catalogued and preserved.

One of the items received is a replica of a Sleeping Beauty, a submersible canoe, which was used during WWII. The replica was made for a documentary and the relevance for Exmouth is that a Sleeping Beauty was used during operation Rimau which is part of our town's war history.

Grants

Grant information was distributed to Exmouth community groups & clubs on an on-going basis. In addition, many letters of support were provided on behalf of the Shire to assist those groups and clubs with their grant applications. Grant advice was provided on request.

Some of the grants and sponsorships received by the Shire for community facilities and programs included: Public Arts Strategy, Message in a Bottle, Club Development and Youth Development & Culture.

Communications & Promotions

This year saw the ongoing production and distribution of monthly Shire Newsletters, which included information about Shire functions, processes and projects. The Shire produced a range of media releases which were published in Northern Guardian, The West Australian and various websites, e-newsletters and social media.

Officers provided community information through ABC and RedFM radio and social media. A feasibility study into the use of Facebook by Local Governments was finalised and will be used to seek the introduction of a Shire of Exmouth Facebook page in the next financial year.

The Shire supported the Banners in the Terrace programme, with Hayleys' Holiday Funcare kids designing a banner which promoted Exmouth in Perth City. The promotional banners on Maidstone Crescent were reproduced with some new community photos.

Officers assisted with the development of the Perth Royal Show Gascoyne District Display.

Tourism

Council continues to provide strong support for the Exmouth Visitor Centre, contributing financially to the operations of the Centre. An officer and a Council representative remain on the Visitor Centre Committee and actively support and develop the strategic direction of the Centre.

The Shire coordinated the *Experience Development Strategy* for the Ningaloo-Shark Bay National Landscape which was finalised and adopted.

Officers represented the Shire of Exmouth on the Reference Group for the *Gascoyne Regional Tourism Strategy* and contributed to the development thereof. The Plan was finalised and adopted during the financial year.

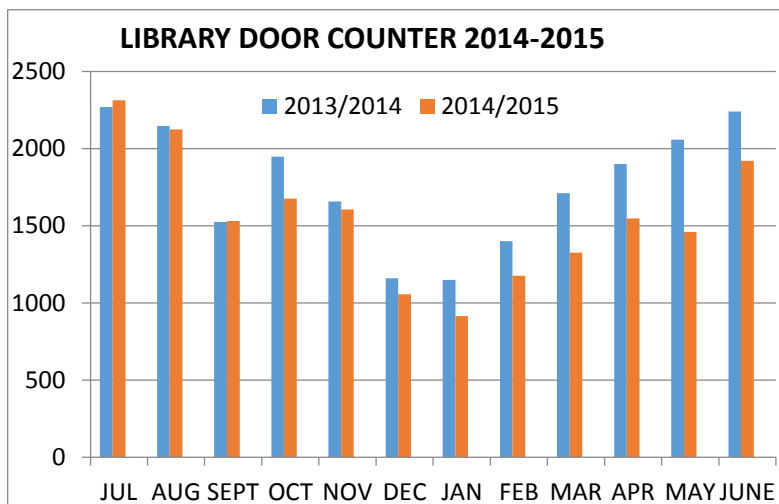
Officers continued to represent the Shire of Exmouth on the National Landscape Committee and the Board of Australia's Coral Coast.

Adverse weather events required a marketing response to support the 2015 tourism season for which the Shire contributed to the Gascoyne Region tourism campaign "*Open for Business*".

Library Services

In the past 12 months, a total of 18,647 people have used the library and 12,452 items have been loaned; 1,409 of these items were borrowed by tourists. In addition, 475 ebooks were loaned.

The 'Free little library' (book exchange) remains popular with visitors being able to swap book for book. This collection also enhances the amount of books available to local people.



Better Beginnings Story/Rhyme and craft time continues weekly with up to 25 children attending the sessions. Library staff also visited the Early Childhood Centre, pre-primary, kindergarten children and teachers at EDHS throughout the year.

This year the theme for Children's Book Week was 'Connect to reading' and Clare Stace from Sensational Storytelling visited Exmouth District High School for three workshops and storytelling sessions.



Mothers' Day story and card making morning was a great success.

A 'sketch book morning under the trees' was held behind the library and the SLWA Travelling Sketchbooks were on display for a two week period.

Looking forward

A Public Arts Strategy will be developed.

Investigations into the feasibility of a Trail Masterplan will start.

A feasibility study into a possible BMX track will commence.

Youth Action Exmouth (YAE) activities will continue in the new financial year with the delivery of a Youth Music Festival.

The Shire will commence the use of Facebook as part of its communications strategy.

Health & Building Services

Executive Manager Health & Building

Rob Manning

Health & Building Team

Steve Foster – Building Surveyor

Carla Webster – Environmental Health Officer

Joshua Koontz – Swimming Pool Manager

Sharon Mumby – Part Time Swimming Pool Duty Manager

Sharlene Williams – Part Time Swimming Pool Duty Manager

Samantha Evans - Life Guard

Sam De Jong - Life Guard

Matilda Levi - Life Guard

Kelsie Foster - Life Guard

Ethan Hutton - Life Guard

Kirra De Jong - Life Guard

Donna Koontz - Life Guard

Kevin Bayne - Water Sampling Officer

Building Services

Environmental Health Services

Swimming Pool

Waste Management and Recycling



Health & Building Services

The principal functions of the Council's Health & Building Services are to ensure new developments comply with statutory requirements; and where appropriate carry out routine inspections and monitoring of existing establishments/public facilities to maintain an acceptable level of public health and safety for the community. The Exmouth Paltridge Memorial Swimming Pool and the Qualing Scarp Waste Disposal site fall under the Environmental Health division of the organisation.



Environmental Health

The Council's Environmental Health Services operated with a full complement of staff for 2014/2015. This enabled a high level of environmental health surveillance and guidance to be provided to the community to maintain and improve standards of public health and illness prevention. The above was achieved by continuing to complete a vast range of inspection and monitoring programmes as well as providing public health education and promotion via the Shire Newsletter.

Environmental Health Services made regular contributions to the Shire Newsletter, local media and continued promoting recycling in the community by engaging with local sporting clubs, not-for-profit (NFP) groups and the Exmouth District High School.



In 2014/2015 access to the "I'm Alert" food safety training was again provided free of charge. "I'm Alert" is a free interactive food safety training program that is accessed via the Shire of Exmouth web site. It provides food handlers convenient access to basic training that may assist them to meet 'adequate knowledge and skills in food safety' as required under the Food Safety Standards. The training continues to be utilised not only by food businesses but also by, sporting clubs/NFP groups engaging in food stalls for fund raising as well as members of the general public concerned about food safety in their home. 118 users completed the training for 2014/2015. Overall since its introduction in November 2010, there has been a total of 698 users. A certificate is issued to those that participate in the

training.

The Environmental Health Officer worked closely with the state government Population Health Unit through the year to provide support and information in relation to the investigation of enteric diseases. This included helping with notification follow ups, hand hygiene activities with children and providing information for the community through posters and newsletters.

Officers worked closely with organisers of various festivals and public events such as the WA Country Pennants 2015, Whale Shark Festival and regular Sunday Markets to ensure that reasonable and practical care was taken to protect the health and safety of patrons/participants at such events.

In May 2015 the Environmental Health Officer (EHO) attended a two day course on Emergency Management for Public Health Practitioners. The course was conducted in Geraldton and covered topics such as disaster management for public health, the role of EHO in emergencies and the role of EHO's in HazMat incidents. The above course was timely following the two severe weather events that occurred earlier in the year.

Waste Management and Recycling

Waste Management

Since taking over the responsibility of the staff and the day to day management of the Qualing Scarp Waste Disposal Site (the tip) in November 2013, Environmental Health Services have continued to invest many hours in educating tip staff of safe work practises, Department of Environment and Regulation (DER) compliance matters and interpretation/application of the adopted tip fees. The above guidance was necessary to ensure that tip staff more thoroughly implement the aims and objectives of the Qualing Scarp Waste Disposal Site Landfill Environmental Management Plan and ensure that the fees and charges adopted by the Council can be collected/charged as appropriate. The result has seen a significant improvement in environmental compliance and a 24% increase in revenue from the collection of tip fees.

In 2015 the new electronic data recording system was introduced. Although there has been a few teething problems on the automatic invoicing side of things, the system is accurately capturing data on quantities of entering the tip for future reporting requirements, reducing operator error in billing and saving time in invoicing account holders.



The re-development of the liquid waste ponds was scheduled to occur in the 2014/2015 financial year. However, this had to be postponed due to the quotations received far exceeding Council's budget for the project. The closure of the existing ponds and construction of new lined ponds is required following a directive by the DER in 2014. Environmental Health Services have been in consultation with the DER and Water Corporation (WC) regarding to possibility of some or all of the liquid waste being disposed of via their current and/or future WC Waste Water Treatment Plant (WWTP).

In July 2014 the Council implemented new opening and closure times for the tip. The new opening hours have worked well for both the public and Council. The public have a greater span of hours Mon-Sat to access the tip without any increase in staff costs to Council.

| | Hrs Open to Public/Wk | Hrs Staff On-site/Wk | Total Hrs *Paid/Wk |
|-----------------|-----------------------|----------------------|--------------------|
| Previous Roster | 40.0 | 79.5 | 92.5 |

| | | | |
|----------------|------|------|------|
| Current Roster | 48.0 | 80.0 | 86.5 |
|----------------|------|------|------|

*Includes penalty rates and overtime.

Security cameras were installed at the waste site due to a number of afterhours unauthorised access issues, some of which involving theft or interference with Council assets.

Asbestos

Damage to buildings and structures in town resulting from two severe weather events early in 2015 brought about an increase in asbestos disposal at the tip. The majority of material was handled and prepared appropriately for disposal. However, there were unfortunately a few instances of breaches of the Health (Asbestos) Regulations 1992 observed. This is despite information being distributed to the community after TC Olwyn warning of the dangers of asbestos and the necessary precautions to be observed. Legal action was initiated on one such instance.

Clean-up Days

In addition to promotion of the KAB 'Adopt a Spot' campaign, two community clean up days were organised in the period. The Great Northern Clean up and the Canal Clean-up. Both had a high participation rate. The Canal Clean-up involved divers pulling rubbish up from the bottom of the canals as well as operators of kayaks and dinghies removing rubbish from the rock-face as well as ground patrols removing rubbish from around the marina.



Recycling

The owners of the aluminium can collection trailer and the can crusher Mr & Mrs Kiesey of Jakhaul Haulage, had been assisting the Shire of Exmouth and local volunteer groups with the aluminium can recycling programme for many years by processing and freighting the crushed cans out of town for recycling with the majority of proceeds going to the volunteer group collecting the cans. In 2014 the Kiesey's gave notice of their intention to cease processing the cans and that they were going to sell the trailer and crusher. The local C.A.R.E. Group wanted to continue providing the aluminium can collection service it being the primary means of generating an income to help fund the fantastic work that they do for the local injured native wildlife. However, the CARE Group didn't have the funds to purchase the recycling equipment.

Early 2015 the Shire purchased the trailer and crusher to ensure the can recycling programme could continue with the CARE Group to also take on the role of processing the cans through the crusher. However, before the above could happen a number of health and safety concerns with the equipment needed to be resolved. With the assistance of Raytheon safety

improvements were completed on the trailer and the Shire’s Engineering Services coordinated significant safety improvements to the can crusher. Delays incurred in taking possession and completing improvements to the recycling equipment coupled with two severe weather events early in 2015 resulted in a significant reduction in the amount of cans recycled in this period compared to previous.

Approximately 1.5 tonnes (t) of aluminium cans were collected and recycled during this period compared to approximately 2.5t last year.

The *Household/Domestic Battery Recycling Program* continued again this year. This program aims to significantly reduce domestic batteries from entering landfill. Drop-off points are located at the Shire administration building and Exmouth District High School (EDHS).

Despite various attempts to promote this and other recycling initiatives available in town, participation in the domestic battery recycling has declined again for the second year running since EDHS opted not to continue with the interclass battery collection competition. Approximately ½ of a 205L drum of domestic batteries were collected this period.

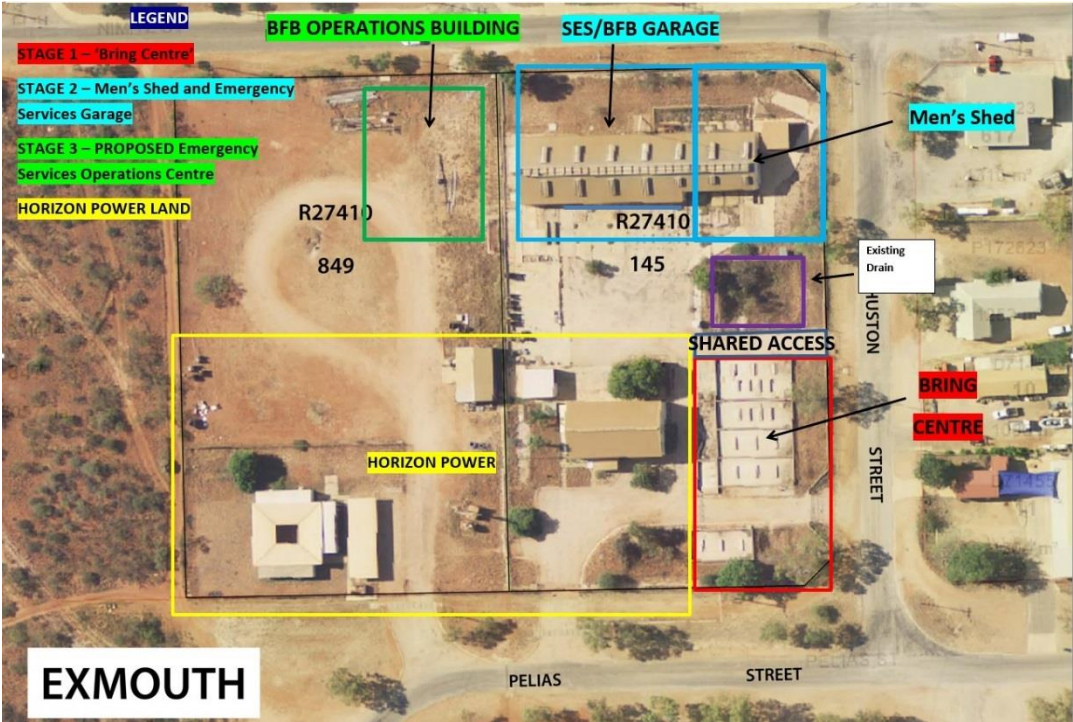
Approximately 333t of steel and 6.25t of automotive and marine batteries were removed from the Qualing Scarp Waste Management site for recycling. In addition to the above, 3kg of mobile phones and accessories were collected at the Admin Office and sent out of town for recycling.

Gascoyne Regional Group Waste and Recycling Infrastructure Project

Long awaited funding from the 2012/13 CLGF Regional Group grant was received in May 2015. Council officers have commenced planning for the new recycling Bring Centre to be developed upon the former power station site on the corners of Nimitz/Huston/Pelias streets.

The Bring Centre will form part of a Future Community Purposes Precinct following negotiations with Horizon Power to cede land (excess to their needs) fronting Huston and Nimitz Streets to the Shire (see illustration below).

Future Community Purposes Precinct



The annual attendance figures for Paltridge Memorial Swimming Pool (the pool) were down slightly compared to the figures of recent years. This is attributable to two main factors, one being the early closure due to the flooding of the pool and the other being the opening of the Federation Park Water Spray Ground. In consideration of the above, the overall usage of the pool continues to be strong and shows the importance of the facility to the community.

| Season | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|------------|---------|---------|---------|---------|---------|
| Attendance | 27,159 | 28,054 | 29,519 | 26,329 | 27,448 |

It should be noted that the above figures do not include the year-round 'out of hours' usage of the facility by the local dive companies for SCUBA instruction.

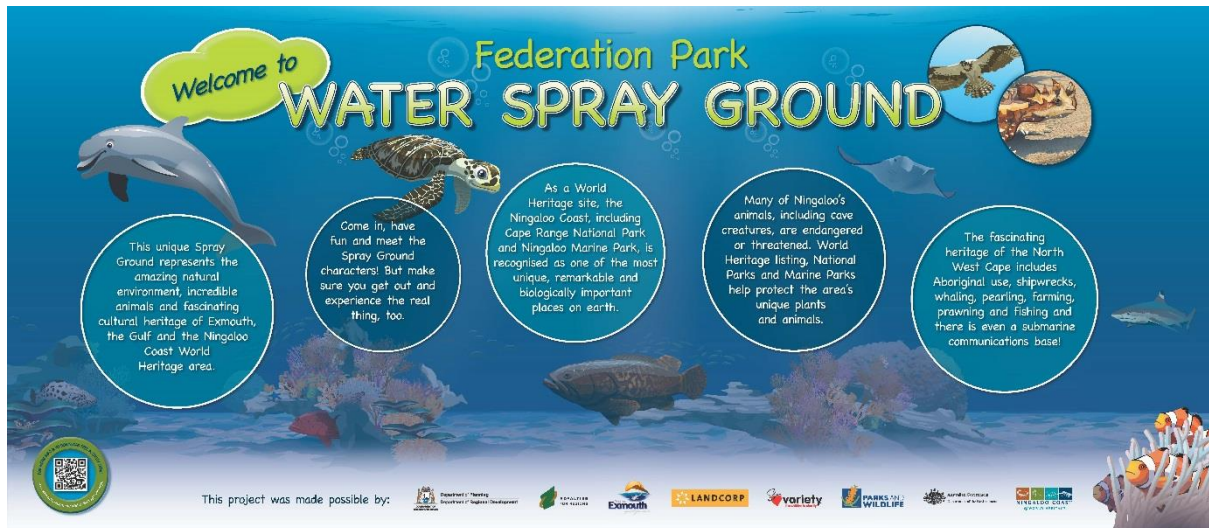
Some of the significant events that took place throughout the 2014/2015 pool season include the following:-

- The 2014/2015 Pool Season was the first full season with solar heating covers fitted to the pool. The warmer water facilitated the pool season being extended by 4 weeks, opening 2 weeks early at the beginning of September and closing 2 weeks later at the end of May.
- The pool went to seven day trading with Sunday opening.
- The pool hosted the 2015 WA Country Pennants over the Labour Day weekend in March. The event was a great success bringing an estimated 1000 people to the town for the weekend. Feedback from the event was positive which is a credit to the Exmouth Amateur Swimming Club for their preparation towards running the event.
- Royal Life Saving Swimming Pool Safety Audit of the pool was conducted on 12 December 2014. Overall the facility scored 98.74%. This is a great result which is accredited to Swimming Pool Manager Josh Koontz and his staff who work tirelessly to keep the pool running smoothly and effectively. The previous audit was completed in 2011 when the pool scored 91.33%.
- The annual Australia Day breakfast was held at the pool again on 26 January 2015. The focus of this day is to provide a public venue to present the Australia Day awards along with a family friendly event with a free breakfast, Aqua Run, pool games, costume competitions and the annual plastic bottle regatta to finish off a great day. This year 273 people enjoyed this morning at the pool.
- This year's Virtual Swim to Rottnest attracted 26 participants consisting of 1 Novelty team of 10 Kids and 4 Teams of 4 swimmers all swimming a combined total of 20km each which is 400 Laps. This event promotes fitness and healthy living in our community, increases patronage to the pool and raises money for charity of which Exmouth chose the Royal Flying Doctors. The event raised almost \$4,000 for the Royal Flying Doctor Service.
- Thanks to a new Royalties for Regions annual funding initiative for country pools a number of significant upgrades to operating systems were made possible. An Optidrive system has now been fitted to the main pump at the pool which is delivering significant power savings. Also a new automatic controller was fitted to the Chlorine Gas dosing system for the pool. Previously this was controlled manually. The new unit will make chlorine levels in the pool more consistent saving money through efficiency in chlorine dosing, it also reduces the time the booster pump needs to run therefore resulting in power savings.
- The pool was forced to close twice during the season due to affects from severe weather events. The pool was closed for 12 days due to Tropical Cyclone Olwyn from the 12 to 23 March. The pool had a large amount of sand in it that blew across from the Beach Volley Ball Court, the sand was mixed with leaves and branches. A storm that sheared away from Tropical Cyclone Quang on Friday 1 May 2015 caused substantial damage to most of the pools shade structures due to the storm arriving earlier than expected and having no time to properly prepare for the event.

Federation Park Water Spray Ground

Stage one of the Federation Park Water Spray Ground Interpretive Project was completed with 11 new fun and interactive signs installed. The signage uses cartoon type characters of marine and terrestrial creatures found within the Ningaloo Marine Park and the North West Cape to tell a story about the amazing natural environment, incredible animals and fascinating cultural heritage of Exmouth, the gulf and the Ningaloo World Heritage area.

The 'Welcome' sign (see below) features a QR scanner code that enables a direct link to an area of the Shire's website where more information can be found about the environmental and cultural heritage of the North West Cape and Ningaloo Marine Park.



The Shire was also successful in May 2015 in accessing further grant funding to implement stage two of the interpretation project. This second stage consists of two parts. Part One will further enhance the information accessed via the QR scanner code with the development of further information and fun fact sheets for the promotion and education of Ningaloo Coast World Heritage area and the cultural heritage of the North West Cape. Whilst Part Two consists of the development of a "Ningaloo Coast Kids Activity Booklet" which will build on the existing "themes" and "characters" already developed in the Exmouth Waterpark (and in the interactive fact sheets).

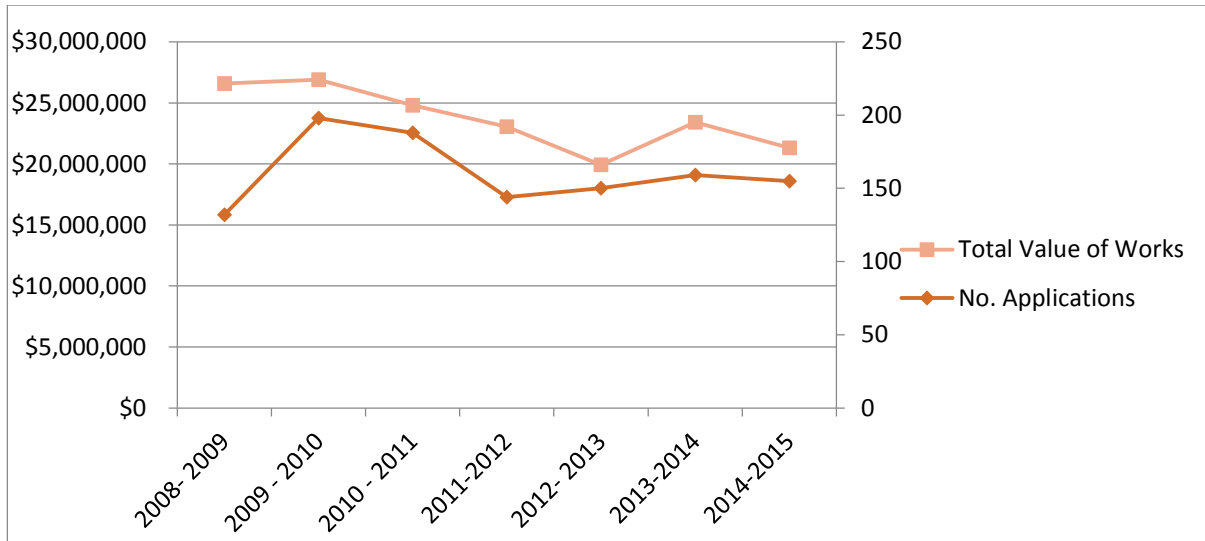
Similar to the stage one project, stage two is also a joint project with the Department for Parks and Wildlife in Exmouth.

Building

Over this period the Council's Building Department has continued to maintain an efficient turn-around time in processing the relatively high number of building permit applications. Minor works applications were generally approved in less than a week and more substantial proposals took between 1 to 3 weeks to process.

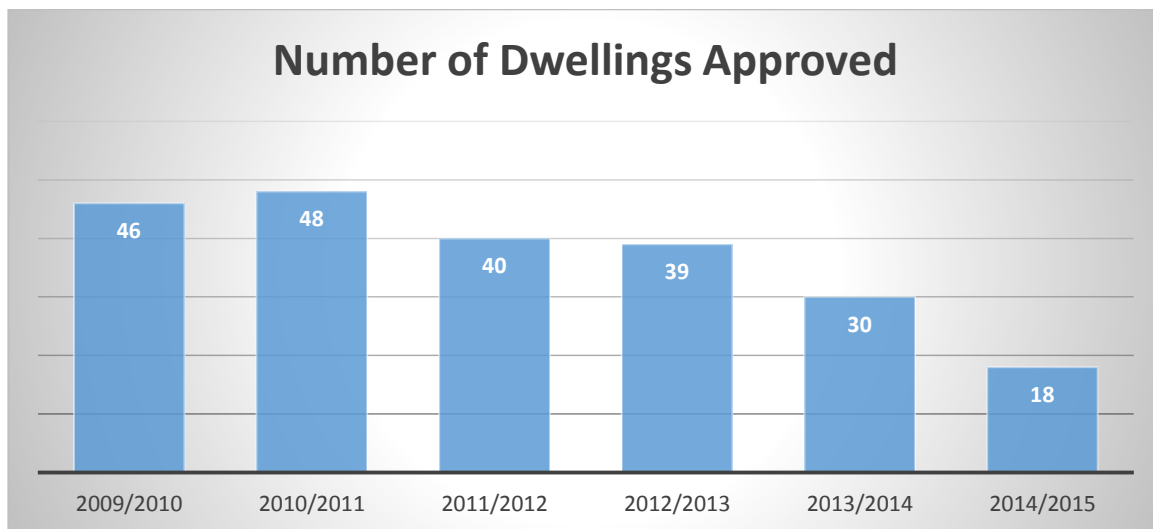
The following graph illustrates trends for the number of approved building licences/permits and the value of the related works over the last 7 financial years. The above statistics demonstrate that the building industry in Exmouth has been reasonably stable over the past four years.

Summary of Building Licence/Permit Applications July 2008 – June 2015



Building License/Permit statistics for the past 7 financial years

The number of dwellings approved over recent years has also remained relatively consistent. Although the past year was down slightly on previous years, the Shire of Exmouth is still averaging close to 40 dwellings per year from 2009/2010 to present.



The slight decrease in new dwelling construction the past year compared to previous years is to be expected given the downturn of the WA economy over the past 1-2 years. It should be noted that the above dwelling approvals only relate to dwellings approved for construction in Residential areas and not those approved in 'Tourism' zoned areas for short term accommodation.

Dwelling building activity should improve in the coming years with the implementation of the Department of Housing Lefroy Street Affordable Housing Project and the release of 11 Special Rural Lots on the eastern side of Heron Way.

The James Cook University Cyclone Testing Station released Technical Report 61 TC Olwyn Damage to buildings in Exmouth. The above report was prepared by Professor Geoff Boughton and his colleague/associate Ms Debbie Falck. Professor Boughton regularly visits

towns impacted by significant cyclonic and other extreme weather events to assess the performance of buildings and building elements. Geoff visited Exmouth after TC Vance in 1999 and produced a similar report.

Geoff and Debbie arrived in Exmouth on 18 March 2015, four days after TC Olwyn passed Exmouth, to inspect damage to buildings caused by the cyclone. Of particular interest to them was damage caused by ingress of water into buildings by wind driven rain and the performance of garage doors.

The above report is available from the Cyclone Testing Station's Technical Reports webpage:- www.jcu.edu.au/cts/publications/technical-reports, Click on 'Tech Report TR61'.

Town Planning Services

Executive Manager Town Planning

Rhassel Mhasho

Town Planning Team

James Trimble – Planning Officer (resigned December 2014)

Mark Johnson - Planning Officer (commenced December 2014)

Sandra Mhasho– Planning Assistant

David George – Ranger and Emergency Services

Sharlene Williams- Ranger

Town Planning Services

Townscape

Reserves Management

Heritage

Emergency Management, Compliance & Ranger Services



Town Planning Services

The Town Planning Department covers a wide range of functions related to Strategic Planning, Statutory Planning, Development Approval, Land Administration, Local Laws and Planning Policies. All activities are carried out in accordance with the relevant legislation including the Planning & Development Act 2005, Local Government Act 1995, Land Administration Act, Council's Local Planning Scheme and Council Policies. Customer service, community information and public consultation are all major aspects of Town Planning.

It has been another extremely busy year for the department with many challenges faced through the Preparation of the inaugural Local Planning Strategy and new Town Planning Scheme No. 4 and the consideration of some major development proposals.

Staff Updates

Planning Officer James Trimble submitted his resignation after 2 ½ years with Council and was replaced by Mark Johnston from Shire of Chittering.

The Executive Manager Town Planning and Planning Officer attended a training course in Broome in August 2015 to obtain a certificate in 'Making Better Planning Decisions' which was organised and run by WALGA. The qualification has developed officer's skills in development assessment and has helped to reduce the processing time for planning applications.

Ranger Services

Ranger Services are responsible for the administration and enforcement of a number of State Acts and Shire Local Laws. Officers regularly patrol the district to ensure the safety and security of the community.

Illegal camping offences continue to be a challenge for Ranger Services. However, in the past 12 months there has been a decrease in the number of offences (65) detected since the previous 12 months. Strict enforcement in previous years and unfavourable weather in the early months of the year (Tropical Cyclone's Olwyn and Quang) might give an explanation as to why there was a decrease. There has also been an increase in the number of offences under the Bush Fires Act 1954 and unfortunately it appears that residents are becoming complacent with their responsibilities under the Act.

Ranger services will continue to enforce the legislation to ensure the safety and the security of the community.

| Offence Type | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|--------------------------|------------|------------|------------|------------|------------|
| Dogs | 73 | 76 | 57 | 60 | 52 |
| Camping | 319 | 351 | 228 | 251 | 186 |
| Parking | 55 | 60 | 53 | 66 | 52 |
| Litter | 22 | 5 | 16 | 4 | 15 |
| Fire | 7 | 41 | 32 | 161 | 229 |
| Off Road Vehicles | 6 | 6 | 2 | 0 | 2 |
| Other | 16 | 39 | 18 | 32 | 25 |
| Total | 498 | 578 | 406 | 574 | 561 |

Local Laws

Following the statutory review of the Shire's local laws during the last reporting period, Council adopted a number of local laws during 2014/15. The below table depicts the work completed during 2014/15 and also shows what work still needs to be completed.

| Local Law Review | | | | | | | | | | | |
|-------------------|--------------------------------|-----------------|-------------------|------------------|--------------------|------------------------|------------------------|----------------------|----------------------|---------------------|---------------|
| Local Law | Approve by Council to Initiate | Advertising | | Sent to Minister | Advertising Closes | Schedule of Submission | Final Adoption Council | Gazettal | Gazettal to Minister | Local Public Notice | Submit to JSC |
| | | West Australian | Northern Guardian | | | | | | | | |
| Dog | 21/08/14 | 30/08/14 | 3/09/14 | 2/09/14 | 20/10/14 | 11/11/14 | 18/12/14 | 23/01/15 | 23/01/15 | 28/01/15 | 03/02/15 |
| Cemetery | 21/08/14 | 30/08/14 | 3/09/14 | 2/09/14 | 20/10/14 | 11/11/14 | 20/11/14 | 12/12/14 | 17/12/14 | 22/12/14 | 05/01/15 |
| Meeting Procedure | 18/09/14 | 27/09/14 | 1/10/14 | 24/10/14 | 17/11/14 | 11/12/14 | 19/02/15 | 01/04/15 | 07/04/15 | 08/04/15 | 14/04/15 |
| Fencing | 28/05/15 | 06/06/15 | 09/06/15 | 12/06/15 | 24/07/15 | 27/07/15 | 27/08/15 | 11/09/15 | | | |
| Cat | 23/10/14 | 1/11/14 | 5/11/14 | 6/11/14 | 22/12/14 | | 26/03/15 | Refer to notes below | | | |
| Parking | 23/10/14 | 1/11/14 | 5/11/14 | 6/11/24 | 22/12/14 | 11/12/14 | 19/02/15 | 01/04/15 | 07/04/15 | 08/04/15 | 14/04/15 |
| Public Places | | | | | | | | | | | |
| Marina Waterways | | | | | | | | | | | |
| Repeal* | 28/05/15 | 06/06/15 | 09/06/15 | 12/06/15 | 24/07/15 | 27/07/15 | 27/08/15 | 11/09/15 | | | |

Dog Exercise and Prohibited Areas

Amendments made to the Dog Act 1976 in 2013 removed Council's ability to make local laws in respect to Dog Exercise and Prohibited areas. As a result of the amendment, Council is required to establish dog exercise and prohibited areas via a Council resolution in accordance with the Act. In order to provide for good governance, a community survey was conducted in the reporting period to gauge the community's opinion as to what they believed should be established as dog exercise and prohibited areas. The results have been collated and areas will be established in the next reporting period.

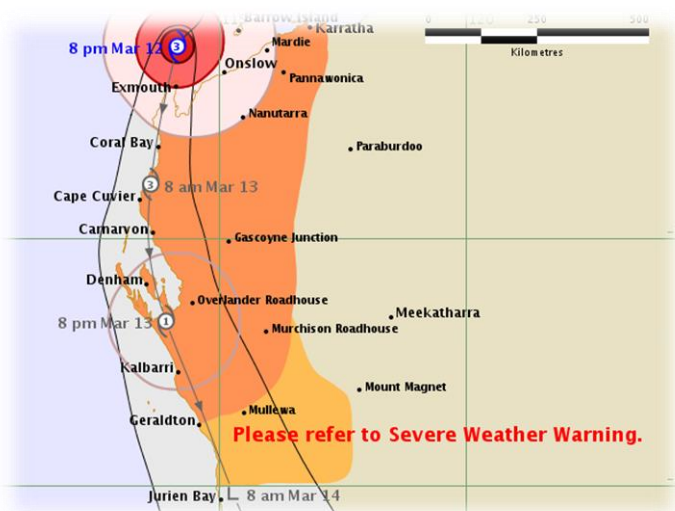
Emergency Management

Public safety remains high on the agenda for the Shire, as evidenced by the large numbers of agency members that regularly attend the Local Emergency Management Committee meetings. A total of 4 meetings were held in the reporting year and committee members are working strongly to increase the capacity and resilience of the community.

2014/15 started out as a quiet year with no substantial cyclones or bush fires impacting the district in the first 8 months. However, in early March 2015, Severe Tropical Cyclone Olwyn formed and began tracking towards the Exmouth coast. "Early on 13 March the centre of Severe Tropical Cyclone Olwyn passed about 30 kilometres to the west of Exmouth.

Learmonth Airport recorded hurricane force winds (very destructive winds) and a maximum wind gust of 180 kilometres per hour at 1:26am, 2:19am and 2:23am WST and 142mm of rain in the 24 hours to 9am 13 March." (Bureau of Meteorology)

The Exmouth Local Recovery Coordination Committee convened for the first time in a number of years as a result of Severe Tropical Cyclone Olwyn. Fortunately the committee reported very minimal



issues resulting from the cyclone, with infrastructure such as roads, power and water, being affected for a short period of time.

The Shire had just recovered from TC Olwyn when TC Quang hit unexpectedly on 1 May 2015. Whilst this system may have caught the community unprepared, it has brought about a positive response from the Local Emergency Management Committee who are now working hard at increasing the community's capacity to be prepared for and respond to cyclones in the district, including those that are unpredictable.

In preparation for this severe weather, the annual residential cyclone clean-up was conducted in early November and Ranger Services were involved throughout the year in preparing the district for Tropical Cyclones. With the heavy impacts from cyclones this year, the community fared pretty well and it showed how prepared the community was.

Ranger Services also conducted patrols of the district to ensure the community was prepared for bush fires by having properly installed fire breaks on private property and the annual strategic firebreak maintenance program for Shire and UCL reserves was carried out during the year.



Emergency Services Precinct

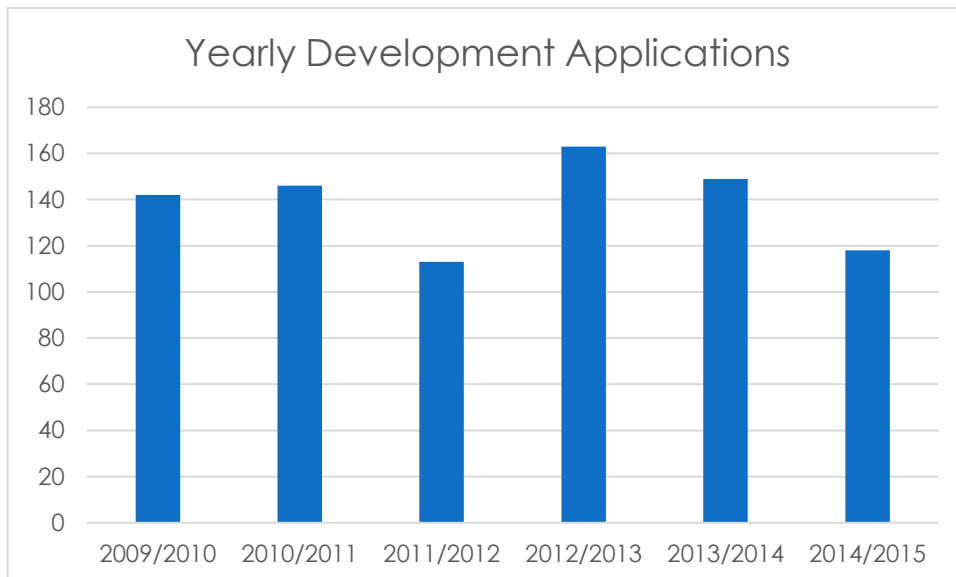
Council managed to secure land from Horizon Power for the development of a dedicated emergency services precinct to house some of the local volunteer emergency service agencies. Upon completion, the facility is believed to assist all agencies in preparing for emergencies and provide a home for the newly established Exmouth Bush Fire Brigade who currently do not have a station.

Statutory Planning

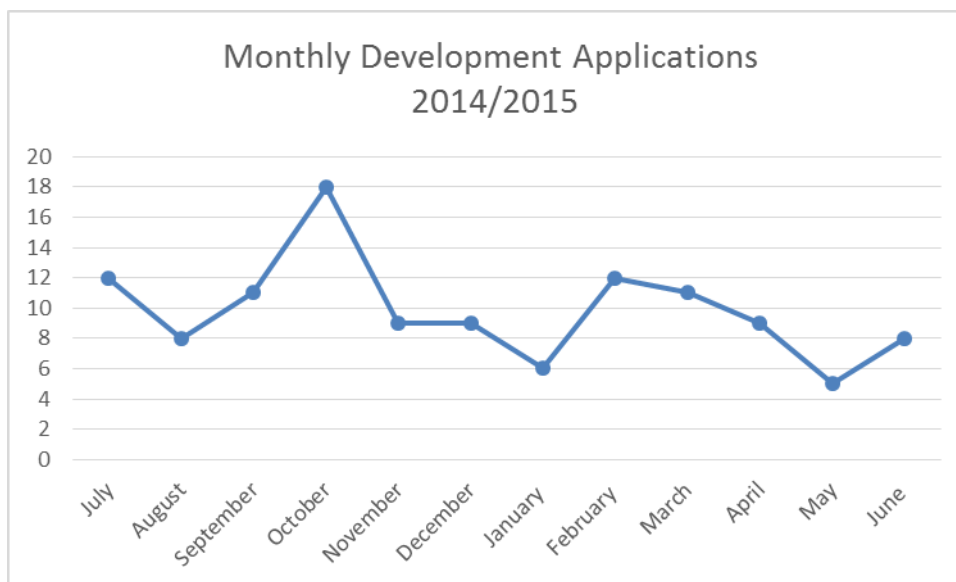
Development Applications and Subdivision

The past 12 months has seen continued processing of Development (Planning) Applications and a 14 day processing time for planning applications was maintained. A total of 118 development applications were processed during the 2014/2015 financial year. The majority of these were holiday accommodation, home occupation, oversized outbuildings, jetties and residential dwelling applications. Significant development approvals also included the Ningaloo Centre.

The graph below shows the distribution of annual totals of development applications processed over the past 6 years.



The graph below depicts the monthly number of development applications.



Details of future land release in Exmouth

| Area | No of lots | Stage | Expected release | Size of lots | Developer |
|-------------------------|--|------------------------------|------------------|-------------------------|------------------|
| Nimitz Street | 399 (with 39 lots released in stage 1) | Subdivision approved by WAPC | 2017/18 | 640 - 750m ² | LandCorp |
| Preston Street | 11 | Subdivision approved by WAPC | 2015/16 | 1 ha | Shire of Exmouth |
| Learmonth Street | 24 | Subdivision approved by WAPC | 2017/18 | 500-900m ² | LandCorp |

Strategic Town Planning

Local Planning Strategy and New Local Planning Scheme No. 4

Council adopted the draft Local Planning Strategy and Local Planning Scheme No. 4 to enable review of the documents for advertising purposes by the Western Australian Planning Commission (WAPC). Advertising the documents will open the opportunity for comments/objections from the public and main stakeholders during the 2015/16 financial year.

Truscott Crescent New Caravan Park

Tourism WA have taken over the new caravan park project and completed a pre-feasibility study. Tourism WA are currently working on extinguishing the native title rights on the land. Most of the feasibility studies i.e. a geotechnical report, coastal management plan, flora and fauna study, feature survey and servicing report have been completed.

Review and Development of New Planning Policies

No new planning policies were formulated during the year. It is envisaged that most of the policies will be incorporated into the New Town Planning Scheme No. 4 during the 2015/16 financial year.

Land Administration

Disposal of Portions of Marina Reserve

Officers have been working with the Department of Lands for the disposal of portions of a reserve in the Marina. Monies obtained from the disposal will be put into landscaping other public open spaces within the Marina in accordance with statutory provisions. The portions of land being disposed will be offered to adjoining residential lot owners for purchase and amalgamation. The project will provide rationalisation of public open spaces within the Marina, and will enable the enhancement and enjoyment of high quality landscaped open spaces.

Looking forward

Next year, the business will focus on the following major activities:

The Lefroy Street Housing Project

Council has been working with Department of Housing (DoH) for the affordable service workers housing project. It is expected that the project will commence in September 2015 and being completed early 2016. The Department of Housing are currently working out the best land tenure arrangements and rental model that can be applied to this development. The DoH intends to fund the project to a tune of \$8.5 million.

Progressing the release of land for Residential, Industrial, Tourism and Commercial Development

The department will continue progressing the timely release of land, identified by Council, for residential, industrial, Tourism and commercial development with the Department of Lands.

Engineering Services

Executive Manager Engineering Services

Keith Woodward

ENGINEERING SERVICES TEAM

Joanne Gordon Works Coordinator
Denise Bailey Works Administration
Jemma Cross Stores
Jeff Green Building Maintenance
Alan Winter Mechanic

PARKS AND GARDENS

Ricki Melvin Leading Hand
Tim Fisher
Lisa Sanders
Lisa Gordon
Carol Bickford
Katrina Stephens
Brad Bell Irrigation

ROAD CREW

Andrew Graham Leading Hand
Craig Smith
Darrel Stevens
Luke Meldrum

SHIRE AMENITIES

Tracey Featherstone Public Building Cleaner
Brian Woods Amenities - Job Share
Alex White Amenities - Job Share

REFUSE TRUCK

Jim Coles Refuse Truck Driver - Job Share
Chris Norman Refuse Truck Driver - Job Share

QUALING SCARP LANDFILL SITE STAFF

Anthony Cornwell Landfill Supervisor
Brian Woods – Attendant (till August)
Sharon Maxwell – Attendant (September to May)

*Transport-Roads, Footpaths
Parks and Recreation Grounds
Asset and Building Maintenance*

Engineering Services

Town Centre and Foreshore Revitalisation Project Stage 2

The Stage 2 of the Exmouth Town Centre and Foreshore Revitalisation Project has now been completed which incorporated the following elements:

Thew Street

Works included: Reconstruction of road and drainage, asphalt seal, kerb, footpath, verge treatment, road markings, signage, parking and the installation of underground power.

Redevelopment of Bonefish Car Park and Link to Maidstone Crescent

Works included: verge treatment, demolition of existing public amenities and construction of new public amenities. Drainage works, markings, signage, lighting and kerbing.

Undergrounding of Power

Works included: undergrounding of power to the entire CBD area.

New Town Centre Car Park

Works included: Construction of excavation and earthworks for a new vehicle parking area including long vehicles, materials, road base, seal, marking, kerbing, pathways, landscaping, lighting and signage. Construction of public amenities and a new transformer.

Kennedy Street Mall Project

Kennedy Street, opposite the town centre mall, was closed to general traffic. General traffic was redirected along the extension of Thew Street and Learmonth Street. The blocked section of Kennedy Street was developed into a pedestrian prioritised street-scape where vehicle access is restricted. The development works focused on extending the town centre mall into Kennedy Street. The civil works included the demolition of the existing road surface and pavers, bulk earthworks to new levels, the construction of kerbing, washed concrete and oxide coloured pathways interconnecting the existing mall paths to the Shops on the western side of Kennedy Street.

Town Beach Upgrade

The new fencing at Town Beach is effective and has improved the general presentation of the parkland. The new barbeques have been very popular and the new facilities are being well utilised. Additional space will be expanded into grass and recreational area. The solar lights are working well.

Landscaping

The Engineering work force worked tirelessly in the town centre and town beach undertaking landscaping works and improving the town centre presentation. The works crew received many positive comments from tourists in particular.

Long Vehicle Parking

Town centre long vehicle parking had been problematic however the installation of long vehicle signage assisted directing long vehicles to the long vehicle parking areas. Town centre improvement activities will include the installation of waste bins, trolley bays and the recladding of the pedestrian bridge from Thew Street into Lefroy Park.

The project outcome has resulted in a vibrant, attractive town centre that has clear connections and links between points of interest. The Town Centre and Foreshore provide a place for residents, visitors and tourists to interact and enjoy. This project aimed to provide for the future sustainability and strategic growth of Exmouth.

The Exmouth Town Centre stage 3 design and construction plans were formulated.

Shot Hole Canyon Road

26 April 2014 Exmouth was impacted by a surface trough and associated flooding. This event was proclaimed an eligible disaster under the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) on 2 May 2014. Shothole Canyon Road was significantly damaged with approximately 12.5km being washed away.

Due to previous occurrences and the cost of reinstatement works Council in conjunction with Department of Parks and Wildlife (DPAW) agreed to have Shothole Canyon Road reclassified into a designated 4WD only road.

April 2014 Surface Trough and Flooding Reinstatement Works

Tenders for road construction were advertised on Saturday 19 July 2014 and 31 enquiries were received during the tender period. 13 companies submitted tenders. Council awarded tenders for post-flood road restoration works to 2 Exmouth businesses, Exmouth Civil and Exmouth Hire. The total value of road works was \$3,500,000.

Pindan Pit

The Shire of Exmouth obtained Reserve 41975 in 1990 for municipal and community sand extraction. These arrangements were authorised through the Department of Lands and subsequently sand was extracted for multiple civil purpose throughout the Shire. The Shire acted in good faith recognising that the Shire sand pit was the only sand pit available within the municipality and that sand was required for the continued civil development in Exmouth. Contractors were allowed to pay for sand and extract volume under the framework of an honour system.

It was recommended to Council that the Shire Pindan Pit be operated in accordance with the Department of Land Administration and the Department of Mines and Petroleum conditions dated 30 October 1990. The conditions being:

1. The removal of sand being free of charge to local residents for their own domestic use
2. Council using (and not selling) the sand in connection with its general administration and maintenance of the district.

LIA Reid Street Floodway Project

The Shire of Exmouth in conjunction with the Department of Water completed the "Exmouth Floodplain Management Study" December 2007. The study proposed a floodplain development strategy for the Shire and assessed possible flood mitigation works. Stage 1 of the Reid Street Flood Mitigation works was completed in 2012 and funding for Stage 2 has now been received through the Department of Regional Development's Royalties for Regions Gascoyne Revitalisation Fund. The tender has been awarded and works are to commence soon.

Tantabiddi Boat Ramp Dredging

During the April 2014 flood event, anecdotal evidence suggests that as much as 400mm may have fallen in the Cape Range area to the West of Exmouth. As a result, the creek adjacent to the Tantabiddi Boat Ramp burst through the sand dune resulting in the undermining of the rock armour on the southern side of the ramp and the deposition of sand in front of and

adjacent to the ramp. The sand shoal comprises of approximately 3,600 m³ - the majority of which was outside the reach of land based plant including a long reach excavator.

The Shire received funding from the Department of Transport's Recreational Boating Facilities Scheme for dredging of the excess sand of which the funding agreement was signed in February 2015. The excess sand has now been dredged, pumped and deposited on the beach to the north of the Tantabiddi boat ramp assisting in the accretion of sand to the north. The cost to dredge the sand shoal was estimated at \$540,582 and to repair the revetment \$51,150.



Tropical Cyclone Olwyn

On 12 March 2015 Severe Tropical Cyclone Olwyn passed over Exmouth with very destructive winds, heavy rain and dangerous storm surge. The destructive winds caused significant damage to Shire roads, drainage, buildings, landscaping and coastal infrastructure.

Immediately following, Engineering workforce along with administration and airport staff began carrying out opening up works, removing hazards concentrating on the central business district and surrounding parks and gardens. The crew worked hard to get the town back to it's 'Tidy Town' best. The commitment and dedication that all staff demonstrated throughout the week following was inspiring to witness.

The opening up works continued into April. Preliminary cost estimates for roads reinstatement were in excess of \$1.2m-\$1.5m. Sections of Yardie Creek Road within Cape Range National Park were destroyed, covered in silt/debris and required reconstruction after clean up. The cost estimates were based on the following activities;

In addition to the roads infrastructure there was considerable damage to other Shire assets including:

- Street lighting
- Learmonth jetty
- Boat ramps
- Coastal public toilets, carparks, fencing and steps
- Learmonth Airport buildings and associated security equipment
- Shire buildings
- Lighthouse
- Hard and soft parklands landscaping
- Street trees
- Seawalls
- Fencing
- Sewage pumping compound and irrigation
- Sporting complex infrastructure

Tropical Cyclone Olwyn was declared a Natural Disaster and was eligible for funding through the WANDRRA program. Reinstatement works to Yardie Creek Road (the most severely damaged road) went out for tender and have now been completed.

Tropical Cyclone Quang

The Shire had almost recovered from Severe Tropical Cyclone Olwyn when Tropical Cyclone Quang hit unexpectedly on 1 May 2015. Clean up was quick and effective this time due to the extensive clean up that had already been carried out after Tropical Cyclone Olwyn.

Murat Road Streetscape

The streetscape along Murat Road has now been completed with additional Poinciana and Kurrajong Trees being planted. Some of the date palms were transplanted to the big prawn public open space area so that the resident emu's are drawn to the site.



Staffing

Kenny Cameron celebrated 30 years of service with the Shire of Exmouth on the 8 May 2015. An event was held to commend Kenny for his long service and retirement, of which all staff and Councillors attended.

Looking Ahead

[Main Roads Western Australia Roads 2025 Program](#)

Main Roads manages the State Government Roads 2025 program in conjunction with Local Government. These arrangements have identified the Shire's priority roads and allocated road construction funding towards:

- **Murat Road:**
The redesign/construct strategy will focus on upgrading the existing Type 4 Road to a Type 5 Road building up the residual gravel pavement to full thickness, increase width, compact and sealed and street lighting landscaping. The benefits of this proposal are asset preservation, pedestrian and traffic safety taking into account increases in development and tourism.
- **Yardie Creek Road:**
The redesign/construct strategy focused on upgrading the existing Type 3 Road to a Type 5 Road building up the residual gravel pavement to full thickness, increase width and compact and sealed. The benefits of this proposal are asset preservation, traffic safety taking into account increases in development and tourism.
- **Ningaloo Road:**
The development strategy is to maintain/construct Ningaloo Road to a Type 2 formed road. This standard will improve road safety.



Statutory Reports

Strategic Community Plan 2011-2021

As part of the Integrated Planning framework which was introduced by the State Government in July 2012, the Shire of Exmouth adopted its Strategic Community Plan in November 2011 following extensive consultation with the community to provide for the visions and aspirations for the Shire's future direction.

The Plan provides the objectives and strategies for the key themes, including:

- Economic
- Environment
- Social
- Civic Leadership

A copy of the Strategic Community Plan 2011-2021 is available on the Shire's website at www.exmouth.wa.gov.au.

Corporate Business Plan 2014-2018

Council adopted its Corporate Business Plan in June 2014 and provides for the projects that are aligned with the objectives and strategies of the Community Strategic Plan for the next four years. This is also a requirement of the Integrated Planning Reporting Framework.

The Corporate Business Plan provides for the delivery of community services and has been aligned to each objective of the Strategic Community Plan

Record Keeping Plan

In accordance with the State Records Act 2000, the Shire of Exmouth and all its employees are legally obliged to comply with the Shire's Record Keeping Plan. This Plan demonstrates better practice of recordkeeping and compliance. Our Plan was approved the State Records Commission on 5 December 2014 and the next review is due within five years, 5 December 2019.

National Competition Policy Statement

The Competition Principals Agreement is an Inter-government Agreement between the Commonwealth and State/Territory Governments that sets out how government will apply National Competition Policy principles to public sector organisations within their jurisdiction.

The State Government released a Policy Statement effective from July 1996 called the Clause 7 Statement, which forms part of the Competition Principles Agreement. The Clause 7 policy document sets out nominated principles from the Agreement that now apply to Local Government. The provisions of Clause 7 of the Competition Principles Agreement require Local Government to report annually as to the implementation, application and effects of the Competition Policy.

The Competition Principles Agreement, under Clause 7, specifies three broad areas of reporting, they are:

- Competitive Neutrality
- Structural Review of Public Monopolies; and
- Legislative Review

In accordance with the requirements of the National Competition Policy the Shire of Exmouth makes the following disclosure for 2013/14.

Competitive Neutrality

The objective of competitive neutrality is the elimination of resource allocation distortions arising out of local government ownership of significant business activities.

The Shire of Exmouth does not operate a business enterprise that has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or Public Financial Enterprise.

The number of activities to which competitive neutrality principles have been applied in the reporting period is: One (1) – Learmonth Aviation Operations.

The number of activities to which competitive neutrality principles have been considered but not applied in the reporting period is: One (1) - Learmonth Aviation Operations

Implementation Timetable

This was carried out by Council and a Report for the operation of the Learmonth Aviation Operations was submitted to the Department of Local Government. The Report is available at the Shire of Exmouth Council Offices. The Report concluded that competitive neutrality not be applied to the Learmonth Aviation Operations. Council will continue to monitor the benefits of applying competitive neutrality on an ongoing basis.

Structural Review of Public Monopolies

In relation to Structural review of public monopolies the Shire of Exmouth discloses the following:

Structural reform principals have been applied to the following number of activities in the reporting period: Zero (0)

Structural reform principals have been considered but not applied to the following number of activities in the reporting period: Zero (0)

Legislative Review

Parties to the National Competition Policy package agreed that legislation should not restrict competition unless:

- The benefits of the restriction to the community as a whole outweigh the costs; and
- The objectives of the legislation can only be achieved by restricting competition.

Accordingly, the Shire of Exmouth is required to implement a systematic review of all its existing legislation to determine whether there are any direct or indirect effects on competition. In relation to a Legislative Review the Shire of Exmouth discloses that:

As at the reporting date the below By-laws and Local Laws are currently under review and will be reformed as a result of any legislative review

- Local Laws Relating to Fencing;
- Local Laws Relating to Parking;
- Local Laws relating to Exmouth Public Cemetery;
- Dogs Local Law;
- Local Government Property Local Law;
- Local Law Standing Orders;
- Activities on Thoroughfares and Trading in thoroughfares and Public Places Local Law.

As part of the review of all By-Laws and Local Laws, the following By-Laws are repealed:

By-Laws Relating to:

- ✓ Motels, published in the Government Gazette of 29 April 1964;
- ✓ Old Refrigerators and Cabinets, published in the Government Gazette of 29 April 1964;
- ✓ Petrol Pumps, published in the Government Gazette of 3 August 1966;
- ✓ Storage of Inflammable Liquid, published in the Government Gazette of 29 April 1964;
- ✓ Signs, Hoardings and Billposting, published in the Government Gazette of 29 April 1964;
- ✓ Deposit of Refuse and Litter, published in the Government Gazette of 11 November 1965;
- ✓ Clearing of Land and depositing and Removal of refuse, Rubbish and Disused Materials, published in the Government Gazette of 16 November 1966;
- ✓ Holiday Cabins and Chalets, published in the Government Gazette of 31 October 1968;
- ✓ Vehicle Wrecking, published in the Government Gazette of 24 March 1969;
- ✓ Sick Leave, published in the Government Gazette of 17 November 1972.

Legislative Review and Reform Strategy

The Shire of Exmouth will ensure that any proposals for the development of new Local Laws from January 1, 1997 will take into account the requirements of Clause 7 of the Competition Policy Statement.

Freedom of Information

During 2014/15 Financial Year, the Shire of Exmouth received 2 requests for information under the Freedom of Information Act 1992. These were actioned in accordance with requirements of the Act.

Register of Complaints

Division 5 and Division 9 of the Local Government Act 1995 set out the statutory obligations of the Shire in respect of annual report and the conduct of certain officials. Section 5.121 details specific requirements in respect of the need to record details of entries made during the financial year in the register of complaints of minor breaches.

For the period ended 30 June 2015, the CEO had received nil complaints.

Disability Access and Inclusion Plan

Ongoing implementation of the Shire's Disability Access & Inclusion Plan (DAIP) took place during the year 2014-2015.

The Shire's DAIP was also reviewed during the year with input from community members and agencies, with a view to include Outcome 7- "*People with Disability have the same opportunities as other people to obtain and maintain employment with a public authority*". Council is expected to endorse this in July 2015.

Over the years, the Shire has continued to implement various initiatives and programs contained within the DAIP. The Shire of Exmouth has upgraded many Existing facilities and services, within budget constraints.

The Shire reports on the achievements of the Plan on an annual basis to the Disability Services Commission.

Outcomes towards the Shire of Exmouth's Disability Access & Inclusion Plan for 2014/15

1. *People with disabilities have the same opportunities as other people to access the services of, and any events organised by, a public authority:*
 - Ensured all Shire sponsored or endorsed events were accessible and inclusive and utilised/ promoted the Accessible Events Checklist
 - Shire Event Package to include the Accessible Events Checklist which would make it mandatory for groups/ individuals applying to run events in Exmouth. Progress and approval still pending on this item.
 - Information provided on Shire Website regarding access and Inclusion
 - Continued monitoring of DAIP to ensure health and building guidelines are circulated to agents/ contractors on as needs basis.

2. *People with disabilities have the same opportunities as other people to access the buildings and other facilities of a public authority:*
 - Identified access barriers on as needs basis and ensured legal requirements were met when undertaking Stage Two of the Revitalisation of Town Centre.
 - Included section about advocacy, travel and support services available for people with Disability on Shire of Exmouth Website
 - Ensured new and existing building and engineering met guidelines.
 - Undertook biannual repainting of ACROD bays to ensure they were visibly accessible and included four new ACROD bays in town centre and two new bays at airport.

3. *People with disabilities receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it:*
 - Provided information in various formats including hard copies and via email.
 - Sought guidance from Disability Services Commission before including notation about information being accessible in various formats on website and documents.
 - Promoted facility for community members to access information in alternative formats on Shire of Exmouth website, in newsletter and via email.
 - Rebranding exercise ensured documents were congruent with best practice principles of accessible text/ logo's;

4. *People with disabilities receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority:*
 - Implementation of staff training plan not achieved due to time and budgetary constraints
 - Relevant information circulated on as needs basis
 - All enquiries relating got access and inclusion were coordinated via the Executive Manager Community Engagement.

5. *People with disabilities have the same opportunities as other people to make complaints to a public authority:*
 - Promoted the flexible grievance processes via newsletter.

6. *People with disabilities have the same opportunities as other people to participate in any public consultation by a public authority:*
 - Community consultation surrounding including Objective 7 in the Shire of Exmouth DAIP used several methods to meet the needs of the diverse community.
 - Review of the implementation of the DAIP was done regularly and report will be submitted in 2014-2015 annual report.

Employees Remuneration

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

| Salary Range (\$) | 2015 | 2014 | 2013 | 2012 | 2011 |
|-------------------|------|------|------|------|------|
| 100,000 – 109,999 | 6 | 3 | | | |
| 110,000 – 119,999 | | | | 2 | 1 |
| 120,000 – 129,999 | | | | | |
| 130,000 – 139,999 | 1 | 1 | | | |
| 140,000 – 149,999 | | | | | |
| 150,000 – 159,000 | 1 | 1 | 1 | | |

Annual Financials

2014/15

SHIRE OF EXMOUTH

2014/15 Financial Report

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SHIRE OF EXMOUTH
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Exmouth being the annual financial report and supporting notes and other information for the financial year ended 30th June 2015 are in my opinion properly drawn up to present fairly the financial position of the Shire of Exmouth at 30th June 2015 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and regulations under that Act.

Signed on the 11th day of December 2015.



B Price
Chief Executive Officer

SHIRE OF EXMOUTH
Statement of Comprehensive Income
By Nature or Type
for the Year Ended 30 June 2015

| | NOTE | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|---|------|-------------------------|--------------------------|-------------------------|
| Revenue | | | | |
| Rates | 23 | 3,109,269 | 3,088,842 | 2,955,092 |
| Operating Grants, Subsidies & Contributions | 29 | 3,910,225 | 2,253,052 | 1,339,868 |
| Fees and Charges | 28 | 6,657,561 | 6,978,907 | 7,354,381 |
| Interest Earnings | 2(a) | 162,487 | 156,512 | 272,113 |
| Other Revenue | | 2,299,560 | 3,505,900 | 145,195 |
| | | <u>16,139,102</u> | <u>15,983,213</u> | <u>12,066,649</u> |
| Expenses | | | | |
| Employee Costs | | (5,944,284) | (5,972,341) | (5,496,899) |
| Materials and Contracts | | (6,288,441) | (7,228,343) | (3,037,328) |
| Utility Charges | | (685,194) | (789,827) | (644,604) |
| Depreciation on Non-current Assets | 2(a) | (4,237,069) | (4,179,650) | (3,870,471) |
| Interest Expenses | 2(a) | (70,322) | (70,322) | (79,985) |
| Insurance Expenses | | (527,363) | (677,775) | (540,104) |
| Other Expenditure | | (360,373) | (446,764) | (437,701) |
| | | <u>(18,113,046)</u> | <u>(19,365,022)</u> | <u>(14,107,092)</u> |
| | | <u>(1,973,944)</u> | <u>(3,381,809)</u> | <u>(2,040,442)</u> |
| Non Operating Grants, Subsidies & Contributions | 29 | 1,779,556 | 19,186,451 | 6,352,714 |
| Fair Value decrement to Fixed Assets | | 0 | 0 | (1,020,034) |
| Profit on Asset Disposals | 21 | 24,111 | 1,045,797 | 128 |
| Loss on Asset Disposals | 21 | (987,232) | (56,131) | (574,862) |
| NET RESULT | | <u>(1,157,509)</u> | <u>16,794,308</u> | <u>2,717,504</u> |
| Other Comprehensive Income | | | | |
| Changes on revaluation of non-current assets | 13 | 5,335,982 | 0 | 0 |
| Total Other Comprehensive Income | | <u>5,335,982</u> | <u>0</u> | <u>0</u> |
| TOTAL COMPREHENSIVE INCOME | | <u><u>4,178,473</u></u> | <u><u>16,794,308</u></u> | <u><u>2,717,504</u></u> |

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

SHIRE OF EXMOUTH
Statement of Comprehensive Income
By Program
for the Year Ended 30 June 2015

| | NOTE | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|---|------|---------------------|----------------------|---------------------|
| Revenue | | | | |
| | 2(a) | | | |
| General Purpose Funding | | 6,125,406 | 5,080,810 | 4,128,504 |
| Governance | | 13,429 | 2,000 | 6,341 |
| Law, Order, Public Safety | | 87,008 | 54,062 | 79,983 |
| Health | | 47,963 | 42,731 | 49,231 |
| Education and Welfare | | 46,283 | 39,504 | 41,136 |
| Housing | | 254,852 | 257,894 | 268,405 |
| Community Amenities | | 1,160,868 | 1,074,013 | 962,310 |
| Recreation and Culture | | 239,252 | 186,025 | 326,562 |
| Transport | | 7,649,173 | 8,884,909 | 5,744,564 |
| Economic Services | | 270,467 | 270,775 | 337,899 |
| Other Property and Services | | 244,401 | 90,490 | 121,713 |
| | | <u>16,139,102</u> | <u>15,983,213</u> | <u>12,066,648</u> |
| Expenses Excluding Finance Costs | | | | |
| | 2(a) | | | |
| General Purpose Funding | | (56,915) | (66,430) | (84,910) |
| Governance | | (663,654) | (727,686) | (454,108) |
| Law, Order, Public Safety | | (517,983) | (466,583) | (359,388) |
| Health | | (272,760) | (346,165) | (265,284) |
| Education and Welfare | | (105,630) | (115,099) | (93,744) |
| Housing | | (318,557) | (338,350) | (357,434) |
| Community Amenities | | (1,921,464) | (2,070,500) | (1,898,676) |
| Recreation & Culture | | (3,559,090) | (3,717,031) | (3,146,462) |
| Transport | | (9,734,507) | (10,520,221) | (6,490,017) |
| Economic Services | | (687,528) | (860,424) | (785,660) |
| Other Property and Services | | (204,636) | (66,211) | (91,422) |
| | | <u>(18,042,724)</u> | <u>(19,294,700)</u> | <u>(14,027,105)</u> |
| Finance Costs | | | | |
| | 2(a) | | | |
| Housing | | (53,841) | (53,841) | (58,308) |
| Community Amenities | | 0 | 0 | (3,803) |
| Other Property & Services | | (16,481) | (16,481) | (17,874) |
| | | <u>(70,322)</u> | <u>(70,322)</u> | <u>(79,985)</u> |
| Non Operating Grants Subsidies & Contributions | | | | |
| | 29 | | | |
| Law, Order, Public Safety | | 450,975 | 12,695 | 0 |
| Housing | | 1,500 | 0 | 0 |
| Community Amenities | | 419,570 | 399,570 | 0 |
| Recreation & Culture | | 95,590 | 16,542,000 | 2,659,538 |
| Transport | | 716,006 | 2,232,186 | 3,607,090 |
| Economic Services | | 95,915 | 0 | 86,086 |
| | | <u>1,779,556</u> | <u>19,186,451</u> | <u>6,352,714</u> |
| Fair Value Decrements to Fixed Assets | | | | |
| Other Property & Services | | 0 | 0 | (1,020,034) |

SHIRE OF EXMOUTH
Statement of Comprehensive Income
By Program
for the Year Ended 30 June 2015

| | NOTE | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|--|------|-------------------------|--------------------------|-------------------------|
| Profit/(Loss) on Disposal of Assets | 21 | | | |
| Governance | | (168) | 0 | 0 |
| Law, Order, Public Safety | | (206) | 0 | 0 |
| Housing | | (901,220) | 324,022 | 0 |
| Community Amenities | | (203) | 0 | 0 |
| Recreation & Culture | | (25,450) | 0 | 0 |
| Transport | | (5,795) | (36,162) | 0 |
| Economic Services | | (3,079) | (1,926) | 0 |
| Other Property & Services | | (27,000) | 703,732 | (574,734) |
| | | <u>(963,121)</u> | <u>989,666</u> | <u>(1,594,768)</u> |
| NET RESULT | | <u>(1,157,509)</u> | <u>16,794,308</u> | <u>2,717,504</u> |
| Other Comprehensive Income | | | | |
| Changes on revaluation of non-current assets | 13 | 5,335,982 | 0 | 0 |
| Total Other Comprehensive Income | | <u>5,335,982</u> | <u>0</u> | <u>0</u> |
| TOTAL COMPREHENSIVE INCOME | | <u><u>4,178,473</u></u> | <u><u>16,794,308</u></u> | <u><u>2,717,504</u></u> |

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

SHIRE OF EXMOUTH
Statement of Financial Position
As at 30 June 2015

| | NOTE | 2015 \$ | 2014 \$ |
|---|------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | 3 | 5,840,362 | 6,327,306 |
| Trade and Other Receivables | 5 | 1,944,208 | 2,279,673 |
| Inventories | 6 | 1,209,774 | 55,661 |
| TOTAL CURRENT ASSETS | | <u>8,994,344</u> | <u>8,662,640</u> |
| NON-CURRENT ASSETS | | | |
| Other Receivables | 5 | 222,939 | 269,773 |
| Property, Plant and Equipment | 7 | 38,414,982 | 39,792,436 |
| Infrastructure | 8 | 41,574,589 | 37,505,933 |
| TOTAL NON-CURRENT ASSETS | | <u>80,212,510</u> | <u>77,568,142</u> |
| TOTAL ASSETS | | <u>89,206,854</u> | <u>86,230,782</u> |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 9 | 1,407,062 | 2,624,045 |
| Current Portion of Long Term Borrowings | 10 | 111,386 | 105,882 |
| Provisions | 11 | 878,905 | 803,575 |
| TOTAL CURRENT LIABILITIES | | <u>2,397,353</u> | <u>3,533,502</u> |
| NON-CURRENT LIABILITIES | | | |
| Long Term Borrowings | 10 | 1,223,736 | 1,335,121 |
| Provisions | 11 | 214,030 | 168,897 |
| TOTAL NON-CURRENT LIABILITIES | | <u>1,437,766</u> | <u>1,504,018</u> |
| TOTAL LIABILITIES | | <u>3,835,119</u> | <u>5,037,520</u> |
| NET ASSETS | | <u>85,371,735</u> | <u>81,193,262</u> |
| EQUITY | | | |
| Retained Surplus | | 42,283,259 | 43,163,700 |
| Reserves - Cash/Investment Backed | 12 | 4,950,007 | 5,227,075 |
| Revaluation Surplus | 13 | 38,138,469 | 32,802,487 |
| TOTAL EQUITY | | <u>85,371,735</u> | <u>81,193,262</u> |

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

SHIRE OF EXMOUTH
Statement of Changes in Equity
for the Year Ended 30 June 2015

| | Note | RETAINED SURPLUS | RESERVES CASH BACKED | REVALUATION SURPLUS | TOTAL EQUITY |
|--|------|--------------------------|----------------------------|--------------------------|--------------------------|
| | | \$ | \$ | \$ | \$ |
| Balance as at 1 July 2013 | | 38,489,834 | 7,183,436 | 32,804,487 | 78,477,757 |
| Comprehensive Income | | | | | |
| Net Result | | 2,717,504 | | | 2,717,504 |
| Changes on Revaluation of Non Current Assets | 13 | | 0 | (2,000) | (2,000) |
| Total Other Comprehensive Income | | <u>2,717,504</u> | <u>0</u> | <u>(2,000)</u> | <u>2,715,504</u> |
| Transfer from/(to) Reserves | | <u>1,956,362</u> | <u>(1,956,362)</u> | <u>0</u> | <u>0</u> |
| Balance as at 30 June 2014 | | 43,163,700 | 5,227,075 | 32,802,487 | 81,193,262 |
| Comprehensive Income | | | | | 0 |
| Net Result | | (1,157,509) | 0 | 0 | (1,157,509) |
| Change on Revaluation of Non-Current Assets | 13 | | | 5,335,982 | 5,335,982 |
| Total Other Comprehensive Income | | <u>(1,157,509)</u> | <u>0</u> | <u>5,335,982</u> | <u>4,178,473</u> |
| Transfer from/(to) Reserves | | 277,068 | (277,068) | 0 | 0 |
| Balance as at 30 June 2015 | | <u>42,283,259</u> | <u>4,950,007</u> | <u>38,138,469</u> | <u>85,371,735</u> |

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

SHIRE OF EXMOUTH

Statement of Cash Flows

for the Year Ended 30 June 2015

| | NOTE | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|--|-------|-------------------------|-------------------------|-------------------------|
| Cash Flows From Operating Activities | | | | |
| Receipts | | | | |
| Rates | | 2,983,791 | 3,243,284 | 3,677,432 |
| Operating Grants, Subsidies & Contributions | | 3,910,225 | 2,253,052 | 1,339,868 |
| Fees and Charges | | 7,002,743 | 7,327,852 | 7,445,167 |
| Interest Earnings | | 162,487 | 156,512 | 272,113 |
| Goods and Services Tax | | 1,137,345 | 1,475,773 | 1,281,821 |
| Other Revenue | | 2,299,560 | 3,505,900 | 145,195 |
| | | <u>17,496,151</u> | <u>17,962,374</u> | <u>14,161,596</u> |
| Payments | | | | |
| Employee Costs | | (5,823,821) | (6,414,952) | (5,339,677) |
| Materials and Contracts | | (7,342,955) | (7,361,448) | (2,278,821) |
| Utility Charges | | (701,297) | (845,115) | (549,719) |
| Insurance Expenses | | (527,363) | (677,775) | (540,104) |
| Interest Expenses | | (70,322) | (70,322) | (79,985) |
| Goods and Services Tax | | (1,031,750) | (1,475,773) | (1,229,033) |
| Other Expenditure | | (482,069) | (446,764) | (342,814) |
| | | <u>(15,979,578)</u> | <u>(17,292,149)</u> | <u>(10,360,153)</u> |
| Net Cash Provided By Operating Activities | 14(b) | <u>1,516,573</u> | <u>670,225</u> | <u>3,801,443</u> |
| Cash Flows from Investing Activities | | | | |
| Payments for development of Land held for resale | | (1,178,780) | (1,384,463) | 0 |
| Payments for Purchase of Property, Plant & Equipment | | (1,918,186) | (18,318,594) | (5,527,875) |
| Payments for Construction of Infrastructure | | (1,379,041) | (4,470,936) | (6,296,079) |
| Grants/Contributions for the Development of Assets | | 1,779,556 | 19,186,451 | 6,352,714 |
| Proceeds from Sale of Plant & Equipment | | 741,817 | 2,184,583 | 1,869 |
| Net Cash Used in Investing Activities | | <u>(1,954,634)</u> | <u>(2,802,959)</u> | <u>(5,469,371)</u> |
| Cash Flows from Financing Activities | | | | |
| Repayment of Debentures | | (105,882) | (105,882) | (220,864) |
| Community Loan Advances | | 0 | 0 | 0 |
| Proceeds from New Debentures | | 0 | 0 | 0 |
| Proceeds from Community Loans | | 57,000 | 59,000 | 53,750 |
| Net Cash Provided By (Used In) Financing Activities | | <u>(48,882)</u> | <u>(46,882)</u> | <u>(167,114)</u> |
| Net Increase (Decrease) in Cash Held | | <u>(486,943)</u> | <u>(2,179,617)</u> | <u>(1,835,042)</u> |
| Cash at Beginning of Year | | 6,327,306 | 6,327,304 | 8,162,348 |
| Cash and Cash Equivalents at the End of Year | 14(a) | <u><u>5,840,362</u></u> | <u><u>4,147,687</u></u> | <u><u>6,327,306</u></u> |

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

SHIRE OF EXMOUTH

Rate Setting Statement

for the Year Ended 30 June 2015

| | NOTE | 2015 Actual \$ | 2015 Budget \$ | 2014 Actual \$ |
|--|-------|---------------------------|---------------------------|---------------------------|
| REVENUES | | | | |
| General Purpose Funding | | 3,057,585 | 2,032,060 | 1,213,982 |
| Governance | | 13,429 | 2,000 | 6,341 |
| Law, Order, Public Safety | | 537,983 | 66,757 | 79,983 |
| Health | | 47,963 | 42,731 | 49,231 |
| Education and Welfare | | 46,283 | 39,504 | 41,136 |
| Housing | | 278,664 | 581,916 | 268,405 |
| Community Amenities | | 1,580,438 | 1,473,583 | 962,310 |
| Recreation and Culture | | 334,842 | 16,728,025 | 2,986,100 |
| Transport | | 8,366,978 | 11,120,522 | 9,351,654 |
| Economic Services | | 366,382 | 270,775 | 423,985 |
| Other Property and Services | | 244,399 | 808,838 | 121,841 |
| | | <u>14,874,948</u> | <u>33,166,711</u> | <u>15,504,968</u> |
| EXPENSES | | | | |
| General Purpose Funding | | (56,915) | (66,430) | (84,910) |
| Governance | | (663,822) | (727,686) | (454,108) |
| Law, Order, Public Safety | | (518,189) | (466,583) | (359,388) |
| Health | | (272,760) | (346,165) | (265,284) |
| Education and Welfare | | (105,630) | (115,099) | (93,744) |
| Housing | | (1,295,930) | (392,191) | (415,742) |
| Community Amenities | | (1,921,667) | (2,070,500) | (1,902,479) |
| Recreation & Culture | | (3,584,540) | (3,717,031) | (3,146,462) |
| Transport | | (9,742,101) | (10,559,810) | (6,490,017) |
| Economic Services | | (690,607) | (862,350) | (785,660) |
| Other Property and Services | | (248,117) | (97,308) | (1,704,193) |
| | | <u>(19,100,279)</u> | <u>(19,421,153)</u> | <u>(15,701,987)</u> |
| Net Result Excluding Rates | | (4,225,331) | 13,745,558 | (197,019) |
| Adjustments for Cash Budget Requirements: | | | | |
| Non-Cash Expenditure and Revenue | | | | |
| Decrement on revaluation of non-current assets | | 0 | 0 | 1,020,034 |
| (Profit)/Loss on Asset Disposals | 21 | 963,121 | (989,666) | 574,734 |
| Movement in Deferred Pensioner Rates (Non-Current) | | (6,166) | 0 | (5,814) |
| Movement in Employee Benefit Provisions | | 120,463 | 0 | 157,222 |
| Depreciation and Amortisation on Assets | 2(a) | 4,237,069 | 4,179,650 | 3,870,471 |
| Capital Expenditure and Revenue | | | | |
| Land Held for Resale | | (1,178,780) | (1,384,463) | 0 |
| Purchase Land and Buildings | | (885,319) | (17,268,994) | (4,376,218) |
| Purchase Infrastructure Assets - Roads | | (1,193,332) | (2,852,790) | (2,925,645) |
| Purchase Infrastructure Assets - Other | | (200,143) | (1,618,147) | (3,925,271) |
| Purchase Plant and Equipment | | (935,581) | (823,100) | (409,334) |
| Purchase Furniture and Equipment | | (82,853) | (226,500) | (187,483) |
| Proceeds from Disposal of Assets | 21 | 741,817 | 2,184,583 | 1,869 |
| Repayment of Debentures | 22(a) | (105,882) | (105,882) | (220,864) |
| Proceeds from New Debentures | 22(b) | 0 | 0 | 0 |
| Proceeds from Community Groups | 22(c) | 57,000 | 59,000 | 53,750 |
| Transfers to Reserves (Restricted Assets) | 12 | (1,327,552) | (967,896) | (2,157,870) |
| Transfers from Reserves (Restricted Assets) | 12 | 1,604,620 | 2,272,329 | 4,114,232 |
| ADD Estimated Surplus/(Deficit) July 1 B/Fwd | 23(b) | 752,520 | 759,418 | 2,451,204 |
| LESS Estimated Surplus/(Deficit) June 30 C/Fwd | 23(b) | 1,403,494 | 11,851 | 752,520 |
| Amount Required to be Raised from Rates | 23(a) | <u>(3,067,821)</u> | <u>(3,048,750)</u> | <u>(2,914,522)</u> |

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

~~Critical Accounting Estimates~~ Reporting Standards ("IFRSs") form the basis of Australian Accounting

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of 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 Local Government Reporting Entity

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 20 to these financial statements.

(b) Goods and Services Tax

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.

(c) 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 with that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) 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 goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(e) Inventories

General

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

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

Land Held for Resale

Land 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.

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

(f) Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory Requirement to Revalue Non-Current Assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all the assets of the local government that plant and equipment;
and
 - (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -
 - (i) that are plant and equipment; and
 - (ii) that are -
 - (I) land and buildings; or
 - (II) infrastructure;
- and
- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations. Relevant disclosures in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (continued)

Land Under Control

In accordance with Local Government (Financial Management) Regulation 16(a), the Council was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under Roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a)(i) prohibits local governments from recognising such land as an asset.

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

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

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (continued)

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.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

| | |
|----------------------------|--------------|
| Buildings | 40 Years |
| Furniture and Equipment | |
| Electronic Equipment | 3-5 Years |
| All other Items | 5-10 Years |
| Plant and Equipment | |
| Heavy Plant & Equipment | 3-10 Years |
| Light to Medium Vehicles | 2-5 Years |
| Light Mobile Equipment | 2 Years |
| Infrastructure | |
| Road Base Construction | 40 Years |
| Road Seals - Aggregate | 12 Years |
| Road Seals - Asphalt | 20 Years |
| Road (Unsealed) - Gravel | 8 Years |
| Road (Unsealed) - Unformed | 6 Years |
| Road Kerb | 50 Years |
| Bridges | 50 Years |
| Drains/Sewers | 75 Years |
| Airfield - Runways | 12 Years |
| Other | 50-100 Years |

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Capitalisation Thresholds

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

When performing a revaluation, Council uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that the Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of three possible levels based on the lowest level that are input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by Council are consistent with one or more of the following valuation approaches:

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities (continued)

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

(h) Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

(a) the amount in which the financial asset or financial liability is measured at initial recognition;

(b) less principal repayments and any reduction for impairment; and

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (continued)

Classification and Subsequent Measurement (continued)

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

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in non-current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

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

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance amount.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of Assets

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with the other standard.

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

(j) Trade and Other Payables

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee Benefits

Short-Term Employee Benefits

Provision is made for the Council'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 Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other Long-Term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits 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 or 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 remeasurement 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 Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council 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.

(l) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(m) Provisions

Provisions are recognised when the council 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.

(n) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Council, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Leases (continued)

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(o) Investments in Associates

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate. In addition, the Council's share of the profit or loss of the associate is included in the Council's profit or loss.

The carrying amount of the investment includes where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Council and the associate are eliminated to the extent of the Council's interest in the associate.

Where the Council's share of losses in an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Council will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

(p) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 17.

(q) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Superannuation

The Shire of Exmouth contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(s) Current and Non-Current Classification

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

(t) Rounding Off Figures

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

(u) Comparative Figures

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

When Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

(v) Budget Comparative Figures

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Council.

Management's assessment of the new and amended pronouncements that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

| | Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|-------|---|-------------------|---------------------------|---|
| (i) | AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8) | December 2014 | 1 January 2018 | Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the Standard will have any material effect. |
| (ii) | AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] | September 2012 | 1 January 2018 | Nil - The revisions embodied in this Standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above). |
| (iii) | AASB 15 Revenue from Contracts with Customers | December 2014 | 1 January 2017 | This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Council has with those third parties it has dealings with. It may or may not be significant. |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

| | Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|------|--|-------------------|---------------------------|---|
| (iv) | AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments [Operative date: Part C Financial Instruments - 1 January 2015] | December 2013 | Refer title column | Part C of this Standard makes consequential amendments to AASB 9 and numerous other Standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value. As the bulk of changes relate either to editorial or reference changes it is not expected to have a significant impact on the Council. |
| (v) | AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11] | August 2014 | 1 January 2016 | This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: <i>Business Combinations</i> , to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. Since adoption of this Standard would impact only acquisitions of interest in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Council's financial statements. |
| (vi) | AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138] | August 2014 | 1 January 2016 | This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. Given the Council currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact. |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

| | Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|--------|--|-------------------|---------------------------|---|
| (vii) | AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 | December 2014 | 1 January 2017 | Consequential changes to various Standards arising from the issuance of AASB 15. It will require changes to reflect the impact of AASB 15. |
| (viii) | AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049] | January 2015 | 1 January 2016 | This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column. It is not anticipated it will have any significant impact on disclosures. |
| (ix) | AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality | January 2015 | 1 July 2015 | This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn. It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged. |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

| | Title | Issued / Compiled | Applicable ⁽¹⁾ | Impact |
|-----|---|-------------------|---------------------------|---|
| (x) | AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049] | March 2015 | 1 July 2016 | The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities. The Standard is expected to have a significant disclosure impact on the financial report of the Council as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary. |

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

(x) Adoption of New and Revised Accounting Standards

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These new and revised standards were:

AASB 2011-7
AASB 2012-3
AASB 2013-3
AASB 2013-8
AASB 2013-9 Parts A & B

Most of the Standards adopted had a minimal effect on the accounting and reporting practices of the Council as they did not have a significant impact on the accounting or reporting practices or were either not applicable, largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

Interpretation 17 - Distributions of Non-Cash Assets to

Nil - None of these amendments will have any effect on the

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

2. REVENUES AND EXPENSES

2015
\$

2014
\$

(a) Net Result

The Net Result includes:

(i) Charging as an Expense:

Auditors Remuneration

| | | |
|---------------------------------|--------|--------|
| - Audit of the financial report | 17,628 | 16,380 |
| - Other services | | 0 |

Depreciation

| | | |
|-------------------------|------------------|------------------|
| Buildings | 752,155 | 732,255 |
| Furniture and Equipment | 295,833 | 443,539 |
| Plant and Equipment | 542,714 | 498,743 |
| Infrastructure Other | 1,448,992 | 998,892 |
| Infrastructure Roads | 1,197,375 | 1,197,042 |
| | <u>4,237,069</u> | <u>3,870,471</u> |

Interest Expenses (Finance Costs)

| | | |
|-------------------------------|---------------|---------------|
| Debentures (refer Note 23(a)) | 70,322 | 79,985 |
| | <u>70,322</u> | <u>79,985</u> |

Rental Charges

| | | |
|----------------------------------|---------------|----------|
| Operating Leases (refer Note 16) | 72,544 | 0 |
| | <u>72,544</u> | <u>0</u> |

(ii) Crediting as Revenue:

2015
\$

2015
Budget
\$

2014
\$

Interest Earnings

| | | | |
|--|----------------|----------------|----------------|
| - Reserve Funds | 92,763 | 53,396 | 90,753 |
| - Other Funds | 14,833 | 80,000 | 95,515 |
| - Other Interest Revenue (refer note 27) | 54,891 | 23,116 | 85,845 |
| | <u>162,487</u> | <u>156,512</u> | <u>272,113</u> |

Grants & Subsidies

| | | | |
|---|----------------|----------|----------|
| Early receivable of Financial Assistance Grant from WA Grants Commission. | 962,389 | 0 | 0 |
| | <u>962,389</u> | <u>0</u> | <u>0</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective

The Shire of Exmouth is dedicated to providing high quality services to the community. In consultation with the community, Council developed a Strategic Community Plan in 2011. The Plan outlines the Shires' vision and key strategic objectives for 10+ years.

SHIRE VISION:

To be welcoming custodians embracing our past, valuing our present and planning for the future.

The Shires' key strategic objectives are:

ECONOMIC

To be a diverse and innovative economy with a range of local employment opportunities.

ENVIRONMENT

To have a balanced respect for our environment and heritage, both natural and built.

SOCIAL

To be a dynamic, passionate and safe community valuing natural and cultural heritage.

CIVIC LEADERSHIP

To work together as custodians for now and the future.

GOVERNANCE

The maintenance of a representative body of the community members elected to fill the role of Councillors and President as required by the Local Government Act 1995.

GENERAL PURPOSE FUNDING

The collection of rate revenue and the maintenance of valuation and rating records to support the collection process.

LAW, ORDER, PUBLIC SAFETY

The provision of bush fire control services, animal control and support for emergency services as well as the maintenance and enforcement of local laws.

HEALTH

Maternal and Infant Health, preventative services and environmental health.

EDUCATION AND WELFARE

To support and maintain education and aged and disabled care.

HOUSING

The provision of housing to staff members and aged persons.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

COMMUNITY AMENITIES

Maintenance of rubbish service to residents and maintenance of sanitary landfill sites. Town planning and regional development, maintenance of cemeteries and other community amenities.

RECREATION AND CULTURE

The provision and maintenance of recreational and cultural facilities.

TRANSPORT

The provision and maintenance of new and improved road and aerodrome infrastructure.

ECONOMIC SERVICES

The promotion of the district to increase economic activities and the provision of building control within the shire.

OTHER PROPERTY & SERVICES

The provision of private works to the public and the maintenance of cost pools for plant operating, public works overheads and administration costs.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

2. REVENUES AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions

| Grant/Contribution | Function/Activity | Opening | Received (2) | Expended (3) | Closing | Received (2) | Expended (3) | Closing |
|---|---------------------------|-----------------------|------------------|--------------------|---------------------------|----------------|--------------------|-----------------------|
| | | Balance (1) 1/7/13 | 2013/14 | 2013/14 | Balance (1) 30/06/2014 | 2014/15 | 2014/15 | Balance 30/06/2015 |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| DEC - Bushfire Mitigation Fund | Law, Order, Public Safety | 27,970 | 505 | 0 | 28,475 | 664 | | 29,139 |
| DLG - Cat Act | Law, Order, Public Safety | 2,535 | 0 | (2,535) | 0 | | | 0 |
| FESA Bushfire & SES | Law, Order, Public Safety | 0 | 14,137 | 0 | 14,137 | 12,254 | (14,137) | 12,254 |
| Woodside Living Smart Program | Health | 0 | 5,409 | 0 | 5,409 | | (5,409) | 0 |
| Dept of Planning | Community Amenities | 130,910 | | (130,910) | 0 | 78,770 | | 78,770 |
| GLGF Waste & Recycling | Community Amenities | 0 | | | 0 | 399,570 | | 399,570 |
| Dept Sport & Rec - Swimming Pool Equip | Recreation & Culture | 0 | | | 0 | 16,412 | | 16,412 |
| GDC Public Art Strategy | Recreation & Culture | 0 | | | 0 | 20,000 | | 20,000 |
| GDC Water Transport Facilities | Recreation & Culture | 0 | | | 0 | 71,750 | | 71,750 |
| Tourism WA Grant - Sewerage Dump Point | Recreation & Culture | 0 | | 0 | 0 | 55,325 | | 55,325 |
| Country Arts Youth Program | Recreation & Culture | 12,277 | | (12,277) | 0 | | | 0 |
| Landcorp - Water Playground | Recreation & Culture | 0 | | | 0 | | | 0 |
| Marina Breakwater NavAid | Recreation & Culture | 23,930 | 432 | 0 | 24,362 | 567 | | 24,929 |
| Tantabiddi Boat Ramp | Recreation & Culture | 254,768 | 0 | (254,768) | 0 | | | 0 |
| Youth Leadership Program | Recreation & Culture | 10,500 | 0 | 0 | 10,500 | 118 | | 10,618 |
| CSRFF Oval Lighting | Recreation & Culture | 53,993 | 0 | (53,993) | 0 | | | 0 |
| R4R Foreshore Works | Recreation & Culture | 441,652 | 0 | (441,652) | 0 | | | 0 |
| Youth Program | Recreation & Culture | 0 | 510 | 0 | 510 | 562 | | 1,072 |
| R4R Ningaloo Centre | Recreation & Culture | 0 | 849,140 | 0 | 849,140 | | (849,140) | 0 |
| RTR Grant | Transport | 0 | | | 0 | 118,677 | | 118,677 |
| Landcorp - Marina Grant | Transport | 377,728 | | (377,728) | 0 | | | 0 |
| Main Roads PACE Retreat | Transport | 41,126 | | (41,126) | 0 | | | 0 |
| MRWA Blackspot Funding | Transport | 92,310 | 0 | (92,310) | 0 | | | 0 |
| MRWA Murat Road | Transport | 83,840 | 0 | (83,840) | 0 | | | 0 |
| MRWA Yardie Creek Rd | Transport | 0 | 115,241 | 0 | 115,241 | | (115,241) | 0 |
| Dept Parks & Wildlife Charles Knife Rd | Transport | 0 | 28,000 | 0 | 28,000 | | (28,000) | 0 |
| Chevron - Display Banners | Economic Services | 5,115 | 92 | 0 | 5,207 | | (5,207) | 0 |
| Dept of Sustain - Interpretive Signage | Economic Services | 21,200 | 0 | (12,108) | 9,092 | 102 | | 9,194 |
| Dept of Sustain - Lantern & Film Making | Economic Services | 0 | | | 0 | | | 0 |
| Landscape Experience | Economic Services | 19,000 | 0 | (4,000) | 15,000 | 168 | | 15,168 |
| TOTAL | | 1,598,854 | 1,013,466 | (1,507,247) | 1,105,073 | 774,939 | (1,017,134) | 862,878 |

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor (includes interest earned on Grant Funding

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | Note | 2015 \$ | 2014 \$ |
|---|------|------------------|------------------|
| 3. CASH AND CASH EQUIVALENTS | | | |
| Unrestricted | | 890,355 | 1,100,231 |
| Restricted - Reserves | | 4,950,007 | 5,227,075 |
| | | <u>5,840,362</u> | <u>6,327,306</u> |
| The following restrictions have been imposed by regulations or other externally imposed requirements: | | | |
| Community Interest Free Loans Reserve | 12 | 266,301 | 203,868 |
| Community Development Fund Reserve | 12 | 895,900 | 875,496 |
| Leave Reserve | 12 | 342,772 | 564,966 |
| Plant Reserve | 12 | 286,679 | 280,149 |
| Waste Management Reserve | 12 | 152,858 | 149,377 |
| Swimming Pool Reserve | 12 | 416,871 | 407,377 |
| Shire Staff Housing Reserve | 12 | 8,052 | 7,869 |
| Airport Reserve | 12 | 1,288,047 | 1,396,393 |
| Rehabilitation Reserve | 12 | 174,474 | 160,254 |
| Marina Village Asset Replace & Preservation Reserve | 12 | 5,675 | 5,546 |
| Building Infrastructure Preservation Reserve | 12 | 77,111 | 49,916 |
| Town Planning Scheme Reserve | 12 | 19,968 | 19,512 |
| Unspent Grants & Contributions Reserve | 12 | 1,015,299 | 1,105,073 |
| Carried Over Projects Reserve | 12 | 0 | 1,279 |
| | | <u>4,950,007</u> | <u>5,227,075</u> |

4. INVESTMENTS

The Shire of Exmouth had no non bank financial instruments during 2014/15. All funds were held as cash with investments made in short term deposits.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 | 2014 |
|---------------------------------------|------------------|------------------|
| | \$ | \$ |
| 5. TRADE AND OTHER RECEIVABLES | | |
| Current | | |
| Rates Outstanding | 370,806 | 251,494 |
| Sundry Debtors & Receivables | 1,376,572 | 1,721,754 |
| GST Receivable | 141,830 | 247,425 |
| Loans - Clubs/Institutions | 55,000 | 59,000 |
| | <u>1,944,208</u> | <u>2,279,673</u> |
| Non-Current | | |
| Rates Outstanding - Pensioners | 30,189 | 24,023 |
| Loans - Clubs/Institutions | 192,750 | 245,750 |
| | <u>222,939</u> | <u>269,773</u> |
| 6. INVENTORIES | | |
| Current | | |
| Fuel and Materials | 30,994 | 55,661 |
| Land Held for Resale - Cost | | |
| Cost of Acquisition | 0 | 0 |
| Development Costs | 1,178,780 | 0 |
| | <u>1,209,774</u> | <u>55,661</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 | 2014 |
|---|-------------------|-------------------|
| | \$ | \$ |
| 7. PROPERTY, PLANT AND EQUIPMENT | | |
| Land and Buildings | | |
| Freehold Land at: | | |
| - Independent Valuation 2013 - Level 2 | 7,680,000 | 7,680,000 |
| - Additions after valuation - Cost | 1,121,150 | 1,385,250 |
| | <u>8,801,150</u> | <u>9,065,250</u> |
| Non Specialised Buildings at: | | |
| - Independent Valuation 2013 - Level 2 | 27,798,368 | 27,798,368 |
| - Management Valuation 2013 - Level 2 | 631,425 | 631,425 |
| - Additions after Valuation - Cost | 2,354,383 | 2,990,968 |
| | <u>30,784,176</u> | <u>31,420,761</u> |
| Sub Total | <u>39,585,326</u> | <u>40,486,011</u> |
| Less Accumulated Depreciation | (5,209,520) | (4,707,015) |
| Total Land & Buildings | <u>34,375,807</u> | <u>35,778,996</u> |
| Furniture and Equipment | | |
| - Independent Valuation 2013 | 2,545,360 | 2,545,360 |
| - Management Valuation 2013 | 320,840 | 320,840 |
| - Additions after Valuation - Cost | 66,382 | 187,484 |
| Less Accumulated Depreciation | (1,856,499) | (1,707,722) |
| | <u>1,076,083</u> | <u>1,345,962</u> |
| Plant and Equipment | | |
| - Independent Valuation 2013 | 4,493,607 | 4,493,607 |
| - Management Valuation 2013 | 30,481 | 30,481 |
| - Additions after Valuation - Cost | 1,139,444 | 418,535 |
| Less Accumulated Depreciation | (2,700,440) | (2,275,145) |
| | <u>2,963,092</u> | <u>2,667,478</u> |
| | <u>38,414,982</u> | <u>39,792,436</u> |

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

| | Land (Level 2) \$ | Non Specialised Buildings (Level 2) \$ | Specialised Buildings (Level 3) \$ | Total Buildings \$ | Total Land & Buildings \$ | Plant & Equipment (Level 2) \$ | Furniture & Equipment (Level 3) \$ | Total \$ |
|--|-------------------------|--|---|--------------------------|------------------------------------|--|--|-------------------|
| Balance at beginning of the year | 9,065,250 | 26,713,746 | 0 | 26,713,746 | 35,778,996 | 2,667,478 | 1,345,962 | 39,792,436 |
| Additions | 5,900 | 879,419 | 0 | 879,419 | 885,319 | 935,581 | 82,853 | 1,903,753 |
| (Disposals) | (270,000) | (1,516,004) | 0 | (1,516,004) | (1,786,004) | (214,672) | (203,955) | (2,204,631) |
| Revaluation - Increments - (Decrements) | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Impairment - (losses) - reversals | 0 0 | 0 0 | 0 0 | 0 0 | 0 0 | 0 0 | 0 0 | 0 0 |
| Depreciation (Expense) | | (502,504) | | (502,504) | (502,504) | (425,295) | (148,777) | (1,076,576) |
| Carrying amount at the end of year | <u>8,801,150</u> | <u>25,574,657</u> | <u>0</u> | <u>25,574,657</u> | <u>34,375,807</u> | <u>2,963,092</u> | <u>1,076,083</u> | <u>38,414,982</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 \$ | 2014 \$ |
|------------------------------------|---------------------|---------------------|
| 8 (a) INFRASTRUCTURE | | |
| Roads | | |
| - Management Valuation 2015 | 24,079,375 | 0 |
| - Cost | 0 | 23,866,343 |
| Less Accumulated Depreciation | <u>(8,515,101)</u> | <u>(7,317,726)</u> |
| | 15,564,274 | 16,548,617 |
| Infrastructure Other | | |
| - Management Valuation 2015 | 12,948,131 | 0 |
| - Independent Valuation 2014 | 19,143,876 | 19,160,500 |
| - Management Valuation 2014 | 6,388,810 | 13,026,859 |
| - Additions after Valuation - Cost | 200,143 | 0 |
| Less Accumulated Depreciation | <u>(12,670,645)</u> | <u>(11,230,043)</u> |
| | 26,010,315 | 20,957,316 |
| | <u>41,574,589</u> | <u>37,505,933</u> |

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and, where appropriate, the fair value is updated to reflect current market conditions.

This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires infrastructure to be shown at fair value.

8 (b) Movements in Carrying Amounts

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

| | Roads \$ | Infrastructure Other \$ | Total \$ |
|----------------------------------|-------------------|-------------------------------|-------------------|
| Balance at beginning of the year | 16,548,617 | 20,957,316 | 37,505,933 |
| Additions | 1,193,332 | 200,143 | 1,393,475 |
| (Disposals) | | (22,824) | (22,824) |
| Revaluation - Increments | 0 | 6,316,282 | 6,316,282 |
| - (Decrements) | (980,300) | 0 | (980,300) |
| Impairment - (losses) | 0 | 0 | 0 |
| - reversals | 0 | 0 | 0 |
| Depreciation (Expense) | (1,197,375) | (1,440,602) | (2,637,977) |
| Balance as at 30 June 2015 | <u>15,564,274</u> | <u>26,010,315</u> | <u>41,574,589</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 \$ | 2014 \$ |
|---|------------------|------------------|
| 9. TRADE AND OTHER PAYABLES | | |
| Current | | |
| Sundry Creditors | 862,796 | 1,977,331 |
| Accrued Expenses | 386,325 | 365,415 |
| Unearned Revenue | 0 | 16,664 |
| Tax Payable | 157,941 | 264,635 |
| | <u>1,407,062</u> | <u>2,624,045</u> |
| 10. LONG-TERM BORROWINGS | | |
| Current | | |
| Secured by Floating Charge Debentures | 111,386 | 105,882 |
| | <u>111,386</u> | <u>105,882</u> |
| Non-Current | | |
| Secured by Floating Charge Debentures | 1,223,736 | 1,335,121 |
| | <u>1,223,736</u> | <u>1,335,121</u> |
| Additional detail on borrowings is provided in Note 22. | | |
| 11. PROVISIONS | | |
| Analysis of total provisions | | |
| Current | 878,905 | 803,575 |
| Non-current | 214,030 | 168,897 |
| | <u>1,092,935</u> | <u>972,472</u> |

| | Provision for Annual Leave \$ | Provision for Employee Gratuity \$ | Provision for Long Service Leave \$ | Total \$ |
|---|---|---|--|------------------|
| Opening Balance as at 1 July 2014 | 542,319 | 108,546 | 321,607 | 972,472 |
| Additional Provisions | 299,946 | 43,556 | 166,809 | 510,311 |
| Amounts Used | (320,437) | 0 | (69,411) | (389,848) |
| Used amounts reversed | 0 | 0 | 0 | 0 |
| Increase in the discounted amount arising because of time and the effect of any change in the discount rate | 0 | 0 | 0 | 0 |
| Balance at 30 June 2015 | <u>521,828</u> | <u>152,102</u> | <u>419,005</u> | <u>1,092,935</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|--|----------------|----------------------|----------------|
| 12. RESERVES - CASH/INVESTMENT BACKED | | | |
| (a) Community Interest Free Loans Reserve | | | |
| Opening Balance | 203,868 | 203,868 | 147,458 |
| Amount Set Aside / Transfer to Reserve | 62,433 | 62,058 | 56,410 |
| Amount Used / Transfer from Reserve | 0 | 0 | 0 |
| | <u>266,301</u> | <u>265,926</u> | <u>203,868</u> |
| (b) Community Development Fund Reserve | | | |
| Opening Balance | 875,496 | 875,496 | 962,738 |
| Amount Set Aside / Transfer to Reserve | 20,404 | 389,132 | 508,878 |
| Amount Used / Transfer from Reserve | 0 | (290,000) | (596,120) |
| | <u>895,900</u> | <u>974,628</u> | <u>875,496</u> |
| (c) Leave Reserve | | | |
| Opening Balance | 564,966 | 564,965 | 554,956 |
| Amount Set Aside / Transfer to Reserve | 77,806 | 5,024 | 10,010 |
| Amount Used / Transfer from Reserve | (300,000) | (230,000) | 0 |
| | <u>342,772</u> | <u>339,989</u> | <u>564,966</u> |
| (d) Plant Reserve | | | |
| Opening Balance | 280,149 | 280,149 | 501,416 |
| Amount Set Aside / Transfer to Reserve | 6,530 | 3,790 | 7,086 |
| Amount Used / Transfer from Reserve | 0 | (27,500) | (228,353) |
| | <u>286,679</u> | <u>256,439</u> | <u>280,149</u> |
| (e) Waste Management Reserve | | | |
| Opening Balance | 149,377 | 149,377 | 146,730 |
| Amount Set Aside / Transfer to Reserve | 3,481 | 696 | 2,647 |
| Amount Used / Transfer from Reserve | 0 | (103,000) | 0 |
| | <u>152,858</u> | <u>47,073</u> | <u>149,377</u> |
| (f) Public Open Space Reserve | | | |
| Opening Balance | 0 | 0 | 793 |
| Amount Set Aside / Transfer to Reserve | 0 | 0 | 3 |
| Amount Used / Transfer from Reserve | 0 | 0 | (796) |
| | <u>0</u> | <u>0</u> | <u>0</u> |
| (g) Swimming Pool Reserve | | | |
| Opening Balance | 407,377 | 407,377 | 351,045 |
| Amount Set Aside / Transfer to Reserve | 9,494 | 106,111 | 56,332 |
| Amount Used / Transfer from Reserve | 0 | 0 | 0 |
| | <u>416,871</u> | <u>513,488</u> | <u>407,377</u> |
| (h) Shire Staff Housing Reserve | | | |
| Opening Balance | 7,869 | 7,869 | 984,071 |
| Amount Set Aside / Transfer to Reserve | 183 | 118 | 3,798 |
| Amount Used / Transfer from Reserve | 0 | 0 | (980,000) |
| | <u>8,052</u> | <u>7,987</u> | <u>7,869</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|--|------------------|----------------------|------------------|
| 12. RESERVES - CASH/INVESTMENT BACKED | | | |
| (i) Aviation Reserve | | | |
| Opening Balance | 1,396,393 | 1,396,393 | 1,384,480 |
| Amount Set Aside / Transfer to Reserve | 126,341 | 354,876 | 437,964 |
| Amount Used / Transfer from Reserve | (234,687) | (483,000) | (426,051) |
| | <u>1,288,047</u> | <u>1,268,269</u> | <u>1,396,393</u> |
| (j) Rehabilitation Reserve | | | |
| Opening Balance | 160,254 | 160,254 | 430,770 |
| Amount Set Aside / Transfer to Reserve | 14,220 | 2,404 | 29,484 |
| Amount Used / Transfer from Reserve | 0 | (70,000) | (300,000) |
| | <u>174,474</u> | <u>92,658</u> | <u>160,254</u> |
| (k) Marina Village Asset Replace & Preservation Reserve | | | |
| Opening Balance | 5,546 | 5,546 | 5,448 |
| Amount Set Aside / Transfer to Reserve | 129 | 83 | 98 |
| Amount Used / Transfer from Reserve | 0 | 0 | 0 |
| | <u>5,675</u> | <u>5,629</u> | <u>5,546</u> |
| (l) Building Infrastructure Preservation Reserve | | | |
| Opening Balance | 49,916 | 49,916 | 49,032 |
| Amount Set Aside / Transfer to Reserve | 77,111 | 0 | 884 |
| Amount Used / Transfer from Reserve | (49,916) | (49,916) | 0 |
| | <u>77,111</u> | <u>0</u> | <u>49,916</u> |
| (m) Industrial Area Roads Reserve | | | |
| Opening Balance | 0 | 0 | 28,665 |
| Amount Set Aside / Transfer to Reserve | 0 | 0 | 107 |
| Amount Used / Transfer from Reserve | 0 | 0 | (28,772) |
| | <u>0</u> | <u>0</u> | <u>0</u> |
| (n) Town Planning Scheme Reserve | | | |
| Opening Balance | 19,512 | 19,512 | 10,897 |
| Amount Set Aside / Transfer to Reserve | 456 | 293 | 8,615 |
| Amount Used / Transfer from Reserve | 0 | 0 | 0 |
| | <u>19,968</u> | <u>19,805</u> | <u>19,512</u> |
| (o) * Unspent Grants & Contributions Reserve | | | |
| Opening Balance | 1,105,073 | 1,105,073 | 1,598,854 |
| Amount Set Aside / Transfer to Reserve | 928,964 | 43,312 | 1,035,084 |
| Amount Used / Transfer from Reserve | (1,018,738) | (1,017,634) | (1,528,866) |
| | <u>1,015,299</u> | <u>130,751</u> | <u>1,105,073</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|--|------------|----------------------|--------------|
| 12. RESERVES - CASH/INVESTMENT BACKED | | | |
| (p) **Carried Over Project Reserve | | | |
| Opening Balance | 1,279 | 1,279 | 26,083 |
| Amount Set Aside / Transfer to Reserve | 0 | 0 | 470 |
| Amount Used / Transfer from Reserve | (1,279) | (1,279) | (25,274) |
| | <u>0</u> | <u>0</u> | <u>1,279</u> |

| SUMMARY | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|--|------------------|----------------------|------------------|
| Opening Balance | 5,227,075 | 5,227,074 | 7,183,436 |
| Amount Set Aside / Transfer to Reserve | 1,327,552 | 967,896 | 2,157,870 |
| Amount Used / Transfer from Reserve | (1,604,620) | (2,272,329) | (4,114,232) |
| TOTAL CASH BACKED RESERVES | <u>4,950,007</u> | <u>3,922,641</u> | <u>5,227,075</u> |

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

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | Balance 1 July 2014 | Amount Trf to/from Reserve | Closing Balance 2015 |
|---|------------------------|-------------------------------|-------------------------|
| | \$ | \$ | \$ |
| 12. RESERVES - CASH BACKED | | | |
| <u>* Summary of Unspent Grants & Contributions Reserve</u> | | | |
| - Marina Breakwater/NavAid (07/08) | 24,362 | 567 | 24,929 |
| - Bushfire Mitigation Fund | 28,475 | 664 | 29,139 |
| - Chevron Display Banners | 5,207 | (5,207) | 0 |
| - Dept of Sustain Interpretative Signage | 9,092 | 103 | 9,195 |
| - Youth Leadership | 10,500 | 118 | 10,618 |
| - Landscape Project | 15,000 | 167 | 15,167 |
| - Youth Program (YAE) | 510 | 562 | 1,072 |
| - Woodside Living Smart Project | 5,409 | (5,409) | 0 |
| - MRWA Yardie Creek Rd | 115,241 | (115,241) | 0 |
| - Dept Parks & Wildlife Charles Knife Rd | 28,000 | (28,000) | 0 |
| - FESA Bushfire & SES | 14,137 | (1,883) | 12,254 |
| - R4R Ningaloo Centre | 849,140 | (849,140) | 0 |
| - RTR Grant | 0 | 118,677 | 118,677 |
| - Dept of Planning | 0 | 78,770 | 78,770 |
| - GDC Water Transport Facilities | 0 | 71,750 | 71,750 |
| - GDC Public Art Strategy | 0 | 20,000 | 20,000 |
| - CLGF Waste & Recycling | 0 | 399,570 | 399,570 |
| - Cash Advance LGIS Insurance Claim | 0 | 152,421 | 152,421 |
| - Tourism WA Grant | 0 | 55,325 | 55,325 |
| - Dept Sport & Rec | 0 | 16,412 | 16,412 |
| | <u>1,105,073</u> | <u>(89,774)</u> | <u>1,015,299</u> |
| <u>** Summary of Carried Over Project Reserve</u> | | | |
| - Donations - WWII plaque | 1,279 | (1,279) | 0 |
| | <u>1,279</u> | <u>(1,279)</u> | <u>0</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

12. RESERVES - CASH BACKED

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

Community Interest Free Loans Reserve

- to be used to fund major community development projects

Community Development Fund Reserve

- to be used to fund community development initiatives

Leave Reserve

- to be used to fund annual and long service leave requirements

Plant Reserve

- to be used for the purchase of major plant and equipment

Waste Management Reserve

- to be used to fund capital and operational costs of Refuse Site including implementation of post closure plan

Public Open Space Reserve

- to be used for the development of Public Open Space

Swimming Pool Reserve

- to be used to fund Swimming Pool upgrades

Shire Staff Housing Reserve

- to be used to fund housing for Shire staff

Aviation Reserve

- to be used to fund Aviation improvements

Rehabilitation Reserve

- to be used to manage the funds associated with the environmental rehabilitation of the sand and gravel pits within the Shire of Exmouth

Marina Village Asset Replace & Preservation Reserve

- to be used for the preservation and maintenance of infrastructure related to the Exmouth Marina Village

Building Infrastructure Preservation Reserve

- to be used for the development, preservation and maintenance of building infrastructure within the Shire of Exmouth

Industrial Area Roads Reserve

- to be used for the purpose of industrial Area Road Surface Preservation within the Shire of Exmouth

Town Planning Scheme Reserve

- to be used for the purpose of funding a review of the future Town Planning Scheme

Land Development Reserve

- to be used for the purpose of developing land in Exmouth

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

12. RESERVES - CASH BACKED

Unspent Grants & Contributions Reserve

- to be used for the purpose of containing funds that are derived from unspent or prepaid grants and contributions from external parties

Carried Over Project Reserve

- to be used for the preservation of carried over projects funds

The Leave and Plant Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

| | 2015 | 2014 |
|--|--------------------------|--------------------------|
| | \$ | \$ |
| 13. REVALUATION SURPLUS | | |
| Revaluation surpluses have arisen on revaluation of the following classes of non-current assets: | | |
| (a) Roads | | |
| Opening Balance | 9,452,056 | 9,452,056 |
| Revaluation Increment | 0 | 0 |
| Revaluation Decrement | (980,300) | 0 |
| | <u>8,471,756</u> | <u>9,452,056</u> |
| (b) Land and Buildings | | |
| Opening Balance | 22,611,050 | 22,611,050 |
| Revaluation Increment | 0 | 0 |
| Revaluation Decrement | 0 | 0 |
| | <u>22,611,050</u> | <u>22,611,050</u> |
| (c) Plant and Equipment | | |
| Opening Balance | 231,857 | 231,857 |
| Revaluation Increment | 0 | 0 |
| Revaluation Decrement | 0 | 0 |
| | <u>231,857</u> | <u>231,857</u> |
| (d) Furniture & Equipment | | |
| Opening Balance | 507,525 | 507,525 |
| Revaluation Increment | 0 | 0 |
| Revaluation Decrement | 0 | 0 |
| | <u>507,525</u> | <u>507,525</u> |
| (e) Infrastructure Other | | |
| Opening Balance | 0 | 2,000 |
| Revaluation Increment | 6,316,282 | 0 |
| Revaluation Decrement | 0 | (2,000) |
| | <u>6,316,282</u> | <u>0</u> |
| TOTAL ASSET REVALUATION SURPLUS | <u><u>38,138,469</u></u> | <u><u>32,802,487</u></u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

14. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

| | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|---------------------------|------------------|----------------------|------------------|
| Cash and Cash Equivalents | <u>5,840,362</u> | <u>4,147,687</u> | <u>6,327,306</u> |

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

| | | | |
|---|-----------------------|-----------------------|-------------------------|
| Net Result | (1,157,509) | 16,794,308 | 2,717,504 |
| Depreciation | 4,237,069 | 4,179,650 | 3,870,471 |
| (Profit)/Loss on Sale of Asset | 963,121 | (989,666) | 1,594,768 |
| (Increase)/Decrease in Receivables | 325,299 | 503,387 | 865,915 |
| (Increase)/Decrease in Inventories | (1,154,111) | 3,340 | (572) |
| Increase/(Decrease) in Payables | (1,216,983) | (537,096) | 948,849 |
| Increase/(Decrease) in Provisions | 120,463 | (97,247) | 157,222 |
| Grants/Contributions for the Development of Assets | <u>(1,779,556)</u> | <u>(19,186,451)</u> | <u>(6,352,714)</u> |
| Net Cash from Operating Activities | <u><u>337,793</u></u> | <u><u>670,225</u></u> | <u><u>3,801,443</u></u> |

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

| | | |
|--------------------------------------|-----------------------|-----------------------|
| Bank Overdraft limit | 400,000 | 400,000 |
| Bank Overdraft at Balance Date | 0 | 0 |
| Credit Card limit | 40,000 | 40,000 |
| Credit Card Balance at Balance Date | 0 | 0 |
| Total Amount of Credit Unused | <u><u>440,000</u></u> | <u><u>440,000</u></u> |

Loan Facilities

| | | |
|--|-------------------------|-------------------------|
| Loan Facilities - Current | 111,386 | 105,882 |
| Loan Facilities - Non-Current | 1,223,736 | 1,335,121 |
| Total Facilities in Use at Balance Date | <u><u>1,335,122</u></u> | <u><u>1,441,004</u></u> |
| Unused Loan Facilities at Balance Date | <u><u>0</u></u> | <u><u>0</u></u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

15. CONTINGENT LIABILITIES/ASSETS

- (a) There were no known contingent liabilities as at 30 June 2015.
- (b) There is a likelihood of recognising the Pedestrian Footbridge located at the Exmouth Marina Village as an asset and the approximate value of the bridge is \$4,967,365.

16. CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments

| | 2015 | 2014 |
|--|----------------|----------|
| | \$ | \$ |
| Non-cancellable operating leases contracted for but not capitalised in the accounts. | | |
| - not later than one year | 72,544 | 0 |
| - later than one year but not later than five years | 240,092 | 0 |
| - later than five years | 0 | 0 |
| | <u>312,636</u> | <u>0</u> |

(b) Capital Expenditure Commitments

| | | |
|--------------------------------|----------|----------------|
| Contracted for: | | |
| - capital expenditure projects | 0 | 291,470 |
| Payable: | | |
| - not later than one year | <u>0</u> | <u>291,470</u> |

The capital expenditure projects outstanding at the end of the current reporting period represents

| | Contract Value | 2015 | 2014 |
|-----------------|------------------|----------|----------------|
| | \$ | \$ | \$ |
| Ningaloo Centre | 1,614,525 | 0 | 291,470 |
| | <u>1,614,525</u> | <u>0</u> | <u>291,470</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

17. JOINT VENTURE

Council resolved at its Ordinary Council Meeting held 26 March 2015 to endorse the termination of the joint venture with Department of Housing (DoH) for Laurance Retirement Village and surrender the vesting of the land on Reserve 40485.

Approval was granted effective 30 June 2015 for no monetary consideration.

| | 2015 | 2014 |
|--------------------------------|----------|----------------|
| | \$ | \$ |
| Non-Current Assets | | |
| Land & Buildings | 0 | 996,819 |
| Less: Accumulated Depreciation | 0 | (93,099) |
| | <u>0</u> | <u>903,720</u> |

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

| | | |
|-----------------------------|-------------------|-------------------|
| Governance | 203,538 | 15,024 |
| General Purpose Funding | 0 | 0 |
| Law, Order, Public Safety | 1,966,296 | 1,617,362 |
| Health | 28,417 | 69,947 |
| Education and Welfare | 1,853,657 | 1,879,536 |
| Housing | 8,247,714 | 9,876,271 |
| Community Amenities | 8,490,515 | 2,516,699 |
| Recreation and Culture | 15,299,973 | 16,560,537 |
| Transport | 38,034,892 | 38,096,954 |
| Economic Services | 2,715,467 | 2,693,483 |
| Other Property and Services | 3,149,101 | 3,972,555 |
| Unallocated | 9,217,284 | 8,932,414 |
| | <u>89,206,854</u> | <u>86,230,782</u> |

| | 2015 | 2014 | 2013 |
|-----------------------------------|--------|--------|-------|
| 19. FINANCIAL RATIOS | | | |
| Current Ratio | 1.97 | 1.16 | 2.01 |
| Asset Sustainability Ratio | 0.45 | 1.61 | 1.91 |
| Debt Service Cover Ratio | 7.78 | 4.44 | 10.81 |
| Operating Surplus Ratio | (0.16) | (0.19) | 0.04 |
| Own Source Revenue Coverage Ratio | 0.64 | 0.73 | 0.79 |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

19. FINANCIAL RATIOS

The above ratios are calculated as follows:

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

| | |
|----------------------------|---|
| Asset Sustainability Ratio | $\frac{\text{Capital renewal and replacement expenditure}}{\text{depreciation expenses}}$ |
|----------------------------|---|

| | |
|--------------------------|--|
| Debt Service Cover Ratio | $\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$ |
|--------------------------|--|

| | |
|-------------------------|--|
| Operating Surplus Ratio | $\frac{\text{Operating revenue minus operating expense}}{\text{own source operating revenue}}$ |
|-------------------------|--|

| | |
|-----------------------------------|--|
| Own Source Revenue Coverage Ratio | $\frac{\text{own source operating revenue}}{\text{operating expense}}$ |
|-----------------------------------|--|

Notes: Information relating to the Asset Consumption Ratio and the Asset Renewal Funding Ratio can be found at Supplementary Ratio Information on Page 63 of this document.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

20. TRUST FUNDS

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

| | Balance 1/7/14 \$ | Amounts Received \$ | Amounts Paid (\$) | Balance 30/6/15 \$ |
|-----------------------------------|-------------------------|---------------------------|-------------------------|--------------------------|
| Hall & Rec Centre Bonds | 4,530 | 5,970 | (6,250) | 4,250 |
| Olma Funding | 2,423 | | | 2,423 |
| Forum Travel Fund | 2,990 | | | 2,990 |
| NADC | 11,335 | | | 11,335 |
| Cyclone Baptist Needy Fund | 2,800 | | | 2,800 |
| Sundries | 7,844 | | | 7,844 |
| Building/Planning Bonds | 73,900 | 500 | (1,000) | 73,400 |
| Youth Affairs | 1,401 | | | 1,401 |
| APH Bonds | 7,888 | 439 | (7,242) | 1,085 |
| Jurabi Coastal Park | 59,400 | | | 59,400 |
| Unclaimed Monies | 942 | 5,360 | | 6,302 |
| Sub Division Clearance Bond | 5,000 | | | 5,000 |
| Key Bonds | 350 | 1,300 | (800) | 850 |
| Bond Deed Exmouth Marina Holdings | 57,304 | | (11,500) | 45,804 |
| Cash In Lieu POS | 164,973 | 4,447 | | 169,420 |
| Ingleton St Res 29086 (20A/152) | 199,861 | 5,388 | | 205,249 |
| RCG Funds | 19,174 | | (19,174) | 0 |
| BCITF Levy | 3,818 | 39,775 | (43,581) | 12 |
| BSL Levy | (547) | 21,982 | (21,431) | 4 |
| Staff Housing Bonds | 0 | 600 | (400) | 200 |
| Donations to Other Organisations | 135 | | | 135 |
| | <u>625,521</u> | <u>85,761</u> | <u>(111,378)</u> | <u>599,904</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

21. DISPOSALS OF ASSETS - 2014/15 FINANCIAL YEAR

The following assets were disposed of during the year.

| By Program | Net Book Value | | Sale Price | | Profit (Loss) | |
|---|----------------|--------------|--------------|--------------|---------------|--------------|
| | Actual \$ | Budget \$ | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Governance | | | | | | |
| (FE00364) Computer | 168 | 0 | 0 | 0 | (168) | 0 |
| Law, Order, Public Safety | | | | | | |
| (FE00397) Computer | 206 | 0 | 0 | 0 | (206) | 0 |
| Housing | | | | | | |
| (LB00006) 18 Schmidt Way Exmouth | 652,688 | 355,978 | 675,000 | 680,000 | 22,312 | 324,022 |
| (FE00081) HWS Unit 14 APH | 535 | 0 | 0 | 0 | (535) | 0 |
| (FE00130) HWS Unit 20 APH | 3,272 | 0 | 0 | 0 | (3,272) | 0 |
| (FE00131) HWS Unit 5 APH | 3,322 | 0 | 0 | 0 | (3,322) | 0 |
| (FE00367) HWS Unit 22 APH | 3,555 | 0 | 0 | 0 | (3,555) | 0 |
| (FE00391) HWS Unit 24 APH | 3,580 | 0 | 0 | 0 | (3,580) | 0 |
| (FE00392) HWS Unit 2 APH | 3,629 | 0 | 0 | 0 | (3,629) | 0 |
| (IN00140) Water Meters APH | 2,815 | 0 | 0 | 0 | (2,815) | 0 |
| (LB00029) Aged Persons Homes | 902,690 | 0 | 0 | 0 | (902,690) | 0 |
| (FE00070) HWS Unit 25 APH | 134 | 0 | 0 | 0 | (134) | 0 |
| Community Amenities | | | | | | |
| (FE00396) Computers | 203 | 0 | 0 | 0 | (203) | 0 |
| Recreation & Culture | | | | | | |
| (PE00061) 2006 Holden Commodore 1EUY576 | 4,322 | 0 | 2,727 | 0 | (1,595) | 0 |
| (LB00058) Hunters Public Toilet | 8,993 | 0 | 0 | 0 | (8,993) | 0 |
| (IN00223) Fencing Oval | 11,619 | 0 | 0 | 0 | (11,619) | 0 |
| (FE00361) Computer | 168 | 0 | 0 | 0 | (168) | 0 |
| (FE00347) Computers | 3,075 | 0 | 0 | 0 | (3,075) | 0 |
| Transport | | | | | | |
| (PE00004) 2006 Mazda Ttop Ute 1CJK367 | 1,837 | 3,345 | 3,636 | 2,000 | 1,799 | (1,345) |
| (PE00034) 2010 Ford Ranger Ute 1DHS613 | 16,726 | 17,657 | 9,545 | 7,500 | (7,181) | (10,157) |
| Airport Manager Vehicle 1DHS614 | 0 | 17,618 | 0 | 7,500 | 0 | (10,118) |
| Tip Truck EX4293 | 0 | 19,334 | 0 | 5,000 | 0 | (14,334) |
| Tandem Tip Truck EX4476 | 0 | 28,636 | 0 | 25,000 | 0 | (3,636) |
| Skid Steer Loader EX535 | 0 | 3,497 | 0 | 5,000 | 0 | 1,503 |
| Front Deck Mower EX896 | 0 | 576 | 0 | 2,500 | 0 | 1,924 |
| (FE00376) Computer | 311 | 0 | 0 | 0 | (311) | 0 |
| (FE00137) Computer | 102 | 0 | 0 | 0 | (102) | 0 |
| Economic Services | | | | | | |
| (PE00053) 2011 Mitsub Challenger 3005EX | 21,260 | 21,926 | 18,182 | 20,000 | (3,078) | (1,926) |
| Other Property & Services | | | | | | |
| (PE00054) 2011 Mitsub Pajero 3EX | 31,835 | 32,683 | 14,545 | 20,000 | (17,290) | (12,683) |
| (PE00051) 2011 Mitsub Challenger 3003EX | 21,271 | 21,932 | 18,182 | 20,000 | (3,089) | (1,932) |
| (FE00148) Ricoh Photocopier | 6,325 | 0 | 0 | 0 | (6,325) | 0 |
| (FE00389) Computer | 297 | 0 | 0 | 0 | (297) | 0 |
| Land Held for Resale Preston St | 0 | 671,735 | 0 | 1,390,083 | 0 | 718,348 |
| | 1,704,938 | 1,194,917 | 741,817 | 2,184,583 | (963,121) | 989,666 |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

21. DISPOSALS OF ASSETS - 2014/15 FINANCIAL YEAR (cont.)

The following assets were disposed of during the year.

| By Class | Net Book Value | | Sale Price | | Profit (Loss) | |
|---|----------------|--------------|--------------|--------------|---------------|--------------|
| | Actual \$ | Budget \$ | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Land Held for Resale | | | | | | |
| Land Held for Resale Preston St | 0 | 671,735 | 0 | 1,390,083 | 0 | 718,348 |
| Land & Buildings | | | | | | |
| (LB00006) 18 Schmidt Way Exmouth | 652,688 | 355,978 | 675,000 | 680,000 | 22,312 | 324,022 |
| (LB00029) Aged Persons Homes | 902,690 | 0 | 0 | 0 | (902,690) | 0 |
| (LB00058) Hunters Public Toilet | 8,993 | 0 | 0 | 0 | (8,993) | 0 |
| Furniture & Equipment | | | | | | |
| (FE00148) Ricoh Photocopier | 6,325 | 0 | 0 | 0 | (6,325) | 0 |
| (FE00081) HWS Unit 14 APH | 535 | 0 | 0 | 0 | (535) | 0 |
| (FE00130) HWS Unit 20 APH | 3,272 | 0 | 0 | 0 | (3,272) | 0 |
| (FE00131) HWS Unit 5 APH | 3,322 | 0 | 0 | 0 | (3,322) | 0 |
| (FE00367) HWS Unit 22 APH | 3,555 | 0 | 0 | 0 | (3,555) | 0 |
| (FE00391) HWS Unit 24 APH | 3,580 | 0 | 0 | 0 | (3,580) | 0 |
| (FE00392) HWS Unit 2 APH | 3,629 | 0 | 0 | 0 | (3,629) | 0 |
| (FE00070) HWS Unit 25 APH | 134 | 0 | 0 | 0 | (134) | 0 |
| (FE00364) Computer | 168 | 0 | 0 | 0 | (168) | 0 |
| (FE00397) Computer | 206 | 0 | 0 | 0 | (206) | 0 |
| (FE00396) Computers | 203 | 0 | 0 | 0 | (203) | 0 |
| (FE00361) Computer | 168 | 0 | 0 | 0 | (168) | 0 |
| (FE00347) Computers | 3,075 | 0 | 0 | 0 | (3,075) | 0 |
| (FE00376) Computer | 311 | 0 | 0 | 0 | (311) | 0 |
| (FE00137) Computer | 102 | 0 | 0 | 0 | (102) | 0 |
| (FE00389) Computer | 297 | 0 | 0 | 0 | (297) | 0 |
| Infrastructure Other | | | | | | |
| (IN00140) Water Meters APH | 2,815 | 0 | 0 | 0 | (2,815) | 0 |
| (IN00223) Fencing Oval | 11,619 | 0 | 0 | 0 | (11,619) | 0 |
| Plant & Equipment | | | | | | |
| (PE00053) 2011 Mitsub Challenger 3005EX | 21,260 | 21,926 | 18,182 | 20,000 | (3,078) | (1,926) |
| (PE00054) 2011 Mitsub Pajero 3EX | 31,835 | 32,683 | 14,545 | 20,000 | (17,290) | (12,683) |
| (PE00051) 2011 Mitsub Challenger 3003EX | 21,271 | 21,932 | 18,182 | 20,000 | (3,089) | (1,932) |
| (PE00061) 2006 Holden Commodore 1EUY576 | 4,322 | 0 | 2,727 | 0 | (1,595) | 0 |
| (PE00004) 2006 Mazda Ttop Ute 1CJK367 | 1,837 | 3,345 | 3,636 | 2,000 | 1,799 | (1,345) |
| (PE00034) 2010 Ford Ranger Ute 1DHS613 | 16,726 | 17,657 | 9,545 | 7,500 | (7,181) | (10,157) |
| Airport Manager Vehicle 1DHS614 | 0 | 17,618 | 0 | 7,500 | 0 | (10,118) |
| Tip Truck EX4293 | 0 | 19,334 | 0 | 5,000 | 0 | (14,334) |
| Tandem Tip Truck EX4476 | 0 | 28,636 | 0 | 25,000 | 0 | (3,636) |
| Skid Steer Loader EX535 | 0 | 3,497 | 0 | 5,000 | 0 | 1,503 |
| Front Deck Mower EX896 | 0 | 576 | 0 | 2,500 | 0 | 1,924 |
| | 1,704,938 | 1,194,917 | 741,817 | 2,184,583 | (963,121) | 989,666 |

Summary

Profit on Asset Disposals
Loss on Asset Disposals

| Actual \$ | Budget \$ |
|------------------|----------------|
| 24,111 | 1,045,797 |
| (987,232) | (56,131) |
| <u>(963,121)</u> | <u>989,666</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

22. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

| Particulars | Principal 1-Jul-14 \$ | New Loans \$ | Principal Repayments | | Principal Outstanding 30 June 2015 | | Interest Repayments | |
|--|-----------------------------|--------------------|-------------------------|--------------|---------------------------------------|--------------|------------------------|--------------|
| | | | Actual \$ | Budget \$ | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Housing | | | | | | | | |
| Loan 77 - Skip Jack Circle Land | 215,157 | | 38,375 | 38,375 | 176,782 | 176,782 | 11,838 | 11,838 |
| Loan 80 - Staff Dwellings | 899,677 | | 51,774 | 51,774 | 847,903 | 847,903 | 42,003 | 42,003 |
| Other Properties & Services | | | | | | | | |
| Loan 76 - 1 Bennett St Exmouth | 326,170 | | 15,733 | 15,733 | 310,437 | 310,437 | 16,481 | 16,481 |
| | 1,441,004 | - | 105,882 | 105,882 | 1,335,122 | 1,335,122 | 70,322 | 70,322 |

All debenture repayments are financed by general purpose revenue

(b) New Debentures - 2014/15

| Particulars/Purpose | Amount Borrowed | | Institution | Loan Type | Term (Years) | Total Interest & Charges \$ | Interest Rate % | Amount Used | | Balance Unspent \$ |
|---------------------|-----------------|--------------|-------------|--------------|-----------------|--------------------------------------|-----------------------|--------------|--------------|--------------------------|
| | Actual \$ | Budget \$ | | | | | | Actual \$ | Budget \$ | |
| Nil | | | | | | | | | | |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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22. INFORMATION ON BORROWINGS

(c) Self Supporting Loans - Interest Free

| Particulars | Purpose of Loan | Amount Borrowed \$ | Principal 1-Jul-14 \$ | New Loans \$ | Principal Repayments | | Principal Outstanding | |
|----------------------------------|----------------------------------|-----------------------|--------------------------|-----------------|----------------------|--------------|-----------------------|--------------|
| | | | | | Actual \$ | Budget \$ | Actual \$ | Budget \$ |
| Recreation & Culture | | | | | | | | |
| *Loan A011413 Golf Club 2002 | Purchase Tractor | 40,000 | 1,000 | | 1,000 | 1,000 | - | - |
| *Loan A011406 Bowling Club 2009 | Installation of Air Conditioning | 20,000 | 10,000 | | 2,000 | 2,000 | 8,000 | 8,000 |
| *Loan A011403 Golf Club 2009 | Purchase Slasher | 15,000 | 8,000 | | 8,000 | 3,000 | - | 5,000 |
| *Loan A017018 Squash Club 2010 | Upgrade Toilet Facilities | 25,000 | 11,000 | | - | 2,500 | 11,000 | 8,500 |
| *Loan A017003 Golf Club 2012 | Storage Shed | 30,000 | 26,000 | | 1,000 | 5,000 | 25,000 | 21,000 |
| *Loan A017019 Truscott Club 2012 | Replace Cool Room Motors | 20,000 | 10,000 | | 5,000 | 5,000 | 5,000 | 5,000 |
| *Loan A017020 Bowling Club 2012 | Synthetic Greens | 250,000 | 160,000 | | 40,000 | 30,000 | 120,000 | 130,000 |
| *Loan A017021 EGFC 2013 | Gantry Upgrade | 84,000 | 78,750 | | - | 10,500 | 78,750 | 68,250 |
| | | 484,000 | 304,750 | - | 57,000 | 59,000 | 247,750 | 245,750 |

* Self Supporting Loans were financed from Community Development Interest Free Loans Reserve account

(d) Unspent Debentures

| Particulars/Purpose | Dated Borrowed | Balance 1 July 2014 \$ | Borrowed During Year \$ | Expended During Year \$ | Balance 30 June 2015 \$ |
|---------------------|----------------|---------------------------|----------------------------|----------------------------|----------------------------|
| Nil | | | | | |

(e) Overdraft

Council established an overdraft facility of \$400,000 with the Westpac Bank to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2014 and 30 June 2015 was \$Nil.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

23. RATING INFORMATION - 2014/15 FINANCIAL YEAR

| RATE TYPE | Rate in \$ | Number of Properties | Rateable Value \$ | Rate Revenue \$ | Interim Rates \$ | TOTAL REVENUE \$ | Budget Rate Revenue \$ | Budget Interim Rates \$ | Budget Total Revenue \$ |
|-----------------------------------|---------------|----------------------------|-------------------------|-----------------------|------------------------|------------------------|---------------------------------|----------------------------------|----------------------------------|
| Differential General Rate | | | | | | | | | |
| Gross Rental Value (GRV) | | | | | | | | | |
| Commercial-Industrial | 0.0686 | 309 | 11,293,803 | 774,755 | 916 | 775,671 | 775,147 | | 775,147 |
| Commercial-Industrial Vacant Land | 0.0995 | 48 | 1,029,250 | 102,410 | | 102,410 | 102,410 | | 102,410 |
| Marina | 0.0942 | 89 | 3,143,920 | 296,157 | (3,123) | 293,034 | 296,159 | 4,000 | 300,159 |
| Marina Vacant Land | 0.1068 | 25 | 641,480 | 68,510 | 8,605 | 77,115 | 65,511 | | 65,511 |
| Residential | 0.0658 | 817 | 16,994,040 | 1,118,208 | 10,427 | 1,128,635 | 1,117,814 | 2,000 | 1,119,814 |
| Residential Development | 0.0573 | 1 | 19,500 | 1,117 | | 1,117 | 1,117 | | 1,117 |
| Residential Develop Vacant Land | 0.0573 | 0 | 0 | 0 | | 0 | 0 | | 0 |
| Special Rural | 0.0534 | 32 | 764,480 | 40,823 | 11 | 40,834 | 40,823 | | 40,823 |
| Special Rural Vacant Land | 0.0642 | 15 | 363,750 | 23,353 | (50) | 23,303 | 23,353 | | 23,353 |
| Unimproved Value (UV) | | | | | | | | | |
| Mining | 0.1405 | 17 | 341,397 | 47,966 | (5,803) | 42,163 | 37,522 | 150 | 37,672 |
| Rural | 0.0730 | 7 | 514,260 | 37,541 | | 37,541 | 37,554 | | 37,554 |
| Sub-Totals | | 1,360 | 35,105,880 | 2,510,840 | 10,983 | 2,521,823 | 2,497,410 | 6,150 | 2,503,560 |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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23. RATING INFORMATION - 2014/15 FINANCIAL YEAR

| RATE TYPE | Minimum Rates | Number of Properties | Rateable Value | Rate Revenue | Interim Rates | TOTAL REVENUE | Budget Rate Revenue | Budget Interim Rates | Budget Total Revenue |
|--|---------------|----------------------|----------------|--------------|---------------|------------------|---------------------|----------------------|----------------------|
| | \$ | | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Minimum Payments | | | | | | | | | |
| Gross Rental Value (GRV) | | | | | | | | | |
| Commercial-Industrial | 700 | 41 | 260,800 | 28,700 | | 28,700 | 28,700 | | 28,700 |
| Commercial-Industrial Vacant Land | 700 | 38 | 141,000 | 26,600 | | 26,600 | 26,600 | | 26,600 |
| Marina | 1,440 | 1 | 0 | 1,440 | | 1,440 | 1,440 | | 1,440 |
| Marina Vacant Land | 1,440 | 288 | 2,131,300 | 414,720 | | 414,720 | 416,160 | | 416,160 |
| Residential | 700 | 83 | 531,870 | 58,100 | | 58,100 | 58,100 | | 58,100 |
| Residential Development | 700 | 0 | 0 | 0 | | 0 | 0 | | 0 |
| Residential Develop Vacant Land | 400 | 10 | 22,020 | 4,000 | | 4,000 | 4,000 | | 4,000 |
| Special Rural | 800 | 3 | 37,650 | 2,400 | | 2,400 | 2,400 | | 2,400 |
| Special Rural Vacant Land | 800 | 2 | 21,300 | 1,600 | | 1,600 | 1,600 | | 1,600 |
| Unimproved Value (UV) | | | | | | | | | |
| Mining | 320 | 16 | 15,650 | 5,120 | 2,568 | 7,688 | 5,440 | | 5,440 |
| Rural | 750 | 1 | 5,800 | 750 | | 750 | 750 | | 750 |
| Sub-Totals | | 483 | 3,167,390 | 543,430 | 2,568 | 545,998 | 545,190 | 0 | 545,190 |
| | | 1,843 | 38,273,270 | 3,054,270 | 13,551 | 3,067,821 | 3,042,600 | 6,150 | 3,048,750 |
| Total Amount Raised from General Rate | | | | | | 3,067,821 | | | 3,048,750 |
| Specified Area Rates | | | | | | 41,448 | | | 40,092 |
| Total Rates | | | | | | 3,109,269 | | | 3,088,842 |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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23. RATING INFORMATION - 2014/15 FINANCIAL YEAR

(b) Information on Surplus/(Deficit) Brought Forward

| | 2015 (30 June 2015 Carried Forward) \$ | 2015 (1 July 2014 Brought Forward) \$ | 2014 (30 June 2014 Carried Forward) \$ |
|---|---|--|---|
| Surplus/(Deficit) | | | |
| 1 July 2014 Brought Forward | <u>1,403,494</u> | <u>752,520</u> | <u>752,520</u> |
| Comprises: | | | |
| Cash and cash equivalents | | | |
| Cash - Unrestricted | 890,355 | 1,100,231 | 1,100,231 |
| Cash - Restricted | 4,950,007 | 5,227,075 | 5,227,075 |
| Receivables | | | |
| Rates - Current | 370,806 | 251,494 | 251,494 |
| Sundry Debtors | 1,316,514 | 1,721,753 | 1,721,753 |
| GST Receivable | 141,830 | 247,425 | 247,425 |
| Inventories - Fuel and Materials | <u>30,993</u> | <u>55,662</u> | <u>55,662</u> |
| | 7,700,505 | 8,603,640 | 8,603,640 |
| Less: | | | |
| Trade and other payables | | | |
| Sundry Creditors | (1,189,063) | (2,624,044) | (2,624,044) |
| ATO Liabilities | (157,941) | | |
| Reserves - Restricted Cash | | | |
| Community Interest Free Loans Reserve | (266,301) | (203,868) | (203,868) |
| Community Development Fund Reserve | (895,900) | (875,496) | (875,496) |
| Leave Reserve | (342,772) | (564,966) | (564,966) |
| Plant Reserve | (286,679) | (280,149) | (280,149) |
| Waste Management Reserve | (152,858) | (149,377) | (149,377) |
| Swimming Pool Reserve | (416,871) | (407,377) | (407,377) |
| Shire Staff Housing Reserve | (8,052) | (7,869) | (7,869) |
| Airport Reserve | (1,288,047) | (1,396,393) | (1,396,393) |
| Rehabilitation Reserve | (174,474) | (160,254) | (160,254) |
| Marina Village Asset Replace & Preservation Reser | (5,675) | (5,546) | (5,546) |
| Building Infrastructure Preservation Reserve | (77,111) | (49,916) | (49,916) |
| Town Planning Scheme Reserve | (19,968) | (19,512) | (19,512) |
| Unspent Grants & Contributions Reserve | (1,015,299) | (1,105,073) | (1,105,073) |
| Carried Over Projects Reserve | 0 | (1,279) | (1,279) |
| | <u>(6,297,011)</u> | <u>(7,851,119)</u> | <u>(7,851,119)</u> |
| Surplus/(Deficit) | <u><u>1,403,494</u></u> | <u><u>752,520</u></u> | <u><u>752,520</u></u> |

Difference:

There was no difference between the Surplus/(Deficit) 1 July 2014 Brought Forward position used in the 2015 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2014 audited financial report.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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24. SPECIFIED AREA RATE - 2014/15 FINANCIAL YEAR

| | Rate in \$ | Basis of Rate | Rateable Value \$ | Rate Revenue \$ | Budget Rate Revenue \$ | Applied to Costs \$ | Budget Applied to Costs \$ |
|-----------------------|---------------|---------------------|-------------------------|-----------------------|---------------------------------|---------------------------|-------------------------------------|
| Marina Specified Area | 0.012863 | GRV | 3,096,770 | 41,448 | 40,092 | 41,448 | 40,092 |
| | | | | 41,448 | 40,092 | 41,448 | 40,092 |

The specified area rate for the marina is for those properties fronting the marina canals. The proceeds of the rate are applied in full to the environmental monitoring and maintenance of the canal waterways.

25. SERVICE CHARGES - 2014/15 FINANCIAL YEAR

Council did not charge a service charge in 2014/15.

26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2014/15 FINANCIAL YEAR

| | Type | Disc % | Total Cost/ Value \$ | Budget Cost/ Value \$ |
|---|--------|---------|-------------------------------|--------------------------------|
| Photocopying Charge Exmouth Swimming Club - County Pennants Program | Waiver | 100.00% | 15,200 | 0 |
| | | | 15,200 | 0 |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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27. INTEREST CHARGES AND INSTALMENTS - 2014/15 FINANCIAL YEAR

| | Interest Rate % | Admin. Charge \$ | Interest Charges \$ | Instalment Charges \$ | Budgeted Revenue \$ |
|------------------------------|-----------------------|------------------------|---------------------------|-----------------------------|---------------------------|
| Interest on Unpaid Rates | 11 | | 39,783 | 0 | 10,000 |
| Interest on Instalments Plan | 5.5 | | 15,108 | 0 | 13,116 |
| Charges on Instalment Plan | | 12.65 | 0 | 14,990 | 13,548 |
| | | | 54,891 | 14,990 | 36,664 |

Ratepayers had three separate options for payment of their rates as listed below. Administration charges and interest applied for the final three instalments.

Option 1 (Full Payment)

Full amount of rates and charges including arrears to be paid on or before 30 September 2014.

Option 2 (4 Instalments)

| | |
|-------------------|-----------------------|
| First instalment | due 30 September 2014 |
| Second instalment | due 1 December 2014 |
| Third instalment | due 2 February 2015 |
| Fourth instalment | due 2 April 2015 |

Option 3 (2 Instalments)

| | |
|-------------------|-----------------------|
| First instalment | due 30 September 2014 |
| Second instalment | due 1 December 2014 |

| 28. FEES & CHARGES | 2015 \$ | 2014 \$ |
|---------------------------|------------------|------------------|
| General Purpose Funding | 36,415 | 33,908 |
| Law, Order, Public Safety | 24,473 | 21,075 |
| Health | 47,019 | 43,822 |
| Education & Welfare | 11,277 | 35,279 |
| Housing | 250,667 | 248,091 |
| Community Amenities | 997,435 | 953,473 |
| Recreation & Culture | 100,437 | 107,898 |
| Transport | 4,773,021 | 5,588,654 |
| Economic Services | 257,380 | 271,278 |
| Other Property & Services | 159,436 | 50,902 |
| | <u>6,657,561</u> | <u>7,354,381</u> |

During 2014/15, there were amendments to the Fees and Charges for the following which was advertised on 30 March 2015:

- Refuse Contracts Bin Travel Charge
- Heliport Passenger Levy
- Heliport Passenger Fees

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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29. GRANT REVENUE

| 2015 | 2014 |
|------|------|
| \$ | \$ |

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Nature or Type:

| | | |
|---|-----------|-----------|
| Operating Grants, Subsidies and Contributions | 3,910,225 | 1,339,868 |
| Non-Operating Grants, Subsidies and Contributions | 1,779,556 | 6,352,714 |
| | 5,689,781 | 7,692,582 |

By Program:

| | | |
|---------------------------|-----------|-----------|
| General Purpose Funding | 2,860,069 | 907,547 |
| Governance | 13,429 | 0 |
| Law, Order, Public Sector | 509,364 | 54,909 |
| Health | 944 | 0 |
| Education & Welfare | 35,006 | 5,409 |
| Housing | 5,685 | 17,118 |
| Community Amenities | 583,004 | 7,568 |
| Recreation and Culture | 192,956 | 2,814,038 |
| Transport | 1,295,371 | 3,716,758 |
| Economic Services | 109,001 | 147,409 |
| Other Property & Services | 84,952 | 21,826 |
| | 5,689,781 | 7,692,582 |

30. COUNCILLORS' REMUNERATION

| 2015 | 2015 | 2014 |
|------|--------|------|
| \$ | Budget | \$ |
| | \$ | |

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

| | | | |
|------------------------------|--------|--------|--------|
| President's Allowance | 12,500 | 12,500 | 12,500 |
| President's Meeting Fees | 12,500 | 12,500 | 12,500 |
| Deputy President's Allowance | 3,125 | 3,125 | 3,131 |
| Councillor Meeting Fees | 31,644 | 37,500 | 35,281 |
| Telecommunications Allowance | 4,340 | 13,760 | 6,101 |
| | 64,109 | 79,385 | 69,513 |

31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

| 2015 | 2014 |
|------|------|
| 67.6 | 69.2 |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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32. MAJOR LAND TRANSACTIONS

Heron Way Subdivision

(a) Details

A Feasibility study was undertaken during 2013/14 to ascertain if land proposed for a possible sub-division in Heron Way Exmouth would be viable business activity for Council.

Based on the findings of the study, Council initiated acquisition of the land during 2014/15 for special rural residential sub-division comprising of 11 Lots of varying sizes. The development was funded from municipal funds.

| | 2015 \$ | 2015 Budget \$ | 2014 \$ |
|-------------------------------|--------------------|----------------------|-----------------|
| (b) Current Year Transactions | | | |
| Operating Revenue | | | |
| Profit on Sale | 0 | 718,348 | 0 |
| Operating Expenditure | | | |
| Feasibility Study Expenses | 0 | 0 | (84,545) |
| Advertising & Promotion | (1,581) | (31,818) | 0 |
| Valuation Expenses | (636) | 0 | 0 |
| Non Operating Revenue | | | |
| Sale Proceeds | 0 | 1,390,083 | 0 |
| Non Operating Expenditure | | | |
| Purchase of Land | 0 | (264,463) | 0 |
| Development Costs | (1,178,780) | (1,120,000) | 0 |
| | <u>(1,180,997)</u> | <u>692,150</u> | <u>(84,545)</u> |

The above capital expenditure is included in land held for sale (refer Note 6 to this financial report).

| (c) Expected Future Cash Flows | 2016 \$ | 2017 \$ | 2018 \$ | 2019 \$ | Total \$ |
|--------------------------------|----------------|----------------|----------------|----------------|------------------|
| (Cash Outflows) | | | | | |
| Development Costs | (105,785) | (158,678) | (158,678) | (158,677) | (581,818) |
| (Cash Inflows) | | | | | |
| Sale Proceeds | 668,595 | 1,002,893 | 1,002,893 | 1,002,893 | 3,677,274 |
| Net Cash Flows | <u>562,810</u> | <u>844,215</u> | <u>844,215</u> | <u>844,216</u> | <u>3,095,456</u> |

The net cash flows to 30 June 2015 in relation to this subdivision is an outflow (or cost) of \$1,180,997.

The net cash flows of the entire land transaction is expected to result in an inflow/income of \$1,916,676

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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33. MAJOR TRADING UNDERTAKINGS

Learmonth Airport is the general aviation and regular passenger transport airport for the Shire of Exmouth. It is the main regional base for aircraft charter operations and private flying in Exmouth.

The Shire is responsible for operating the civil terminal, apron and taxiway; the RAAF are responsible for maintaining the other civil facilities used for civil aviation to comply with Defence legislation and regulations.

| | 2015 | 2015 | 2014 |
|------------------------------------|-----------------------|-----------------------|-------------------------|
| | \$ | Budget | \$ |
| | | \$ | |
| Operating Revenue | | | |
| Fees & Charges | 4,592,835 | 5,159,298 | 5,421,181 |
| Other Revenue | 17,729 | 0 | 46,274 |
| | <u>4,610,564</u> | <u>5,159,298</u> | <u>5,467,455</u> |
| Operating Expenditure | | | |
| Employee Costs | (2,150,088) | (2,284,957) | (2,200,842) |
| Materials & Contracts | (444,660) | (451,798) | (398,402) |
| Utilities | (159,113) | (171,824) | (177,662) |
| Insurance | (98,819) | (100,650) | (106,740) |
| Other Expenditure | (231,021) | (393,676) | (273,605) |
| Loss on Asset Disposal | (7,594) | 0 | 0 |
| Depreciation | (585,361) | (581,600) | (733,721) |
| | <u>(3,676,656)</u> | <u>(3,984,506)</u> | <u>(3,890,972)</u> |
| Operating Surplus/(Deficit) | <u>933,908</u> | <u>1,174,792</u> | <u>1,576,483</u> |
| CAPITAL EXPENDITURE | | | |
| Land & Buildings | (47,307) | (61,000) | (232,392) |
| Furniture and Equipment | (52,127) | (97,000) | (73,593) |
| Infrastructure Other | (20,480) | (50,000) | (18,182) |
| Plant and Equipment | (112,320) | (120,000) | (26,333) |
| Transfer to/from Reserve | 22,762 | (116,876) | (82,182) |
| | <u>(209,472)</u> | <u>(444,876)</u> | <u>(432,682)</u> |
| TOTAL NET RESULT | <u><u>724,436</u></u> | <u><u>729,916</u></u> | <u><u>1,143,801</u></u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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34. FINANCIAL RISK MANAGEMENT

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

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

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

The Council held the following financial instruments at balance date:

| | Carrying Value | | Fair Value | |
|---|------------------|------------------|------------------|------------------|
| | 2015 | 2014 | 2015 | 2014 |
| | \$ | \$ | \$ | \$ |
| Financial Assets | | | | |
| Cash and cash equivalents | 5,840,362 | 6,327,306 | 5,840,362 | 6,327,306 |
| Receivables | 2,167,147 | 2,549,446 | 2,167,147 | 2,549,446 |
| Financial assets at fair value through profit or loss | 0 | 0 | 0 | 0 |
| Available for-sale financial assets | 0 | 0 | 0 | 0 |
| | <u>8,007,509</u> | <u>8,876,752</u> | <u>8,007,509</u> | <u>8,876,752</u> |
| Financial Liabilities | | | | |
| Payables | 1,407,062 | 2,624,045 | 1,407,062 | 2,624,045 |
| Borrowings | 1,335,122 | 1,441,003 | 1,335,122 | 1,441,003 |
| | <u>2,742,184</u> | <u>4,065,048</u> | <u>2,742,184</u> | <u>4,065,048</u> |

Fair value is determined as follows:

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

Financial Assets at Fair Value through profit and loss. Available for Sale Financial Assets - based on quoted market prices at the reporting date or independent valuation.

SHIRE OF EXMOUTH

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34. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Financial assets at fair value through profit or loss

Available-for-sale financial assets

Held-to-maturity investments

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable).

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

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

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

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

| | 2015 | 2014 |
|--|---------|---------|
| | \$ | \$ |
| Impact of a 10% (*) movement in price of investments: | | |
| - Equity | 0 | 0 |
| - Statement of Comprehensive Income | 0 (+) | 0 (+) |
| Impact of a 1% (*) movement in interest rates on cash and investments: | | |
| - Equity | 927,630 | 226,882 |
| - Statement of Comprehensive Income | 148,330 | 238,787 |

Notes:

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

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

(+) Maximum impact.

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
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34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

| | 2015 | 2014 |
|--|------|------|
| Percentage of Rates and Annual Charges | | |
| - Current | 0% | 0% |
| - Overdue | 100% | 100% |
| Percentage of Other Receivables | | |
| - Current | 83% | 84% |
| - Overdue | 17% | 16% |

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on

SHIRE OF EXMOUTH

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34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables Borrowings

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

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

| | Due within 1 year \$ | Due between 1 & 5 years \$ | Due after 5 years \$ | Total contractual cash flows \$ | Carrying values \$ |
|-------------|-------------------------------|-------------------------------------|-------------------------------|--|--------------------------|
| 2015 | | | | | |
| Payables | 1,407,062 | 0 | 0 | 1,407,062 | 1,407,062 |
| Borrowings | 111,386 | 545,814 | 677,922 | 1,335,122 | 1,335,122 |
| | <u>1,518,448</u> | <u>545,814</u> | <u>677,922</u> | <u>2,742,184</u> | <u>2,742,184</u> |
| 2014 | | | | | |
| Payables | 2,624,045 | 0 | 0 | 2,624,045 | 2,624,045 |
| Borrowings | 105,881 | 567,264 | 767,856 | 1,928,920 | 1,441,004 |
| | <u>2,729,926</u> | <u>567,264</u> | <u>767,856</u> | <u>4,552,965</u> | <u>4,065,049</u> |

SHIRE OF EXMOUTH

Notes to and forming part of the Financial Report
for the Year Ended 30 June 2015

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables Borrowings (continued)

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

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

| | <1 year \$ | >1<2 years \$ | >2<3 years \$ | >3<4 years \$ | >4<5 years \$ | >5 years \$ | Total \$ | Weighted Average Effective Interest Rate % |
|---|---------------|------------------|------------------|------------------|------------------|----------------|-------------|--|
| <u>2015</u> | | | | | | | | |
| Borrowings | | | | | | | | |
| Fixed Rate | | | | | | | | |
| Debentures | | | | (176,782) | | (1,158,340) | (1,335,122) | 4.92% |
| Weighted Average Effective Interest Rate | | | | 5.65% | | 4.81% | | |
| <u>2014</u> | | | | | | | | |
| Borrowings | | | | | | | | |
| Fixed Rate | | | | | | | | |
| Debentures | | | | | (215,157) | (1,225,847) | (1,441,004) | 4.94% |
| Weighted Average Effective Interest Rate | | | | | 5.65% | 4.81% | | |

SHIRE OF EXMOUTH

Supplementary Ratio Information
for the Year Ended 30 June 2015

RATIO INFORMATION

The following information relates to those ratios which only require an attestation they have been checked and are supported by verifiable information. It does not form part of the audited annual financial report.

| | 2015 | 2014 | 2013 |
|-----------------------------|------|------|------|
| Asset Consumption Ratio | 0.72 | 0.71 | 0.71 |
| Asset Renewal Funding Ratio | 0.72 | 0.92 | 0.92 |

The above ratios are calculated as follows:

Asset Consumption Ratio $\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciable assets}}$

Asset Renewal Funding Ratio $\frac{\text{NPV of planned capital renewals over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$



Anderson Munro & Wyllie

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INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF EXMOUTH

Scope

We have audited the financial report of Shire of Exmouth for the year ended 30 June 2015. The financial report comprises the Statement by Chief Executive Officer, Statements of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, Rate Setting Statement and accompanying notes to the financial statements.

The Council is responsible for the preparation of a financial report which provides a true and fair view of the financial performance and position of the council in accordance with the Local Government Act 1995, and Regulations. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for accounting policies and estimates inherent to the financial report.

Audit Approach

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

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995, and Regulations, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and of their performance which is represented by the results of operations and cash flows.

We formed our opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence, supporting the amounts and disclosures in the financial report.
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the directors.

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



Independence

Anderson Munro & Wyllie are independent of the Shire of Exmouth, and have met the independence requirements of Australian professional ethical pronouncements and the Local Government Act 1995.

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

Audit Opinion

In our opinion, the financial statements of the Shire of Exmouth are properly drawn up:

- a) So as to give a true and fair view of the state of affairs of the Shire as at 30 June 2015 and the results of its operations and cash flows for the year then ended;
- b) In accordance with the requirements of the Local Government Act 1995; and
- c) In Accordance with Applicable Australian Accounting Standards.

Statutory Compliance

- a) We did not during the course of the audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.
- b) There were no material or significant adverse trends in financial position or financial management practices revealed during the course of our audit.
- c) We have obtained all necessary information and explanations in relation to our audit.
- d) Our audit procedures were all satisfactorily completed.
- e) In relation to the Supplementary Ratio Information presented at page 64 of this report, we have reviewed the calculations as presented and in our opinion these are:
 - i) Based on verifiable information; and
 - ii) Reasonable assumptions.

Dated the 11th day of December 2015 in Perth, Western Australia

BILLY-JOE THOMAS
Director

ANDERSON MUNRO & WYLLIE
Chartered Accountants