

# Annual Report

2019-2020





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## Population

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**18,117**

As at 30 June 2020  
forecast.id

**1.81% increase**

From 2019

## Vision to 2030

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By 2030, the Shire of Murray will be a place where business thrives, we protect our environment, and all people enjoy an outstanding quality of life.

## Business and Employment

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**1,108**

Local businesses  
ABS 2019

**7,226 Jobs**

As at 30 June 2019  
NIEIR 2019

**36.9%**

**Employment self-containment**

ABS 2016

**7.3%**

**Unemployment rate**

economy.id, 2020 June quarter

## Gross Regional Product

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**\$1.684B**

NIEIR 2019





# Snapshot

At the centre of the Peel region and within an hour south of Perth, the Shire of Murray boasts thousands of square kilometres of natural beauty.

Bounded by the idyllic shores of Herron Point in the west, the adventure town of Dwellingup in the east and the equestrian playgrounds of North Dandalup and Coolup to the north and south respectively, the district offers an abundance of leisure opportunities as well as a diverse range of land use options.

Murray is home to enticing residential estates ranging from urban hubs and canal living to rural residential, offering a relaxed country lifestyle with convenient transport links to the freeway and several large urban centres.

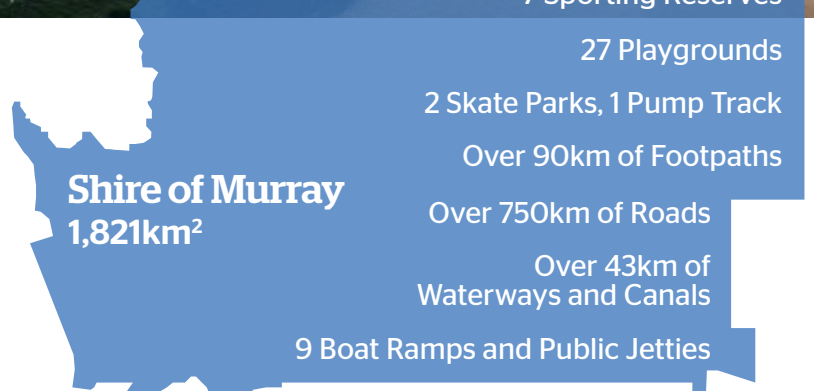
Murray is a rapidly evolving district that services the diverse social and economic

needs of a growing community.

As at 30 June 2020, over 18,100 residents called Murray home and by 2041, more than 44,600 people will reside in the district.

Smart planning and a focus on broadening Murray's economic base are opening up significant opportunities for tourism, commercial investment, employment and education.

The long-term vision for Murray is to create a district distinctive by its creativity, liveliness, activity and vibrancy, attracting new investment, seizing opportunities to develop and expand the business sector and encouraging innovation and collaboration, while providing an enticing array of lifestyle attractions.



**Shire of Murray**  
1,821km<sup>2</sup>

Over 8,000 Dwellings  
58 Public Recreational Spaces  
7 Sporting Reserves  
27 Playgrounds  
2 Skate Parks, 1 Pump Track  
Over 90km of Footpaths  
Over 750km of Roads  
Over 43km of Waterways and Canals  
9 Boat Ramps and Public Jetties



# Shire President Report

**The past year has demonstrated the true nature and resilience of Murray residents, our community groups, and our local businesses.**

Despite the many challenges inflicted upon us by the response to mitigate the impact of COVID-19, I am immensely proud of how our community and the team at the Shire of Murray, rallied to work together, innovate, iterate and adapt to the changing situations and unique circumstances.

During this difficult time, meeting virtually during lockdown, Council ensured that progress was made on key projects and that the Shire continued to deliver its core functions and essential services.

By adopting a prudent and conservative financial plan and budget for the 2020-2021 financial year with a zero rate increase overall and fees and charges freeze, the Shire was able to reduce additional financial burden on the community and businesses.

Consistent with this sound management approach, Council adopted the Murray-Waroona Resource Sharing Alliance Strategy 2020-2025 and appointed a joint CEO across both local governments. A blueprint for achieving a coordinated approach to

developing economic initiatives and improved service delivery for both the Murray and Waroona communities, this five-year plan is an innovative approach during challenging and changing economic times and increasing community needs and expectations. The Alliance is designed to ensure both local governments remain strong, resilient and adaptable into the future. It allows the Shires of Murray and Waroona to maintain their individual identities, while facilitating collaboration on regional and strategic projects and creates new funding partnerships.

Throughout the year, Western Australia's first purpose-built trails centre was constructed in Dwellingup and the Murray Valley trails network was significantly expanded. The Dwellingup Trails and Visitor Centre is a world class resource hub for trails and adventure enthusiasts seeking quality experiences and its opening in September 2020 was a major milestone as the town strives to achieve national and international trails town status.

As a key driver of economic development in the Shire, the new centre and trails network increases the profile of Murray as an outdoor activity and adventure tourism destination and capitalises on its unique natural environment, attracting additional visitors to the region. This development has the potential to act as a significant catalyst for ancillary private sector development and job creation as it provides opportunities for local businesses to develop products and services to meet the needs of trail users and tourists. It supports local business development and growth in various industries linked to tourism and trails experience activities.

DevelopmentWA's Industrial Lands Authority oversaw the completion of stage one earthworks and civil works at Peel Business Park in Nambelup.

Designs for the Shire owned Western Australian Food Innovation Precinct progressed, in preparation for the commencement of works in early 2021 onsite within Peel Business Park. The Centre will bring together business, industry, training, research and development, will invigorate the agricultural sector and be a game changer for new and value-added food manufacturing in Western Australia.

The State Government's Bushfire Centre of Excellence commenced operation at its interim facility, the Heritage Train Station building in Pinjarra and in January 2020 construction commenced on the Centre's permanent facility within Peel Business Park.

Both the Bushfire Centre of Excellence and the Food Innovation Precinct will ensure that the Shire of Murray continues to be a key contributor to the Western Australian economy. They will provide highly skilled jobs for local residents, both during construction and operation.

To protect our environment and mitigate risks posed by coastal hazards including erosion and inundation, the Shire secured funding from the State Government to develop an actionable Coastal Hazard Risk Management and Adaptation Plan. The Plan will provide a deeper understanding of these hazards and establish a framework to effectively guide management of our coastal areas. Plan development will be collaborative, objective and comprehensive and led by experts in the field.

Through collaboration with our community and local businesses, we also continued to achieve monumental heritage milestones and set the benchmark for the sector. The conservation of St John's Church and Exchange Hotel helped the Shire secure its fourth, Western Australian Heritage Award. The Shire was named winner in the category of Contribution by a Public or Private Organisation, for Murray's proactive approach to the management of its heritage places.

I close with an acknowledgement and expression of gratitude to the volunteers and the members of our community groups, our local leaders and emergency services personnel who help keep our community safe and make Murray a wonderful place to live.

Finally, I wish to thank our very hard-working Chief Executive Officer, the talented staff at the Shire of Murray along with my fellow Councillors, for their efforts during this historic and challenging year.

Cr. David Bolt  
**Shire President**





## Chief Executive Officer Report

It is again a privilege to present our Annual Report.

At the start of the financial year, no one expected the great change and challenges the world, and our own communities, would face. The spread of COVID-19 brought the world to a shuddering halt.

When the pandemic hit Western Australia, we had to plan fast to protect staff and our community. Things changed daily and sometimes hourly. Parks, playgrounds, the library, sports facilities and the Shire offices were all closed. However, through the tremendous commitment of Shire staff, we as an organisation were able to meet those challenges with majority of staff working remotely, while others obliged by taking leave.

**Despite the pandemic, Murray enjoyed a number of highlights throughout the year.**

In July 2019, the Shire appointed architects to design the Western Australian Food Innovation Precinct and provided a lease to the Bushfire Centre of Excellence to operate from the Heritage Train Station building in Pinjarra, while their permanent facility was constructed in the Peel Business Park. A working group was formed to develop a masterplan for the Pinjarra Heritage Railway Precinct and a

preferred investor was selected to develop the Exchange Hotel. Sadly, this did not eventuate and the Shire subsequently took the lead in the development of this key site.

In July, Council's decision to refuse development approval for earthworks for the Point Grey Marina development, was successfully defended by the State Administrative Tribunal. Council resolved to progress a Scheme Amendment to remove a marina as a permissible use under Point Grey zoning. A final decision on this matter will be made by the State Government in 2021.

In September, both the Shires of Murray and Waroona furthered successful resource sharing arrangements by appointing a shared Chief Executive Officer, following the retirement of the Waroona Chief Executive Officer. This generated further efficiencies and also fostered a more strategic approach, particularly for project and economic development. Both Councils now present a united voice for vital 'big-ticket' undertakings that will ensure sustainable futures.

In October, we saw the re-election of Councillors David Bolt, Ange Rogers, Casey Rose and Steve Lee for four-year terms and the election of new Councillor Stuart Kirkham for a two-year term. Following a Councillor vote, Cr. David Bolt maintained his position as Shire President and Cr. Douglas McLarty was appointed as Deputy Shire President.

In November, the Shire successfully negotiated to have Regional Development Australia based in Pinjarra.

The Shire hosted a State Cabinet meeting on 9 December and presented projects to the Premier and Cabinet members.

In March 2020, considering the response adopted to curb the spread of COVID-19, there was significant concern regarding the impact on the viability of Murray businesses. Through decisive action from our Council, a business rescue package was developed that included rates holidays for affected businesses, a waiver of six months to lessees of Shire buildings, a

waiver of all statutory planning and development fees and a zero rate increase for the 2020-2021 financial year.

The following three months felt purely reactionary, adjusting to the ever-changing global environment and directives from the relevant State and Commonwealth agencies. The Shire focused heavily on supporting residents and businesses.

Through the adversity, local businesses banded together to form a collective called Made in Murray, an online forum for cafés, restaurants, pubs, takeaway venues and other food related businesses located in the Shire of Murray to share their services. This collective remains operational and has seen the formation of successful, business linkages.

There are numerous people to thank.

The Shire's outstanding Directors and staff as well as Councillors, were front and centre providing help when needed, a commitment which was critical and welcomed in navigating the pandemic.

I must also thank Shire President Cr. David Bolt for his continued support and sound advice. The relationship between the CEO, Shire President, Councillors and staff is vital for success and Murray is fortunate that this relationship is strong.

Finally, I extend thanks to Murray's SES volunteers, Chief Bush Fire Control Officer Robert "Bluey" Wilson and his captains and volunteers, whom the district relies on immensely.

I believe this challenging year has made Murray stronger and more resilient and innovative, which has positively affected our progress toward a prosperous and sustainable future.

Dean Unsworth  
**Chief Executive Officer**

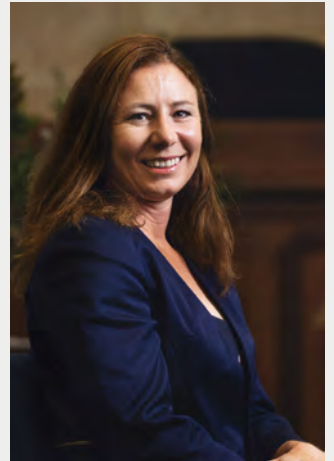
# Councillors



Cr. David Bolt  
**Shire President**



Cr. Douglas McLarty  
**Deputy President**



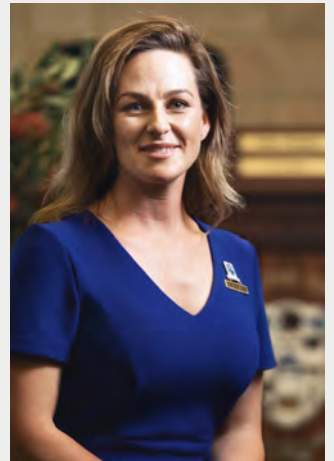
Cr. Casey Rose



Cr. Steve Lee



Cr. Brad Cardilini



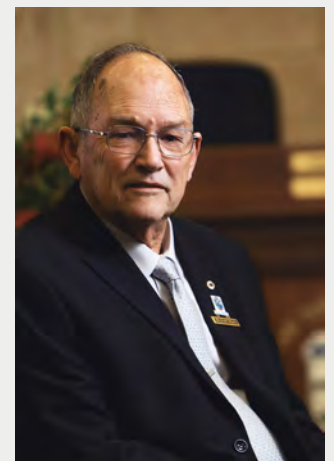
Cr. Ange Rogers



Cr. Stuart Krikham



Cr. Brenda Beacham



Cr. Geoff Black



# Organisational Structure



Dean Unsworth  
**Chief Executive Officer**

- Governance
- Ranger and Emergency Services
- Communications and Marketing
- Customer Service
- Investment Attraction
- Strategic Partnerships



Tracie Unsworth  
**Director Corporate Services**

- Asset Management
- Information Technology
- Finance and Rates
- Records Management
- HR and OS&H
- Murray Aquatic and Leisure Centre



Alan Smith  
**Director Infrastructure Services**

- Design and Survey
- Operations Centre
- Parks and Gardens
- Civil Works
- Waste and Fleet



Leanne McGuirk  
**Director Place and Community**

- Place and Community
- Event Management
- Library Services
- Sport and Recreation
- Youth Development
- Tourism
- Destination Marketing and Development



Rod Peake  
**Director Planning and Sustainability**

- Planning Services
- Strategic Development
- Building Services
- Environmental Health
- Environmental Services



# About this Report

The Shire of Murray's 2019-2020 Annual Report outlines the progress the Shire has made towards its strategic goals over the financial year.

**This report demonstrates Council's dedication to accountability and transparency for our community and stakeholders.**

The report documents Council's achievements and challenges against the objectives and strategies of the strategic focus areas and aspirations outlined in the Murray 2030 Strategic Community Plan and our accomplishment of the projects and actions defined in the 2019-2023 Corporate Business Plan.

The Report provides a summary of the Shire's performance in key areas including leadership, place development, community wellbeing, strategic land use planning, infrastructure and asset management, environmental management and economic development.



Under the *Local Government Act 1995*, the Shire of Murray is required to produce an Annual Report at the end of each financial year.

The 2019-2020 Annual Report is available in both digital and hardcopy format. The report is digitally accessible on the Shire's website [murray.wa.gov.au](http://murray.wa.gov.au) and hardcopies are available for inspection at the Shire of Murray Administration Office and Murray Library.







# Murray's Major Achievements

Realised through collaborative relationships with government agencies, organisations, local businesses, groups, associations, volunteers and residents.



Murray River Square redevelopment completed

Exchange Hotel conservation works completed

Murray River Foreshore redevelopment commenced

Works commenced on the Dwellingup Trails and Visitor Centre

Works progressed on the Dwellingup Adventure Trails project including the successful construction of 11km of new trails

Pinjarra and Coolup War Memorials were refurbished and relocated in time for Anzac Day



The Bushfire Centre of Excellence commenced operations at the interim facility, the Heritage Train Station building in Pinjarra

Construction commenced on the Bushfire Centre of Excellence facility at Peel Business Park in Nambelup



Murray and Waroona stepped up resource sharing arrangements with the:

- Appointment of Dean Unsworth as the Joint Chief Executive Officer
- Delivery of the Murray Waroona Resource Sharing Alliance Strategy



Western Australian Food Innovation Precinct planning progressed with head lease negotiations, appointment of design architect, concept planning, designs and costings

Secured \$2.5M in funding toward an Innovation Fund for the Western Australian Food Innovation Precinct which will assist enterprise in accessing the Precinct's facilities and equipment



**Peel Business Park**

Stage one subdivision works were completed and stage one titles issued

Road and service upgrades commenced

Stage one includes the Western Australian Food Innovation Precinct, the Bushfire Centre of Excellence and a renewable energy industrial microgrid

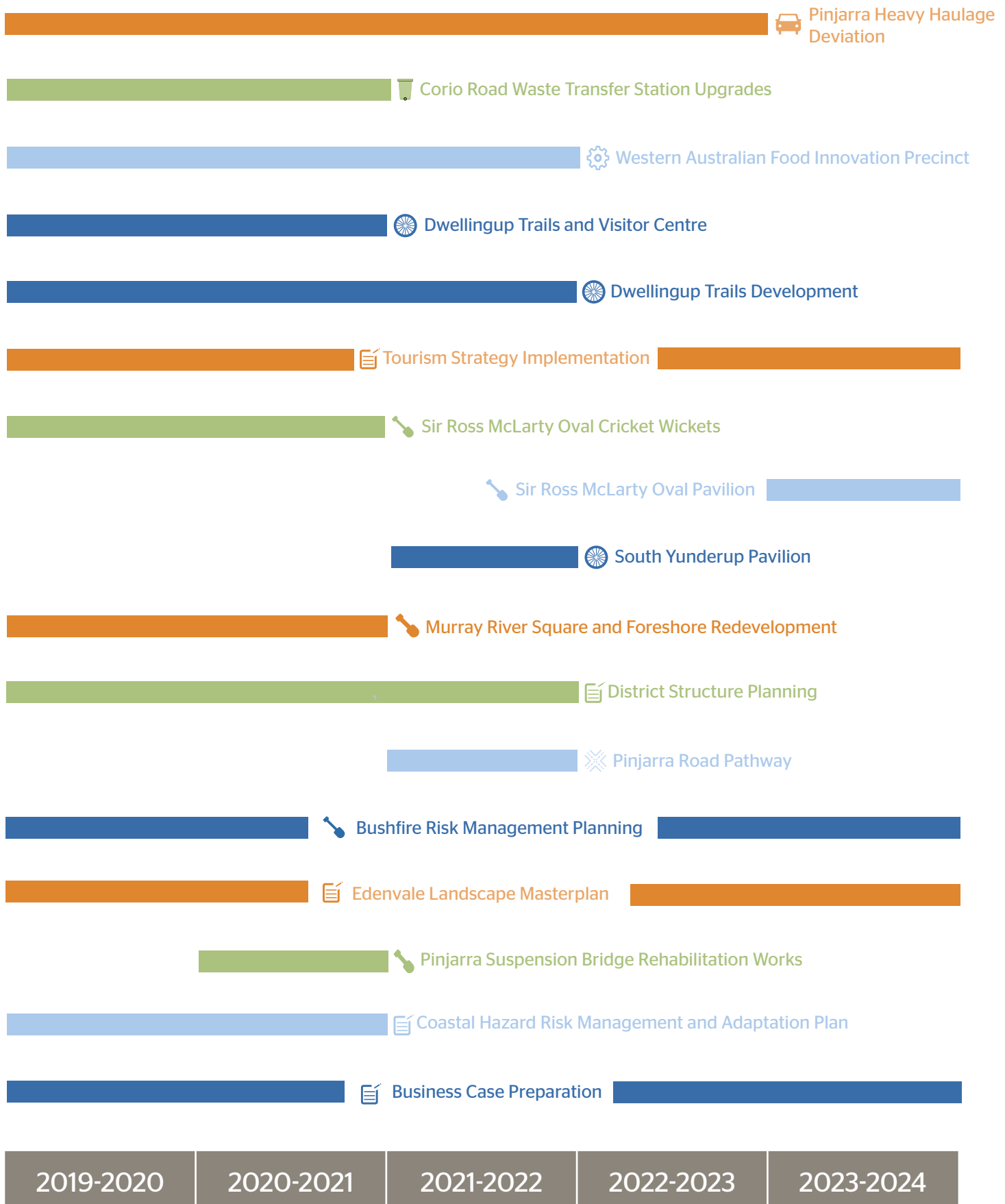


Murray won its fourth Western Australian Heritage Award for our proactive approach to the management of heritage places



Our community rallied together in true Murray spirit, to keep the spread of COVID-19 at bay and support local businesses

# Major Projects



2019-2020

2020-2021

2021-2022

2022-2023

2023-2024



# COVID-19 Projects and Successes

The Shire of Murray faced a health and economic crisis in the wake of the COVID-19 outbreak and the response to prevent its spread.

## Event and Program Cancellations and Facility Closures

In line with Australian and State Government imposed restrictions, from late-March a number of facilities were closed including all public playgrounds, outdoor exercise equipment, the Pinjarra and Dwellingup Skate Parks and Dwellingup Pump Track, Edenvale Heritage Precinct, Herron Point Campground, community halls and the Pinjarra 24-Hour Free Stay Area.

Barbeques and water fountains were disconnected.

Murray Aquatic and Leisure Centre temporarily ceased operations and memberships were suspended.

Murray Library and Dwellingup History and Visitor Information Centre were closed to the public.

Murray Library's eResources were still available to its members and a 'takeaway' service was offered through its online catalogue.

Dwellingup History and Visitor Information Centre continued to offer an information service via telephone and email.

While the Administration Office was also closed to the public, all efforts were taken to minimise

the disruption of service provision, especially ensuring the ongoing provision of waste, ranger and other key services.

A situation specific operational plan was prepared to support the Shire's Business Continuity and Crisis Management Plan.

Work from home arrangements were implemented for staff to achieve social distancing requirements.

Council meetings were conducted via teleconference.

Waste collections continued and the Corio Road and Dwellingup Waste Transfer Stations remained open.

The 2020 Pinjarra Festival was cancelled as were many other Shire run programs and events including for youth and the Murray Library and Murray Aquatic and Leisure Centre.

From isolation however came innovation and the Shire, our youth group, Library and Leisure Centre adopted an online, socially distanced approach to hosting events and programs. This ensured that even though apart, our community remained connected.

The Shire monitored and followed advice from the Australian and State Governments and adapted its response accordingly.

Herron Point Campground reopened on Saturday 2 May 2020 and barbeques and water fountains were reconnected.

On Wednesday 13 May, the Shire's Administration Office reopened, with a full staff having returned to the office by Monday 18 May. Murray Library reopened in accordance with restrictions on Monday 18 May as did the community halls, Dwellingup History and Visitor Information Centre and Pinjarra 24-Hour Free Stay Area.

Murray Aquatic and Leisure Centre implemented a phased reopening from Wednesday 20 May and the playgrounds, outdoor exercise equipment, skate parks and pump track were opened under phase three restrictions on Saturday 6 June.

The Court House and Edenvale Heritage Precinct recommenced operations in June.

## Commitment to Business and Community Sustainability

The Shire swiftly implemented a number of programs to support local businesses and residents.

## **Neighbour to Neighbour**

The Neighbour to Neighbour Program was implemented to assist at risk residents facing difficulty or increased isolation particularly the elderly, people living with disability, the immunosuppressed and low income earners.

The Program encouraged residents to register their details if they required transport, assistance with grocery shopping and dog walking or just wanted a friendly chat. They were then connected with community champions, local businesses and/or volunteers.

The program also encouraged residents to check-in with neighbours, friends and family.

## **Murray Community Network**

The Shire collaborated with community groups, services and agencies, to establish an online network and enable the sharing of information on the different services and support programs being delivered in Murray.

The online network was an efficient communication tool and improved service delivery within the community.

## **Murray Food Network**

Considering the difficulties the food supply chain was experiencing and the critical importance of a reliable supply, a food network was established comprising Murray and Waroona based farmers, producers, food wholesalers and retailers, cafés, pubs and restaurants.

Through the network, local solutions for problems resulting from the imposed restrictions were identified including sharing of infrastructure, equipment and e-commerce platforms, product supply to resolve shortage issues and staff secondment.

Business collaborations emerged with enterprises packaging products together and coordinating pickup and drops-offs. Joint marketing initiatives also emerged, including the 'Made in Murray' Facebook page, a one-stop, online platform which promoted the adapted services our local businesses were providing during the imposed restrictions. Many of these collaborations continue today.

## **Murray Tourism Network**

With the tourism sector significantly impacted by the imposed travel and social distancing restrictions, it was imperative that businesses

received live updates and ongoing support.

The tourism network allowed the Shire to communicate frequently and effectively with its operators, form a community and share information on the emerging situation, stimulus packages and training and capacity building programs.

## **Business Support**

In partnership with Peel Chamber of Commerce and Industry, the Shire of Murray contacted local business owners to understand the effect of the pandemic and imposed restrictions on Murray's business community and to ascertain which sectors were worst affected.

The findings were submitted to the State Government to assist in the development of programs and stimulus packages to aid Western Australia's economic recovery.

## **Your Business Digital**

The business support program highlighted a development opportunity for the business community. There was a perceived lack of skills to effectively enable business owners to pivot their business model to online services, market their products competitively or participate in the range of online programs that were being delivered at this time.

In response, the Shire launched Your Business, Digital, a six-week online training program. The program was designed to build business capacity and improve productivity, profitability and competitiveness in the digital age. Participants were introduced to platforms including Zoom and Google Suite and learnt how to tell a story effectively on social media and take their business online through e-commerce platforms. Facilitators from Spacecubed Perth and Meshpoints provided one-on-one mentoring.

## **Providing Strong Leadership - Recovery and Getting Back on Track**

The Shire facilitated a two-part webinar that assisted local clubs to rise above the challenges brought about by COVID-19 restrictions. The webinar focussed on leadership and effective management, building resilience and assessing and overcoming the financial impact of the shutdown.



## **Murray-Waroona Sub-Region Economic Recovery Plan**

The Shires of Murray and Waroona produced a lobby document comprising a list of recovery projects, to secure funding support through State and Australian Government COVID-19 recovery grants.

Projects included:

- Dwellingup Gap Project: \$2.7 million to complete the trails network and position Dwellingup as a national trails town and one of Western Australia's premier trails destinations.
- Western Australian Food Innovation Precinct Early Activation: \$10 million for the provision of specialised equipment and technical support, through the establishment of a Food Science Hub within the Precinct. Funding will accelerate the commencement date of Precinct activity by almost two years.
- Pinjarra Heavy Haulage Deviation: \$91 million to undertake stage two of the deviation as well as the western deviation, to complete a major north-south road freight transport spine as well as an integrated transport network. This will establish Pinjarra as a destination, creating economic opportunities for tourism and industry expansion and will cater for the town's anticipated population growth.
- Regional Water Supply: To establish new sustainable water sources to address water supply issues for industry as well as identify and adopt new technologies to improve efficiencies of use.

## **Financial Support Program**

A comprehensive support program comprising 22 initiatives, was endorsed by Shire of Murray Councillors at the Special Council Meeting on Thursday 9 April 2020.

The programs supported those financially impacted due to the COVID-19 pandemic and included:

- No rate increases for the 2020-2021 financial year.
- A freeze on fees and charges for the 2020-2021 budget, including waste and recycling charges.
- Deferred payment plans with waived interest under \$1,000 for those significantly affected.
- Full refunds on all cancelled bookings at Shire

properties or facilities.

- Support for projects that increased and promoted volunteerism and community connectedness.
- No salary increases for employees on fixed-term contracts until 30 April 2021, or increases to Councillor allowances.
- Inspection fees for small businesses were waived until 30 June 2021.
- An amended Purchasing Policy for the duration of the COVID-19 state of emergency, to support local businesses, which increased the local price preference from 10% to 15% for purchases up to \$100,000 (ex GST) and \$10,000 to \$15,000 for all purchases between \$100,001 and \$150,000 (ex GST).
- Suspended leases and rental payments between 1 March and 31 August 2020, for non-government business tenants occupying Shire properties.
- Shorter payment terms for creditors from 30 to 15 days and a range of payment options for debtors experiencing hardship in making their payments to the Shire.
- Community grant schemes were reviewed for 2020-2021, in collaboration with funding partners, to support not-for-profit organisations facing hardship.
- Prohibitive restrictions were removed from Shire policies.
- Delegation of authority arrangements for planning approvals and associated decisions enabled expedited response to business applications, with minimal regulatory, administrative and financial burden for businesses.

This enabled small and medium sized businesses to lawfully operate with temporary changes of use during the COVID-19 pandemic, including restaurants or dine in cafés which operated through takeaway or home-delivery services.

- Planning fees and the Shire component of building application fees were waived for small and medium sized businesses initially until 30 September 2020.



A more sombre commemoration, with community members encouraged to stand in their driveways at dawn holding a lit candle, to pay tribute to fallen, past and present service men and women



BROWN.W.H.  
GRANT.D.  
HAY.J.  
CLARKE.C.S.  
WHITE.R.G.  
MOORE.K

BAKER.A.  
BAKER.D.  
BARBER.V.  
BOND.A.  
BROWN.T.  
BUTCHER.L.

CAPPS.A.  
DOWERTY.B.  
CREATON.B.  
GREEN.Y.  
SULTAN.B.  
JOYCE.A.



# Places for People

In 2030 Murray will have created great places for people through strong partnerships with the community; innovative urban design; and improved the well-being and quality of life for residents.

## 1.1 Socially connected, safe and cohesive community

### 1.1.1 In partnership with communities, identity and prioritise community-led projects and initiatives

#### **Pinjarra and Coolup War Memorial Refurbishment and Relocation**

The Pinjarra and Coolup War Memorials were refurbished and relocated in time for Anzac Day 2020.

The Pinjarra project was undertaken in partnership with the Pinjarra Branch of the Returned Services League (Pinjarra RSL).

The memorial was removed from its location in front of the Pinjarra Civic Centre and relocated within the Glebe land off Henry Street, in the Edenvale Heritage Precinct.

The Glebe land location provides an appropriately reflective place to remember those who have served and died in wars and armed conflicts.

It accommodates growing attendance at Pinjarra Anzac Day events and addressed safety concerns with respect to the previous location's proximity to Pinjarra Road.

Landscaping has ensured accessibility to the memorial and improved vantage points, especially for event attendees

The Pinjarra RSL initiated discussions with the Shire regarding a new site for the memorial, with the League selecting the Glebe land location as the preferred option.

Community consultation regarding the relocation was undertaken in November 2019. A large majority of responses received were supportive of the proposal.

The Pinjarra War Memorial project was proudly funded by the Australian Government's Stronger Communities Program and Saluting their Service Commemorative Grants Program as well as the Shire of Murray.

The Coolup War Memorial was restored and relocated within the area adjacent to the Coolup Community Hall boundary, slightly east of its original location.

The project was funded by the Coolup Progress Association with the Shire of Murray assisting efforts through the provision of site preparation and project management expertise.

#### **Community Funding**

Through the Shire's funding streams including the Community Assistance Partnership Fund, Alcoa Dwellingup Community Assistance Scheme and Community Sponsorship Fund, a total of \$71,272 supported 26 community-led programs and activities.

No applications were received for the Community Facility Fund in 2019-2020.

#### Alcoa Dwellingup Community Assistance Scheme

- Dwellingup Community Compact - Dwellingup Green Space Development
- Dwellingup P&C - 2019 Pumpkin Festival
- Dwellingup Football Club - 2019 Jumpers for the Razorbacks
- 2019 Nanga Music Festival
- Dwellingup RSL - Seniors Christmas Lunch
- Dwellingup CWA - External facility painting

#### Community Assistance Partnership Fund

- Clean Up Australia Day Events:
  - Mandurah Environment and Heritage Group
  - North Yunderup Community Association
  - South Yunderup

- Carcoola Primary School P&C - Shade Shelters
- Mandurah Murray Motorcycle Charity Ride
- Pinjarra Bowling and Recreation Club Inc. - Pinjarra Men's Open Triples
- Murray Districts Playgroup - Christmas Party and Open Day
- Pinjarra Railway Markets - Christmas Markets at Edenvale
- North Pinjarra Progress Association Inc. - Christmas Celebration
- Homestead for Youth Choose Life - Community Outreach Family Mental Health Program
- Murray House Resource Centre Inc. - Website Upgrade
- Friends of Lake McLarty Sub Committee - Vegetation survey and mapping across Lake McLarty
- Healing Hands Wildlife Care Inc. - Peel Marsupial Care
- Coolup Progress Association - Basketball/ Netball Pole and Court Marking
- Pinjarra Community Men's Shed - Machinery Replacement
- Pinjarra Community Kitchen - Support to vulnerable impacted by COVID-19 restrictions
- Scribblers Mandurah Murray Writers Group Inc. - Establishment of an online platform

#### Community Sponsorship Fund

11 individuals received a donation of \$100 each to represent their sporting club at a state or national level.

#### **Lot 102 Lakes Road, North Dandalup**

The subdivision and clearance of 10 lots at Lot 102 Lakes Road, North Dandalup was completed this year.

A Business Case was developed and advertised, to inform decisions regarding the development and ultimate sale of the lots.

Funds generated will be reinvested into the local community.

### **1.1.3 Grow and develop an age friendly community**

#### **Age Friendly Communities Plan**

The Shire continued to progress the Age Friendly

Communities Plan 2016-2021, accomplishing the following in 2019-2020:

- A needs analysis for a community centre and public toilets in Ravenswood will be undertaken in 2020-2021, following the acquisition of Council support for the project. A needs analysis for a community hall/space will also be undertaken for South Yunderup in 2021-2022.
- The Shire provided in-kind support for the establishment of the Pinjarra Community Men's Shed within the Rail Heritage Precinct in Pinjarra. The Men's Shed opened in November 2019. The intention is that this project will motivate the establishment of Men's Sheds in outlying areas of Murray.
- Tree roots causing a trip hazard in the Coolup Community Hall car park, were removed and the affected area resurfaced.
- Seniors Housing Advisory Centre hosted an information session in Pinjarra in March 2020. Topics covered included housing options and associated costs, service provider information and considerations for moving. Unfortunately, the session scheduled for Dwellingup was cancelled due to COVID-19 restrictions.
- Infrastructure maintenance and development including the selection of furniture for public spaces as well as building audits and designs, continued to be assessed against specifications for aged and accessibility appropriateness. This informed the Murray River Square and Foreshore Redevelopment, Dwellingup Trails and Visitor Centre and Western Australian Food Innovation Precinct projects.

#### **Access and Inclusion Plan**

The Shire continued to progress its Access and Inclusion Plan to ensure that Murray is accessible to and inclusive of people living with a disability, their families and carers.

Implementation of the plan ensures continuous improvement in access to information, facilities, services and employment for this segment of the community.

The Murray Access and Inclusion Group meets quarterly to ensure the implementation of the plan remains on track and to advise Council and make recommendations.

The following were the major achievements of 2019-2020:



- The Shire consulted the Murray Access and Inclusion Group to ensure Murray Library and Murray Aquatic and Leisure Centre events as well as the 2019 Seniors Week event and Murray Community Christmas Celebration were inclusive. Unfortunately, due to COVID-19 restrictions the 2020 Pinjarra Festival was cancelled.
- An independent access and inclusion consultant was recruited to oversee compliance of the establishment of the Western Australian Food Innovation Precinct. Feedback was directed through Murray Access and Inclusion Group.
- Murray Access and Inclusion Group were consulted regarding large-scale infrastructure and public open space projects including the Dwellingup Trails and Visitor Centre and Murray River Square and Foreshore Redevelopment.
- In May 2020, the Shire of Murray commenced the redevelopment of its website. Using the OpenCities platform, the website will meet the highest level of accessibility compliance – Vision Australia’s WCAG 2.1 AA. The website is expected to be launched in March 2021.
- Additional signage for accessible ablution blocks was installed at numerous facilities.
- Murray Access and Inclusion Group audited the Shire’s Administration Office. It was noted that the customer service counter required adjustment to improve communication with people with a disability, particularly those using mobility aids. This will inform future building works.

### **Seniors Week**

During WA Seniors Week, in celebration of Murray’s over 55s, the Shire of Murray hosted the Dancing through the Decades dinner, dance and quiz event. The evening was a sell-out and enjoyed by all attendees.

Guests were taken on a nostalgic journey through the various genres of music, from the Roaring 20s through to 70s and the era of disco.

Live entertainment was provided by the over 55s dance group Swing ‘n’ Sway, who showcased dances including the Charleston, Volare (Cha Cha) and Rock ‘n’ Roll.

A buffet was put on for dinner and prizes were awarded and raffles drawn throughout the evening.

## **1.1.4 Become a youth focused and supportive community**

### **Youth Portfolio**

The Shire of Murray’s youth portfolio expanded during 2019-2020, with particular focus on improving the involvement and engagement of local young people.

The Shire of Murray ran its first ever ‘Hackathon’ with Pinjarra Senior High School students and gained valuable input on environmental issues. With support from mentors and local environmental subject matter experts, participants formulated informed ideas.

In response to COVID-19 restrictions, the Shire of Murray in partnership with the re-launched Murray Youth for Youth group, took the delivery of youth activities and initiatives online including coding, gaming and art workshops.

In lieu of the 2020 Street Chillz Youth Fest, young people were able to participate in an online skateboard deck painting workshop which was supported by Drug Aware and Country Arts WA. The Shire also delivered several online youth support workshops covering mental health, financial independence and employment.

The Shire actively progressed and supported the development of youth events and activities including programming and arts, sports and skills development workshops.

The Shire’s school holiday activities remained popular with young people.

Development of the new Shire of Murray Youth Framework is due to commence late 2020. The Shire will seek input from local young people into its direction and focus areas.

## **1.1.5 Develop and facilitate events of a local and regional scale**

### **2019 Murray Community Christmas Celebration**

Summer kicked off on a festive note at the Murray Community Christmas Celebration held at Edenvale Heritage Precinct on Wednesday 4 December 2019. Hundreds of families gathered to merrily ring-in the festive season.

Event highlights included carolling, a meet and greet with Santa and his helpers, live music and market stalls. Children enjoyed the free face painting and craft activities and there was an assortment of food trucks.

The Celebration was proudly supported by Alcoa,

Lotterywest, Pinjarra Community Bank Branch and the Shire of Murray.

### **Dwellingup 100, Mighty Jarrah Trail Run and Mountain Bike Month**

Over 1,000 participants and spectators supported the annual Dwellingup 100 and Mighty Jarrah Trail Run events held on Saturday 7 September 2019. The Shire of Murray provided in-kind support and hosted the Handle Bar food zone.

The events formed part of the town's inaugural Mountain Bike Month, which showcased its quality trails, warm local hospitality and plethora of activities.

The Shire of Murray provided \$3,500 toward the initiative.

### **Bindjareb Boodja Back to Pinjarra Day**

The Bindjareb Boodja Back to Pinjarra Commemoration took place at the Pinjarra Massacre site on Saturday 26 October 2019.

The annual event is community-led and run and operates under the guidance of Aboriginal event coordinators.

The event recognises one of the most notorious incidents in Aboriginal history and is a modern day corroboree and an authentic experience, which honours the old people and celebrates an age-old culture through traditional dance, music, food and cultural activities.

The event creates cultural awareness among community members and assists the spiritual healing of the Bindjareb nation and first Australians.

In 2019-2020 the Shire of Murray supported event organisers and volunteers with:

- Attraction of funding.
- Risk management.
- Booking event infrastructure.
- Insurance.
- Site preparation.
- Provision of equipment required for the event.

### **Australia Day Celebrations 2020**

Hundreds gathered at Edenvale Heritage Precinct on Australia Day to enjoy the annual Pinjarra Lions Club breakfast, free face painting, waterslides, live music and celebrate the winners and nominees of the Shire of Murray's Community Citizen of the Year Awards.

Murray welcomed 27 new Australian citizens during the Australia Day Citizenship Ceremony.

## **1.1.6 Ensure the safety of our community**

### **Bushfire Risk Mitigation**

The annual bushfire prevention inspection program for the district commenced in early December 2019 and concluded in late February 2020. Rangers conducted approximately 3,500 property inspections in Murray and Waroona, under resource sharing arrangements.

The Local Emergency Management Committee met regularly to achieve its statutory responsibilities, work towards a safer Murray and maintain roles and responsibilities as part of normal business. The Committee kept local plans up-to-date and ensured adequate training and exercise of local arrangements.

Efforts to amalgamate the Murray and Waroona Local Emergency Management Committees are ongoing. This will enable a more holistic and comprehensive approach to emergency management across both local government areas.

The Shire's Volunteer Bush Fire Brigades responded to numerous fire incidents over the fire season. The volunteers' dedication to the community continues to be of an exemplary standard.

### **Bushfire Risk Management Planning**

A Bushfire Risk Planning Coordinator was engaged in June 2019 to develop a Bushfire Risk Management Plan.

The Plan will identify assets at risk from bushfire and prioritise treatment. A Treatment Schedule sets out a broad, coordinated, multi-agency program to address identified risks.

The role is funded by the Department of Fire and Emergency Services and is shared between the Shires of Murray, Waroona and Harvey.

The Bushfire Risk Planning Coordinator is mapping identified assets, undertaking risk assessments and recording results within the Department of Fire and Emergency Services' Bushfire Risk Management System.

At the end of the 2019-2020 year, approximately 50% of the Shire of Murray had been mapped and the risk assessed.



## **Solar Powered CCTV Trailers**

Two solar powered CCTV trailers were acquired early in the 2019-2020 financial year.

The trailers were purpose built to target hotspots across Murray where fixed CCTV is costly or non-viable.

The trailers, funded through the Department of Industry, Innovation and Science's Safer Communities Fund, are deployed on an as needed basis, with locations determined by local Police and the Community Safety and Crime Prevention Reference Group as well as the Shire of Murray.

The trailers were deployed for the first time in August 2019 at the following locations:

- Dwellingup Oval
- Cnr. River Road and Pinjarra-Williams Road, Dwellingup town entrance

## **1.2 Maximise and connect the natural assets to the community**

### **1.2.2 Upgrade the amenity of the Murray River Square, foreshore reserve and Glebe Land**

#### **Murray River Square and Foreshore Redevelopment**

Works on the Murray River Square and Foreshore Redevelopment were substantially progressed this year.

The square was transformed into an activated focal point for the town with shaded seating areas.

An informal grass amphitheatre was constructed in the foreshore reserve, new landscaping, park furniture and picnic facilities were installed and new pathways were laid.

A stage and river viewing platforms will be constructed in 2020-2021. Aboriginal artwork and feature lighting will be installed and the swing bridge will be renovated.

The aim is to construct a high quality and vibrant public space.

The project is proudly supported by the State Government's Regional Grant Scheme and Local Projects Local Jobs Grant Scheme, Lotterywest, Peel Development Commission and Alcoa.

## **1.3 Ensure quality, diverse and innovative planning outcomes that meet community aspirations**

### **1.3.1 Ensure our Town Planning Scheme and Local Planning Strategy facilitates quality and diverse planning outcomes**

#### **Local Planning Strategy and New Local Planning Scheme**

A working draft scheme text was prepared this year and community and stakeholder workshops were held in November 2019 to provoke ideas, issues and aspirations for the future of Shire towns, settlements and rural areas.

Outcomes informed a scope for the appointment of specialist consultants who will assist with the preparation of the Shire's new Local Planning Strategy and Local Planning Scheme.

The Strategy and Scheme will guide land use and development within the Shire over the next 10 to 15 years.

### **1.3.2 Prepare District Structure Plans for new growth areas**

#### **Southern Palusplain Strategy**

By the end of the 2019-2020 financial year a decision from the Western Australian Planning Commission was still pending, but expected in the second half of 2020.

The recommended land use changes, zoning and management controls included in the Strategy will be incorporated into the Shire's new Local Planning Strategy and Local Planning Scheme.

### **1.3.3 Implement the Pinjarra Revitalisation Strategy**

#### **Exchange Hotel Redevelopment**

Conservation works at the former Exchange Hotel site were completed in July 2019.

The works secured the heritage sections of the building, de-risked the site and exposed its potential for private investment.

In October 2019, Council supported a proposal by Strzelecki Group company, Exchange Pinjarra Pty Ltd.

The company were to purchase the site to re-establish a hotel in the main building and specialty shops in the former accommodation block, in line with an agreed plan. Expansion of the building was also proposed to accommodate a front lounge, rear dining area and back of house activities. The areas of the building with heritage significance

would be retained and alfresco areas established fronting George Street and the foreshore.

In April 2020, given the economic pressures caused by the COVID-19 pandemic, the proponent presented modified terms to the original draft of the contract of sale, that Council considered were not in the community's best interest and formally rejected the proposal.

Council also deferred further formal marketing of the site, until economic circumstances improved.

Over the course of the formal marketing period, Council seriously entertained four formal proposals to acquire and develop the site. Three of these were prior to the restoration works and the fourth was that by Exchange Pinjarra Pty Ltd.

Council continued to assess the way forward for the site in line with Council and community expectations, into the 2020-2021 year.

## 1.4 Encourage an active and healthy community

### 1.4.1 Plan community facilities for future generations

#### Edenvale Heritage Precinct Strategic Review

Consultants were this year engaged to develop a Precinct vision, place plan and activation strategy that celebrates the place's heritage character and positions it as a cultural landmark in the region.

This will help to:

- Maximise the activation opportunities and tourism promotion.
- Celebrate the heritage character and value.
- Add quality of life to residents through diverse experiences.
- Support the emerging and growing creative sector in Pinjarra.
- Develop an action plan ranging from quick wins, to short-term and long-term actions to achieve the Precinct's vision and aspirations.

Community consultation with precinct user groups and the wider community, was undertaken from May to June 2020.

The vision, place plan and activation strategy are expected to be completed and initiated in the second half of 2020-2021.

#### Pinjarra Railway Precinct Strategic Review

Consultants were this year engaged to develop a masterplan and business case for the Pinjarra Railway Precinct.

The masterplan and business case will assist in maximising activation opportunities and add value to the Pinjarra community, with a focus on:

- Tourism activation and promotions.
- Heritage (including creating a rail experience).
- Maximising use of space.
- Enhancing the amenity of the site and creating a unique entry statement to Pinjarra.
- Reinforcing Pinjarra's heritage place character.
- Economic opportunities to attract visitors to the Precinct and Pinjarra.

The plan will have a focus on the rail character and together with the business case will provide a 'ready to go' strategic plan to leverage funding opportunities.

Community consultation with precinct user groups and the wider community was undertaken from May to June 2020.

The masterplan is expected to be advertised for feedback in the second half of 2020-2021.

This project is being run concurrently with the Edenvale Heritage Precinct Strategic Review to maximise synergies and as part of the Pinjarra Town Centre Revitalisation project.

#### Sports Facilities

Significant planning for sporting facilities in Pinjarra and South Yunderup, was undertaken during the year.

##### Cricket Nets and Wicket at Sir Ross McLarty Oval Three

The Shire will be installing three cricket practice nets and a synthetic match wicket at Sir Ross McLarty Oval Three in Pinjarra in January 2021, thanks to funding contributions from the Department of Local Government Sport and Cultural Industries, Doral, Alcoa, Cricket Australia, and the Pinjarra Cricket Club.

The nets and wicket will be used by the Pinjarra Cricket Club, the Pinjarra Primary School and will be open to the general public for casual use.



### Sir Ross McLarty and South Yunderup Pavilion

A Needs and Feasibility Study for changerooms at Sir Ross McLarty Oval Three and South Yunderup Oval, was completed.

The survey demonstrated a need for both facilities by 2024.

Concept designs and detailed costings were developed, and subject to funding, Council supported the construction of the South Yunderup Pavilion in 2021-2022 and the Sir Ross McLarty Pavilion in 2023-2024.

Collectively the pavilions will provide much needed and long-awaited facilities for the Pinjarra Junior Football Club, Pinjarra Cricket Club and the Murray District Rangers Soccer Club, as well as the Pinjarra Primary School and broader community.

### Ravenswood Regional Sporting and Recreation Facility Feasibility Study

In September 2019, Council noted the findings and key recommendations contained in the Ravenswood Recreation Feasibility and Needs Assessment report.

Council further resolved that additional detailed site planning and needs analysis for the regional sporting complex should be revisited over the next 10 years, due to the diminished need to provide these types of regional recreation facilities.

This decision was made in light of adjusted population growth projections for the Shire by State Government forecasting estimates and the down turn in demand for additional grass pitch sporting provision within the adjoining City of Mandurah district and regional level recreation facilities in Murray.

The project steering committee established by the Shire to oversee this study, also recommended that future urban planning expansion investigations for the North Ravenswood precinct be considered. A further recommendation was to de-risk the site with regards to environmental constraints and future servicing needs.

### **Ravenswood Community Facility**

Council supported the need for community space in Ravenswood with the inclusion of an item in the Ravenswood Local Community Plan 2016-2020.

The Shire's community infrastructure planning supports the need for an interim community facility to service existing residents for the next 10 to 15 years, until the population growth increases

demand for a larger, permanent facility at the junction of Old Mandurah Road and Pinjarra Road.

Council has been liaising with the Ravenswood Community Group (RCG) in this endeavour for the past three to four years.

In late 2019, a discussion paper that investigated the need and feasibility of an interim community centre in Ravenswood, was prepared.

The Paper identified suitable sites and examined affordable design options.

It concluded that any community building would need to be multi-functional and that further investigation was needed to determine the type and frequency of activities and users, to guide the design process. Further investigation was also required to determine the best location.

Once the building design and location were confirmed, including site servicing requirements, more detailed costings and further community consultation would need to be undertaken.

Over the remainder of the year the Shire continued investigations in preparation for community consultation in the first half of 2020-2021.

Two preferred site options were identified:

- Option A - proposed public open space area north of the primary school site, corner Wilghi Way and Jolly Rambler Boulevard.
- Option B - land in the south-west corner of Ravenswood Waters estate, subject of a current subdivision application for creation of residential, along the southern side of Jim Jam Crescent.

Community consultation took place in the first half 2020-2021 and Council considered feedback, design options and cost estimates for the construction for the interim facility at its December 2020 Council Meeting.

## **1.4.2 Actively take opportunities to enhance public health**

### **Murray Library**

With literacy and lifelong learning its core objective, Murray Library continued to deliver a variety of free events and activities to inspire, challenge and engage community members of all ages.

To improve digital literacy, regular Get Appy sessions and one-on-one tutoring provided by

Be Connected volunteers, equipped individuals with digital skills to stay connected. During Get Online Week, social media guru Amanda Kendle demonstrated how to have fun with her Introduction to Instagram, Podcasts and Ten Apps to Change your Life presentations.

Craft skills were enhanced through the Makers@Murray program, a series of monthly craft workshops, which covered topics including how to preserve lemons, macramé and kokedama.

The Library hosted a number of guest speakers including author Sheryl McCorry who recounted her story of station life in the Kimberley. Traditional Owner and Nyoongar Ballardong man Maitland Hill talked about Nyoongar Cultural and lead a Traditional Aboriginal Sculpture workshop.

During Children's Book Week, an annual celebration of books, Australian authors and illustrators, well-known authors Cristy Burne, Kylie Howarth, Norman Jorgensen and Patricia Hines visited schools throughout the Shire.

The Wellbeing Program which focussed on mental health, proved popular. The line-up of events including Djembe drumming, meditation and Qigong workshops, supported and connected those vulnerable in the community. An English Language Program supporting individuals where English is a foreign language, was launched to reduce the risk of social isolation.

To improve the Science, Technology, Engineering and Maths (STEM) skills of young residents, regular Code Club, Robotics programs and one-off STEM events were offered during school terms.

'Tea and Tech' outreach sessions introduced adults to robotics, coding and virtual reality.

2019-2020 was a year of challenges and uncertainty, with COVID-19 restrictions imposing a temporary facility closure. The Library's online resources enabled continued access to information and services for patrons as did the introduction of a Click and Collect service. Code Club, Storytime and Rhyme time programs were also streamed online.

A year like no other, the library provided a safe platform to connect and explore.

Supportive collaborations and partnerships contributed to the success of the year's activities.

### **Murray Aquatic and Leisure Centre**

The Murray Aquatic and Leisure Centre (MALC) is the Shire of Murray's primary recreation, exercise, health and wellness facility for the community.

Consisting of a 25m lap pool, leisure pool and hydrotherapy pool, three multi-use indoor sports courts, crèche, kiosk and fitness centre including a 24/7 gym. The Centre also operates in a dual capacity as home to Pinjarra High School's physical education and performing arts classes, providing court and performance space for lessons throughout the school day.

COVID-19 had a significant impact on Centre operations.

The Centre closed from 23 March 2020 to 20 May 2020, with service interruptions occurring both prior to and for a number of weeks after the closure.

Memberships were suspended for six months and as of 30 June, 120 memberships had not been recommenced.

The gym was reopened on 8 June, with the Centre resuming full operation in early 2020-2021. All except two staff, were stood down from duties for the period of the closure and respective service interruptions.

During the closure, maintenance works were undertaken which included repainting the gym, re-grouting in the aquatic area and other minor aesthetic improvements.

Initially the Centre was to remain closed until September 2020, with savings built into the Shire's budget to support COVID-19 relief efforts. The Centre however, reopened in May in line with the State Government's Road to Recovery approach and given the significant role it plays in supporting social, physical and mental health.

Despite the COVID-19 pandemic, the Centre realised a 30% membership increase, with 418 members at the end of 2019-2020 and an increase of approximately 4% in member visits.

Centre attendances were estimated at approximately 122,000 over the year, which although slightly less than 2018-2019 estimates, reflected a slight increase in usage prior to COVID-19 service interruptions.

The increase in membership is attributed to growth in programming and services, including the reintroduction of gym floor staff offering individualised service for members. 24/7 gym access was also introduced in July 2020-2021.

The Centre recorded an average Net Promoter score of 55 for 2019-2020, with 66% of respondents providing a score of 9 or 10 out of 10 when asked how likely they were to recommend MALC to a friend or family member.



## Key Projects

- In September the Centre moved to a 99.935kW Solar PV system. The system powers up to 80% of the Centre's peak load electricity throughout the day and is equivalent to an electricity cost saving of around \$40,000 a year. In 2019-2020, the system produced 129.526MWh, an equivalent saving of 50,773kg of CO<sup>2</sup> emissions or planting 1,515 trees.
- Many of the Centre's light fittings were transitioned to energy-efficient, low maintenance and long-lasting LED equivalents to save approximately \$10,000 per annum.
- The Centre began the transition to 24/7 gym operations to provide increased accessibility for the community. Works included upgrading the accessible toilet servicing the gym and court one. Further upgrades to the male and female toilets were completed in 2020-2021. The Centre's emergency lighting, exits, and emergency alarms (fire and chlorine gas) were also upgraded.

## **Sport and Recreation Club Development**

There are over 35 sport and recreation clubs in the Shire of Murray, which play an important role in helping residents lead healthy lifestyles.

This year the Shire continued to support our clubs in the establishment of good governance and achievement of best-practice across all aspects of management including sustainability and financial viability.

Direct assistance was provided to 22 clubs relating to funding opportunities and applications, strategic and business planning, facility planning and small projects, constitutional review, organisational structure review, policies and procedures and COVID-19 Safety Plans.

A Strategic Planning Workshop funded by the Department of Local Government, Sport and Cultural Industries, assisted six clubs (Pinjarra Bowling and Recreation Club, Pinjarra Cricket Club, Pinjarra Football and Netball Club, Pinjarra Junior Football Club, Murray District Rangers Soccer Club, and Yunderup Sport and Recreation Club), to develop strategic plans. A skilled facilitator led three sessions, which equipped attendees with the tools and knowledge to define their goals and strategies for the future and implement, review and update the plans.

## Kidsport

The Department of Local Government, Sport and Cultural Industries' Kidsport program provides

financial assistance to eligible children aged 5 to 18 years, to enable their participation in community sport. Up to \$150 per calendar year per child, is available toward club fees.

Administered by the Shire of Murray, a total of \$21,177 in vouchers was issued to 141 children to enable their registration at 39 clubs within the Shire. AFL, gym sports, and basketball clubs received the highest number of applications.

## **Murray Community Food Drive**

October's Anti-Poverty Week saw Murray residents, local schools and businesses come to the aid of the district's less fortunate, supporting the annual Murray Community Food Drive.

Non-perishable food items were collected to assist the Pinjarra Community Kitchen with meal provision for the homeless and Murray community members under severe financial constraint.

Donations provided three months worth of supplies.

## **Murray Community Support Hub**

The Shire hosted a further six Community Support Hub sessions in 2019, with the last occurring in the December.

Sessions were held on the first Wednesday of every month at Pinjarra Lesser Hall to provide free, local access to support services for Murray residents. Service included life skills development, tax advice, career guidance, job seeker and resume support, counselling services, mental health support, drug and alcohol counselling, senior relationship support and grief counselling.

The Hub also provided a free lunch for attendees and access to emergency food parcels .

The initiative was a collaboration between the Shire of Murray, Pinjarra Family Church, Australian Tax Office, Peel Jobs and Skills Centre, Bridging the Gap, Allambee Counselling, GP Down South, Palmerston Drug and Alcohol, Relationship Australia, The Compassionate Friends and SMYL Community Services.

## **1.4.3 Foster and value our volunteers**

### **Community Citizen of the Year Awards**

In 2020, the Shire received five nominations for its Community Citizen of the Year Awards, across the four award categories of Community Citizen of the Year, Community Group of the Year, Youth Citizen of the Year and Senior Citizen of the Year. The winners were announced as follows:



- Youth Citizen of the Year - Jasmine Davis-Houghton

In recognition of Jasmine's involvement on the Shire of Murray's Youth Reference Group 'myVoice' and the Pinjarra Blue Light committee and her exceptional community spirit and passion for providing opportunities for young people within the Shire of Murray.

- Senior Citizen of the Year - Penny Hoffman

In recognition of Penny's strong leadership skills, achievements with the Murray Districts Historical Society, as a passionate advocate of the Murray community, an active member of the North Yunderup Community Association and Murray Districts Probus Club and as a significant contributor to a number of community projects.

- Community Citizen of the Year - Tanya Langford

In recognition of Tanya's leadership role in ensuring the provision of support to women across the region, through the establishment of Murray's Safe Women Safe Family Centre - a safe space for women whose lives have been negatively impacted by family and domestic violence.

- Community Group or Event - Coolup Volunteer Bush Fire Brigade Cadets

In recognition of the Cadets' valuable contribution and enduring service to the Coolup community and state.



# Thriving Economy

In 2030 Murray will have a diverse and prosperous economy that supports innovation, training opportunities and provides a variety of business, tourism and employment opportunities.

## 2.1 An economy that is focused on key success factors for growth; knowledge and innovation; export income and investment; infrastructure and local capacity

### 2.1.1 Maximise the inherent economic opportunities in the Mandurah Murray functional economic region

#### Mandurah Murray Economic Development Strategy

The strategy and implementation documents are complete with several major projects identified.

The implementation document specifically identified a project pipeline methodology to maintain a stream of well prepared and bankable projects for funding. This is in development.

### 2.1.2 Build and maintain the Transform Peel Initiative

#### Peel Business Park

DevelopmentWA's Industrial Lands Authority progressed works on site at Peel Business Park in Nambeelup, to complete stage one subdivision works and issue stage one titles in the first half of the 2020-2021 financial year.

Works commenced on Australia's first renewable energy industrial microgrid, delivered by a consortium led by Peel Renewable Energy together with Sunrise Energy and Synergy.

The microgrid will power the park with cheaper and greener energy and was also completed in the first half of 2020-2021.

#### Bushfire Centre of Excellence

In late 2019, the State Government's Bushfire Centre of Excellence Officially established operations in the Shire of Murray, at an interim facility at the Heritage Train Station building in Pinjarra.

Designs for the Centre's permanent facility within Peel Business Park were completed and works commenced onsite in early 2020.

Synergies have been optimised between the Centre and the Shire's Food Innovation Precinct. The Centre and Precinct will be situated next to one another with coordinated orientation of buildings and landscaping, joint parking areas and shared use of common facilities such as the café and meeting rooms in the Precinct.

The Centre was officially opened in January 2021.

The Bushfire Centre of Excellence is the first of its kind in Australia. It provides knowledge, technical expertise, science and research, plus training for bush firefighters and other emergency services personnel across Western Australia.

#### Western Australian Food Innovation Precinct

Planning progressed on the Shire's Western Australian Food Innovation Precinct, being established within Peel Business Park.

In July 2019, expressions of interest were received from individuals, entrepreneurs and small and major enterprise, to establish a stream of feeder organisations to pioneer opportunities available through the Precinct.

At the September 2019 Council Meeting, Council provided in principle support for lease arrangements to be entered into with prospective tenants ManukaLife, Fund Singapore and Murdoch University. Agreement to lease negotiations continued into the 2020-2021 financial year.

The Precinct masterplan was delivered on December 2019, with concept plans completed by May 2020. Schematic design works commenced in June.

The Shire also secured State Government funding

of \$2.5 million, as a contribution to an Innovation Fund. The Fund will offer grants to industry to enable access to Precinct equipment and facilities.

The project will continue to be progressed in 2020-2021 with a view to commencing construction in the second half of the year and completion expected in 2022.

The state-of-the-art facility will play a transformative role for WA food manufacturing.

The Precinct will be the first of its kind in Western Australia and once operational, will be a one-stop-shop for growers and food producers.

The Precinct will house university-led science laboratories, food product research and small batch production facilities, offices and co-working spaces, business incubator facilities, cold and dry storage facilities, meeting rooms, café and public presentation areas.

It will be an ecosystem of small-to-medium enterprises, research and development institutions, wider industry players including international agri-innovation firms and government entities

Users will work with world class scientists and researchers to systematically analyse and test new food and beverage products for quality and nutritional value, flavours and shelf life.

The Precinct will be a place to trial the latest in packaging and production techniques using cutting-edge technology and equipment for export certification. Producers will be able to collaborate with each other and likeminded industry experts, obtain capital and enterprise support and gain practical knowledge of new farming technologies.

The Precinct will provide access to new domestic and export markets.

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The Western Australian Food Innovation Precinct and Peel Business Park developments are supported by funding from the Australian Government's Regional Growth Fund.

## **East Keralup Future Land Uses**

Department of Communities, owner of a significant portion of underutilised State Government land asset known as East Keralup, carried out a public registration of interest process in late 2018.

Private industry investment and business pursuits were sought for a range of alternative land use opportunities and the remediation of land adjoining the Serpentine River, 20km north-west of Pinjarra.

An East Keralup Working Group was established to examine potential land use options across the site, with descriptive economic, environmental and social outcomes that could be achieved.

An evaluation panel was formed to review registration of interest submissions from private proponents. Four candidates were shortlisted, subject to further negotiations regarding leases.

An announcement regrading the successful business enterprises is expected in late 2020, in conjunction with finalisation of commercial leasing agreements.

In October 2019, the Shire of Murray provided support for a business case to be formulated by Peel Development Commission.

The business case sought funding from the State Government for the design and construction of a rural standard road, with a focus on access being supplied into the southern portion of the site comprising 1,608 hectares located within the Shire's boundary. Construction of this road would enable activation of development within the East Keralup landholding and provide emergency fire access and egress and connectivity with the Peel Business Park development to the south.

A decision on government funding for the road construction is due in the second half of 2020.

Individual proponents will be required to lodge applications with Shire of Murray and/or State Government for development approval. This will allow strategic environmental remediation and management of this strategic land asset as well as result in positive economic outcomes including employment opportunities.



## 2.1.3 Reposition the equine industry in Murray as a dominant economic sector

### Equine Industry

Murray is currently home to three major equine facilities comprising Pinjarra Park, Pinjarra Paceway and the Murray Regional Equestrian Centre in Coolup.

#### Pinjarra Harness Centre of Excellence Future Expansion

Racing and Wagering WA (RWWA) are in negotiations with landowners to obtain land to house a future State Harness Racing facility in Pinjarra. The proposed location is adjacent to the existing Pinjarra Paceway, Murray's harness racing facility.

This would facilitate a training track, additional stables and training infrastructure such as a pool. The longer-term outcome is for the facility to become the State's premier harness racing track.

A business case has been completed and confirms that the equine sector is a strong contributor to the regional and local economy, contributing a total gross value add of \$175.9 million and producing 1,550 full-time employment positions, representing 5.5% of all jobs in Peel.

RWWA has acknowledged that the greater Peel region is the most viable location for industry expansion in the long-term, encompassing all three facets of racing, training and breeding.

With the Byford facility having a finite life due to significant growth and the implementation of METRONET, future planning is required.

Industry expansion projects align with Peel Regional Leaders Forum efforts to promote the competitive advantages of the Peel region for improved equine infrastructure as well as Peel Development Commission's Peel Equine Strategy.

Funding of \$40 million is required for this project.

#### Pinjarra Park Expansion

A detailed business case and masterplan has been developed for expansion of Pinjarra Park Raceway, in consultation with RWWA.

Expansion includes extension of the racing track, track widening, upgraded training track, on-course stabling (200), training facilities (including hydro-pools, walkers, treadmills), improved waste management and upgrading of water harvesting.

Investment of \$55 million in a two-stage program, would increase the racing program from 25 to 40

meets annually and support increased and more efficient training activity.

#### Murray Regional Equestrian Centre

Two stages of the Murray Regional Equestrian Centre redevelopment are complete, with the stage three covered arena and associated works in planning for construction in future years.

## 2.1.4 Maximise the economic opportunities inherent in the strategic Murrayfield Airport

### Murrayfield Airport

A working group comprising the Shire of Murray, Royal Aero Club of WA, Brookes Hire, Peel Development Commission and the City of Mandurah was convened to develop a vision for Murrayfield Airport as well as develop a detailed business case and investment prospectus.

The development was facilitated by a consultancy group led by FAR Lane and including Buchan Architects and Mott Mac Engineers.

Council received the documents at its June 2020 Council Meeting.

Liaison with Airport owners to facilitate public and private sector investment as well as discussions with landholders to secure an appropriate location for the Airport's future development, was to progress in the 2020-2021 financial year.

## 2.1.5 Position Pinjarra as a key regional centre through the Pinjarra Revitalisation Strategy

### Business Capability Support Program

The Shire of Murray hosted 15 workshops at The Court House, designed to build small business capacity by developing practical skills.

Workshops ranged from social media upskilling, website development, Google search engine optimisation and chatbots to understanding single touch payroll and learning about the different support agencies available to start-ups and small business owners.

Until the disruptions of COVID-19, a small business advisor operated from The Court House each Monday, offering free appointments for Murray-based businesses.

This initiative was supported by the Shire, South-West and Peel Business Advisory and the Small Business Development Corporation.

## 2.2 Maximise Murray's natural assets and heritage as a driver for tourism development

### 2.2.1 Develop key sectors of the tourism economy where Murray has competitive advantage

#### Tourism Marketing and Communications Plan

A consultant team was engaged in late 2019 to work with the tourism sector, Shire and Tourism WA to prepare a Tourism Marketing and Communications Plan.

Development of the Plan was directly informed by discussions with Tourism WA and through facilitated workshops with the Dwellingup and Pinjarra tourism sectors.

The Plan was endorsed by Council at the May 2020 Council Meeting. It provides a strategic and operational framework to guide tourism branding and marketing within the Shire over a three to four year period.

The Plan defines:

- An overarching brand and marketing 'theme'.
- Dwellingup and Pinjarra's unique sales propositions.
- Core markets for each destination.
- Key messaging for respective markets and places.
- A marketing implementation plan.

Following the endorsement of the plan, the Shire commenced development of a destination magazine and dedicated tourism website, which launched toward the end of 2020.

#### Dwellingup Trails and Visitor Centre

Works progressed on the transformation of the Dwellingup History and Visitor Information Centre into Western Australia's first purpose-built trails centre.

By the end of 2019-2020, majority of the external building works were complete, landscaping works were well underway and internal fit out continued into the 2020-2021 financial year, in preparation for the facilities opening in the September.

An additional 400m<sup>2</sup> of floorspace was added to the building to accommodate a café and trails retail and equipment hire space and enhancements were made to the gift shop area. Bike wash amenities were constructed,

the ablution facilities were upgraded, an area for a laundromat incorporated and the parking, pathways and exterior lighting were improved.

Digital enhancements incorporating the integration of virtual reality and interactive screens were also progressed.

Landscaping was designed to connect the Centre to other precinct attractions including the Dwellingup Skate Park and Pump Track.

Hotham Valley Tourist Railway was positioned as a central feature of Dwellingup's tourism offering, through rail and turntable installation works.

The Dwellingup Trails and Visitor Centre project was supported by the Australian Government's Building Better Regions Fund and Dwellingup Community Association Inc. The building's fit-out was supported by Alcoa and the State Government's Regional Economic Development Grants Program which is delivered by the Peel Development Commission.

#### Trails Development

Through the Dwellingup Adventure Trails project delivered by the Department of Biodiversity, Conservation and Attractions in partnership with the Shire of Murray, expansion of the Murray Valley trails network in Lane Poole Reserve continued.

Upon project completion, there will be around 60km of dedicated single-track mountain bike trail in and around Dwellingup, connected by the realignment of the Munda Biddi Trail.

Through the project new canoe launching facilities will be constructed to enhance the existing paddling opportunities on the Murray River, an 80m suspension bridge will improve access to the extensive mountain bike trail network, sealing of gravel roads will create a scenic drive through the Reserve and improvements to the Captain Fawcett Track will offer four-wheel drivers year-round access to explore the Murray River along the old historic timber railway formations.

New trails are progressively being rolled out across the Murray Valley trails network, with 11km of trails constructed in 2019-2020 and a further 35km officially opened in Lane Poole Reserve in October 2020.

The Dwellingup Adventure Trails project is supported by the Australian Government's Building Better Regions Fund, the State Government and the Shire of Murray.







# Environment, Character and Heritage

In 2030 Murray will be effective stewards of our environment, history, heritage, natural landscape and rural character.

sectors, particularly tourism, mining, construction, agriculture, forestry and recreation.

In order to plan for these competing uses, the Shire of Murray in partnership with Peel Development Commission and with funding support from the Department of Primary Industries and Regional Development, established the Dwellingup Futures project.

The aim of the project is to develop a Growth Management Road Map that outlines a strategic intent for the future of Dwellingup and identifies sustainable development opportunities through collective agreement from key stakeholders.

A Stakeholder Working Group and Technical Advisory Committee were established to oversee and help coordinate the formulation of the Road Map.

With endorsement of the Stakeholder Working Group, the Shire appointed a consultancy team and background work commenced in early 2020.

In response to COVID-19 restrictions, stakeholder workshops planned for March to June 2020 were conducted through a series of teleconference workshops and webinars.

The draft Growth Management Road Map is due to be completed and ready for public advertising in the second half on 2020-2021.

## 3.1 Protect and enhance our existing natural assets - waterways, bushland and biodiversity

### 3.1.4 Continually review and enhance public boating facilities and environmental sustainability within our waterways

#### Recreational Boating and Waterways

Ongoing sampling of the Yunderup Channel was undertaken this year, following the successful completion of dredging operations. Results have informed future management works.

The Shire continued to monitor waterways within the Yunderup Channel and Canals, which underwent weed harvesting, and furthered investigations into the management of riverbanks.

Funding was sought for upgrades to both the Sandy Cove and Batavia Quays jetties.

### 3.1.3 Lead the Dwellingup Futures group to ensure a balanced approach to development in and around Dwellingup

#### Dwellingup Futures

Dwellingup is experiencing a period of substantial change and growth in a variety of industry

## 3.2 Proactively manage resources and reduce our carbon footprint by responsible management of water, energy, fire management and waste

### 3.2.1 Secure water resources to ensure sustainability for economic and recreational needs

#### Waterwise Initiatives

The Shire has been a Waterwise Council for four years, each year implementing initiatives to more sustainably manage water use.

2019-2020 initiatives included the roll-out of a waterwise verge rebate program, progressing improved water-use practices at the Murray Aquatic and Leisure Centre, proactive engagement with local developers to encourage participation in the Waterwise Development Program and progress towards establishing a cross functional water management team.

Other initiatives have included switching from scheme to bore water where feasible, protection efforts for rivers, catchments and foreshores,



supporting several bank stabilisation initiatives and assisting the Department of Water with the Managed Aquifer Recharge feasibility study at the Peel Business Park.

In recognition of the sustainable water management initiatives implemented and for continuing to foster and support the establishment of waterwise communities, the Shire this year achieved Gold Waterwise Council Accreditation.

### 3.2.2 Continue to develop partnerships with environmental groups, state departments and stakeholders

#### Landcare SJ Partnership

The Shire of Murray entered into a Memorandum of Understanding with Landcare SJ.

Under the agreement, Banksia woodland was restored to improve resilience of threatened ecological communities in Murray, a flora and weed survey of the former Coolup transfer station was undertaken as well as an assessment of vegetation on the Golden Group Nambeelup landholding. Several cockatoo nesting boxes were installed in North Dandalup, fox control and trapping was undertaken along the North Dandalup River and Landcare drop-in sessions and a workshop for the Great Cockie Count were held at The Court House.

Over the year, the partnership worked with various groups including Bendigo Bank and primary schools, to revegetate parts of Murray. It also undertook controlled weed removal at North Dandalup Primary School, along the Serpentine River and provided advice on several proposals, including native vegetation selection, screening and equine land management.

### 3.2.3 Responsibly manage Council and community water and energy use

#### Cities Power Partnership

The Shire of Murray joined the Cities Power Partnership (CPP) in January 2020.

The program is contributing toward the responsible management of Shire and community energy use and is improving Murray's ability to adapt to the challenges of climate change, with economic, social and environmental benefits.

In June 2020 Council endorsed its five action pledges, including:

1. Install renewable energy (solar PV and battery storage) on Council buildings.
2. Develop supportive planning laws to encourage residents and industry to adopt renewable energy.
3. Create a revolving green energy fund to finance renewable energy and energy efficiency projects.
4. Adopt best practice energy efficiency measures across Council buildings and support community facilities to adopt these measures.
5. Provide charging infrastructure throughout the Shire at key locations for electric vehicles.

Climate change poses many challenges for the environment, infrastructure, economy and way of life. These challenges however, create opportunity to change current practises.

In adopting these pledges, the Shire can provide leadership to the community and reduce emissions.

The Shire of Murray now has a framework to guide progress towards a sustainable energy future.

### 3.2.4 Improve waste management practices through diversion, re-use and recycling

#### Waste Management

The Shire of Murray Waste Plan was completed during the year.

The plan was prepared in consultation with the Department of Water and Environmental Regulation and is aligned with the State Government's Waste Plan.

The final document will be presented to Council in early 2021.

The design of the tipping face at the Corio Road Transfer Station was also completed, with works budgeted for the 2020-2021 financial year.

Works will see the concrete face rehabilitated and a new shelter and rail installed, to meet safety standards and provide an improved community outcome.

### 3.3 Develop adaptation strategies to mitigate risks associated with climate change

#### 3.3.1 Undertake a risk assessment of the impact of climate change

##### **Coastal Hazard Risk Management and Adaptation Plan**

In March 2019, Council considered a project scope for the Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) project.

The plan is being prepared to address estuarine and riverine coastal hazard risks in the Shire of Murray.

The project scope was prepared in collaboration with relevant State agencies and was the subject of considerable discussion with key community stakeholder groups.

Expressions of interest for community representatives on the project steering group, were sought and appointments made.

A tender seeking suitably qualified and experienced specialist consultants to prepare the CHRMAP, was advertised from March to April 2020.

Six tenders were received with submissions considered by Council at the July 2020 Council meeting.

Baird Australia was endorsed as the preferred tenderer.

It is anticipated that the Plan will be delivered mid 2021-2022.

##### **Mosquito Management**

Murray experienced an average mosquito season in 2019-2020.

Whilst mosquitoes posed a nuisance in spring which persisted into early summer, the nuisance over the remainder of the year was reasonable.

Seasonal conditions were typical, with winter rains arriving within predictable timeframes and causing large areas of low-lying land to be inundated. This contributed to mosquito breeding in pooled water, as the weather warmed up during spring.

As a member of the Peel Mosquito Management Group, the Shire of Murray closely monitored mosquito activity. Salt marshes were treated regularly during periods of intensive mosquito breeding, to regulate mosquito numbers.

The season required 21 helicopter treatments, which covered a total of nearly 3,000ha, more than twice the area covered in 2018-2019. The largest single treatment of nearly 300ha, was one of the most sizable treatments undertaken in the last five years. Average mosquito seasons have historically required 15 treatments.

Cases of Ross River Virus were relatively low, with seven recorded for the year, less than half of the cases recorded in 2018-2019.

There were relatively few complaints (11), because mosquito numbers were below nuisance thresholds for most of the year.

As part of the Peel Mosquito Management Group, the Shire will continue to refine its program to best manage mosquitoes in the region.

### 3.4 Value, protect and celebrate the Shire's rich Aboriginal and colonial history

#### 3.4.1 Complete a review of the Shire's Local Government Heritage Inventory

##### **Edenvale Conservation Plan**

Council allocated funding for continued heritage conservation works at Edenvale Heritage Precinct. Works undertaken included:

- Drainage improvements to the south-west wing of the homestead.
- Improvements to the brick path network adjacent to the building, whereby the path was re-contoured, level with the verandah decking, ensuring a safer and more convenient access area.
- Selected painting of buildings within the complex.
- Repairs to a number of the windows at Homestead.
- Ceiling replacement at the Schoolhouse.

##### **Miss Adams' House**

The ceiling was also replaced and structural repairs undertaken to the verandah at Miss Adams' House at 6 George Street, in readiness for new tenants Regional Development Australia.



### 3.4.3 Implement the Edenvale Landscape Masterplan

#### Edenvale Landscape Masterplan

The first stage of implementation of the Edenvale Landscape Masterplan was undertaken in 2019-2020. Works included:

- Reconstruction of the Liveringa Homestead well.
- Landscaping of the area along the south-east corner of the front garden.
- Tree replacement of lost trees.
- Fencing works adjacent to Murray and Henry Streets.
- Planning for new decking under the ficus tree adjacent to Liveringa Homestead.

These works were supported by Alcoa.









# Connected and Accessible

In 2030 Murray will have enhanced our transport linkages and opportunities to share information using a variety of travel and technology options.

Construction is proposed to commence in late-2021 and be completed by mid-2023.

## Western Deviation

The Shire of Murray has progressed concept designs for the Western Deviation, to provide a link road between Pinjarra Road and Greenlands Road which abuts the Pinjarra Industrial Area.

The Western Deviation will assist with the ultimate intended connection to Munday Avenue and enable direct southern access from the Industrial Area to Greenlands Road.

A business case has been prepared.

The completion of the Western Deviation will enable the progressive downgrade of Pinjarra Road and George Street within the Pinjarra town centre.

These works are pivotal for an activated town centre and employment opportunities within the Industrial Area.

## 4.1.3 Improve the amenity and functionality of the street network and town entrances

### 4.1 Promote an efficient and accessible local and regional transport network

#### 4.1.1 Deviate heavy haulage around Pinjarra to improve safety, amenity and economic growth

##### Pinjarra Heavy Haulage Deviation

Following a \$27.5 million funding commitment by the Australian and State Governments in 2019, Main Roads WA have progressed eastern deviation planning.

Through the project, a new road will be constructed to connect Greenlands Road and South Western Highway to Pinjarra Williams Road.

A 2.6km section of Pinjarra Williams Road will be upgraded between the new road and South Western Highway.

Drivers will be able to access Forrest and South Western highways without having to travel through the town centre. This will greatly improve safety, as well as enable development within the town centre.

Main Roads have convened a community reference group and commenced consultation with affected property owners and the wider community.

## Roadworks

Regional Road Group funding enabled further improvements to Del Park Road, Paterson Road, Lakes Road, East Coolup Road and Burnside Road.

A key component of these works is providing improved road standard for increasing regional traffic.

The works on Burnside Road incorporated the construction of major culverts, a new guard rail and involved the demolition of the existing bridge.

Many of these projects are progressive, working toward a safer road network that meets the required safety outcomes.

Works continued on Kirkham Road, thanks to additional Commodity Route funding through the State Government. These works were co-funded by Fruitico.

Funding through the Australian Government's Roads to Recovery program, enabled the completion of the Culeenup Road (West) project and a number of reheating projects within our unsealed road network.

Additional works were carried out on Boyd Road and Readheads Road, progressively improving the safety and road condition.

Further renewal works were undertaken including the resealing of various sections of roads.

#### 4.1.4 Investigate all alternative options to facilitate a transport network that services all towns

##### **Bridge Program**

The demolition and replacement of the Burnside bridge with major culverts, was a key project in the ongoing improvement to Burnside Road. The design outcome was coordinated through Main Roads, with Shire staff and local contractors completing the physical works. A new guard rail was incorporated for increased safety.

In consultation with Alcoa, various works were undertaken to the bridges on Del Park Road. Works were accompanied by considerable vegetation clearing along the road.

The planning for the replacement of the North Yunderup bridge was delayed through Main Roads, with additional investigation required prior to the finalisation of the design. As the bridge

replacement impacts existing services, all affected agencies have been involved in the design process. As part of the construction of the new bridge, a bypass road will be built which will be completed in the 2020-2021 financial year.

The Shire has undertaken programmed bridge maintenance in consultation with Main Roads to ensure works comply with required guidelines and Shire bridges maintain their structural integrity.

#### 4.1.5 Improve the shared pathway linkages within and between towns

##### **Shared Footpath Network**

Following path network inspections, a number of repairs and renewals were necessary to maintain the integrity and safety of the network. Funding this year prioritised these renewals.





# Capable and Accountable

In 2030 Murray will have further developed strong leadership through good governance, effective communication and ensuring value for money.

In May 2020, both Councils adopted the Murray-Waroona Resource Sharing Alliance Strategy 2020-2025.

In the midst of changing economies and increasing community expectations of services, the five-year plan ensures both local governments remain strong, resilient and adaptable into the future.

The transparent and cooperative arrangement allows the Shires of Murray and Waroona to maintain their individual identities, while facilitating collaboration on sub-regional projects and creating new funding partnerships.

Plan implementation is being progressed over the 2020-2021 financial year, to develop a Murray-Waroona Sport and Recreation Strategy, expand joint economic partnership opportunities including tourism, securing water to supply industry and agricultural development.

The arrangement has enabled joint procurement and economy of scale opportunities, streamlined processes and created a stronger political voice.

A joint Resource Sharing Committee met regularly throughout the year to review and monitor the sharing arrangement.

## 5.1.2 Establish a strong corporate governance framework to ensure high standards of integrity, ethics and accountability

### 2019-2023 Corporate Business Plan

Council adopted the 2019-2023 Corporate Business Plan at the July 2019 Council Meeting.

The Corporate Business Plan is responsible for activating the strategic direction of the Shire as articulated within the Strategic Community Plan, into specific priorities and actions at an operational level, to inform the annual budget. The Plan also draws together actions contained within the Long Term Financial Plan, Asset Management Plans and the Community Infrastructure Plan.

A simultaneous review of the Shire's Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan was undertaken in the first half of 2019.

The 2019 review of the Corporate Business Plan was a major review due to the adoption of the Shire's Strategic Community Plan - Murray 2030, at the May 2019 Council Meeting and the subsequent determination of actions.

## 5.1 Murray has a sustainable future

### 5.1.1 Maintain long-term financial sustainability

#### Expanded Resource Sharing Arrangements with the Shire of Waroona

In August 2019, the Shires of Murray and Waroona extended their already successful resource-sharing arrangements of Information Technology, Environmental Health and Ranger and Emergency Services, with both Councils appointing Mr. Dean Unsworth as joint Chief Executive Officer.

The appointment came into effect toward the end of 2019, following the retirement of the previous Shire of Waroona Chief Executive Officer.

Each council initially resolved to proceed with the agreement for a trial period of one year, however in February 2020 the agreement was extended for five years, expiring in February 2025.

Local decision making was retained at both Waroona and Murray, with no governance structural changes effected in terms of elected member representation or organisationally.

The Corporate Business Plan maps the Shire's key priorities, projects, services and actions over four years. It provides the detail for the first years of the Murray 2030 Strategic Community Plan, as well as outlines business as usual service delivery.

It is developed on a four yearly cycle and will be reviewed annually to re-prioritise projects and services.

### 2019 Long Term Financial Plan

Council adopted the 2019 Long Term Financial Plan at the July 2019 Council Meeting.

The ten-year rolling plan is aligned with the Corporate Business Plan to activate Strategic Community Plan priorities and informs the develop of the annual budget.

The Plan is guiding Council in a financially sustainable manner and is a 'high-level' document that focusses on Council's financial operations, particularly in relation to key components such as rate increases, service levels to the community, asset renewal, reserves and loans.

The Plan provides direction for both the Shire's long-term capital investment planning and its operating capacity, indicating long-term financial sustainability and allowing early identification of financial issues and their longer-term impacts. It also shows the linkages between specific plans and strategies and enhances the transparency and accountability of Council to the community.

The Plan is reviewed annually.

### 2019-2020 Budget

Council adopted the 2019-2020 budget and supplementary rates and minimum payments at the Special Council Meeting on Thursday 1 August 2019.

An overall rating increase of 2% with 0% increase for residential waste charges was applied.

The Budget balanced the desire to limit the increase for ratepayers with the need to maintain a sustainable financial position, in the provision of key community services.

### Statutory Reports - Records Management

The role of the Shire's Records department is to ensure accurate and efficient capturing of 'records' into the Shire's Electronic Document Management System, while complying with the State Records Act 2000 and the Shire's Record Keeping Plan.

The Shire of Murray utilises the record system Content Manager, previously known as TRIM as its central record keeping management system.

#### Disposal or Deletion of Records

Under the State Records Act 2000, all records created, received and maintained by the Shire of Murray must be disposed of in accordance with the General Disposal Authority for Local Government Records.

The Disposal Authority defines the minimum periods of time that different classes of records must be kept (retention periods) and provides guidelines for destruction of records after they have met the retention requirements of the schedule.

## Awards and Accreditations

**2020 Western Australian Heritage Award**  
Contribution by a Public or Private Organisation

**Gold Waterwise Council Endorsement**

## Complaints

During the report period, no complaints were lodged regarding minor breaches, as defined in the local Government Rules of Conduct Regulations.

## Employees Paid Over \$100,000

Salary Band	No. of Employees
100,000 - 109,999	3
110,000 - 119,999	7
120,000 - 129,999	-
130,000 - 139,999	3
140,000 - 149,999	1
150,000 - 159,999	-
160,000 - 169,999	2
<b>Total</b>	<b>16</b>



Disposal of records occurs annually in accordance with the *State Records Act 2000*.

#### Training

Attendance at a Record Keeping induction session is compulsory for all staff that will create, collect and use records during their employment at the Shire of Murray.

#### Audits

Regular audits are carried out in relation to the location of files and the length of time that the file has been removed from the Records office. All documents entered into the Shire of Murray's records system are audited by qualified Record Management Officers to ensure the accuracy of these records.

#### Reports

Reports are carried out on a daily, weekly and monthly basis to ensure that correspondence is handled efficiently and promptly.

#### Freedom of Information

In accordance with the *Freedom of Information Act 1992* a total of twelve Freedom of Information applications were processed during the year.

### **5.3 Actively increase the level of engagement with the community**

#### **5.3.1 Establish and maintain a user focussed communication approach through which the community is informed, engaged and empowered**

#### **5.3.2 A participatory community to engage with the Shire to build better places**

##### **Communications and Engagement Strategy**

The Shire's Communications and Engagement Strategy was adopted by Council at the July 2019 Council Meeting.

In May 2020, the redevelopment of the Shire's website commenced, with OpenCities selected as the preferred supplier.

The OpenCities platform is enabling the Shire to develop a functional, user-focused website in line with best practice digital experience, that continually evolves and improves.

The new site is expected to be launched in March 2021.

In June 2020 Council adopted Community Engagement Policy (G15), to ensure that Shire of Murray community engagement is meaningful, consistent across the entire organisation and undertaken in accordance with industry best practice.

The Policy outlines minimum standards and requirements to ensure that:

1. Community members and other stakeholders are influential and involved in decision-making that affects their lives and/or business operations.
2. Community engagement is inclusive.
3. Community members and other stakeholders feel their input has been considered and appropriately reflected in the decisions made and actions taken.

Compliance with the policy will be monitored over the 2020-2021 financial year, with key staff expected to attend community engagement training.

### **5.4 Respond efficiently and effectively to the evolving needs of the community**

#### **5.4.1 Deliver efficient and effective Council services to the community**

##### **24/7 Response to the Community**

The Shire continued to provide a 24-hour, seven-day-a-week service for residents. Outside business hours, an external call centre attended to calls to the main line.

The details of all requests were documented and prioritised on the basis of risk to the community.

Shire officers attended to all issues requiring urgent attention.

##### **Corporate Business System**

On 1 July 2019, the Shire of Murray went "live" with a new enterprise resource planning software.

The project has spanned a number of years inclusive of project planning and product sourcing.

Implementation has enabled the Shire's move away from an outdated software system, to one that is modern and more agile.

While initially set for cloud hosting, shortly after implementation, on-premise hosting was deemed a more efficient option.

In the 2020-2021 financial year, the Shire will scope and launch the Community Engagement Platform (CEP).

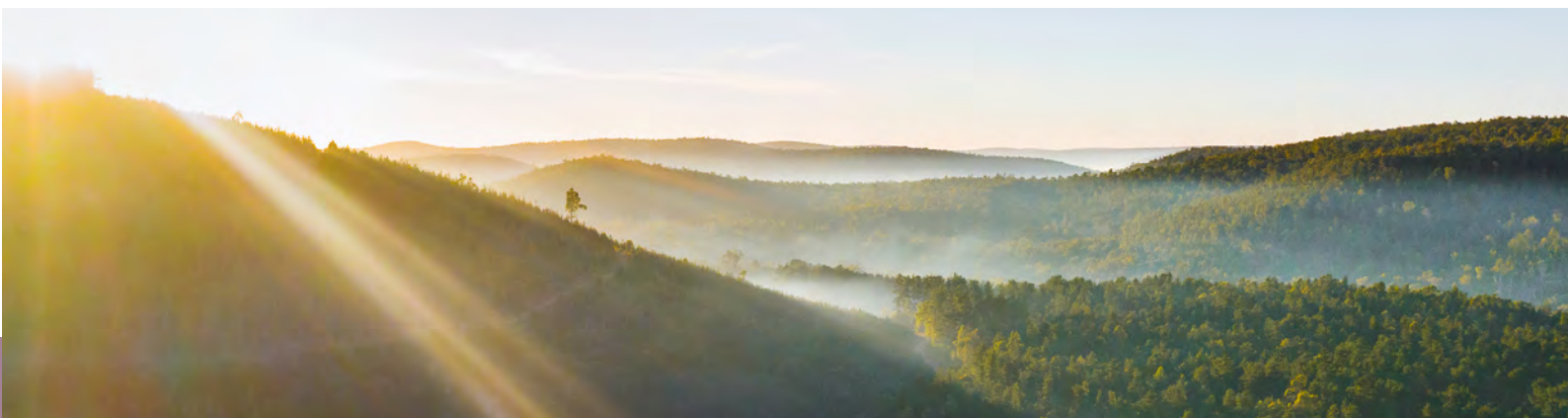
The CEP will allow community members to engage online with the Shire for a range of services including animal management, building and planning applications, online payments of rates, sundry debtors and infringements.

The Shire's website redevelopment is being undertaken concurrently with the implementation, to maximise synergies between the two projects.

### Public WiFi

The Shire's public WiFi registered 6,626 unique visitors over the year, with an average of 155 visitors per day. The total amount of data downloaded was 3.1TB and 271GB uploaded.

Public WiFi is available throughout the Pinjarra town centre extending to Edenvale Heritage Precinct and the Shire Administration Office, at Murray Aquatic and Leisure Centre, with smaller coverage areas at the Pinjarra Skate Park and Dwellingup History and Visitor Information Centre.



## Council Elections

The 2019 Local Government Election took place on Saturday 19 October.

There were five vacant Council positions and the Shire received nine candidate nominations.

A 25.63% return vote was realised through election efforts.

Murray's four re-nominating Councillors David Bolt, Ange Rogers, Steve Lee and Casey Rose were returned for a four-year term, with Stuart Kirkham elected for a two-year term. They joined sitting Councillors Douglas McLarty, Geoff Black, Brad Cardilini and Brenda Beacham.

On 24 October 2019, David Bolt and Douglas McLarty were elected by fellow Councillors to lead Council to 21 October 2021 as Shire President and Deputy Shire President respectively.

### Election Results

Candidate	Number of Votes	Expiry of Term
Bolt, David	2,227	21 October, 2023
Rogers, Ange	1,921	21 October, 2023
Lee, Steve	1,818	21 October, 2023
Rose, Casey	1,490	21 October, 2023
Kirkham, Stuart	1,426	16 October, 2021
Pike, David	1,293	-
Warr, Colleen	1,242	-
Thompson, Chris	1,014	-
Quirk, Tom	847	-



# Major Grant Funding



## Regional Road Group

Del Park Road	\$250,000
Coolup Road East	\$60,000
Burnside Road	\$250,000
Lakes Road	\$246,670
Paterson Road	\$253,333

## Commodity Route Supplementary

Kirkham Road	\$120,000
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## Direct Grant 2019/20

Burnside Road Traffic Bridge	\$512,242
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Australian Government

Department of Infrastructure, Transport,  
Regional Development and Communications

## Roads to Recovery

\$551,606

## North Yunderup Road Traffic Bridge

\$541,679

## Building Better Regions Fund

Dwellingup Trails and Visitor Centre \$273,909

## Western Australian Food Innovation Precinct

\$4,350,000

## Pinjarra War Memorial Relocation

\$20,000



## 2020 Community Partnership

\$269,283

## Dwellingup Community Assistance Scheme

\$30,000

## Dwellingup Trails and Visitor Centre

\$100,000

## Dwellingup Futures Project

\$10,000

## Del Park Road Maintenance Works

\$70,000



Department of  
Primary Industries and  
Regional Development

## WA Open for Business

Innovation Voucher

\$1,500,000

## Peel Business Park Environmental Assessment

\$44,260

## Dwellingup Trails and Visitor Centre

\$150,000

## Edenvale Heritage Precinct

\$10,000

## Fiegiert Road Drainage

\$130,000



## Transform Peel Project

\$73,666

## Dwellingup Trails and Visitor Centre

\$296,221

## Dwellingup Futures Project

\$100,000



## Volunteer Bushfire Brigades

\$240,568

## Murray State Emergency Service

\$42,235

## Community Emergency Service Coordinator

\$37,412



Department of **Local Government,  
Sport and Cultural Industries**  
WA Local Government Grants Commission

**Murray River Foreshore  
2019 Pinjarra Festival**

**\$300,000  
\$13,000**

**General Purpose Grant  
Untied Roads Grant**

**\$918,878  
\$844,503**



Department of **Health**

**Safer Communities WA  
CCTV Program**

**\$18,015**



Department of **Planning,  
Lands and Heritage**

**CHRMAP**  
Coastal Hazard Risk Management and  
Adaptation Planning Strategy

**\$37,500**



**Project**  
Murray Alliance Against Depression

**\$50,000**



Department of **Jobs, Tourism, Science  
and Innovation**

**STEM Program**

**\$10,000**



**Road Upgrade**  
Contribution to Kirkham Road

**\$60,000**



**Australian Government**  
Department of **Industry, Science,  
Energy and Resources**

**Dwellingup Trails Project**

**\$407,821**

**Photography Acknowledgement:**

Josh Cowling Photography: Front page mountain bike and group image and pages 32, 36 and 39

Chad Gerber Photography: Pages 2, 3, 11, 37 and 43

Visit Mandurah and Russell Ord Photography: Pages 4 and 5



# Annual Financial Report

2019 - 2020



**SHIRE OF MURRAY**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**COMMUNITY VISION**

By 2030, the Shire of Murray will be a place where business thrives, we protect our environment, and all people enjoy an outstanding quality of life.  
We will be an organisation with a can-do attitude that strives for service excellence, continued improvement and a commitment to outcomes.

Principal place of business:  
1915 Pinjarra Road  
PINJARRA WA 6208



**SHIRE OF MURRAY  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Murray for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the Shire of Murray at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the

16<sup>th</sup>

day of

February

2021



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Chief Executive Officer

Dean Unsworth

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Name of Chief Executive Officer

**SHIRE OF MURRAY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Revenue</b>				
Rates	26(a)	17,298,421	17,339,747	16,441,728
Operating grants, subsidies and contributions	2(a)	3,683,651	2,644,299	3,381,351
Fees and charges	2(a)	5,653,767	5,501,156	5,685,837
Interest earnings	2(a)	448,771	597,242	675,024
Other revenue	2(a)	534,357	228,597	727,901
		27,618,967	26,311,041	26,911,841
<b>Expenses</b>				
Employee costs		(11,337,396)	(12,282,175)	(11,694,233)
Materials and contracts		(8,741,421)	(10,952,157)	(8,463,161)
Utility charges		(810,921)	(883,620)	(816,753)
Depreciation on non-current assets	11(b)	(6,366,695)	(6,359,353)	(6,175,944)
Interest expenses	2(b)	(146,331)	(137,434)	(155,245)
Insurance expenses		(416,998)	(423,353)	(401,278)
Other expenditure		(529,894)	(471,421)	(640,093)
		(28,349,656)	(31,509,513)	(28,346,707)
		(730,689)	(5,198,472)	(1,434,866)
Non-operating grants, subsidies and contributions	2(a)	6,878,532	12,177,958	3,778,712
Profit on asset disposals	11(a)	2,290	503	17,301
Profit on financial assets		0	0	0
(Loss) on asset disposals	11(a)	(106,788)	(132,724)	(60,959)
Fair value adjustments to financial assets at fair value through profit or loss		1,441	0	0
		6,775,475	12,045,737	3,735,054
<b>Net result for the period</b>		<b>6,044,786</b>	<b>6,847,265</b>	<b>2,300,188</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	19,731,631	0	0
<b>Total other comprehensive income for the period</b>		<b>19,731,631</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>25,776,417</b>	<b>6,847,265</b>	<b>2,300,188</b>

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



**SHIRE OF MURRAY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Revenue</b>				
Governance	2(a)	232,721	25,712	175,948
General purpose funding		19,725,218	18,766,574	18,867,054
Law, order, public safety		677,721	668,240	736,379
Health		30,819	136,633	133,424
Education and welfare		70,362	116,713	104,492
Housing		21,361	25,352	28,728
Community amenities		3,476,113	3,299,442	3,546,606
Recreation and culture		1,007,840	1,099,664	1,304,337
Transport		398,038	427,647	712,736
Economic services		1,023,742	1,297,715	673,621
Other property and services		955,032	447,349	628,516
		<b>27,618,967</b>	<b>26,311,041</b>	<b>26,911,841</b>
<b>Expenses</b>				
Governance	2(b)	(1,980,624)	(1,972,120)	(2,076,084)
General purpose funding		(437,763)	(376,628)	(429,686)
Law, order, public safety		(1,662,941)	(1,712,548)	(1,547,314)
Health		(561,043)	(630,784)	(699,051)
Education and welfare		(215,526)	(291,931)	(262,696)
Housing		(31,289)	(33,306)	(34,366)
Community amenities		(5,146,715)	(5,864,974)	(5,181,648)
Recreation and culture		(7,527,217)	(7,682,433)	(6,479,533)
Transport		(7,291,507)	(8,751,229)	(8,628,496)
Economic services		(2,379,902)	(3,230,011)	(2,297,705)
Other property and services		(968,798)	(826,115)	(554,883)
		<b>(28,203,325)</b>	<b>(31,372,079)</b>	<b>(28,191,462)</b>
<b>Finance Costs</b>				
Governance	2(b)	(23,477)	(24,209)	(31,487)
General purpose funding		(516)	0	0
Housing		(27,377)	0	0
Recreation and culture		(67,528)	(57,848)	(66,225)
Transport		(507)	(27,420)	(28,461)
Economic services		(26,926)	(27,957)	(29,072)
		<b>(146,331)</b>	<b>(137,434)</b>	<b>(155,245)</b>
		<b>(730,689)</b>	<b>(5,198,472)</b>	<b>(1,434,866)</b>
Non-operating grants, subsidies and contributions	2(a)	6,878,532	12,177,958	3,778,712
Profit on disposal of assets	11(a)	2,290	503	17,301
(Loss) on disposal of assets	11(a)	(106,788)	(132,724)	(60,959)
Fair value adjustments to financial assets at fair value through profit or loss		1,441	0	0
		<b>6,775,475</b>	<b>12,045,737</b>	<b>3,735,054</b>
<b>Net result for the period</b>		<b>6,044,786</b>	<b>6,847,265</b>	<b>2,300,188</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	13	19,731,631	0	0
<b>Total other comprehensive income for the period</b>		<b>19,731,631</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>25,776,417</b>	<b>6,847,265</b>	<b>2,300,188</b>

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

**SHIRE OF MURRAY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	NOTE	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	19,215,880	16,291,661
Trade and other receivables	6	5,422,882	2,687,143
Other financial assets	5(a)	41,243	40,399
Inventories	7	933,266	30,094
Other assets	8	43,814	110,547
<b>TOTAL CURRENT ASSETS</b>		<b>25,657,085</b>	<b>19,159,844</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	552,727	449,760
Other financial assets	5(b)	109,971	149,773
Property, plant and equipment	9	66,526,157	63,524,885
Infrastructure	10	230,939,787	210,047,510
Right of use assets	12(a)	251,495	0
<b>TOTAL NON-CURRENT ASSETS</b>		<b>298,380,137</b>	<b>274,171,928</b>
<b>TOTAL ASSETS</b>		<b>324,037,222</b>	<b>293,331,772</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	2,696,480	3,090,196
Contract liabilities	15	5,557,547	0
Lease liabilities	16(a)	44,396	0
Borrowings	17(a)	529,208	535,268
Employee related provisions	18	2,307,069	2,366,226
<b>TOTAL CURRENT LIABILITIES</b>		<b>11,134,700</b>	<b>5,991,690</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	16(a)	186,777	0
Borrowings	17(a)	3,528,135	2,902,342
Employee related provisions	18	219,978	203,339
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,934,890</b>	<b>3,105,681</b>
<b>TOTAL LIABILITIES</b>		<b>15,069,590</b>	<b>9,097,371</b>
<b>NET ASSETS</b>		<b>308,967,632</b>	<b>284,234,401</b>
<b>EQUITY</b>			
Retained surplus		111,659,661	106,260,340
Reserves - cash backed	4	8,859,313	9,257,034
Revaluation surplus	13	188,448,658	168,717,027
<b>TOTAL EQUITY</b>		<b>308,967,632</b>	<b>284,234,401</b>

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



**SHIRE OF MURRAY**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 1 July 2018</b>		<b>103,149,038</b>	<b>10,068,148</b>	<b>168,717,027</b>	<b>281,934,213</b>
Comprehensive income					
Net result for the period		2,300,188	0	0	2,300,188
Total comprehensive income		2,300,188	0	0	2,300,188
Transfers from reserves	4	5,764,910	(5,764,910)	0	0
Transfers to reserves	4	(4,953,796)	4,953,796	0	0
<b>Balance as at 30 June 2019</b>		<b>106,260,340</b>	<b>9,257,034</b>	<b>168,717,027</b>	<b>284,234,401</b>
Change in accounting policy	29(d)	(1,043,186)	0	0	(1,043,186)
<b>Restated total equity at 1 July 2019</b>		<b>105,217,154</b>	<b>9,257,034</b>	<b>168,717,027</b>	<b>283,191,215</b>
Comprehensive income					
Net result for the period		6,044,786	0	0	6,044,786
Other comprehensive income	13	0	0	19,731,631	19,731,631
Total comprehensive income		6,044,786	0	19,731,631	25,776,417
Transfers from reserves	4	4,864,193	(4,864,193)	0	0
Transfers to reserves	4	(4,466,472)	4,466,472	0	0
<b>Balance as at 30 June 2020</b>		<b>111,659,661</b>	<b>8,859,313</b>	<b>188,448,658</b>	<b>308,967,632</b>

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

**SHIRE OF MURRAY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		16,454,624	18,122,757	16,470,299
Operating grants, subsidies and contributions		6,183,509	2,804,299	3,002,612
Fees and charges		5,653,767	5,511,156	5,922,256
Interest received		448,771	597,242	676,596
Goods and services tax received		1,614,985	1,231,604	1,909,055
Other revenue		534,357	228,597	727,901
		30,890,013	28,495,655	28,708,719
<b>Payments</b>				
Employee costs		(11,359,435)	(12,158,700)	(11,573,596)
Materials and contracts		(9,086,965)	(11,901,249)	(7,457,034)
Utility charges		(810,921)	(883,620)	(816,753)
Interest expenses		(146,331)	(157,434)	(158,280)
Insurance paid		(416,998)	(423,353)	(401,278)
Goods and services tax paid		(1,595,391)	(1,273,055)	(2,015,545)
Other expenditure		(529,894)	(471,421)	(640,093)
		(23,945,935)	(27,268,832)	(23,062,579)
<b>Net cash provided by (used in) operating activities</b>	19	6,944,078	1,226,823	5,646,140
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for financial assets at fair values through profit and loss		0	0	(87,586)
Payments for purchase of property, plant & equipment	9(a)	(5,919,429)	(11,148,365)	(3,779,321)
Payments for construction of infrastructure	10(a)	(6,062,490)	(8,499,120)	(5,323,995)
Non-operating grants, subsidies and contributions	2(a)	6,878,532	12,177,958	3,778,712
Proceeds from financial assets at amortised cost - self supporting loans		40,399	40,399	39,571
Proceeds from sale of property, plant & equipment	11(a)	467,573	911,070	347,100
<b>Net cash provided by (used in) investment activities</b>		(4,595,415)	(6,518,058)	(5,025,519)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	17(b)	(535,267)	(535,268)	(548,315)
Payments for principal portion of lease liabilities	16(b)	(44,177)		
Proceeds from new borrowings	17(b)	1,155,000	1,155,000	322,000
<b>Net cash provided by (used in) financing activities</b>		575,556	619,732	(226,315)
<b>Net increase (decrease) in cash held</b>		2,924,219	(4,671,503)	394,306
Cash at beginning of year		16,291,661	15,419,743	15,897,355
<b>Cash and cash equivalents at the end of the year</b>	19	19,215,880	10,748,240	16,291,661

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



**SHIRE OF MURRAY  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	27 (b)	5,002,991	5,167,371	4,732,672
		5,002,991	5,167,371	4,732,672
<b>Revenue from operating activities (excluding rates)</b>				
Governance		232,721	25,712	176,850
General purpose funding		2,618,764	1,617,891	2,614,129
Law, order, public safety		677,721	668,240	736,379
Health		30,819	136,633	133,424
Education and welfare		70,362	116,713	104,492
Housing		21,361	25,352	28,728
Community amenities		3,476,113	3,299,442	3,546,606
Recreation and culture		1,008,950	1,100,167	1,310,344
Transport		398,038	427,647	723,128
Economic services		1,023,742	1,297,715	673,621
Other property and services		957,653	447,349	628,516
		10,516,244	9,162,861	10,676,217
<b>Expenditure from operating activities</b>				
Governance		(2,004,101)	(2,009,916)	(2,112,976)
General purpose funding		(438,279)	(376,628)	(429,686)
Law, order, public safety		(1,662,941)	(1,731,157)	(1,555,006)
Health		(561,043)	(633,897)	(699,842)
Education and welfare		(215,526)	(291,931)	(262,696)
Housing		(58,666)	(33,306)	(34,366)
Community amenities		(5,146,715)	(5,871,431)	(5,182,926)
Recreation and culture		(7,594,745)	(7,748,565)	(6,553,105)
Transport		(7,292,014)	(8,861,323)	(8,684,648)
Economic services		(2,406,828)	(3,257,968)	(2,327,649)
Other property and services		(1,075,586)	(826,115)	(564,766)
		(28,456,444)	(31,642,237)	(28,407,666)
Non-cash amounts excluded from operating activities	27(a)	5,340,238	5,468,959	6,189,563
<b>Amount attributable to operating activities</b>		(7,596,971)	(11,843,046)	(6,809,214)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	2(a)	6,878,532	12,177,958	3,778,712
Proceeds from disposal of assets	11(a)	467,573	911,070	347,100
Proceeds from financial assets at amortised cost - self supporting loans		40,399	40,399	39,571
Purchase of property, plant and equipment	9(a)	(5,919,429)	(11,148,365)	(3,779,321)
Purchase and construction of infrastructure	10(a)	(6,062,490)	(8,499,120)	(5,323,995)
Payments of land held for resale		0	(201,807)	0
<b>Amount attributable to investing activities</b>		(4,595,415)	(6,719,865)	(4,937,933)
<b>FINANCING ACTIVITIES</b>				
Units in Local Government House Trust		0	0	(87,586)
Repayment of borrowings	17(b)	(535,267)	(535,268)	(548,315)
Proceeds from borrowings	17(c)	1,155,000	1,155,000	322,000
Payments for principal portion of lease liabilities	16(b)	(44,177)	0	0
Transfers to reserves (restricted assets)	4	(4,466,472)	(4,015,637)	(4,953,796)
Transfers from reserves (restricted assets)	4	4,864,193	6,277,882	5,764,910
<b>Amount attributable to financing activities</b>		973,277	2,881,977	497,213
<b>Surplus/(deficit) before imposition of general rates</b>		(11,219,109)	(15,680,934)	(11,249,934)
<b>Total amount raised from general rates</b>	26(a)	17,106,454	17,148,683	16,252,925
<b>Surplus/(deficit) after imposition of general rates</b>	27(b)	<b>5,887,345</b>	<b>1,467,749</b>	<b>5,002,991</b>

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

**SHIRE OF MURRAY**  
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**FOR THE YEAR ENDED 30 JUNE 2020**

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## **1. 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) and Interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Prior to 1 July 2019, Financial Management Regulation 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the Shire. This was not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

From 1 July 2019, the Shire has applied AASB 16 Leases which requires leases to be included by lessees in the balance sheet. Also, the Local Government (Financial Management) Regulations 1996 have been amended to specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the balance sheet) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings, or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

### **NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS**

On 1 July 2020 the following new accounting standards are to be adopted:

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 Service Concession Arrangements: Grantors is not expected to impact the financial report.

Specific impacts of AASB 2018-7 Amendments to Australian Accounting Standards - Materiality, have not been identified.

### **CRITICAL ACCOUNTING ESTIMATES**

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 Shire 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.

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**2. REVENUE AND EXPENSES**

**REVENUE RECOGNITION POLICY**

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates / Service charges / Waste collection	General Rates, waste collection, kerbside collection	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants / Fees and charges / Other revenue	General appropriations and contributions with no reciprocal commitment, cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by Council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool and other inspections	Compliance safety check / Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Apportioned equally across the inspection cycle	No refunds	Revenue recognised after inspection event occurs
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed



**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**2. REVENUE AND EXPENSES**

**(a) Grant revenue**

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

	2020 Actual \$	2020 Budget \$	2019 Actual \$
<b>Operating grants, subsidies and contributions</b>			
General purpose funding	2,035,214	856,269	1,784,243
Law, order, public safety	502,841	519,024	539,950
Education and welfare	65,074	130,074	101,795
Community amenities	26,673	17,973	79,322
Recreation and culture	85,079	120,090	208,206
Transport	340,073	245,156	546,042
Economic services	578,846	755,713	121,793
Other property and services	49,851	0	
	3,683,651	2,644,299	3,381,351
<b>Non-operating grants, subsidies and contributions</b>			
General purpose funding	0	259,283	256,462
Law, order, public safety	18,015	0	145,032
Community amenities	0	85,000	0
Recreation and culture	1,129,390	940,000	719,199
Transport	3,362,675	3,111,733	2,102,019
Economic services	2,368,452	7,781,942	556,000
	6,878,532	12,177,958	3,778,712
<b>Total grants, subsidies and contributions</b>	10,562,183	14,822,257	7,160,063
<b>Fees and charges</b>			
Governance	4,521	307	366
General purpose funding	134,778	153,380	150,600
Law, order, public safety	126,052	125,690	161,835
Health	30,819	122,559	133,424
Education and welfare	2,144	109	1,715
Housing	20,311	25,220	28,496
Community amenities	3,445,620	3,265,939	3,375,612
Recreation and culture	676,622	892,667	822,888
Transport	57,493	35,176	21,647
Economic services	419,902	521,310	519,904
Other property and services	735,505	358,799	469,350
	5,653,767	5,501,156	5,685,837

**SIGNIFICANT ACCOUNTING POLICIES**

**Grants, subsidies and contributions**

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

**Fees and Charges**

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

**Contracts with customers and transfers for recognisable non-financial assets**

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire was recognised during the year for the following nature or types of goods or services:

Non-operating grants, subsidies and contributions

Revenue from contracts with customers and transfers to enable the acquisition or construction of recognisable non-financial assets to be controlled by the Shire is comprised of:

Contracts with customers included as a contract liability at the start of the period

Other revenue from performance obligations satisfied during the year

Information about receivables, contract assets and contract liabilities from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

Trade and other receivables from contracts with customers

Contract liabilities from contracts with customers

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Non-operating grants, subsidies and contributions	6,878,532	12,177,958	3,778,712
	6,878,532	12,177,958	3,778,712
Contracts with customers included as a contract liability at the start of the period	1,043,186		
Other revenue from performance obligations satisfied during the year	5,835,346	12,177,958	3,778,712
	6,878,532	12,177,958	3,778,712
Trade and other receivables from contracts with customers	2,868,980		
Contract liabilities from contracts with customers	(5,557,547)		0

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at 30 June 2020.

Assets associated with contracts with customers were not subject to an impairment charge.

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

Consideration from contracts with customers is included in the transaction price.

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

**Revenue from statutory requirements**

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

General rates

Specified area rates

**Other revenue**

Reimbursements and recoveries

Other

**Interest earnings**

Financial assets at amortised cost - self supporting loans

Interest on reserve funds

Rates instalment and penalty interest (refer Note 26(d))

Other interest earnings

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	17,250,278	17,312,291	16,805,764
Specified area rates	191,967	191,064	188,802
	17,442,245	17,503,355	16,994,566
Reimbursements and recoveries	255,318	138,586	265,528
Other	279,039	90,011	462,373
	534,357	228,597	727,901
Financial assets at amortised cost - self supporting loans	1,925	2,460	3,233
Interest on reserve funds	89,461	175,000	217,414
Rates instalment and penalty interest (refer Note 26(d))	308,145	272,242	290,951
Other interest earnings	49,240	147,540	163,426
	448,771	597,242	675,024

**SIGNIFICANT ACCOUNTING POLICIES**

**Interest earnings**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**Interest earnings (continued)**

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.



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**2. REVENUE AND EXPENSES (Continued)**

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report
- Grant acquittal audits
- Financial Management Systems Review

**Interest expenses (finance costs)**

- Borrowings
- Interest expense
- Lease liabilities

**Other expenditure**

- Sundry expenses

Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
	12,700	31,000	17,800
	3,280	5,000	2,620
	0	0	4,500
	15,980	36,000	24,920
17(b)	116,506	137,434	155,245
	24,566	0	0
16(b)	5,259		
	146,331	137,434	155,245
	529,894	471,421	640,093
	529,894	471,421	640,093

SHIRE OF MURRAY  
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3. CASH AND CASH EQUIVALENTS

NOTE	2020	2019
	\$	\$
Cash at bank and on hand	19,215,880	14,273,610
Term deposits	0	2,018,051
<b>Total cash and cash equivalents</b>	<b>19,215,880</b>	<b>16,291,661</b>
<b>Restrictions</b>		
- Cash and cash equivalents	14,416,860	9,257,034
	<b>14,416,860</b>	<b>9,257,034</b>

The restricted assets are a result of the following specific purposes to which the assets may be used:

Reserves - cash backed	4	8,859,313	9,257,034
Contract liabilities from contracts with customers	15	5,557,547	0
<b>Total restricted assets</b>		<b>14,416,860</b>	<b>9,257,034</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

**Restricted assets**

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

**SHIRE OF MURRAY**  
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**4. RESERVES - CASH BACKED**

	2020 Actual Opening Balance	2020 Actual Transfer to	2020 Actual Transfer (from)	2020 Actual Closing Balance	2020 Budget Opening Balance	2020 Budget Transfer to	2020 Budget Transfer (from)	2020 Budget Closing Balance	2019 Actual Opening Balance	2019 Actual Transfer to	2019 Actual Transfer (from)	2019 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave Reserve	597,002	0	0	597,002	597,002	0	0	597,002	597,002	0	0	597,002
(b) Workers Compensation Reserve	198,003	0	0	198,003	198,003	0	0	198,003	198,003	0	0	198,003
(c) Waste Management Reserve	2,351,685	3,186,883	(2,852,315)	2,686,253	2,351,685	3,058,275	(3,751,306)	1,658,654	2,076,488	3,270,888	(2,995,691)	2,351,685
(d) Peel Mosquito Management Reserve	15,856	1,328	0	17,184	15,856	2,300	0	18,156	13,162	2,694	0	15,856
(e) Unspent Grants, Contributions & Loans Reserve	1,043,186	0	(1,043,186)	0	1,054,186	0	(1,054,186)	0	2,087,857	388,093	(1,432,764)	1,043,186
(f) Yunderup Canal General Maintenance Reserve	244,055	51,242	(13,947)	281,350	244,055	51,152	(35,716)	259,491	200,818	50,439	(7,202)	244,055
(g) Willow Gardens General Canal Maintenance Reserve	68,568	6,411	(1,627)	73,352	68,568	6,371	(4,167)	70,772	63,163	6,246	(841)	68,568
(h) Murray Lakes General Canal Maintenance Reserve	322,700	32,050	(7,671)	347,079	322,700	32,001	(19,644)	335,057	302,774	31,396	(11,470)	322,700
(i) Entrance Channel Reserve	102,324	116,044	(8,706)	209,662	102,324	115,582	(86,297)	131,609	330,048	113,930	(341,654)	102,324
(j) Austin Lakes Phase 2 Maintenance Reserve	193,982	44,243	0	238,225	193,982	43,749	0	237,731	150,226	43,756	0	193,982
(k) Asset Enhancement Reserve	824,231	300,677	(437,449)	687,459	824,231	340,000	(553,372)	610,859	1,668,449	60,000	(904,218)	824,231
(l) Building Renewal Reserve	184,358	50,702	0	235,060	184,358	50,702	0	235,060	120,455	63,903	0	184,358
(m) Plant & Vehicle Reserve	845,869	0	(193,702)	652,167	845,869	0	(193,702)	652,167	711,494	134,375	0	845,869
(n) Road, Drainage & Pathway Reserve	256,474	125,622	(142,065)	240,031	256,474	30,240	(142,065)	144,649	235,551	53,929	(33,006)	256,474
(o) Parks & Recreation Reserve	216,052	128,128	0	344,180	216,052	128,128	0	344,180	181,408	34,644	0	216,052
(p) Heritage Rail Precinct Reserve	59,834	23,183	(30,827)	52,190	59,834	44,270	(12,755)	91,349	22,973	52,319	(15,458)	59,834
(q) General Developers Reserve	657,910	290,493	(82,577)	865,826	657,910	0	(392,143)	265,767	142,823	515,087	0	657,910
(r) Austin Lakes Asset Replacement Reserve	659,738	7,365	0	667,103	659,738	21,500	0	681,238	642,640	17,098	0	659,738
(s) Murray Leisure Centre Capital Reserve	296,214	47,873	(28,818)	315,269	296,214	47,873	0	344,087	231,631	64,583	0	296,214
(t) Herron Point Reserve	118,993	54,228	(21,303)	151,918	118,993	43,494	(32,529)	129,958	91,183	50,416	(22,606)	118,993
	9,257,034	4,466,472	(4,864,193)	8,859,313	9,268,034	4,015,637	(6,277,882)	7,005,789	10,068,148	4,953,796	(5,764,910)	9,257,034

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

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:



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<b>Name of Reserve</b>	<b>Anticipated date of use</b>	<b>Purpose of the reserve</b>
(a) Leave Reserve	Ongoing	Provision for employees and ex-employees leave/termination entitlements.
(b) Workers Compensation Reserve	Ongoing	To provide contingency funds for the annual workers compensation insurance premium under the performance based contributions scheme.
(c) Waste Management Reserve	Ongoing	To provide for current and future waste management services for the Shire of Murray.
(d) Peel Mosquito Management Reserve	Ongoing	To provide contingency funds for the Peel Mosquito Management Group as per the CLAG memorandum of understanding.
(e) Unspent Grants, Contributions & Loans Reserve	2019-20	For the placement of grants, contributions and loan funding that is unlikely to be expended in the current financial year.
(f) Yunderup Canal General Maintenance Reserve	Ongoing	To receive specified area rates to be used in maintaining the canal waterway and associated infrastructure.
(g) Willow Gardens General Canal Maintenance Res	Ongoing	To receive specified area rates to be used in maintaining the canal waterway and associated infrastructure.
(h) Murray Lakes General Canal Maintenance Reser	Ongoing	To receive specified area rates to be used in maintaining the canal waterway and associated infrastructure.
(i) Entrance Channel Reserve	Ongoing	To receive specified area rates for the purpose of dredging the entrance channel to Yunderup Estate and Murray Waters.
(j) Austin Lakes Phase 2 Maintenance Reserve	Ongoing	To receive specified area rates for the purpose of maintaining the lake and public open space in Austin Lakes Phase 2.
(k) Asset Enhancement Reserve	Ongoing	Provision for the construction, acquisition, upgrade or maintenance of property, plant & equipment, excluding heavy plant and light vehicles.
(l) Building Renewal Reserve	Ongoing	Provision for the renewal of building assets.
(m) Plant & Vehicle Reserve	Ongoing	Provision for the replacement or purchase of heavy plant and light vehicles.
(n) Road, Drainage & Pathway Reserve	Ongoing	Provision for the construction, upgrade or renewal of infrastructure assets.
(o) Parks & Recreation Reserve	Ongoing	Provision for the construction, upgrade or renewal of infrastructure assets associated with parks, recreation, waterways and streetscapes.
(p) Heritage Rail Precinct Reserve	Ongoing	Provision for the upgrade and maintenance of the rail heritage building and surrounding precinct.
(q) General Developers Reserve	Ongoing	To receive developer's contributions to assist in the construction or upgrade of infrastructure associated with new land developments.
(r) Austin Lakes Asset Replacement Reserve	Ongoing	To receive developer's contributions to assist in the repair, maintenance and replacement of major infrastructure associated with the lake development at Austin Lakes Estate and to assist in maintaining lake water quality.
(s) Murray Leisure Centre Capital Reserve	Ongoing	Provision for the renewal of capital items at the Murray Aquatic & Leisure Centre.
(t) Herron Point Reserve	Ongoing	To receive excess revenue proceeds from the Herron Point Camping Grounds to assist in the future upgrade and development of the area.

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**5. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

2020	2019
\$	\$
41,243	40,399
41,243	40,399

**Other financial assets at amortised cost**

Self supporting loans

41,243	40,399
41,243	40,399

**(b) Non-current assets**

Financial assets at amortised cost

Financial assets at fair value through profit and loss

20,944	62,187
89,027	87,586
109,971	149,773

**Financial assets at amortised cost**

Self supporting loans

20,944	62,187
20,944	62,187

**Financial assets at fair value through profit and loss**

Units in Local Government House Trust

89,027	87,586
89,027	87,586

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 17(b) as self supporting loans.

**SIGNIFICANT ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

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

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

**Financial assets at fair value through profit and loss**

The Shire classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has not elected to recognise fair value gains and losses through other comprehensive income.

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 28.

## 6. TRADE AND OTHER RECEIVABLES

### Current

Rates receivable	
Trade and other receivables	
GST receivable	
ATO asset	
Allowance for impairment of receivables	
Accrued income	
Accrued interest	

### Non-current

Pensioner's rates and ESL deferred	
------------------------------------	--

2020	2019
\$	\$
2,422,597	1,681,767
2,868,980	879,435
105,728	125,322
0	2,311
(11,835)	(4,623)
37,412	0
0	2,931
5,422,882	2,687,143
552,727	449,760
552,727	449,760

### SIGNIFICANT ACCOUNTING POLICIES

#### 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.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

#### Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 28.

### SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Classification and subsequent measurement

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.

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

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



## 7. INVENTORIES

### Current

Fuel and materials  
Land held for resale - cost  
Cost of acquisition

The following movements in inventories occurred during the year:

### Carrying amount at beginning of period

Inventories expensed during the year

Additions to inventory

### Carrying amount at end of period

2020	2019
\$	\$
28,176	30,094
905,090	0
933,266	30,094
30,094	36,174
(269,725)	(277,124)
1,172,897	271,044
933,266	30,094

## SIGNIFICANT ACCOUNTING POLICIES

### 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 resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

### Land held for resale (Continued)

Borrowing 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 onto the buyer at this point.

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

## 8. OTHER ASSETS

### Other assets - current

#### Prepayments

2020	2019
\$	\$
43,814	110,547
43,814	110,547

### SIGNIFICANT ACCOUNTING POLICIES

#### Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

#### Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

#### Non-current assets held for sale (Continued)

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 31(h).

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## 9. PROPERTY, PLANT AND EQUIPMENT

### (a) 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 - freehold land	Land - vested in and under the control of Council	Total land	Buildings	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	14,928,070	(1,126,541)	14,935,070	40,941,316	40,941,316	55,876,386	350,628	5,251,738	61,478,752
Additions	1,133,541	1,133,541	1,133,541	1,465,037	1,465,037	2,598,578	147,702	1,033,041	3,779,321
(Disposals)	0	0	0	(12,540)	(12,540)	(12,540)	(5,968)	(372,250)	(390,758)
Depreciation (expense)			0	(748,709)	(748,709)	(748,709)	(69,497)	(524,224)	(1,342,430)
Transfers			0		0	0	18,019	(18,019)	0
<b>Carrying amount at 30 June 2019</b>	16,061,611	7,000	16,068,611	41,645,104	41,645,104	57,713,715	440,884	5,370,286	63,524,885
<b>Comprises:</b>									
Gross carrying amount at 30 June 2019	16,061,611	7,000	16,068,611	43,130,850	43,130,850	59,199,461	610,154	6,625,510	66,435,125
Accumulated depreciation at 30 June 2019	0	0	0	(1,485,746)	(1,485,746)	(1,485,746)	(169,270)	(1,255,224)	(2,910,240)
<b>Carrying amount at 30 June 2019</b>	16,061,611	7,000	16,068,611	41,645,104	41,645,104	57,713,715	440,884	5,370,286	63,524,885
Additions	1,316,317	0	1,316,317	3,020,495	3,020,495	4,336,812	441,961	1,140,656	5,919,429
(Disposals)	(125,000)	0	(125,000)	0	0	(125,000)	0	(447,071)	(572,071)
Revaluation increments / (decrements) transferred to revaluation surplus	0	(7,000)	(7,000)	0	0	(7,000)	0	0	(7,000)
Depreciation (expense)	0		0	(772,511)	(772,511)	(772,511)	(72,185)	(589,300)	(1,433,996)
Transfers	(905,090)	0	(905,090)	0	0	(905,090)	0	0	(905,090)
<b>Carrying amount at 30 June 2020</b>	16,347,838	0	16,347,838	43,893,088	43,893,088	60,240,926	810,660	5,474,571	66,526,157
<b>Comprises:</b>									
Gross carrying amount at 30 June 2020	16,347,838	0	16,347,838	46,151,345	46,151,345	62,499,183	1,055,311	7,017,167	70,571,661
Accumulated depreciation at 30 June 2020	0	0	0	(2,258,257)	(2,258,257)	(2,258,257)	(244,651)	(1,542,596)	(4,045,504)
<b>Carrying amount at 30 June 2020</b>	16,347,838	0	16,347,838	43,893,088	43,893,088	60,240,926	810,660	5,474,571	66,526,157



SHIRE OF MURRAY  
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9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
<b>Land and buildings</b>					
Land - freehold land	2/3	Market approach using recent observable market for similar properties	Independent valuers	June 2017	Price per hectare
Land - vested in and under the control of Council	3	The leasehold value has been calculated based on the net present value of the remaining period of the ground lease between the Shire of Murray and the Pinjarra Golf Club	Independent valuers	June 2017	Leasehold interest only
Buildings	2	Market approach using recent observable market for similar properties	Management valuation	June 2017	Price per square metre
Buildings - specialised	2/3	Market approach using recent observable market for similar properties	Independent valuers	June 2017	Purchase costs
<b>Furniture and equipment</b>	3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Purchase costs and current condition (Level 3) and remaining useful life assessments (Level 3)
<b>Plant and equipment</b>					
- Management valuation 2020	2	Market approach using recent observable market data for similar items	Independent valuers	June 2016	Price per item
- Independent valuation 2015	3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Purchase costs and current condition (Level 3), residual values and remaining useful life assessments (Level 3)

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

SHIRE OF MURRAY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020

## 10. INFRASTRUCTURE

### (a) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Bridges	Infrastructure - Other	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	136,980,688	8,126,257	26,865,749	22,337,500	15,246,835	209,557,029
Additions	3,159,748	213,107	23,803	288,042	1,639,295	5,323,995
Depreciation (expense)	(2,845,294)	(225,137)	(384,072)	(734,384)	(644,627)	(4,833,514)
Carrying amount at 30 June 2019	137,295,142	8,114,227	26,505,480	21,891,158	16,241,503	210,047,510
Comprises:						
Gross carrying amount at 30 June 2019	181,501,929	11,254,476	38,431,024	48,248,542	22,922,899	302,358,870
Accumulated depreciation at 30 June 2019	(44,206,787)	(3,140,249)	(11,925,544)	(26,357,384)	(6,681,396)	(92,311,360)
Carrying amount at 30 June 2019	137,295,142	8,114,227	26,505,480	21,891,158	16,241,503	210,047,510
Additions	3,193,244	216,249	361,614	509,006	1,782,377	6,062,490
Revaluation increments / (decrements) transferred to revaluation surplus	19,738,631					19,738,631
Depreciation (expense)	(2,859,245)	(228,696)	(384,310)	(738,388)	(698,205)	(4,908,844)
Carrying amount at 30 June 2020	157,367,772	8,101,780	26,482,784	21,661,776	17,325,675	230,939,787
Comprises:						
Gross carrying amount at 30 June 2020	192,686,875	11,470,725	38,792,638	48,757,548	24,705,275	316,413,061
Accumulated depreciation at 30 June 2020	(35,319,103)	(3,368,945)	(12,309,854)	(27,095,772)	(7,379,600)	(85,473,274)
Carrying amount at 30 June 2020	157,367,772	8,101,780	26,482,784	21,661,776	17,325,675	230,939,787

SHIRE OF MURRAY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2017	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - Bridges	3	Cost approach using depreciated replacement cost	Independent Valuer	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)
Infrastructure - Other	3	Cost approach using depreciated replacement cost	Management valuation	June 2018	Construction costs and current condition (Level 3) and remaining useful life assessments (Level 3)

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.



**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**11. FIXED ASSETS**

**SIGNIFICANT ACCOUNTING POLICIES**

**Fixed assets**

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

**Recognition and measurement**

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

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

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 zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire 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 that are land, buildings, infrastructure and investment properties acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

**Revaluation**

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the Shire. At the end of each 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 land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value.

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 class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

**AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY**

**Land under control prior to 1 July 2019**

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the Shire was previously required to include as an asset (by 30 June 2013), vested 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.

**Land under roads prior to 1 July 2019**

In Western Australia, most 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 then *Local Government (Financial Management) Regulation 16(a)(i)* which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *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 Shire.

**Land under roads from 1 July 2019**

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with *AASB 1051* in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the balance sheet.

The Shire has accounted for the removal of the vested land values associated with Pinjarra golf course by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

**Vested Improvements from 1 July 2019**

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from the *AASB 16* which would have required the Shire to measure the vested improvements as part of the related right of use assets at zero cost.

Refer to Note 12 that details the significant accounting policies applying to leases (including right of use assets).

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**11. FIXED ASSETS**

**(a) Disposals of Assets**

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	125,000	125,000	0	0	500,000	500,000	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0	0	12,540	0	0	(12,540)
Furniture and equipment	0	0	0	0	0	0	0	0	5,968	0	0	(5,968)
Plant and equipment	447,071	342,573	2,290	(106,788)	543,291	411,070	503	(132,724)	372,250	347,100	17,301	(42,451)
	572,071	467,573	2,290	(106,788)	1,043,291	911,070	503	(132,724)	390,758	347,100	17,301	(60,959)

The following assets were disposed of during the year.

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
<b>Plant and Equipment</b>				
<b>Law, order, public safety</b>				
4016MY 2014 PX Ford Ranger 3.2L Diesel (Ranger	16,185	14,091	0	(2,094)
4028MY 2014 PX Ranger 4x4 XL Super Cab 3.2L	16,031	14,545	0	(1,486)
<b>Community amenities</b>				
4047MY 2015 Ford Ranger 4X4 Super Cab 3.2L Diesel	16,233	16,818	585	0
<b>Recreation and culture</b>				
4011MY 2014 Toyota Corolla (Coordinator Leisure &	7,980	9,091	1,110	0
<b>Other property and services</b>				
4002MY 2015 Holden Commodore SV6 Auto Sedan	13,260	11,364	0	(1,896)
4014MY 2014 Volkswagon Amarok Dual Cab (Manager	21,320	13,636	0	(7,684)
4024MY Fuso Canter 515 (Flat Top Truck)	20,520	13,200	0	(7,320)
4052MY 2013 Volvo L70F Wheel Loader	143,341	107,000	0	(36,341)
4041MY 2013 Mitsubishi Canter 4.5 tonne Signs	22,800	19,100	0	(3,700)
4013MY 2015 Ford Ranger XLS 4x4 (Manager	18,405	19,000	595	0
4032MY 2008 Toyota Landcruiser Turbo Manual	17,000	13,636	0	(3,364)
4042MY 2015 Iveco Powerstar 6800 Tip Truck	108,164	72,000	0	(36,164)
4023MY 2012 Ford Ranger PX Single Cab XL 3.2 Ltr	10,700	10,000	0	(700)
4066MY 2017 Toro ZMaster 6000 Zero Turn Mower	7,566	4,546	0	(3,020)
4069MY 2017 Toro ZMaster 6000 Zero Turn Mower	7,566	4,546	0	(3,020)
	447,071	342,573	2,290	(106,788)
<b>Land</b>				
<b>Other Property and Services</b>				
Agri-Innovation Centre Land (WIP)	125,000	125,000	0	0
	125,000	125,000	0	0
	572,071	467,573	2,290	(106,788)

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**11. FIXED ASSETS**

**(b) Depreciation**

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings	772,511	754,446	748,709
Furniture and equipment	72,185	60,753	69,497
Plant and equipment	589,300	519,500	524,224
Infrastructure - Roads	2,859,245	3,049,600	2,845,294
Infrastructure - Footpaths	228,696	214,251	225,137
Infrastructure - Drainage	384,310	385,200	384,072
Infrastructure - Bridges	738,388	734,384	734,384
Infrastructure - Other	698,205	641,219	644,627
Right of use assets - buildings	2,327	0	0
Right of use assets - plant and equipment	12,943	0	0
Right of use assets - furniture & equipment	8,585	0	0
	<b>6,366,695</b>	<b>6,359,353</b>	<b>6,175,944</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**Depreciation**

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

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

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

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.

**Depreciation rates**

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset Class	Useful life
Long Life Buildings	84 to 120 years
Medium Life Buildings	56 to 80 years
Short Life Buildings	42 to 60 years
Roof	42 to 60 years
Mechanical	14 to 20 years
Fitout	17 to 25 years
Furniture and Equipment	4 to 40 years
Plant and Equipment	3 to 50 years
Sealed Roads	
Formation	not depreciated
Pavement (distributors)	42 to 60 years
Pavement (access)	64 to 80 years
Seal (Bituminous)	17 to 25 years
Seal (Asphalt)	21 to 30 years
Gravel roads	
Formation	not depreciated
Pavement	24 to 30 years
Gravel Sheet	12 years
Formed Roads (unsealed)	
Formation	not depreciated
Footpaths	
Concrete	48 to 60 years
Brick Paved	40 to 50 years
Limestone	15 to 20 years
Sealed	20 to 25 years
Gravel/Timber	15 to 25 years
Stormwater Drainage	
Pits	80 to 100 years
Pipes	50 to 100 years
Bridges	60 to 100 years
Other Infrastructure	10 to 100 years

**Depreciation on revaluation**

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) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- (b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

**Amortisation**

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

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

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



**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**12. LEASES**

**(a) Right of Use Assets**

Movement in the carrying amounts of each class of right of use asset between the beginning and the end of the current financial year.

	Right of use assets - buildings	Right of use assets - plant and equipment	Right of use assets - furniture & equipment	Right of use assets Total
	\$	\$	\$	
<b>Carrying amount at 30 June 2019</b>	0	0	0	0
Recognised on initial application of AASB 16	95,072	31,728	25,553	152,353
<b>Restated total equity at the beginning of the financial year</b>	95,072	31,728	25,553	152,353
Additions	0	0	122,997	122,997
Depreciation (expense)	(2,327)	(12,943)	(8,585)	(23,855)
<b>Carrying amount at 30 June 2020</b>	92,745	18,785	139,965	251,495
<b>(b) Cash outflow from leases</b>				
Interest expense on lease liabilities	2,025	468	2,766	5,259
Lease principal expense	1,475	16,471	26,231	44,177
<b>Total cash outflow from leases</b>	3,500	16,939	28,997	49,436
<b>(c) Other expenses and income relating to leases</b>				
Short-term lease payments recognised as expense	0	0	38,612	38,612
Low-value asset lease payments recognised as expense	0	0	192,098	192,098
	0	0	0	230,710

**SIGNIFICANT ACCOUNTING POLICIES**

**Leases**

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the City uses its incremental borrowing rate.

Right of use assets are subsequently measured under the revaluation model as they relate to asset classes that are also revalued.

**Leases (continued)**

Right of use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right of use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

All contracts that are classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Leases for right of use assets are secured over the asset being leased.

**Right of use assets - valuation**

Right of use assets are measured at cost. This means the all right of use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included on the balance sheet). The exception is vested improvements which are reported at fair value.

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**13. REVALUATION SURPLUS**

	2020 Opening Balance	2020 Revaluation Increment	2020 Revaluation (Decrement)	Total Movement on Revaluation	2020 Closing Balance	2019 Opening Balance	2019 Revaluation Increment	2019 Revaluation (Decrement)	Total Movement on Revaluation	2019 Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation Surplus - Lands and Buildings	31,940,113	0	(7,000)	(7,000)	31,933,113	31,940,113	0	0	0	31,940,113
Revaluation surplus - Infrastructure - Roads	83,945,170	19,738,631	0	19,738,631	103,683,801	83,945,170	0	0	0	83,945,170
Revaluation surplus - Infrastructure - Footpaths	5,460,194	0	0	0	5,460,194	5,460,194	0	0	0	5,460,194
Revaluation surplus - Infrastructure - Drainage	24,303,256	0	0	0	24,303,256	24,303,256	0	0	0	24,303,256
Revaluation surplus - Infrastructure - Bridges	15,238,177	0	0	0	15,238,177	15,238,177	0	0	0	15,238,177
Revaluation surplus - Infrastructure - Other	7,830,117	0	0	0	7,830,117	7,830,117	0	0	0	7,830,117
	168,717,027	19,738,631	(7,000)	19,731,631	188,448,658	168,717,027	0	0	0	168,717,027

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

SHIRE OF MURRAY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020

## 14. TRADE AND OTHER PAYABLES

### Current

Sundry creditors
Accrued salaries and wages
Income received in advance
Accrued interest on long term borrowings
Accrued expenditure

2020	2019
\$	\$
1,657,262	2,220,965
335,165	314,686
580,459	431,323
16,456	16,383
107,138	106,839
2,696,480	3,090,196

### SIGNIFICANT ACCOUNTING POLICIES

#### Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition

#### Prepaid rates

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



## 15. CONTRACT LIABILITIES

### Current

Contract liabilities from contracts with customers

2020	2019
\$	\$
5,557,547	0
5,557,547	0

Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year

5,557,547
5,557,547

### SIGNIFICANT ACCOUNTING POLICIES

#### Contract Liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

SHIRE OF MURRAY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2020

16. LEASE LIABILITIES

(a) Lease Liabilities

	2020	2019
	\$	\$
Current	44,396	0
Non-current	186,777	0
	231,173	0

(b) Movements in Carrying Amounts

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Actual Lease Principal 1 July 2019	30 June 2020 Actual New Leases	30 June 2020 Actual Lease Principal Repayments	30 June 2020 Actual Lease Principal Outstanding	30 June 2020 Actual Lease Interest Repayments	Budget Lease Principal 1 July 2019	30 June 2020 Budget Lease Principal Repayments	30 June 2020 Budget Lease Principal Outstanding	30 June 2020 Budget Lease Interest Repayments
					\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Law, order, public safety</b>													
Ford Ranger MY12336	4	Toyota Finance	2.13%	14	3,720	0	3,182	538	48	0	0	0	0
FORD RANGER PX MKII	11	Fleet Partners	2.13%	24	28,008	0	13,289	14,719	468	28,008	13,289	14,719	467
<b>Recreation and culture</b>													
Pinjarra Court House	12	National Trust	2.13%	480	95,072	0	1,475	93,597	2,025	95,072	1,475	93,597	3,850
Solar Panels MALC	15	Capital Finance	2.13%	60	0	122,997	21,581	101,416	2,211	0	0	0	0
<b>Transport</b>													
Solar Panels Ops Centre	1	Maia Financial	2.13%	60	25,553	0	4,650	20,903	507	25,553	4,650	20,903	507
					152,353	122,997	44,177	231,173	5,259	148,633	19,414	129,219	4,824

# SHIRE OF MURRAY

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2020

#### 17. INFORMATION ON BORROWINGS

(a) Borrowings	2020	2019
	\$	\$
Current	529,208	535,268
Non-current	3,528,135	2,902,342
	4,057,343	3,437,610

#### (b) Repayments - Borrowings

Particulars	Loan Number	Institution	Interest Rate	Actual Principal	30 June 2020 Actual New Loans	30 June 2020 Actual Principal repayments	30 June 2020 Actual Interest repayments	30 June 2020 Actual Principal outstanding	Budget Principal 1 July 2019	30 June 2020 Budget New Loans	30 June 2020 Budget Principal repayments	30 June 2020 Budget Interest repayments	30 June 2020 Budget Principal outstanding	Actual Principal 1 July 2018	30 June 2019 Actual New Loans	30 June 2019 Actual Principal repayments	30 June 2019 Actual Interest repayments	30 June 2019 Actual Principal outstanding
				1 July 2019	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>																		
Administration Centre Extension Construction	161	WATC	6.94%	237,625	0	73,795	15,233	163,830	237,626	0	73,796	16,657	163,830	306,488	0	68,863	20,930	237,625
Administration Centre Extension Construction	173	WATC	6.07%	125,223	0	60,740	6,693	64,483	125,223	0	60,740	7,552	64,483	182,438	0	57,215	10,557	125,223
<b>Recreation and culture</b>																		
Aquatic Centre Construction	170	WATC	5.98%	98,314	0	98,314	4,430	0	98,314	0	98,314	5,312	0	191,002	0	92,688	11,442	98,314
Lots 85-88 George Street	174d	WATC	3.62%	0	0	0	0	0	0	0	0	0	0	64,381	0	64,381	1,837	0
Lots 85-88 George Street	174e	WATC	3.04%	476,832	0	73,600	13,941	403,232	476,832	0	73,600	17,056	403,232	548,245	0	71,413	19,385	476,832
Lot 1213 South Western Highway	175e	WATC	3.11%	718,726	0	101,410	21,570	617,316	718,725	0	101,410	26,316	617,315	817,054	0	98,328	29,556	718,726
Murray Foreshore Upgrade	179	WATC		0	200,000	0	0	200,000	0	200,000	0	0	200,000	0	0	0	0	0
Exchange Hotel	180	WATC	2.13%	322,000	0	29,218	6,704	292,782	322,000	0	29,218	6,704	292,782	0	322,000	0	772	322,000
<b>Transport</b>																		
Camp Road Properties	182	WATC	3.61%	645,762	0	25,978	22,963	619,784	645,762	0	25,978	27,420	619,784	670,823	0	25,061	28,461	645,762
<b>Economic services</b>																		
Pinjarra Underground Power	178	WATC	3.28%	710,542	0	31,813	23,047	678,729	710,542	0	31,813	27,957	678,729	741,337	0	30,795	29,072	710,542
Dwellingup Trails Centre	184	WATC	1.49%	0	955,000	0	0	955,000	0	955,000	0	0	955,000	0	0	0	0	0
				3,335,024	1,155,000	494,868	114,581	3,995,156	3,335,024	1,155,000	494,869	134,974	3,995,155	3,521,768	322,000	508,744	152,012	3,335,024
<b>Self Supporting Loans</b>																		
<b>Recreation and culture</b>																		
Yunderup Sport & Recreation Club Inc	181	WATC	2.08%	102,586	0	40,399	1,925	62,187	102,586	0	40,399	2,460	62,187	142,157	0	39,571	3,233	102,586
				102,586	0	40,399	1,925	62,187	102,586	0	40,399	2,460	62,187	142,157	0	39,571	3,233	102,586
				3,437,610	1,155,000	535,267	116,506	4,057,343	3,437,610	1,155,000	535,268	137,434	4,057,342	3,663,925	322,000	548,315	155,245	3,437,610

\* WA Treasury Corporation

Self supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost.  
All other loan repayments were financed by general purpose revenue.



**SHIRE OF MURRAY**  
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**17. INFORMATION ON BORROWINGS (Continued)**

**(c) New Borrowings - 2019/20**

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2020 Actual	2020 Budget	2020 Actual	2020 Budget		
				%	\$	\$	\$	\$	\$	\$
179 - Murray Foreshore Upgrade	WATC	Debenture	10	4.20%	200,000	200,000	200,000	200,000	46,994	0
184 - Dwellingup Trails Centre	WATC	d	15	4.20%	955,000	955,000	955,000	955,000	341,877	0
* WA Treasury Corporation					1,155,000	1,155,000	1,155,000	1,155,000	388,871	0

**(d) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

	2020	2019
	\$	\$
Credit card limit	100,000	100,000
Credit card balance at balance date	(9,774)	(17,780)
<b>Total amount of credit unused</b>	<b>90,226</b>	<b>82,220</b>

**Loan facilities**

Loan facilities - current	529,208	535,268
Loan facilities - non-current	3,528,135	2,902,342
Lease liabilities - current	44,396	0
Lease liabilities - non-current	186,777	0
<b>Total facilities in use at balance date</b>	<b>4,288,516</b>	<b>3,437,610</b>

**Unused loan facilities at balance date**

	0	0
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**SIGNIFICANT ACCOUNTING POLICIES**

**Financial liabilities**

Financial liabilities are recognised at fair value when the Shire becomes a party to the contractual provisions to the instrument.

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

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.

**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.

**Risk**

Information regarding exposure to risk can be found at Note 28.

## 18. EMPLOYEE RELATED PROVISIONS

### (a) Employee Related Provisions

#### Opening balance at 1 July 2019

Current provisions

Non-current provisions

Additional provision

#### Balance at 30 June 2020

#### Comprises

Current

Non-current

#### Amounts are expected to be settled on the following basis:

Less than 12 months after the reporting date

More than 12 months from reporting date

Expected reimbursements from other WA local governments

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2019			
Current provisions	972,557	1,393,669	2,366,226
Non-current provisions	0	203,339	203,339
	972,557	1,597,008	2,569,565
Additional provision	(59,925)	17,407	(42,518)
Balance at 30 June 2020	912,632	1,614,415	2,527,047
Comprises			
Current	912,632	1,394,437	2,307,069
Non-current	0	219,978	219,978
	912,632	1,614,415	2,527,047
	2020	2019	
	\$	\$	
Less than 12 months after the reporting date	961,175	914,359	
More than 12 months from reporting date	1,478,462	1,537,747	
Expected reimbursements from other WA local governments	87,410	117,459	
	2,527,047	2,569,565	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

### SIGNIFICANT ACCOUNTING POLICIES

#### Employee benefits

##### Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

##### Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

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 of service and employee departures and are discounted at

##### Other long-term employee benefits (Continued)

rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

##### Provisions

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

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

## 19. NOTES TO THE STATEMENT OF CASH FLOWS

### Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash 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:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Cash and cash equivalents	19,215,880	10,748,240	16,291,661
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>			
Net result	6,044,786	6,847,265	2,300,188
Non-cash flows in Net result:			
Adjustments to fair value of financial assets at fair value through profit and loss	(1,441)	0	0
Depreciation on non-current assets	6,366,695	6,359,353	6,175,944
(Profit)/loss on sale of asset	104,498	132,221	43,658
(Profit)/loss on financial asset			
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(2,838,706)	911,559	(651,196)
(Increase)/decrease in other assets	66,733	0	(11,066)
(Increase)/decrease in inventories	1,918	5,094	6,080
Increase/(decrease) in payables	(393,716)	(850,711)	1,416,865
Increase/(decrease) in provisions	(42,518)	0	144,379
Increase/(decrease) in contract liabilities	4,514,361	0	0
Non-operating grants, subsidies and contributions	(6,878,532)	(12,177,958)	(3,778,712)
Net cash from operating activities	6,944,078	1,226,823	5,646,140



## 20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$	\$
Governance	4,381,176	4,233,983
General purpose funding	2,683,953	1,812,294
Law, order, public safety	4,881,525	4,915,263
Health	98,437	52,444
Education and welfare	193,552	199,193
Housing	1,269,167	1,207,097
Community amenities	6,624,835	32,183,959
Recreation and culture	48,709,302	43,224,846
Transport	223,707,589	183,014,169
Economic services	20,564,921	11,087,946
Other property and services	7,813,635	5,161,914
Unallocated	3,109,130	6,238,664
	324,037,222	293,331,772

## 21. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire has listed sites to be possible sources of contamination. Details of those sites are:

- Shire of Murray Operations Centre, Baker Street, Pinjarra
- Shire of Murray Waste Transfer Station, 834 Corio Road, Ravenswood
- Lot 501 Moores Road, Pinjarra (Old Tip Site)

Until the Shire conducts an investigation to determine the presence and scope of the contamination, assess the risk and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation guidelines.

## 22. CAPITAL AND LEASING COMMITMENTS

### (a) Capital Expenditure Commitments

Contracted for:

- Corporate Business System
- InfoCouncil Agenda & Minutes Software
- Dwellingup National Trails Centre Building Upgrade
- Murray River Foreshore Upgrade
- Transform Peel
- Dwellingup Futures
- WA Food Innovation Precinct
- North Yunderup Road Traffic Bridge

Payable:

- not later than one year

2020	2019
\$	\$
122,206	289,870
43,978	39,765
521,992	1,834,740
465,908	28,350
225,618	0
109,037	0
2,877,519	0
541,679	0
4,907,937	2,192,725
4,907,937	2,192,725

### (b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year
- later than one year but not later than five years
- later than five years

2020	2019
\$	\$
48,906	223,056
111,934	207,935
122,500	64,658
283,340	495,649

## SIGNIFICANT ACCOUNTING POLICIES

### 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 Shire, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of 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.

### Leases (Continued)

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

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



**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**23. RELATED PARTY TRANSACTIONS**

**Elected Members Remuneration**

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	136,860	141,597	136,352
President's allowance	35,525	35,525	35,525
Deputy President's allowance	8,881	8,881	8,881
Travelling expenses	450	450	400
Telecommunications allowance	30,447	31,500	30,334
	212,163	217,953	211,492

**Key Management Personnel (KMP) Compensation Disclosure**

The total of remuneration paid to KMP of the Shire during the year are as follows:

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	993,120	787,015
Post-employment benefits	92,278	79,168
Other long-term benefits	22,063	17,698
	1,107,461	883,881

**Short-term employee benefits**

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

**Post-employment benefits**

These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

**Other long-term benefits**

These amounts represent long service benefits accruing during the year.

**Transactions with related parties**

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guaranties exist in relation to related parties at year end.

	2020 Actual	2019 Actual
	\$	\$
The following transactions occurred with related parties:		
Sale of goods and services	4,305	5,362
Short term employee benefits -other related parties	206,895	226,658
<b>Amounts payable to related parties:</b>		
Trade and other payables	200	1,750

**Related Parties**

**The Shire's main related parties are as follows:**

**i. Key management personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

**ii. Other Related Parties**

The associate person of KMP was employed by the Shire under normal employment terms and conditions.

**iii. Entities subject to significant influence by the Shire**

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

## **24. MAJOR LAND TRANSACTIONS**

The Shire did not participate in any major land transactions during the 2019/20 financial year.

## **25. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

The Shire did not participate in any trading undertakings or major trading undertaking during the 2019/20 financial year.

**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**26. RATING INFORMATION**

**(a) Rates**

**RATE TYPE**

**Differential general rate / general rate**

**Gross rental valuations**

GRV General	0.09676	6,183	100,146,331	9,469,560	31,714	0	9,501,274	9,690,159	65,550	4,615	9,760,324	9,384,673
GRV Commercial	0.07084	148	17,569,853	1,360,047	5,166	0	1,365,213	1,360,047	9,200	645	1,369,892	1,329,630

**Unimproved valuations**

UV General	0.006654	875	576,804,008	4,058,653	8,913	0	4,067,566	3,838,054	25,965	1,831	3,865,850	3,787,256
<b>Sub-Total</b>		7,206	694,520,192	14,888,260	45,793	0	14,934,053	14,888,260	100,715	7,091	14,996,066	14,501,559

**Minimum payment**

**Gross rental valuations**

GRV General	1,143	1,672	14,203,801	1,911,096	0	0	1,911,096	1,911,096	0	0	1,911,096	1,979,686
GRV Commercial	1,143	25	294,238	28,575	0	0	28,575	28,575	0	0	28,575	26,904
GRV General Lesser Minimum	843	185	334,165	155,955	0	0	155,955	155,955	0	0	155,955	151,885

**Unimproved valuations**

UV General	1,143	193	21,097,015	220,599	0	0	220,599	220,599	0	0	220,599	145,730
<b>Sub-Total</b>		2,075	35,929,219	2,316,225	0	0	2,316,225	2,316,225	0	0	2,316,225	2,304,205

**Total amount raised from general rate**

Concessions (Note 26(c))							17,250,278				17,312,291	16,805,764
Ex-gratia rates							(148,561)				(149,564)	(145,941)
Prepaid rates							4,737				4,650	4,626
							0				(18,694)	(411,524)
<b>Total amount raised from general rate</b>							17,106,454				17,148,683	16,252,925
Specified Area Rate (Note 26(b))							191,967				191,064	188,802
<b>Totals</b>		9,281	730,449,411	17,204,485	45,793	0	17,298,421	17,204,485	100,715	7,091	17,339,747	16,441,727

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

Control over assets acquired from rates is obtained at the commencement of the rating period.

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



SHIRE OF MURRAY  
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26. RATING INFORMATION (Continued)

(b) Specified Area Rate

Specified Area Rate	Basis of Valuation	Rate in \$	2019/20 Rateable Value	2019/20 Rate Revenue	2019/20 Interim Rate Revenue	2019/20 Back Rate Revenue	2019/20 Total Specified Area Rate Revenue	2019/20 Budget Rate Revenue	2019/20 Budget Back Rate Revenue	2019/20 Budget Interim Rate Revenue	2019/20 Total Budget Revenue	2018/19 Total Actual Revenue
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Yunderup Canal Entrance Dredging	GRV	0.007084	8,158,042	57,792	231	0	58,023	57,791	0	0	57,791	56,965
Yunderup Canal Maintenance	GRV	0.006599	7,751,502	51,152	89	0	51,241	51,152	0	0	51,152	50,439
Murray Lakes Canal Maintenance	GRV	0.006645	4,815,760	32,001	49	0	32,050	32,001	0	0	32,001	31,396
Willow Gardens Canal Maintenance	GRV	0.006653	957,570	6,371	40	0	6,411	6,371	0	0	6,371	6,246
Austin Lakes Phase 2 Maintenance	GRV	0.007334	5,965,240	43,749	493	0	44,242	43,749	0	0	43,749	43,756
			27,648,114	191,065	902	0	191,967	191,064	0	0	191,064	188,802

Specified Area Rate	Purpose of the rate	Area/properties Rate Imposed	2019/20 Actual Rate Applied to Costs	2019/20 Actual Rate Set Aside to Reserve	2019/20 Actual Reserve Applied to Costs	2019/20 Budget Rate Applied to Costs	2019/20 Budget Rate Set Aside to Reserve	2019/20 Budget Reserve Applied to Costs
			\$	\$	\$	\$	\$	\$
Yunderup Canal Entrance Dredging	For the purpose of dredging the entrance channel to Yunderup Stage 1 Estate, The Moorings and Sapphire Waters			57,791	86,297	0	57,791	86,297
Yunderup Canal Maintenance	For the purpose of maintaining the canal waterway and associated infrastructure			51,152	35,716	0	51,152	35,716
Murray Lakes Canal Maintenance	For the purpose of maintaining the canal waterway and associated infrastructure			32,001	19,644	0	32,001	19,644
Willow Gardens Canal Maintenance	For the purpose of maintaining the canal waterway and associated infrastructure			6,371	4,167	0	6,371	4,167
Austin Lakes Phase 2 Maintenance	For the purpose of maintaining the lake and public open space in Austin Lakes Estate Phase 2			43,749	0	0	43,749	0
			0	191,064	145,824	0	191,064	145,824

SHIRE OF MURRAY  
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26. RATING INFORMATION (Continued)

(c) Discounts, Incentives, Concessions, & Write-offs

Waivers or Concessions

Rate or Fee and  
Charge to which  
the Waiver or  
Concession is Granted

Type	Discount	Discount	2020 Actual	2020 Budget	2019 Actual
	%	\$	\$	\$	\$
Primary Producer	Concession	18.86%	0	140,400	141,369
Primary Producer	Concession	9.43%	0.00	6,967	7,001
Riverglades Complex	Concession	0.00%	6	1,194	1,194
			148,561	149,564	145,941
Total discounts/concessions (Note 26(a))			148,561	149,564	145,941

Write-offs

Rate or Fee and  
Charge to which  
write-off is Granted

Type	Discount	Discount	2020 Actual	2020 Budget	2019 Actual
	%	\$	\$	\$	\$
General Rates	Write off	0.00%	0	51,406	1000
			51,406	1,000	19,297
			51,406	1,000	19,297

Rate or Fee and  
Charge to which  
the Waiver or  
Concession is Granted

Circumstances in which  
the Waiver or Concession is  
Granted and to whom it was  
available

Objects and reasons of the  
Waiver or Concession

Primary Producer	Bona-fide primary producers residing within the Shire as per policy F7	In recognition of the critical economic importance of the agricultural industry Council has adopted policy F7 to assist bona-fide primary producers
Primary Producer	Bona-fide primary producers residing within neighbouring Shires as per policy F7	
Riverglades Complex	Applied to strata-titled lots within the Riverglades Complex	Concession applied in recognition of property owners required to pay the mandated fee under the Caravan Parks & Camping Grounds Regulations

## 26. RATING INFORMATION (Continued)

### (d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
<b>Option One</b>				
Single full payment	21/09/2018	0.00	0.00%	11.00%
<b>Option Two</b>				
First instalment	21/09/2018	0.00	0.00%	11.00%
Second instalment	23/11/2018	10.00	5.50%	11.00%
Third instalment	25/01/2019	10	5.50%	11.00%
Fourth instalment	29/03/2019	10.00	5.50%	11.00%
<b>Option Three</b>				
Rate Smoothing	As scheduled	25.00	0.00%	11.00%

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Interest on unpaid rates	246,100	184,012	205,036
Interest on instalment plan	62,045	88,230	85,915
Charges on instalment plan	64,903	83,000	82,705
	373,048	355,242	373,656

**SHIRE OF MURRAY**  
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**27. RATE SETTING STATEMENT INFORMATION**

		2019/20 Budget	2019/20	2018/19
		(30 June 2020	(1 July 2019	(30 June 2019
		Carried	Brought	Carried
Note	Forward)	Forward)	Forward)	Forward
	\$	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	11(a)	(2,290)	(503)	(17,301)
Less: Profit on financial assets		0	0	0
Less: Movement in liabilities associated with restricted cash		(1,043,186)	(1,073,600)	0
Less: Fair value adjustments to financial assets at fair value through profit and loss		(1,441)	0	0
Movement in pensioner deferred rates (non-current)		(102,967)	0	(55,071)
Movement in employee benefit provisions (non-current)		16,639	50,985	(44,968)
Movement in other provisions (non-current)		0	0	70,000
Add: Loss on disposal of assets	11(a)	106,788	132,724	60,959
Add: Depreciation on non-current assets	11(b)	6,366,695	6,359,353	6,175,944
<b>Non cash amounts excluded from operating activities</b>		<b>5,340,238</b>	<b>5,468,959</b>	<b>6,189,563</b>
<b>(b) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Reserves - cash backed	4	(8,859,313)	(7,005,789)	(9,257,034)
Less: Financial assets at amortised cost - self supporting loans	5(a)	(41,243)	(41,243)	(40,399)
Less: Current assets not expected to be received at end of year				
- Land held for resale	7	(905,090)	(100,000)	0
- Movement in provisions between current and		0	50,985	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	17(a)	529,208	518,195	535,268
- Current portion of contract liability held in reserve		0	0	1,043,186
- Current portion of lease liabilities		44,396	0	0
- Employee benefit provisions		597,002	597,002	597,002
<b>Total adjustments to net current assets</b>		<b>(8,635,040)</b>	<b>(5,980,850)</b>	<b>(7,121,977)</b>
<b>Net current assets used in the Rate Setting Statement</b>				
Total current assets		25,657,085	12,674,820	19,159,844
Less: Total current liabilities		(11,134,700)	(5,226,221)	(7,034,876)
Less: Total adjustments to net current assets		(8,635,040)	(5,980,850)	(7,121,977)
<b>Net current assets used in the Rate Setting Statement</b>		<b>5,887,345</b>	<b>1,467,749</b>	<b>5,002,991</b>
<b>(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards</b>				
<b>Total current assets at 30 June 2019</b>				
- Contract assets	29(a)			19,159,844
<b>Total current assets at 1 July 2019</b>				<b>19,159,844</b>
<b>Total current liabilities at 30 June 2019</b>				
- Contract liabilities from contracts with customers	29(a)			(5,991,690)
<b>Total current liabilities at 1 July 2019</b>				<b>(1,043,186)</b>
				<b>(7,034,876)</b>



## 28. FINANCIAL RISK MANAGEMENT

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire 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 finance area identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

### (a) Interest rate risk

#### Cash and cash equivalents

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
<b>2020</b>					
Cash and cash equivalents	0.25%	19,215,880	0	19,210,270	5,610
<b>2019</b>					
Cash and cash equivalents	0.84%	16,291,661	2,018,051	14,267,870	5,740

#### Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

Impact of a 1% movement in interest rates on profit and loss and equity\*

	2020	2019
	\$	\$
	192,159	162,917

\* Holding all other variables constant

#### Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Shire 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 Shire does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

SHIRE OF MURRAY  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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28. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

**Trade and Other Receivables**

The Shire's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire 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 the Shire to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Shire 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.

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 12 months before 1 July 2018 or 1 July 2019 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors. There are no material receivables that have been subject to a re-negotiation of repayment terms.

Upon adoption of AASB9, there has been no material change in the calculation of the loss allowances at 1 July 2018 and therefore no retrospective adjustments have been applied.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for sundry receivables.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2020</b>					
Sundry Receivable					
Expected credit loss	0.28%	0.40%	2.57%	6.05%	
Gross carrying amount	1,859,786	108,434	71,827	71,974	2,112,021
Loss allowance	5,197	436	1,848	4,354	11,835
<b>30 June 2019</b>					
Sundry Receivable					
Expected credit loss	0.36%	0.75%	2.29%	3.35%	
Gross carrying amount	783,175	32,081	4,927	43,893	864,076
Loss allowance	2,800	241	113	1,469	4,623

## 28. FINANCIAL RISK MANAGEMENT (Continued)

### (c) Liquidity risk

#### Payables and 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. The Shire 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 and disclosed in Note 14(d).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
	\$	\$	\$	\$	\$
<b>2020</b>					
Payables	2,696,480	0	0	2,696,480	2,696,480
Borrowings	644,121	1,891,389	2,238,094	4,773,604	4,057,343
Contract liabilities	5,557,547	0	0	5,557,547	5,557,547
Lease liabilities	44,396	101,039	85,738	231,173	231,173
	8,942,544	1,992,428	2,323,832	13,258,804	12,542,543
<b>2019</b>					
Payables	2,217,713	0	0	2,217,713	3,090,196
Borrowings	615,853	1,566,496	1,566,568	3,748,917	3,437,610
	2,833,566	1,566,496	1,566,568	5,966,630	6,527,806

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**29. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS**

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

**(a) AASB 15: Revenue from Contracts with Customers**

The Shire adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

	Note	AASB 118 carrying amount 30 June 2019 \$	Reclassification \$	AASB 15 carrying amount 01 July 2019 \$
<b>Contract liabilities - current</b>				
Contract liabilities from contracts with customers	15	0	(1,043,186)	(1,043,186)
Adjustment to retained surplus from adoption of AASB 15	29(d)		(1,043,186)	

**(b) AASB 1058: Income For Not-For-Profit Entities**

The Shire adopted AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004: Contributions before the change:

	Note	AASB 118 and AASB 1004 carrying amount 30 June 2019 \$	Reclassification \$	AASB 1058 carrying amount 01 July 2019 \$
<b>Trade and other payables</b>				
Rates paid in advance	14	0	0	0
Adjustment to retained surplus from adoption of AASB 1058	29(d)		0	

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance gave rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates were recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the Shire. When the taxable event occurred, the financial liability was extinguished and the Shire recognised income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the Shire to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.



# SHIRE OF MURRAY

## NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

### 29. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

		2020 \$		2020 \$
	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
<b>Statement of Comprehensive Income</b>				
<b>Revenue</b>				
Rates	26(a)	17,298,421	0	17,298,421
Operating grants, subsidies and contributions	2(a)	3,683,651	5,557,547	9,241,198
Fees and charges	2(a)	5,653,767	0	5,653,767
Non-operating grants, subsidies and contributions	2(a)	6,878,532	0	6,878,532
Net result		6,044,786	5,557,547	11,602,333
<b>Statement of Financial Position</b>				
Trade and other payables	14	2,696,480	(107,138)	2,589,342
Contract liabilities	15	5,557,547	(5,557,547)	0
Net assets		308,967,632	5,664,685	314,632,317
<b>Statement of Changes in Equity</b>				
Net result		6,044,786	5,557,547	11,602,333
Retained surplus		111,659,661	5,557,547	117,217,208

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

#### (c) AASB 16: Leases

The Shire adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Shire has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB 16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Shire will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the Shire will recognise lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. These lease liabilities will be measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 is 2.13%.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		495,649
Discount applied using incremental borrowing rate		(343,296)
Lease liability recognised as 1 July 2019 discounted using the Shire's incremental borrowing rate of 2.13%	16(b)	152,353
Lease liability - current		22,596
Lease liability - non-current		129,757
Right-of-use assets recognised at 1 July 2019		152,353

On adoption of AASB 16, the Shire will recognise a right-of-use asset in relation to a lease which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is to be measured as if AASB 16 had been applied since its commencement date by the carrying amount but discounted using the lessee's incremental borrowing rate as on 1 July 2019.

On adoption of AASB 16 Leases (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire is not required to make any adjustments on transition for leases for which the underlying asset is of low value. Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5).

In applying AASB 16 for the first time, the Shire will use the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

## 29. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

### (d) Change in Accounting Policies

Effective 6 November 2020, Local Government (Financial Management) Regulation 16 was deleted and Local Government (Financial Management) Regulation 17A was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020.

In accordance with the changes, the Shire was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets are required to be measured as concessionary lease right-of-use assets at zero cost in accordance with AASB16.

Regulation 17A of the Local Government (Financial Management) Regulation 1996 was amended to recognise plant and equipment type assets to be measured under the cost model, rather than at fair value. Implementation of the cost model is effective from the beginning of year 2019/2020.

### (d) Impact of New Accounting Standards on Retained Surplus

The impact on the Shire's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			106,260,340
Adjustment to retained surplus from adoption of AASB 15	29(a)	(1,043,186)	
Adjustment to retained surplus from adoption of AASB 1058	29(b)	0	(1,043,186)
Retained surplus - 1 July 2019			105,217,154

### 30. TRUST FUNDS

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	1 July 2019	Amounts Received	Amounts Paid	30 June 2020
	\$	\$	\$	\$
Unclaimed Monies	30,524	4,867	0	35,391
Building License Bonds	14,000	0	0	14,000
	44,524	4,867	0	49,391

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**31. OTHER SIGNIFICANT ACCOUNTING POLICIES**

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the 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 or non-current based on the Shire's intentions to release for sale.

**c) Rounding off figures**

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

**d) Comparative figures**

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

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

**e) 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.

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

Fair value is the price that the Shire 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.

**h) Fair value hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an 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 Shire 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 the Shire are consistent with one or more of the following valuation approaches:

**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 the service capacity of an asset.

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 Shire 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 are 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.

**i) Impairment of assets**

In accordance with Australian Accounting Standards the Shire's cash generating non-specialised 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 that other Standard.

For non-cash generating specialised assets that are measured under the revaluation model, such as roads, drains, public buildings and the like, no annual assessment of impairment is required. Rather AASB 116.31 applies and revaluations need only be made with sufficient regulatory to ensure the carrying value does not differ materially from that which would be determined using fair value at the ends of the reporting period.



**SHIRE OF MURRAY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**32. ACTIVITIES/PROGRAMS**

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

<b>PROGRAM NAME AND OBJECTIVES</b>	<b>ACTIVITIES</b>
<b>GOVERNANCE</b> To provide a decision making process for the efficient allocation of available resources.	Includes the activities of elected members of council and the administrative support available to the Council for the provision of governance of the Shire. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
<b>GENERAL PURPOSE FUNDING</b> To collect revenue to allow for the provision of services.	Rates revenue, late payment penalties, general purpose grants, untied road grants and interest received on investments.
<b>LAW, ORDER, PUBLIC SAFETY</b> To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control, graffiti and litter control, off-road vehicles and other aspects of public safety, including emergency services.
<b>HEALTH</b> To provide an operational framework for environmental and community health.	Provision of health services, including inspection of food outlets, pest control, noise control and other preventative services.
<b>EDUCATION AND WELFARE</b> To provide services to disadvantaged persons, the elderly, children and youth.	Provision of pre-school and senior citizen facilities and welfare and youth programs.
<b>HOUSING</b> To maintain Shire owned residential properties.	Housing owned by the Shire that cannot be allocated to other programs.
<b>COMMUNITY AMENITIES</b> To provide services required by the community.	Provision of rubbish collection services, operation of waste transfer stations, protection of the environment, administration of town planning schemes, provision and maintenance of public conveniences and bus shelters and operation of the Pinjarra cemetery.
<b>RECREATION AND CULTURE</b> To establish and manage infrastructure and resources which will help the social wellbeing of the community.	Provision of facilities and support of organisations and the community with leisure, heritage and cultural activities. This support includes halls, sporting grounds, the Murray Aquatic & Leisure Centre, parks and gardens, art and community festivals and the Murray Public Library.
<b>TRANSPORT</b> To provide safe, effective and efficient transport	Construction and maintenance of roads, bridges, pathways, the works operations centre,
<b>ECONOMIC SERVICES</b> To help promote the Shire and its economic wellbeing.	Activities associated with building services, economic development, tourism and area promotion, public utilities and the operation of the Dwellingup History and Visitor Information Centre.
<b>OTHER PROPERTY AND SERVICES</b> To monitor and control the Shire's overhead operating accounts.	Private works, administration and public works overheads and plant operations.

### 33. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.07	1.84	2.11
Asset consumption ratio	0.76	0.73	0.78
Asset renewal funding ratio	0.93	0.67	0.82
Asset sustainability ratio	1.33	0.72	0.75
Debt service cover ratio	8.71	6.90	3.12
Operating surplus ratio	(0.04)	(0.06)	(0.07)
Own source revenue coverage ratio	0.83	0.81	0.82

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset consumption ratio	$\frac{\text{depreciated replacement costs of depreciable assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planned capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Councillors of the Shire of Murray

#### Report on the Audit of the Financial Report

##### **Opinion**

I have audited the annual financial report of the Shire of Murray which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the Shire of Murray:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the Shire for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

##### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Shire in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Emphasis of Matter – Basis of Accounting**

I draw attention to Note 1 and 11 to the financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the Shire's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). My opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 Leases which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

##### **Responsibilities of the Chief Executive Officer and Council for the Financial Report**

The Chief Executive Officer (CEO) of Shire is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing Shire's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

### ***Auditor's Responsibility for the Audit of the Financial Report***

The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial report.

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

### ***Report on Other Legal and Regulatory Requirements***

In accordance with the *Local Government (Audit) Regulations 1996* I report that:

- (i) In my opinion, the following matter indicates a significant adverse trend in the financial position of the Shire:
  - a. The Operating Surplus Ratio as reported in Note 34 of the financial report is below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard of zero for the last three years.
- (ii) All required information and explanations were obtained by me.
- (iii) All audit procedures were satisfactorily completed.
- (iv) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding Ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

### ***Other Matter***

The financial ratios for 2018 and 2019 in Note 34 of the annual financial report were audited by another auditor when performing their audit of the Shire for the year ending 30 June 2019. The auditor expressed an unmodified opinion on the annual financial report for that year.

### ***Matters Relating to the Electronic Publication of the Audited Financial Report***

This auditor's report relates to the annual financial report of the Shire of Murray for the year ended 30 June 2020 included on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.






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19 February 2021



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