



SHIRE OF EAST PILBARA

Annual Report 2018 - 2019



Shire of EAST
Pilbara
AUSTRALIA'S LARGEST SHIRE



Kaalpa (Well 23)
Corban Clause Williams, 2019

"Kaalpa is my two grandfather's ngurra (home). My two grandfathers, they were pujiman (traditional, desert dwelling) in Kaalpa, where they walked around hunting bush tuckers. They were there hunting, getting meat.

I went there for the first time last year [2018] on a Martumili trip to Wantlili Claypan. The KJ (Kanyirninpa Jukurrpa) rangers were going to visit Kaalpa and asked "we going Kaalpa, you wanna come?"

When I went there, I was pukurlpa (happy). It made you open up your spirit feels like home."

Corban Clause Williams is a young artist working with Martumili Artists (Newman, WA). Born and raised in Newman, Corban is inspired by time spent on Country- collecting bush tucker, hunting and storytelling around the waru (fire). Corban has a deep respect for his Martu family and Elders and has spent many years painting alongside senior artists in his community. In his most recent art-making, Corban showcases a practice informed by tradition, yet imbued with his own unique contemporary vision of Country.



The Shire of East Pilbara acknowledges the traditional custodians throughout our region and their continuing connection to the land, waters and community.

We pay our respects to all members of these Aboriginal communities and their cultures; and to Elders both past and present.

Our vision

A diverse community thriving in a vast landscape that offers a world of opportunity and rich heritage and culture.

The Shire is characterised by a rich diversity of people, landscapes and heritage which offers a unique place to live and call home and a world of opportunities as a thriving economic region.

The Shire is a place for all people to live harmoniously – feeling included and connected with access to services that meet community needs.

The Shire is committed to diverse and sustainable economic growth balanced with the conservation and enhancement of its unique environmental assets, and rich history and heritage.

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2018/2019 from Chief Executive Officer Jeremy Edwards

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Shire Presidents Report

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Economic Profile

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Progress Report Strategic Community Plan

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Finance Report 2018/2019

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Our history

Shire of East Pilbara

is considered the heart of the Pilbara, covering approximately 372,000 square kilometres, one and a half times larger than the state of Victoria and about the same size as Japan.

The main townsites are Newman, Marble Bar and Nullagine, with a number of remote communities, including Jigalong, Parnngurr, Punmu, Kunawarritji, Kiwirrkurra and Warralong.

The Shire of East Pilbara was formed in 1972 upon the amalgamation of the Shires of Marble Bar and Nullagine. Historically, Marble Bar was part of the Bamboo Road Board which was established in 1896 and renamed the

Marble Bar Road Board in 1904. Nullagine was part of the Nullagine Road Board which was established in 1898. The Shires of Marble Bar and Nullagine were established in 1961 when all road boards became Shires.

The estimated permanent residential population is approximately 10,500 people, rising from 6,319 residents in 1999, representing a 40 per cent increase in 13 years.

The regional is rich in mining and pastoral activities providing a significant economic contributions to the State and National economies.

1972

Shire established

10,500

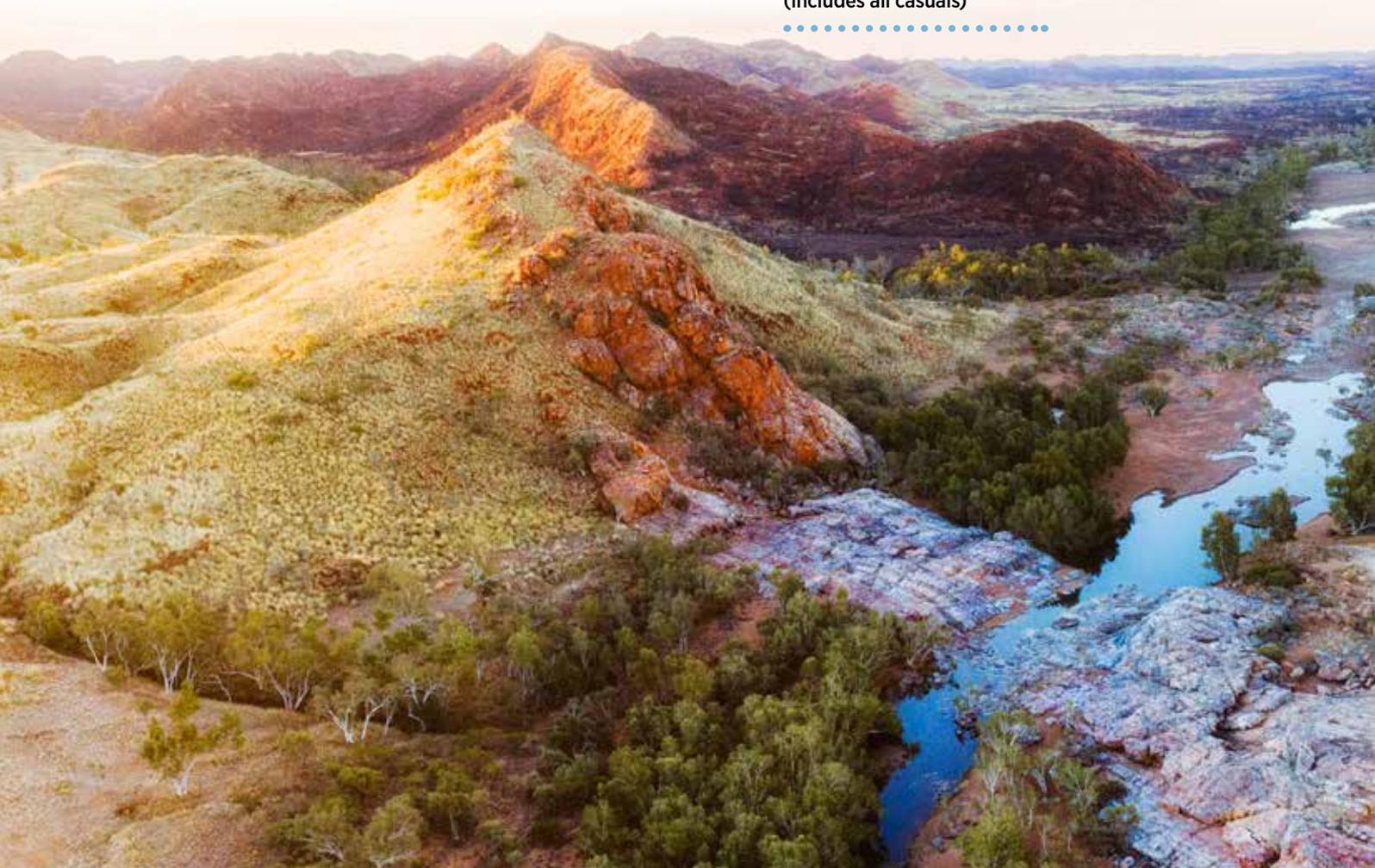
Estimated Shire population

3,085

Number of dwellings

203

Number of employees
(includes all casuals)



Newman

Newman was named after the Newman Homestead. The homestead and nearby Mt. Newman were named in honour of Aubrey Woodward Newman, an early explorer. The town of Newman was built by Mt. Newman Mining Company Pty Ltd to accommodate its employees and their families. From July 1981 the company began gradually handing over responsibilities for the town to the Shire of East Pilbara. In 1982 the town of Newman was changed from a closed mining town to a "normalised" town.

Newman is home to the largest single cut iron ore mine in the world and was built after export restrictions on iron ore were lifted. It is surrounded by the Ophthalmia Ranges and is the southern gateway to the magnificent Karijini National Park which boasts some of Western Australia's most spectacular scenery.



Marble Bar

Marble Bar has the dubious reputation of being Australia's hottest town. It is located approximately 300 kilometres north of Newman, with a population of approximately 250 people.

Marble Bar is another Pilbara town which sprang up during the gold rush period, with the settlement officially declared a town in 1893. It derives its name from the immense bar of jasper, similar in appearance to marble, which cuts through the Coongan River about six kilometres from the town.

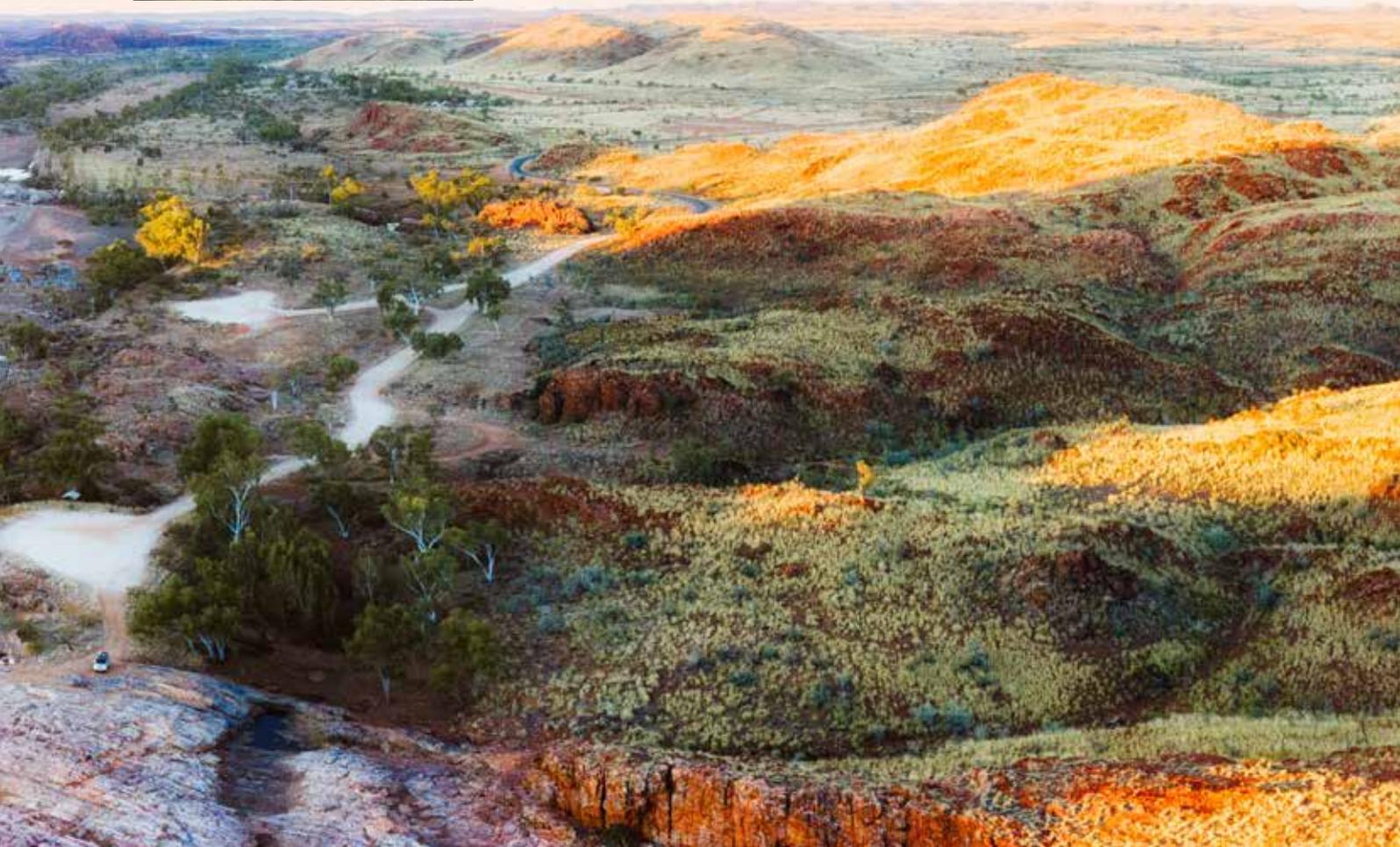
Visitors to Marble Bar can visit the famous Iron Clad Hotel or explore the surrounding gorges such as Coppin's Gap, Kitty's Gap and Doolena Gorge.

Nullagine

Nullagine is located on the Nullagine River, approximately 200 kilometres north of Newman and 100 kilometres from Marble Bar along a partially sealed road.

Nullagine became a thriving town during the gold rush of the 1880s. Its population peaked between 1895 and 1914 at 3,000 people. During this period the town boasted three hotels and a number of stores.

Nullagine was the site of Australia's first diamond discovery and has since attracted prospectors and gold miners looking to find their fortune.



President's Report



It's been a pleasure to lead the Shire of East Pilbara council for another standout year. We continue to advance and solidify our position as one of the crucial centres for the Pilbara.

The 2018 Outback Fusion Festival was one of the biggest and best in recent memory and provided another opportunity to celebrate our unique outback location with the vibrant, diverse multi-cultural community who call it home. A highlight of this year's festival was the "Frame the Shire of East Pilbara"; a photography competition and exhibition to showcase the broad range of talent in our region with the winning images on display at the East Pilbara Arts Centre.

This year we also received funding from the Pilbara Regional Council to develop a digital local history collection to preserve and celebrate our local communities Newman, Nullagine and Marble Bar. We have been thrilled with the response from the public to share items of historic significance that will help us preserve the history of our region.

We also weathered a few challenges, most notably Severe Tropical Cyclone Veronica which made its way to the East Pilbara. We were very well prepared for this event largely because of our Community Safety team who had fantastic help from volunteer staff members who act as Emergency Service personnel.

Early 2019 also saw the completion of the Marble Bar Road – Coongan Gorge Realignment following the massive \$54 million upgrade from the Commonwealth and State Governments. However, there still remain large sections of the Marble Road that are dangerous and we will continue lobbying hard for improvements to our road network.

In March, the Federal Court formally recognised the Palyku people as native title holders over a determination area of 9,308 square kilometres. The determination, made on 12 March 2019, has been 20 years in the making and the on-country court hearing at Wild Dog Creek, near Nullagine, was an emotional occasion.

It was also with great joy and gratitude we presented long-time resident Dr. Leslie Green with, Honorary Freeman of the Shire of East Pilbara, for his many years' service as a health care professional for the Newman community. This is the highest title a local government can bestow upon an individual within its community and it was a worthy distinction to afford him.



The Shire of East Pilbara also said goodbye to four councillors, following the resignation of Jeton Ahmedi and Craig Hoyer who both represented the South Ward and Councillor, Bidy Schill, our Lower Central Ward Representative. I would also like to mention Michael Kitchen from the North West Ward who chose not to stand for election in October at the end of his term. I would like to thank Bidy, Michael, Jeton and Craig for their commitment to Council and their service to the people of the Shire of East Pilbara.

During the preparation of this Annual Report, Council elections were held in October. The Shire welcomes four new Councillors, Lou Lockyer and Holly Pleming in our South Ward, Stacey Smith in Lower Central Ward and Adrienne Mortimer in the North West Ward. I warmly welcome them and look forward to their contribution in the year ahead.

The results of the independently conducted 2019 Community Perceptions Survey have been heartening to me personally. Most respondents were satisfied Councillors are involved in the community (70.7%) and that Council decisions are viewed as in the interest of the community (73.3%).

The outcomes displayed that, as our community, you are satisfied with the way we are leading, listening and representing you. We intend to continue to do so.

In the same survey we also asked about other service improvements you want us, as your elected members, to advocate on to both State and Federal Government.

These priorities are different for each of our towns and, while we have already been representing you vocally on many of these issues, we will use this new feedback and information to continue to push for the interests and the needs of the East Pilbara.

Finally, I thank my fellow Councillors and the administrative team lead by Jeremy Edwards for their ongoing commitment and hard work to the wonderful people of this amazing place in the heart of the Pilbara.

Lynne Craigie

Shire President

Chief Executive Officer's Report

I am pleased to present the Shire of East Pilbara 2018-2019 Annual Report to share with you how we have been tracking our performance, our achievements, our challenges and to outline what major initiatives and priorities our community can expect in the coming year. However, first I would like to share some of the key agreements signed, the outstanding awards and recognitions received and pay homage to a longstanding colleague.

Firstly, in January our Shire President, Lynne Craigie, was the recipient of the Order of Australia Medal (OAM) for services to the East Pilbara Region as part of the 2019 Australia Day Honours' list. We are very fortunate to have Lynne as the leader of our Council and it is fitting that she received this prestigious acknowledgement for her unwavering commitment to our region and to the local government sector over many years.

The Department of Fire and Emergency Services (DFES) awarded the Shire with a Silver Employer Recognition Award, acknowledging our support to emergency services by providing flexible work arrangements for employees who are engaged in volunteering. Tropical Cyclone Veronica was a reminder of the importance of this commitment by individuals and us as an organisation.

The Newman Town Square was awarded a Landscape Architecture Award as part of the Australian Institute of Landscape Architects (AILA) awards. The Square is without a doubt one of our most important pieces of public infrastructure in Newman, so we are thrilled to receive a national award.

We also negotiated a ground-breaking agreement between the Shire of East Pilbara and the City of Swan to develop skills and share resources. Two engineering graduates will experience a secondment program at the Shire of East Pilbara. This was the first resource sharing agreement of its kind between two local governments and we are delighted to be a frontrunner in WA for this type of program.

The Shire of East Pilbara was also privileged to host a creative and cultural forum which celebrated the Pilbara region as one of Australia's richest cultural resources. The Pilbara Creative and Cultural Forum was a significant event and it was great for us to be accredited as an artistic and cultural centre for the Pilbara.

In June, as the financial year closed, a proposal for inter-regional flights in the north of the state took a significant step forward when the Shire of East Pilbara and the City of Karratha each resolved to support an Aviair proposal for new flight connections between regional centres in the North West. This is a landmark opportunity for businesses and residents throughout the Pilbara and we look forward to seeing this progress in the next financial year.

On a sad note that cannot go unmarked, the Shire of East Pilbara's longest serving employee, Calum MacIver, passed away this year.

Mr. MacIver was the first Shire employee to reach the 30 years' service milestone and, by his retirement, had served the Shire of East Pilbara for an unprecedented 37 years. He was a loyal and hardworking employee and a much valued member of the Marble Bar community and will be dearly missed. Vale Calum.

Our Performance

In 2019 the Shire conducted an independent Community Perception Survey to measure how we were tracking against the individual measures that form part of our Strategic Community Plan.

The survey also measured priorities for our community and perceptions of how the community feels the Shire is performing. I am pleased to report overall satisfaction with the Shire's performance has significantly improved between the last survey in 2016 and the 2019 results. Generally there is an upward trend in community satisfaction across almost all of the Shire services which were measured.

Specifically, the proportion of 'very satisfied' residents increased from 28.0% in 2016 to 40.5% in 2019 and the residents that were 'satisfied' also increased from 65.0% in 2016 to 73.1% in 2019.

The level of satisfaction with how the community is informed about local issues is also high at 78.4%. Traditionally, community consultation and engagement does not perform well but it scored 69.6% which is high compared to other Local Government areas.

These outcomes are really positive and it is a testament to the conscious work of all staff over the last few years to improve what we do and how we do it. These figures will provide a benchmark that will guide our future work towards the issues and projects our community has identified as priorities.

Our People

While it is crucial to review and consider how the Shire delivers services for our region, this cannot be done effectively without committed professional people. With my first full financial year having passed, it is important to note the significant period of change we have undertaken to alter how we deliver our day-to-day business.

The Executive and I have had an early focus to undertake a strategic transformational process which, from a leadership, cultural and structural perspective, reflects workplace trends and this is how the Shire of East Pilbara must continue if we are to attract and retain talent.

It is vital we strive to be an employer of choice for our residents and a career goal for candidates in the broader job seeking community. We must also be a competitor to our local government counterparts – regional or metropolitan.

We have moved from two Directorates to four and created a gender-balanced Executive. We have introduced improvements such as paid parental leave as well as a culturally appropriate paid parental leave scheme. We believe we are the only local government to offer this in Australia to our staff.

Further positive change is occurring in the Infrastructure and Asset Management area. In previous years, the planned capital works program for the Shire has been under resourced and regularly unable to complete projects within the financial year they were scheduled. However, our current corporate structure will allow us to shift resources so that these critical infrastructure works can be delivered.

Our Progress: Looking Forward

The last 12 months have been busy, as we have been making a number of changes to enable us to deliver on our priorities and focus on areas of economic development.

Economically, the value of minerals and petroleum commodity sales out of the Shire of East Pilbara local government area in 2018/2019 was valued at over \$39 billion, which is a significant portion of WA's mineral and petroleum industry sales. While mining is likely to continue to drive growth, our role is being able to "read the region" for opportunities and challenges to ensure we are economically viable; particularly as the mining industry automates.

The Shire of East Pilbara has a critical role to play in facilitating investment to secure the long term economic viability of our towns. This opportunity is to reposition ourselves as a service hub for the mining industry. We will drive and promote economic diversification to remain an attractive and vibrant place to live and work.

Our work in 2018/2019 and the upcoming year are reflected with the following focus areas:

- + Ongoing changes to our organisational culture and structure to better deliver on our service priorities
- + Building our internal capacity to deliver on capital projects which, in turn, build the sustainability of our towns and assist our long term financial planning.
- + Creating an enabling environment for businesses and providing support services to the mining industry. As a well-placed service hub the Shire is considering how to facilitate land use planning and other enablers such as airport and airside services.
- + Lobbying State and Federal governments to improve services to address social issues in Newman. In the last year, the Shire has vigorously addressed relevant departments with regard to housing and the lack of 'wrap around' services in the East Pilbara
- + Lobbying for major projects that cannot be delivered by Local Government but are vital to our community, such as the Marble Bar Road and Newman Hospital

While it is often used as a government catch-cry, reducing red tape is also an internal priority.

The Shire is committed to working proactively by improving our internal systems, reflecting on community expectations and building a stronger team who have the ability to deliver on our capital projects, will strengthen our financial position.

On a personal note, I extend my sincere thanks to our hardworking staff members as well as the many partners whose support has ensured another fantastic year at the Shire of East Pilbara

Jeremy Edwards

Chief Executive Officer



Your East Pilbara Shire Councillors

SOUTH WARD



Lynne Craigie

Shire President

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Jeton (Jay) Ahmedi

Deputy Shire President

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Craig Hoyer

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Anthony Middleton

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NORTH WARD



Langtree (Lang) Coppin

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NORTH WEST WARD



Michael Kitchin

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CENTRAL WARD



Dean Hatwell

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LOWER CENTRAL WARD



Biddy Schill

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EAST WARD

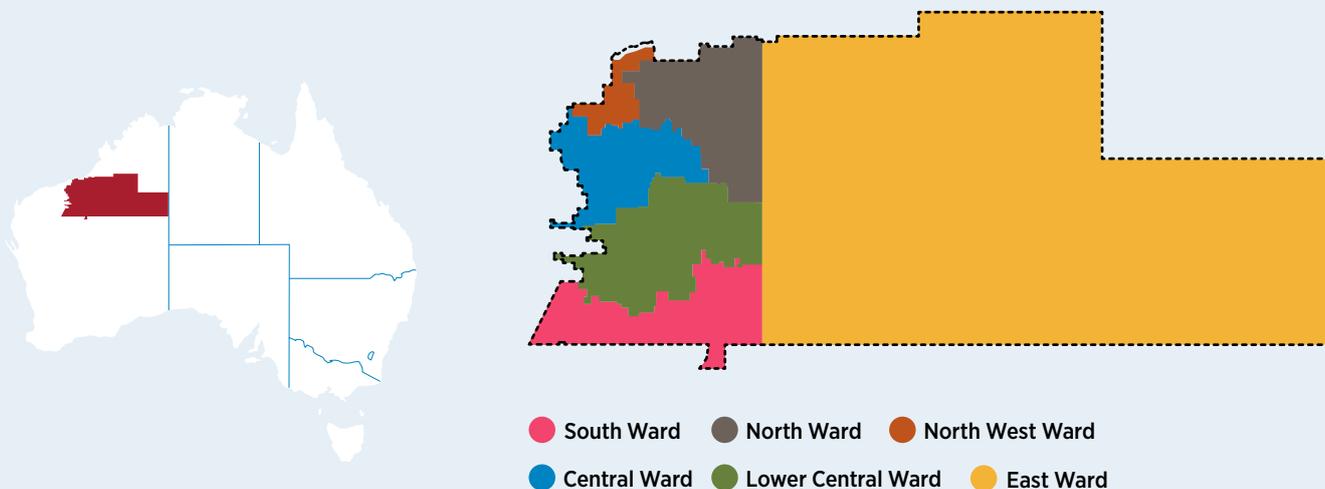


Carol Williams

Parnngurr Community 9176 9009
C.Williams@eastpilbara.wa.gov.au

- Craig Hoyer resigned 7 March 2019
- Jeton Ahmedi resigned 21 May 2019
- Biddy Schill resigned 28 June 2019

Shire of East Pilbara Wards



Councillor's Meeting Attendance

Retire	17 Jul 18	27 Jul 18	24 Aug 18	14 Sep 18	15 Oct 18	26 Oct 18	23 Nov 18	30 Nov 18	14 Dec 18	25 Jan 19	22 Feb 19	22 Mar 19	26 Apr 19	24 May 19	20 Jun 19	28 Jun 19
Location of Meeting	SCM	Newman	Newman	Marble Bar	SCM	Newman	Newman	SCM	Newman	Newman	Newman	Cancelled	Newman	Newman	SCM	Nullagine
South Ward																
Cr Lynne Craigie	2019	Y	Y	Y	L	Y	Y	Y	Y	Y	Y		A	Y	Y	Y
Jeton Ahmedi	2019	A	Y	Y	L	Y	A	Y	A	A	Y	Y	A	resigned		
Anita Grace	2021	Y	A	Y	Y	A	Y	Y	Y	Y	Y	A	Y	Y	Y	Y
Gerry Parsons	2021	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Craig Hoyer	2019	Y	Y	L	Y	Y	Y	Y	Y	Y	Y	Y	resigned			
Anthony Middleton	2021	Y	Y	A	Y	Y	Y	Y	Y	Y	L	Y	Y	Y	A	Y
North Ward																
Langtree Coppin	2021	Y	Y	Y	Y	Y	Y	Y	A	Y	A		Y	Y	Y	Y
North West Ward																
Michael Kitchin	2019	Y	Y	Y	A	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y
Central Ward																
Dean Hatwell	2021	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	A
Lower Central Ward																
Biddy Schill	2019	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y
East Ward																
Carol Williams	2021	L	L	Y	Y	N	N	N	N	Y	N	Y		N	N	N

LEGEND	Y Yes	A Apology	E Lost Election	L Leave of absence	N Absent
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Our Workforce

Our current organisational structure consists of four Directorates and the Office of the Chief Executive Officer (Executive Services). Each Directorate is responsible for delivering services in line with the key strategies from the Strategic Community Plan.

Chief Executive Officer Jeremy Edwards

- + Strategic & Corporate Planning
- + Governance
- + Administration of Council Resources (Financial Sustainability)
- + Implementation of Council policies and decisions
- + Land Use Strategy

Executive Manager Corporate Services

Sian Appleton

- + Strategic Workforce & Corporate business plans
- + Asset and risk management
- + IT Strategy and Management
- + Systems support
- + Financial services
- + Records management
- + Economic development
- + Management of Martumili Artists
- + Management of Human Resources

25.6 FTE=

25 Employees

Executive Manager Customer and Community Service

Lisa Clack

- + Strategic Customer and Community Business Plans
- + Management of Community Wellbeing
- + Management of Community Safety
- + Management of Recreation and Events
- + Management of Customer Services and Media Relations
- + Management of Newman Visitors Centre

48.7 FTE=

53 Employees

Executive Manager Infrastructure Services

Raees Rasool

- + Management of Technical and Development Service Business Plans
- + Management of Technical Services, including rural and Newman town site infrastructure
- + Project & Asset Management
- + Waste Management
- + Development Engineering

32.45 FTE=

44 Employees

Executive Manager Commercial Services

Ben Lewis

- + Strategic Commercial Service Business Plans
- + Procurement, Contracts and Leases
- + Compliance and Development Services (health, building and planning)
- + Property Management

14.5 FTE=

15 Employees

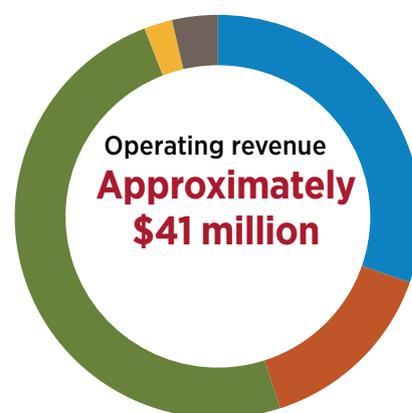
FTE excludes casuals and short term fixed contracts



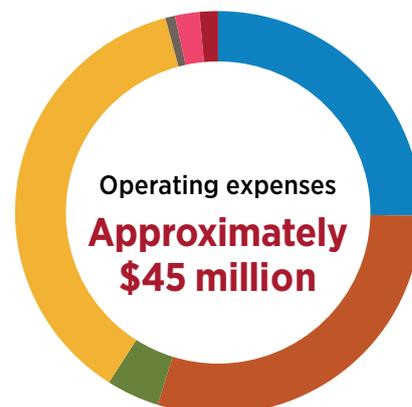


Finance 2018/2019

	2019 Actual
Revenue	\$
Rates	12,187,430
Operating grants, subsidies and contributions	5,396,173
Fees and charges	120,572,246
Service charges	NA
Interest earnings	1,200,933
Other revenue	1,847,578
Total operating revenue	41,204,360



	2019 Actual
Expenses	\$
Employee costs	12,041,589
Materials and contracts	12,208,192
Utility charges	1,842,516
Depreciation on non-current assets	16,564,811
Interest expenses	320,876
Insurance expenses	950,842
Other expenditure	1,356,807
Total operating expense	45,285,807



Project Highlights 2019/2020

- ✓ **Over \$6 million**
allocated to
sewerage plant
improvements.
- ✓ **\$5.39 million**
for extensive Shire
road works and
construction.
- ✓ **\$698,000**
allocated for recreation
and cultural activities
and events.



Economic Overview

The Shire of East Pilbara is the largest local government in Australia with a footprint of over 372,000 square kilometres of the West Australian (WA) outback.

Shire of East Pilbara – Economic Overview

Mining is the central industry and economic driver with around 10,000 resources jobs attributed to the overall 12,415 positions within the region.

Even then, many of the remaining jobs are in service industries directly related to the extraction and processing of the rich deposits of minerals and commodities such as iron-ore, gold, lithium-spodumene and potash.

The sales value of minerals and petroleum commodities extracted from the Shire of East Pilbara local government area was over \$39 billion during the 2018/2019 financial year, which is a significant portion of WA's overall reported record sales of \$145 billion.

This is largely generated by iron ore sales from BHP's Newman's Whaleback and Jiblebar operations and Rio Tinto's West Angelas' mine in the greater Newman area. Second to this is construction activities valued at \$432 million and then manufacturing valued at \$192 million.

The resources sector has been a key driver of the Pilbara, WA and national economies over the past decade with increased capital investment creating employment opportunities and enhanced demand for services.

It is anticipated that in the next few years the amount of product mined will increase with a number of new mining projects emerging and a further \$32b in construction activities either underway or planned within Shire boundaries.

Additional investments in the medium term in iron ore replacement mines and expanded activities in lithium, gold and fertiliser are likely to increase demand for labour during construction phases, and this will also increase economic output.

This expansion is expected to continue over the medium term with Western Australia continuing to be the largest iron ore supplier in the world, accounting for 39 percent of global supply in 2018. Demand for iron ore from Asia is predicted to rise by 226 million tonnes from 2018-2039 with expanded demand in other countries other than China in Asia offsetting a forecast decline from China. The Reserve Bank of Australia has stated that urbanisation and increased GDP in Asia could continue to drive the resources sector for decades. This is likely to continue to drive economic growth in Western Australia and, more specifically, the Pilbara.

In addition to mining, there is an increased focus on economic diversification occurring within the Shire with a number of emerging industries and projects attracting significant investment and creating jobs. These include beef cattle production, exploration into a renewable energy hub, irrigated agriculture projects and tourism.

The most recent wave of investment is geographically broad, with projects emerging in other areas of the Shire such as Marble Bar and Lake Disappointment.

Looking Forward

From a policy perspective, the Shire is well placed to make a difference in creating an enabling environment for investment, to support economic development and drive the sustainability of our towns.

Looking forward, our residents can expect the Shire of East Pilbara to focus on:

- + Strategic residential and industry land development and infrastructure planning in consultation with government and other key stakeholders that will support mining and other operations, and economic diversification (downstream processing, residential land for skilled workers, tourism facilities, town-based and transport infrastructure, and technology), all of which are key growth enablers for the resources sector.
- + Creating an enabling environment for businesses providing support services to the mining industry to use Newman as a service centre / hub for their operations which will build the economic sustainability of the town.
- + Environmental management to protect natural assets and Indigenous heritage
- + Management of airports, a key enabler of economic development, including operations, security, compliance and terminal or runway requirements to meet the needs of operators in the area.
- + Seeking opportunities for economic diversification beyond mining as automation and technology changes the face of mining.
- + Advocate on behalf of our area to the State and Federal Government to provide the support needed to unlock investment in Newman by creating a positive environment that will drive innovation and the creation of local jobs within the towns of this region.



Four Year Summary Statistics

Shire of East Pilbara	2015/2016	2016/2017	2017/2018	2018/2019	Trend
Total Number of Rateable Properties	7349	7603	7768	8016	▲
Minimum General Residential Rate	650	663	663	663	▲
Rates Levied (excluding services)	\$11,680,209.00	\$11,123,639.00	\$11,626,519.00	\$12,187,430.00	▲
Operating Revenue	\$37,282,570.00	\$39,315,192.00	\$38,356,597.00	\$41,204,360.00	▲
Total Current Assets	\$292,657,286.00	\$283,205,845.00	\$312,010,187.00	\$305,298,118.00	▲
Capital Grants Revenue	\$8,252,933.00	\$5,209,006.00	\$9,254,769.00	\$4,964,819.00	▼
Operating Grants Revenue	NA	NA	\$5,644,957.00	\$5,396,173.00	▼
Debt service Cover Ratio (Target is 5 or higher)	6.13	10.86	9.02	9.51	▲
Full Time Equivalent Staff	87.5	82	97.5	111.3	▲
Planning Applications Approved	48	40	38	43	▲
Building Applications Approved	60	52	87	96	▲
Licensed Dogs Registered	NA	264	317	320	▲
Licensed Cats Registered	NA	30	58	55	▼
Facility Bookings	1933	1900	1977	3390	▲
Employment - Aboriginal Australian	20%	6.85%	19%	19.7%	▲
Employment - Women	54.5%	65.5%	63.1%	63.5%	▲



Progress Updates

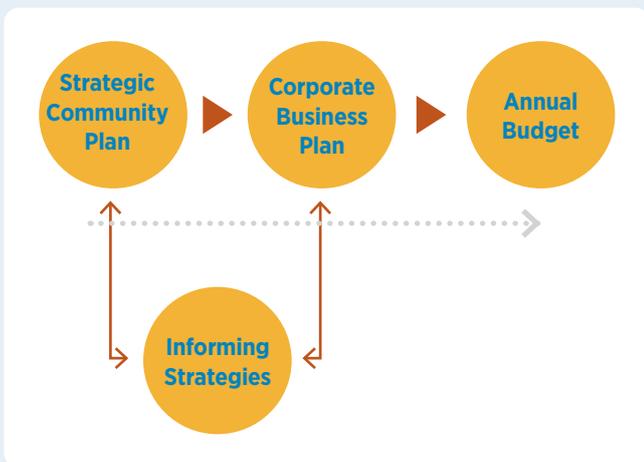
The next few pages provide an update on the Shire progress towards the measures of success identified in the Strategic Community Plan 2018-2028, highlights achieved in 2018-19, and significant activities planned in the coming year.

“You may be asking, “What is a Strategic Community Plan?”

Well, it’s a plan that sets out our vision and aspirations and provides a clear strategic direction for the Shire over the next 10 years and beyond, updated and reviewed every two years.

But importantly, this plan is a product of a process that our community participated in. Through consultation with our community we have captured their views and thoughts about the East Pilbara and how they want it to look in the future. It is a product of many parts, such as the diverse views, needs, wants and expectations of the community and our key stakeholders, all of which have combined to create our shared vision.”

Jeremy Edwards
Chief Executive Officer



How The Plan Is Used

The Strategic Community Plan articulates the Shire’s and its community’s vision for our future by harnessing the community’s values and aspirations. This informs the strategic directions the Shire takes in delivering its future planning, projects and services.

The Shire intends to utilise the Strategic Community Plan to do the following:

- + Guide Council decision making
- + Inform and target the allocation of resources
- + Guide local planning initiatives
- + Inform potential partners and investors of the ways in which we want to grow and develop
- + Engage industries, businesses, government agencies, non-government organisations, community groups and residents in various ways to contribute to the Shire’s future
- + Form mutually beneficial partnerships with other organisations
- + Monitor progress against our vision and priorities.

Key Result Areas

Strategic Priority 1: Economic

Strategic Priority 2: Social

Strategic Priority 3: Built Environment

Strategic Priority 4: Natural Environment

Strategic Priority 5: Governance

2018/2019 Update

Each key area provides an update on the current measure, or the progress against the objectives. Key to this has been the Community Perception Survey, which measured community satisfaction with the Shire and key services 2019. These measures will be used as a benchmark for the remaining years of the plan. In the first year, where possible the information has been compared to results from the 2016 survey. Some are a new measure, and where comparative data from 2016 is not available, this has been noted.



1. Economic

Strategic Priority 1: Economic Outcome: A diverse and sustainable regional economy

OBJECTIVE	STRATEGY	OUTCOME	2018/2019 UPDATE
Develop and promote a diverse and sustainable economy	Actively support local businesses	Satisfaction with business support services offered by the Shire	Satisfaction with business support services offered by the Shire was 61.4% in the 2019 Customer Satisfaction Survey.
	Lobby, advocate and facilitate corporate partnerships to support economic growth opportunities		
The Shire is a great place for tourists	Explore partnership opportunities to promote the region	Satisfaction with tourism information and services	Satisfaction with tourism and information services score 77.6%, with 50.3% scoring this an 8 out of 10 or higher. To deliver this outcome the Shire provides a combination of funding and direct support to the Newman Visitor Centre and Marble Bar Tourism Association.
	Facilitate, support and promote the Shire's unique arts, culture and history	Attendance at Arts and Culture events Attendance at East Pilbara Arts Centre Attendance at local libraries	~10,000 attended Shire events + NAIDOC - 400 + Reconciliation - 450 + NATSI Children's Day - 200 + Art workshops - 26 + Harmony Day - 300 + Newman library 13,160 visits + For the period Jan - June 2019, a further 177 Marble Bar and 381 Nullagine visits for the same period.
	Develop events relevant to the region to attract visitors	Number of regional events and attendance	Outback Fusion Festival 2018 attracted over 600 people at its 'World Stage'

Highlights

- + Satisfaction with business support services offered by the Shire was 61.4%. This measure was not recorded in the 2016 satisfaction survey.
- + The Shire was actively involved in advocating and lobbying for partnerships to support economic growth. This has included lobbying on airport and air services.
- + Direct management support provided to Newman Visitor Centre from January 2019. This included the golden 'i' reaccreditation, Quality Tourism Accreditation renewed and a 4 star rating achieved for the chalet accommodation. This makes the Visitors Centre chalet's the only Tourism Council star-rated property in Newman.
- + The East Pilbara Arts Centre hosted the 2019 Reconciliation Ball in May with 300 attendees. Martumili Artists delivered 1202 new artworks, sold 1049 artworks, engaged 190 new artists and participated in seven markets.
- + From the Arts and Culture program highlights included; Outback Fusion Festival, NAIDOC celebrations, Art Room activation workshops, the reconciliation family fun day and NATSI Children's Week Events.
- + Eleven Regional Events were held in Marble Bar and Nullagine communities, which included Zap Circus and the Purple People show.
- + Attendance at Arts and Culture events, the EPAC and local libraries are all new measures which show how the Shire supports its unique culture.
- + Completion of the Airport Master Planning and subsequent upgrades.

Looking Forward

- + Economic Development and Tourism Strategy under development.

2. Social

Strategic Priority 2: Social Outcome: Harmonious communities sharing strong community connections

OBJECTIVE	STRATEGY	OUTCOME	2018/2019 UPDATE
Promote and facilitate safe and healthy communities	Support healthy and safe lifestyle choices	Satisfaction with community safety initiatives	Satisfaction with community safety initiatives in 2019 (56.7%) was slightly lower than 2016 (61.1%). This is consistent with Newman residents rating improved action to address anti-social behavior, theft and property crime as the highest priority for Council to lobby State and Federal Government to improve (66.8%) Overall satisfaction with recreation activities was high (77%). Specifically, satisfaction with the Aquatic (85.7%) and Fitness Centres (82.5%) was strong
	Support local sporting clubs and community organisations	Satisfaction with recreation activities	
Build a vibrant community	Facilitate community connectedness and inclusion	Satisfaction with community events and programs	Shire Events had a high level of satisfaction, with a score of 82.3% Library Services, and Children and Family Services also had high satisfaction levels at 85.4% and 84.3% respectively. Community programs are also on an upward trend with an overall score of 70.4% satisfaction.
Advocate and partner to improve access to services	Facilitate services for families and children, youth and aged (inclusive of all demographic types including people living with disability, Aboriginal and Torres Strait Islander, Culturally and Linguistically Diverse and LGBTI).	Satisfaction with services available by demographic	Overall satisfaction with the Shire's performance has improved significantly from 65% to 73.1%. Facilitating services for the Aboriginal community, had an overall satisfaction rating of 66.2%. Facilitating services for people from diverse cultural backgrounds a rating of 66.6%.
	Continue to develop or advocate for new services or programs to meet unmet needs.		

Highlights

- ✦ The Shire has been advocating to State Government for action to address housing and social issues as well as to increase wrap around services in Newman.
- ✦ Newman Futures – the Shire is engaging with BHP and community on the Newman Futures Strategy, aiming to build a diverse, and sustainable inclusive economy.
- ✦ Council funding for Art at the Heart, a four-year artist in residency program.

Looking Forward

- ✦ 2019/2020 will see the development of a Recreation Master Plan, including investigating proposed facility upgrades.
- ✦ Implementation of a one year funded initiative including extended youth centre hours and programs aimed at reducing anti-social behavior and improving safety for young people in Newman over the summer months.
- ✦ CCTV and lighting – Crime prevention through environmental design project.
- ✦ Emergency Management Review - Local Recovery Plan, Local Emergency Management Arrangements, Bushfire Risk Management Plan.
- ✦ Strategic review of various community and management plans including; Reconciliation Action Plan, Disability Access and Inclusion Plan, Youth Plan, Arts and Culture Strategy, Events Strategy and Cape Keraudren Coastal Management Plan.

3. Built Environment

Strategic Priority 3: Built Environment Outcome: Connected and accessible communities

OBJECTIVE	STRATEGY	OUTCOME	2018/2019 UPDATE
Optimise places to live, work and enjoy	Improve local amenity	Satisfaction with public spaces and amenities	A statistically significant improvement was achieved in the areas of parks and ovals, with an overall satisfaction rating of 82.8%
	Provide and maintain open spaces for the community to recreate and connect	Satisfaction levels with ease of movement throughout the Shire and within towns. Satisfaction with roads, paths and buildings	Over \$1.3m expended to seal 140km of roads and maintenance of 3,158km of unsealed road in 2018/2019. Ease of movement satisfaction rating of 74.2%.
	Maintain and facilitate community infrastructure and urban heritage, including roads and buildings		75.6% satisfaction with road provision and maintenance. Footpath provision and maintenance satisfaction rating of 78.3%
Plan for the future	Create liveable places through local area planning	Satisfaction levels with public spaces	Satisfaction measures with public spaces scored highly, including parks and ovals at 82.8%, footpaths at 78.3% and free oval lighting 77.7%.
	Facilitate the release of land for diverse and inclusive housing options, industrial and commercial use	Percentage of land zoned for industrial and commercial use that has been developed	In 2018/2019 a review of the local planning strategy and scheme was undertaken. This review lays the foundation for future development opportunities across the Shire.

Highlights

- + Concrete Infrastructure Renewal Program: Concrete pathway and kerbside works
- + Drainage works
- + Double coat spray sealing works
- + Pavement profiling and asphalt works
- + Newman town playgrounds audit
- + Management of the \$1.36m plant replacement program

Looking Forward

- + Creation of a department for the planning and project management of infrastructure projects throughout the Shire.
- + Planned major plant upgrades and replacement of approximately \$1.6m including the purchase of a Bulldozer, Road Sweeper and Waste Truck for Marble Bar
- + Planned capital works including:

+ Waste Water Treatment Plant	\$6.26m	Renewal of existing infrastructure at the Newman site
+ Airport RO Plant	\$260k	Construction of a reverse osmosis plant at the airport
+ Plant Replacement	\$1.67m	Renewal and new purchase of heavy to light vehicles & plant
+ Rural Roads	\$3.64	Construction and renewal of existing rural roads
+ Newman Town Reseals	\$600k	Asphalt reseals of streets in the town of Newman
+ Concrete Works Newman	\$150k	Renewal of footpaths in the town of Newman
+ Pavement Failure & Drainage	\$950k	Reconstruction/renewal of failed pavements or drainage
+ Landfill & Civil Works	\$380k	Works to improve the operation of the liquid waste facility
+ Cape K Potable Water	\$180k	Design of a water treatment at the Cape Keraudren office

4. Natural Environment

Strategic Priority 4: Natural Environment

Outcome: Valued iconic Pilbara environmental assets and biodiversity

OBJECTIVE	STRATEGY	OUTCOME	2018/2019 UPDATE
Protect and sustain our natural resources	Ensure efficient, effective and innovative waste services to reduce, reuse and recycle	% of waste diverted from landfill Waste recycled	Outcomes for this objective will be reported over the four year reporting period of the Strategic Community Plan. In the 2018/2019 financial year a Landfill Waste Management Plan was developed.
	Increase community awareness of appropriate water and energy use	Increase in use of renewable energy sources for Shire facilities	
Preserve the unique local ecological biodiversity and ecosystems	Conserve natural vegetation, green spaces and bushland	Geographical area of bushland and rehabilitated green space. Creation of a register of sites of Indigenous significance	Outcomes for this objective will be reported over the four year reporting period of the Strategic Community Plan.
	Lobby for the protection of environmental assets and sites of indigenous significance		

Highlights

- + Construction of a sludge drying pond – designed and constructed to meet the Department of Water and Environmental Regulation requirements which includes, achieving the recommended permeability over the working life of the pond.
- + Development of a Landfill Waste Management Plan. This is a live document that informs both the operations and upgrades required for the landfill facility.
- + Liquid Waste Facility – the total intake of liquid waste at the septage ponds located in the landfill has increased over the last financial year.
- + Housing upgrades - Solar pannels were installed to reduce greenhouse gas emissions

Looking Forward

- + Redevelopment of the Waste Water Treatment Plant in Newman at an estimated cost of \$6.3m.
- + Application to host an aggregation point as part of the State Government container deposit scheme. This will influence the strategic recycling plan going forward.



5. Governance

Strategic Priority 5: Governance Outcome: Demonstrated accountability and corporate governance

OBJECTIVE	STRATEGY	OUTCOME	2018/2019 UPDATE
Provide efficient, accountable and ethical governance	Enhance governance capability to deliver sustainable outcomes, roads, and buildings.	Community satisfaction with Shire's future direction. Community satisfaction that Shire understands the community needs and prioritises appropriately. Asset and Financial Health Ratios	The overall community satisfaction with the Shire's performance is 73.1%. Of these, 40.5% reported being very satisfied. Also of note, 67.2% are satisfied there are plans in place to guide the Shire's future. Debt service cover ratios of 9.1. Satisfaction rating of 68.5% for the Shire's responsiveness to queries and problems.
	Strengthen customer service	Satisfaction with Shire's responsiveness to queries and problems	During the 2018/2019 year the Shire has focused on improving staff satisfaction through:
	Provide a great place to work	Staff satisfaction. Reduction in Lost Time Injury (LTI) frequency rates	<ul style="list-style-type: none"> + employee engagement with the development and implementation of the Shire's values + implementing the employee recognition program + empowering employees through training and development opportunities + provision of salaries and allowances above the Award + implementing a housing and benefits review to address the inequities between housed and un-housed employees Rates and actions to reduce LTI will be reported on over the four year reporting period of the plan.
Strong Shire identity and regional capacity	Increase the Shire's identity and profile through communication, partnerships and lobbying/ advocacy	Community satisfaction that there are opportunities to participate and be informed. Number of events that promote and support local history and culture.	The level of satisfaction with how the community is informed about local issues is high at 78.4%. Community consultation and engagement is high at 70.3% which is high compared to other Local Government Areas. A number of events have been held in 2018/2019 which promote and support local history and culture. These include Reconciliation Week, NAIDOC, Outback Fusion Festival and celebrating 50 years of mining in Newman.
	Preserve, enhance and celebrate the Shire's history and culture		

Highlights

- + A debt cover service ratio target should ideally be over five (5). The current ratio is 9.1 which is a healthy financial result. This has been consistent over the last three financial years.
- + Community satisfaction results show the number of people that disagreed the Shire was efficient and well-managed has reduced by around 10% (26% to 15.8%) between 2016 and 2019.
- + The community was satisfied Councillors are involved with the community (70.7%), and decisions they make are in the interests of the community (73.5%).

Looking Forward

- + Councillor Induction Program for all Councillors including mandatory training, inductions and ongoing development will be scheduled for the duration of an elected member's term.
- + Corporate reporting framework.
- + Training and Development of staff.

Community & Customer Services

\$49,000

grants and in-kind support provided to the community.



increase in community engagement

Raise awareness, discuss issues and provide solutions.



support and encourage art and cultural activities

Art room activation, makers markets and art workshop series





Pictured:

The Reconciliation Ball held at the East Pilbara Arts Centre in May 2019

Satisfaction with Community Services

Community are highly satisfied with these five community services.

- + Aquatic centres
- + Library services
- + Fitness Centres
- + Children's and family services
- + Services for young people

The ratings of these services all improved from our 2016 results.



Community Wellbeing

Reconciliation Week Ball

Community Wellbeing is a large portfolio of community development, art and culture, grants and event services to build a vibrant community in the Shire of East Pilbara.

Activities

The Shire of East Pilbara continued to facilitate key stakeholder engagement through the following groups:

East Pilbara Interagency

Held monthly, the Interagency meeting brings together a comprehensive array of government and community sector providers from throughout the East Pilbara. The Interagency meeting seeks to share awareness of each agency's 'burning issues', 'good news' and upcoming events.

Newman Early Years Network

Bi-monthly meetings are open to any person or organisation committed to the healthy development of children in their early years within the Newman community.

They are also an opportunity to share information and raise issues for the purpose of seeking positive solutions.

Disability Access and Inclusion Committee

All community members living with disability, their carers, families and service providers are invited to the bi-monthly meetings to discuss solutions to disability access and inclusion that are impacting their day to day lives.

Community Assistance Grants Program

The Shire delivers the Community Assistance Grants Program which provides clubs, associations and individuals improved access to financial and in-kind support for events and activities that bring benefits to the East Pilbara community.

Below is a list of the money distributed:

Grant 1
\$1,778.50

Grant 2
\$1,303.00

Grant 3
\$43,858.15

School Holiday Grant
\$2,656.88

Newman Sustainable Litter Collection

The Sustainable Litter Collection Program runs throughout the year to engage community groups to target key areas in Newman that require litter collection. The groups are given a month to clean up specific areas within Newman, provided the equipment and paid for their services.

Act-Belong-Commit Partnership

In June 2019 the Shire of East Pilbara signed an MOU partnership with Mentally Healthy WA to promote the Act-Belong-Commit message among the residents of the East Pilbara.

Arts and Cultural Development

Art Rooms Activation

The Shire launched the Newman Art Rooms in March 2019, and sponsored a series of 26 workshops.

The Art Rooms and workshops were a success with 82% of participants were extremely likely to recommend the workshop to a friend. 75% of respondents rated the Art Rooms highly, considering them important as a community facility in Newman and a further 66% said they would be interested in joining an art collective in Newman.

#showCase in Pixels

The annual competition had a different format this year. Digital artwork designs were displayed on the 45-metre high tower which featured a circular screen with 14 columns, representing the 14 Noongar language groups at Yagan Square. The Shire of East Pilbara winner was Kevin Edmond, a 13 year old boy who created his art work at the Youth Centre.

The young artist has lived his whole life in Newman and was inspired by the colours, flora and fauna native to the Pilbara region.

"My art shows a dingo because it is native to this land. Brown and red is the earth of the Pilbara. The tree is a gumtree which is the life of the Pilbara," said Kevin.

Community Wellbeing Events

NAIDOC

2018 NAIDOC events and activities over the course of the week were attended by over 400 people. The week started with the opening flag raising ceremony at the Shire Administration offices with strong representation from local service providers and the community.

Guest speakers included local indigenous community member Devon Cuimara, local Martu women and KJ Leadership member Annabelle Landy as well as a stirring performance by Phyllis Lockyer. Flag raisers included representatives from the Newman Police and Aboriginal and Torres Strait Islander young people.

Various other events occurred during the week, which the Shire was proud to have participated in, partnered and promoted to reach a broad community base. These events promoted diversity, harmony and caring communities as well as the celebration of the role of Aboriginal women in our local communities.

Reconciliation Ball

2019 was the third Reconciliation Ball, for the annual East Pilbara Reconciliation Week Awards which recognises community members. Winners included Carly Day, Desmond Taylor, Paul Foster and Jangala. Entertainment was by comedian Sean Choolburra, Theona Councillor, Robbers Dog and a spine tingling speech from local community member Phyllis Lockyer.

300 tickets were sold to the Reconciliation Ball and a further 150 people attended the Family Fun Day on the Sunday afternoon.

National Aboriginal and Torres Strait Islander (NATSI) Children's Day

The Shire partnered with Save the Children to stage this event with 200 families, carers and children attending.



Reconciliation Ball 2019 - Photo Booth



NAIDOC Opening Ceremony

Community Wellbeing - Rural

Community Wellbeing – Rural is responsible for a wide range of activities including, the operations of the Marble Bar administration building, library, Rec Shed and civic centre, facilitating events and programs and undertaking key stakeholder engagement.

Events

Throughout the year the Shire facilitated a variety of events in Marble Bar and Nullagine.

These include:

- + Zap Circus
- + Children's Week
- + Lighting of the Christmas Tree
- + Halloween
- + Australia Day
- + Thank a Volunteer Day
- + International Women's Day
- + Bike Week
- + Harmony Day
- + ANZAC Day
- + Purple People Show

School Holiday Programs

Throughout school holiday periods, activities are run to engage young people in both Marble Bar and Nullagine.

Activities are always varied and free, making them accessible and creating a safe space.

The Shire provides computers, gaming consoles and interactive board games.

Cooking and healthy eating is a frequent activity on the schedule of youth activities.

The Shire creates opportunities for young people to explore cooking different foods using a range of recipes all promoting healthy living and eating.

Arts and crafts foster creativity and individual expression. With activities including mural painting, decorating clothing and making objects with a diverse range of mediums.

The Easter holidays allowed us to bring together young people, their families and the broader community for a swim, BBQ and Easter Egg Hunt. The Shire's school holiday programs foster creativity, health, safety and incidental learning opportunities in a semi structured environment.

Rec Shed – Marble Bar

The Marble Bar Rec Shed offers games, pool table, use of computers, Xbox games and regular activities including rock painting, arts and crafts, card making and painting after school.

Youth Week Program

Youth week was marked in Marble Bar and Nullagine with the kids being able to create their very own custom caps. Youth week was further supported in rural locations with programming such as movie days, sports days and activity stations.

Stakeholder Engagement

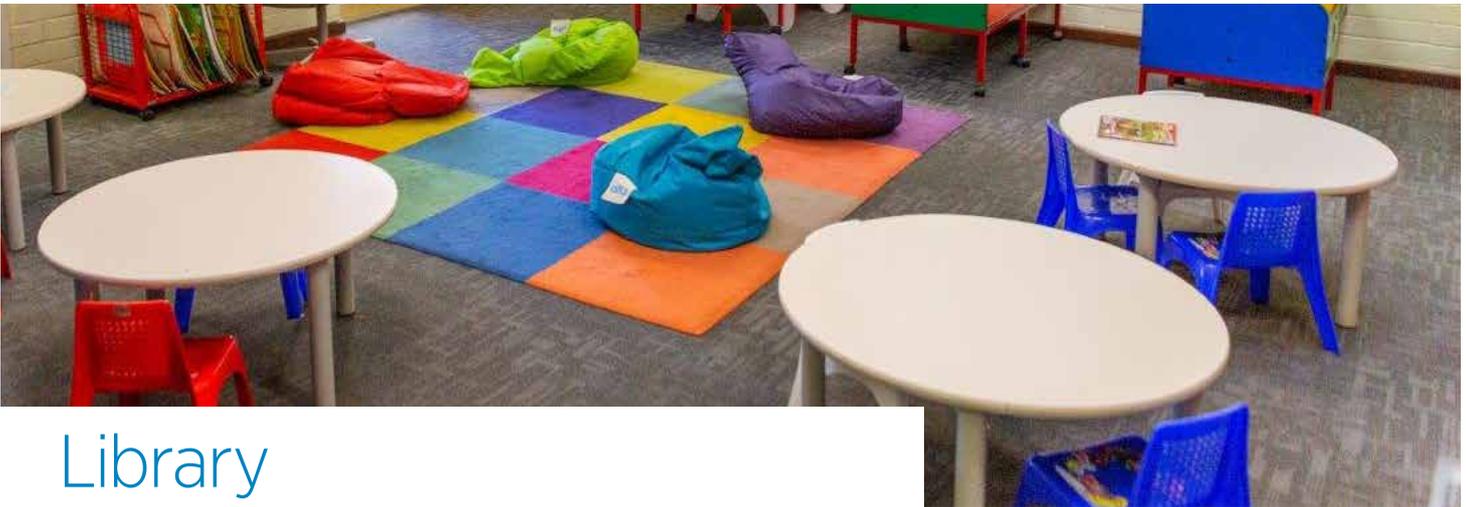
The Shire's Community Wellbeing – Rural team undertakes a wide range of key stakeholder liaison responsibilities. The team often works in partnership with the local schools, community organisations, resident groups, emergency services and industry groups to share information, facilitate events and activities and develop plans for improved amenity and service provision.

Shire staff attended a number of regular meetings throughout the year including the Marble Bar Progress Association; Marble Bar Race Club; Marble Bar Community Resource Centre; Nullagine Community Resource Centre; Marble Bar Tourist Association; Marble Bar Interagency Meetings and the Local Emergency Management Meetings.

Regular Passenger Transport Service (RPT)

The Regular Passenger Transport (RPT) service continued to operate between Nullagine and Port Hedland. The service is operated with the assistance of the WA Public Transport Authority.





Library

The Shire operates libraries in Newman, Nullagine and Marble Bar.

Events and Activities

Newman, Nullagine and Marble Bar Library activities

LIBRARY AND INFORMATION WEEK

All libraries within the Shire of East Pilbara brought Library and Information Week to their readers. The intention of Library and Information Week is to increase awareness to the wider community surrounding the diversity of resources available.

LIBRARY LOVERS WEEK COMPETITION

Every patron that borrowed an item during Library Lovers Week went into a draw to win one of three vouchers for Booktopia. Members of the library were awarded one entry for each item they borrowed in February and went into the draw to win a voucher which would further encourage their enjoyment for reading.

WORLD BOOK DAY

The Libraries held a drawing competition in Nullagine and Marble Bar for World Book Day on the 7th of March.



Storytime at the Square for Children's Week 2018

Newman Library Performance

6174 books

Books loaned

143

Library members

13,160

People visited Newman library

Newman Library Regular Programs

- + Storytime
- + Legoclub
- + Rhyme time
- + Coder Dojo
- + Book club

Operations

- + Library operated six days a week
- Mon – Wed & Friday: 9.30am – 5.00pm
- Thursday: 9.30am – 7.00pm
- Saturday: 9.00am – 12.00 noon



Newman Youth Centre

The Newman Youth Centre continued to offer a wealth of opportunities for young people to participate in community life. The centre delivered a dynamic range of programs and drop-in activities, alongside information and support to engage young people.

Drop in Service

'Drop in' is the primary service provided by the Newman Youth Centre. The program runs Monday to Thursday 2:30pm to 6:30pm for 10-17 year olds, to provide them with a hub to play games, learning skills such as cooking and building positive relationships with other youth in town. The Newman Youth Centre also offers a clothing exchange program where they can swap their clothes for new clothes or have their clothes laundered.

2138 Participant attendance

5210 km travelled in the Funky Bus

82 Hours of late night Friday programs

4000+ Meals served

Engagement

Newman Youth Centre staff worked closely with a range of local stakeholders to create the East Pilbara Youth Engagement Partnership. Staff regularly contributed to forums such as the Juvenile Intervention Management Strategy, East Pilbara Interagency and Alcohol and Other Drug Management Group. In addition, to build trust and breakdown barriers the Blue Light Discos hosted by the youth centre provided a night activity for young people to interact with the Police in an informal setting.

Events

Newman Youth Centre has facilitated and partnered on a number of different events throughout the year.

For example:

- + International Women's Day Youth Awards
- + Youth Week WA
- + International Day of People with Disability
- + Reconciliation Week
- + Welcome to Newman
- + National Day of Action Against Bullying



COMMUNITY WELLBEING – NEWMAN YOUTH CENTRE

Programs**Homework club**

Homework Club is run every Wednesday during school term between 2.30 pm-4 pm.

Friday Night Hive

The Friday Night Hive program is run every Friday night between 5.30 pm-9 pm to target at risk youths, help divert antisocial behaviour and hunger related crimes within Newman.

Girls Group

In 'Real Life, Real Friendships, Real Confidence', is a seven week program. Where girls are lead through sessions about how to navigate conflict, conflict resolution, gossiping, building strong friendships and social media.

Youth Voice

Youth Voice is a monthly program, to drive participation in activities in the Youth Centre so young people can have their voices heard. This consultation information is used to help make the Youth Centre better.

Night Fields

Night Fields provides an opportunity to play sports with the Newman Police to help improve relations. The youth centre support the program by providing transport.

Activities**School Holiday Planning**

Coordination of the School Holiday Program is done each holiday by Newman Youth Centre.

During the School Holidays the centre is open between 12 - 6 pm Monday to Friday. Various programs occur such as performing arts day, drumming sessions, skate park competitions, mess days, water days, cooking sessions, cake decorating.

School Holiday Programs

The Centre opens between 12 - 6 pm Monday to Friday and 10 am - 2 pm Saturday.

Additional activities also included are excursions to OASIS camp, Ophthalmia Dam and Karijini National Park. We combined with stakeholders such as; Headspace, EPIC, YMCA, Save the Children and Mission Australia.

Foodbank

Foodbank WA attended the centre twice this year to provide educational sessions about nutrition and healthy eating.

Rustic Pathways

Rustic Pathways is a student travel company that offers educational travel programs for students travelling individually or with their schools. Rustic Pathways visited Newman Youth Centre twice this year.



International Women's Day Youth Awards in March 2019



Recreation

The Shire of East Pilbara offers an abundance of events, recreational facilities and actively supports sport, clubs and associations across the region.

Newman Aquatic Centre (NAC)

The Newman Aquatic Centre (NAC) features a six lane pool and toddler's splash pool, grassed areas, dry play areas, kiosk and swim shop. Equipment and lockers are available for hire as well as free BBQ facilities and Wi-Fi.

In 2018/2019 there was a general increase in patronage and revenue:

	2018/19	2017/18	2016/17
Visitors	28,115	25,638	30,341
Admissions revenue (\$)	90,355.02	79,957.90	103,555.06
Kiosk sales (\$)	33,079.82	31,774.05	44,876.00
Swim Shop revenue (\$)	13,915.56	11,867.00	12,277.00
Swim school revenue (\$)	41,050.80	35,985.00	49,730.00
Equipment hire (\$)	6,142.68	10,128.23	14,964.31

A number of successful community events and other initiatives were held at the NAC during the past year including:

- + Virtual Rottneest Channel Swim
- + Newman Triathlon
- + Department of Education VacSwim
- + Swim School Program
- + Martu Swimming Lessons (RLSSWA Swim for Fruit program)
- + Children's school holiday program
- + Numerous pool parties including Christmas, Australia Day, Easter plus a series of before and after season events
- + Australia Day Citizenship Ceremony

Marble Bar Aquatic Centre

The Marble Bar Aquatic Centre (MAC) features a 25 metre lap pool and a shaded toddler pool as well as grassed areas, seating and kiosk. The MAC provides a vital recreational opportunity for the community in the hottest town in Australia. Marble Bar, Warralong and Nullagine Schools regularly attend swimming lessons and physical education classes.

The MAC hosted many successful community events over the year including:

- + Marble Bar Reverse Triathlon
- + Community Swim to Rottneest
- + Social waterpolo competition
- + Australia Day Celebration

The MAC is an aging facility and numerous maintenance items were uncovered during a WALGA risk audit. In order to make the centre safe and pleasant for the community well into the future, remedial works were discussed and agreed to by both the Department of Education and the Shire of East Pilbara. Works identified include the repair of concrete, electrical compliance, pool shell and pipework maintenance as well as replacement of certain fixtures.

The Marble Bar Pool generates no revenue from admissions as entry to the facility is free.

	2018/19	2017/18	2016/2017
Kiosk sales (\$)	3,559.82	7,607.69	4,716.95
Visitors	4,720	3,527	-



Newman Aquatic Centre is an oasis in the desert.

Newman Recreation Centre (NRC)

Newman Recreation Centre (NRC) has a fully equipped fitness centre with; free weights, cardio and a circuit room. The centre allows members to have 24 hour access and two full size gymnasiums are available for casual court hire or as a venue for special events.

There is currently 306 active members at this facility comprising of:

- + Fitness centre members - 221
- + Group fitness - 14
- + Dual centre members - 63
- + Combined Recreation and Aquatic members - 10

Membership Sales	2018/19	2017/18	2016/17
Fitness centre (\$)	124,819.07	145,060.90	\$191,914.55
Group fitness (\$)	5,218.71	6,748.18	10,172.73
Rec Centre Membership (\$)	35,773.95	72,241.20	59,597.27
Combined Rec & Aquatic (\$)	9,915.39	--	--
Number of memberships sold	739	1,244	1,132
Casual visits (Fitness centre)	385	1,113	1853
Casual revenue (Fitness centre) (\$)	5,207.50	12,670.46	18,355.91
Casual visits (Group fitness)	580	486	600
Casual revenue (Group fitness) (\$)	8,917.50	6,497.50	7,892
Rec Centre Visit Pass Revenue (\$)	3,780	2,133	4,005
Total Membership Revenue (\$)	193,632.12	244,539.66	290,88.18

Junior Programs

A number of low priced activities are run for children at the NRC:

- + Funky Movement - a physical activity program that improves fine motorskills and coordination for toddlers to four year olds.
- + Junior Basketball - skills development program.
- + Junior Futsal - popular skills development to play Futsal and support the popular Junior Soccer season in Newman.

	2018/19	2017/18	2016/17
Junior program revenue (\$)	\$7,206	\$3,400	\$2,945

Adult Programs

Various sporting programs for adults were available at the NRC:

- + Men's basketball competition
- + Women's netball competition
- + Mixed volleyball competition
- + Find Yourself in Wellness

	2018/19	2017/18	2016/17
Adult program revenue (\$)	4,339	5,514	4,505

Creche

Crèche at Newman Recreation Centre is well utilised by members and staff. The crèche is open Monday - Saturday 8 - 11am and Tuesday 4:45 - 7:45pm.

	2018/19	2017/18	2016/17
Crèche visits	2,652	2,879	3,206
Crèche revenue (\$)	1,792	13,474.00	17,792.63

Rural Fitness Centres

The Shire operates an unmanned Fitness Centre in both Marble Bar and Nullagine. The community accesses the facilities by applying for a membership and receiving a key. Shire staff inspect the premises regularly for basic maintenance.

Club Development

The Shire of East Pilbara received funding from the EveryClub Program through the Department of Local Government, Sport and Cultural Industries to deliver the following workshop:

- + Grant Writing
- + How to run your club - Governance
- + Taping Workshop - Sports Medicine Australia
- + Constitution Workshop - Updates required by Incorporated Association Act 2015

The Shire of East Pilbara hosted two sundowners to provide clubs with an update. also provided feedback and shared their calendar of events.



Les Mills SPRINT™ is one of the most popular classes at the Centre.



Events

The Shire of East Pilbara ensures that all community events meet the necessary compliance requirements for health, planning and safety. The Public Event Team meet monthly to review event applications and identify risks to Council.

Each year the team develops a broad calendar of well-attended community events.

Christmas in July

This event was held on Sunday 22 July to celebrate the first anniversary of the Square.

Marble Bar Reverse Triathlon 2018 Presented By Act-Belong-Commit

The triathlon began with a 2.5km run around the Marble Bar Race track, followed by a 6.5km cycle into town and finished with the a 250m swim at the Marble Bar Pool. Local businesses supported the event with the Iron Clad Hotel providing a prize for the fastest local resident.

Country Arts WA Shows on the Go - A Boy Named Cash

As part of Country Arts WA, A Boy Named Cash performed live at the Square.

Newman Half Marathon & Family Fun Run 2018

Newman Family Fun Run 2018 was a major success with over 150 people participating.

Mental Health Week: Community Lunch

A mental health community lunch was held on 10 October 2018 at the Square. The event aimed to promote mental wellbeing, break down the stigma of mental illness and encourage social connections. It attracted some corporate support with BHP's Acting Whaleback and Area C General Manager attending.

Welcome to Newman Events

November 2018 and April 2019

This event showcases what Newman has to offer its local residents and visitors. It included a free mine tour followed by a community pool side market and evening movie screening in the town square.

Christmas Festivities 2018

The Lighting of the Christmas tree took place on 2 December 2018. With Cr Anita Grace and Cr Anthony Middleton welcoming everyone.

The Christmas Lights Bus tour took place on 12 December 2018. With a free BBQ and buses touring 14 houses. With a People's Choice award for the best display.

The Christmas Pool Party was held on 12 December offered free entry, inflatables and BBQ.

Thank a Volunteer Day 2018

Held at The Edge on 5 December. Nominees, community groups and sports clubs were invited to attend. Cr Anthony Middleton and Cr Craig Hoyer presenting the awards, followed by refreshments.

Newman Australia Day Celebrations

Ceremony

The Australia Day Ceremony took place at Newman Aquatic Centre with breakfast being served. There was an official welcome by Shire President, Lynne Craigie, and Welcome to Country, followed by the Citizenship Ceremony where 17 Newman residents took their pledge to become an Australian Citizen.

The following were award recipients of the Australia Day Awards:

- + Citizen of Year: Matthew Ricketts
- + Citizen of the Year - Youth: Nicholas Malins
- + Citizen of the Year - Senior: Linda Neilson
- + Active Citizenship (Group or Event): SES Newman

Pool Party

On Australia Day the aquatic centre offered free entry and inflatables to the public with live music by a local band The Jab. There were over 500 attendees throughout the day.

Fireworks

Fireworks display was held on Emu Oval.

Harmony Day Celebrations

Harmony week multicultural film festival included multicultural short films supplied by Colour Fest, followed by the film Contact.

2019 Liveliighter Harmony Week Celebrations

The 2019 LiveLighter Harmony Week Celebration was held at the EPAC Void on 16 March. With over 500 attendees throughout the evening, nine cultural groups volunteered to cook and share traditional savoury and sweet meals

Newman Bike Bingo 2019

Newman's first Bike Bingo was held on 24 March as part of the 2019 Bike week celebrations.

To promote healthy lifestyles 21 Teams and 87 competitors took part in a nine stage challenge cycling around Newman. The Newman police delivered an address on bike and road safety to competitors and Newman BMX conducted bike safety checks prior to the event.

Easter Sunday Pool Party 2019

An egg-ellent easter Pool Party was held at Newman Aquatic Centre on Easter on 21 April.

Newman Triathlon 2019 Presented by Act-Belong-Commit

The 2019 triathlon saw an increase in the number of competitors, volunteers and spectators and was held on 19 May 2019.

- + Competitors: 65
- + Spectators: 143
- + Volunteers: 17

The Shire partnered with Monadelphous to put signage on the road. Live timing was a great new addition to the event.

Mother's Day Classic 2019

The event was held on 3 May 2019 with 66 participants. The event received tremendous support from local businesses who provided catering and prizes.

Purple People Show 2019

Country Arts Show On The Go travelled to Newman with the Purple People Show.

This event was held on 21 May 2019 in partnership with Newman Community Radio.

WA Day Festival 2019

Saturday 1 June – Monday 3 June.

Saturday, the community enjoyed meeting artists from internationally renowned Martumili, including hearing stories and learning some words of Martu Wangka.

Sunday, marking the end of the pool season, a party was held at Newman Aquatic Centre season and guests enjoyed free entry, inflatables and slushies.

WA Day Festival at the Square 2019 has seen an increase in number of attendees due to the balance of kids and adult entertainment, more market stalls and the successful introduction of Taste of WA.

Twilight Movie Series

This regular movie screening event is funded through the BHP Event Partnership.

Throughout the year it was clear that family-friendly movies are the most popular. Including: Aquaman, Moana, Sherlock Gnomes, Peter Rabbit, Wreck it Ralph and more



Bike Week



Australia Day



Come and Try Day



Martumili basket weaving



Welcome to Newman



The Square



Triathlon



Harmony Day



Twilight Movie Series

~10,000
People attended Shire events

64 Public Event Permits approved
14 Movie nights at the Square

OUTBACK FUSION FESTIVAL 2018

The annual multicultural festival was held from 31 August to 2 September celebrating the unique outback location by using multiple sites in Newman.

Official Opening and launch of Outback Fusion Exhibition

The Official opening was held at East Pilbara Art Centre with the launch of the Outback Fusion "Frame the East Pilbara" exhibition. The opening was open to the public with food being served by Easy Bake. Overall, a great start to the festival showcasing the collaboration between Shire of East Pilbara, Martu artist's and local photographers.

Over the Fence Comedy Film Festival

This short film festival was held at the Square with Newman Primary School P&C running the bar and selling cheese platters. An adult event event, provided a unique experience with a series of short films.

Martumili Artist Open Day

A great example of the collaboration between the events team and Martumili. The public was able to visit the Outback Fusion Exhibition as well as meeting some of the artists while demonstrating basket weaving. Throughout the morning, Outback Beef sausages, kangaroo tail and damper was available. Everyone tried the kangaroo tail and damper that was cooked traditionally on the fire.

Drumming Circle with Akwaaba

Drumming circle was held at Speaker's corner to showcase one of the parks in Newman. It was a great atmosphere. Akwaaba and Belly Dancers also lead the crowd to the Square to start Newman World Stage.

The Model Speaks Workshop:

The undraped model ran the workshop and guided all participants through a series of exercises and techniques to expand their ideas of how to draw people. 16 people attended the workshop at performing art room at the Rec Centre. All drawing materials were supplied and cheese platters were provided.

Newman World Stage

The event began in the afternoon with performers Azariah Esther; a young brother duo from Perth about to release their first album. Overall all the performances were a success, with Canyon and Christine Anu being the headline acts. The whole concert concluded with a fire show by Dangerous Delights. Around 650 people attended the event.

It was followed by these local performances:

- + Newman Dance Company - Australia
- + New Zealand Haka Kapa
- + Newman Filipino Association
- + Newman Thai Dancers
- + Josh Thomas - Australia

Yoga at the Park

Around 27 people attended the Yoga in the Park showcasing one of the local parks. It was a great atmosphere with yoga instructor Susanna Tope.

Family Fun Day

Red Desert Events Partnered with the Shire of East Pilbara to deliver a community market. There was live entertainment on stage by:

- + Festival MC - Kevin Kropinyeri
- + Josh Thomas
- + Azariah Esther
- + The Jab
- + Arty Brellas Workshops by Tricia Stedman
- + Circus Workshop by Dangerous Delights
- + Face Painting and Henna
- + Ranger Red and his Outback Animals
- + Photo booth

Cooking Workshops

Thai Cooking Workshop presented by Easy Bake was sold out a short time after the opening of tickets sales.

The Filipino Cooking Workshop presented by Newman Filipino Association attracted 8 people to the workshop.

“The Outback Fusion Festival of 2018 was absolutely amazing! Over 600 people attended the Newman World Stage Concert on Saturday night and everyone was celebrating our wonderful community and the uniqueness of the East Pilbara,”

Shire President Lynne Craigie



PICTURED

Martumili Open Day - Basket Weaving



Community Safety

The Community Safety Department has responsibility within the Shire of East Pilbara for all aspects of community safety, ranger services, emergency management and bushfire management.

The Community Safety Department has maintained compliance and educational activities throughout the Shire during the past financial year.

Ranger Services

Newman

In July 2018 disposable plastic bags were removed from all supermarkets in Western Australia and, as a result, there was an increase in abandoned trollies around Newman. Rangers were required to increase the correspondence with Woolworths and IGA regarding the matter to ensure trollies are collected as soon as possible.

Pet registration door knocks have been conducted in Newman in an attempt to reduce the amount of impounded animals in town and properties that did not already have registered animals were checked. Following this activity, a high level of compliance was achieved. Due to the transient nature of Newman, door knocks will continue to be conducted annually.

Parnpajinya Community

Ranger services continue to receive reports of animal welfare issues at Parnpajinya. In response rangers have attended and dealt with these issues wherever possible.

Nullagine

Several cats and dogs have been trapped in the area and impounded by rangers. Compliance in relation to dogs being held or tethered in a public place is ongoing as rangers are witnessing offences almost every visit. Rangers also dealt with a large amount of commercial cooking oil dumped less than 10km from town. The alleged offender could not be pursued due to lack of evidence; however relevant businesses in the area with commercial kitchens were effectively educated and there has been no further offences.

Irrungadji Community

Ranger services continue to receive reports of animal welfare issues at Irrungadji community and, in response, rangers have attended and dealt with these.

Marble Bar

Notification is sent out in local newsletters and via social media in Marble Bar regarding fire season. There are several vacant and damaged properties that have been identified as hazards.

Goodabinya Community

Ranger services continue to receive reports of animal welfare issues at Goodabinya. In response, rangers have attended and dealt with these appropriately.

Jigalong

Ranger Services were asked by WA Police and the Pilbara Regiment to assist the Army Vet in convincing community members to surrender their dogs for treatment.

Punmu

The Community Coordinator requested Ranger Services attend as they had a large number of dogs causing issues in the Community. Upon arriving, the team assisted the community in finishing off the earth works of the Punmu Flying fox.

Kunawaritji

Ranger services met with the Community CEO who identified four dogs that were causing major issues in the community.

Ranger tasks 2018-2019



	#
Animal control	493
Fire	185
Litter	114
Vehicle & parking	329
Community safety ect	244
Total	1,365

Community Safety

Graffiti continues to be prevalent around the Newman town site with rangers regularly identifying the graffiti and reporting to police and to the depot for prompt removal. An audit of damaged properties in Newman was conducted by the Community Safety Department in February 2019 where 168 properties were identified to either be damaged or boarded up as a result of previous damage. The data was utilised by the Shire President and CEO to alert key stakeholders such as; Department of Regional Development, WA Police, Department of Communities, Western Desert Lands Aboriginal Corporation (WDLAC) and BHP of the current situation.

A number of events have been attended by Community Safety employees in 2018/2019. These include: Marble Bar Cup, NAIDOC, Outback Fusion and Harmony Day.

Infringement income		2018/2019	2017/2018
Infringement Value	(\$)	17,405.00	22,815.00
Final Demand Fees	(\$)	1,013.00	1,970.80
Fines Enforcement Fees	(\$)	2,172	3,904.10
Total	(\$)	20,590.00	28,689.90

Dog registrations



320
Dog registrations for 2018/2019

Cat registrations



55
Cat registrations for 2018/2019

Emergency Services

Tropical Cyclone Veronica was a severe tropical cyclone which had a major impact on the Pilbara region during March 2019. Staff from the Shire of East Pilbara were sent to Marble Bar to assist opening evacuation centres.

The main impact to the Marble Bar region was heavy rainfall over a 96 hour period, resulting in main and local road closures for up to five days.

The Shire of East Pilbara was successful in obtaining AWARE funding (provided by DFES) for the 2019/2020 financial year for the purposes of Local Recovery Training.

Bushfire

Fire break inspections continue with non-compliant properties in Newman receiving notices. Initial indications show far greater compliance this year in Nullagine and Marble Bar. Fire break works have been quoted for the Newman town site and are currently awaiting DFES Approval. These works will be conducted prior to fire season.

A number of hazard reduction burns took place around the Newman town site. These burns provide strategic buffers in the event of a summer wildfire. Similar burns are scheduled for Marble Bar and Nullagine.

Due to the lack of rainfall in 2018/2019 there were numerous bushfires as a result of lightning. The two main incidents were Nullagine in October 2018 and Pardoo in November 2018. No injuries or loss of human life occurred through these incidents and there was minimal damage to infrastructure. However, Pardoo station lost approximately 50 head of cattle.

Cape Keraudren

- + Record tourist numbers and income for the 2018/2019 season. The nature based reserve is extremely popular and tourists enjoy the fine weather, beautiful scenery and excellent fishing.
- + The access road into Cape Keraudren was severely damaged during Tropical Cyclone Veronica and has required additional repairs.

↑ \$184,263

Cape Keraudren total income.

↑ 10,904 visitors

An increase of 5,426 visitors from the previous year.

Commercial Services

~\$34 million

The construction value of building permits issued by the Shire of East Pilbara.

340,000

Airport passengers

102

Food trader permits



The sales value of minerals and petroleum commodities extracted from the Shire of East Pilbara local government area was over \$39 billion during the 2018/2019 financial year, which is a significant portion of WA's overall reported record sales of \$145 billion.



Building

Through its planning, building and health processes, the Shire of East Pilbara seeks to pursue a balanced approach to development that protects amenity, preserves heritage and provides clarity to developers.

The Shire of East Pilbara’s building activity for this year has again remained relatively quiet.

New medical clinics have been completed at Punmu and Parnngurr communities and approval has been granted for PAMS new medical centre in Newman. A Community Centre and associated works for Jigalong Community being carried under the Army Aboriginal Community Assistance Program (AACAP) was also approved.

Demolition Permits were issued for 10 derelict houses in McLeod Close, Marble Bar.

Major refurbishment works to Kalgan’s Rest and Whaleback village for BHP were approved with some of the buildings being replaced from section of Kurra Village that has been demolished.

In the mining sector, a 598 person construction camp was approved for West Angelas and completion works for the Koodaideri Village was approved.

	New dwellings	Extensions, garages, pools etc.	Commercial & industrial	Demolition	Mining
2013-14	146	47	21	9	22
2014-15	24	45	29	2	5
2015-16	0	16	16	4	2
2016-17	0	7	16	7	3
2017-18	2	31	21	6	4
2018-19	2	35	18	15	4

74

Private swimming pool inspections were carried out during this year with many compliance issues being identified and addressed.

	Number of applications	Construction value \$M	Building income \$1K
2013-14	245	160.26	189.01
2014-15	78	53.34	78.94
2015-16	40	14.59	34.17
2016-17	32	34.16	97.60
2017-18	64	90.00	153.12
2018-29	74	34.45	86.26

Planning

Development

Development activity within the Shire of East Pilbara remains subdued with a similar number of approvals to the previous three years. The developments of note include two additional wind monitoring masts installed in the Shire's north, the new medical centre for Puntukurnu Aboriginal Medical Service (PAMS) in Newman, a community centre and associated works for Jigalong Community and the refurbishment of Kalgan's Rest and Whaleback Village for BHP.

Home Based Business

Home based business within the Shire remains an important element of the local economy. The number of approved home based businesses within the Shire has dropped from 27 in 2017/2018 to 19 as at 30 June 2019. The number of new home based applications determined was nine compared with eight for the previous year. A number of operators have left town or have ceased their business and have not renewed their approval.

Local Planning Strategy

The Shire continues to review the Local Planning Strategy (LPS) following an extensive consultation period with stakeholders. The consultation period held in 2018 resulted in substantial amendments required to the draft document, originally prepared by Hames Sharley in 2014 and these amendments will focus on land use planning principles and set the objectives for the ensuing 10 years.

In the second quarter of 2019, the Shire appointed a Manager of Land Use and Strategy who will, as a matter of priority, continue working on the draft Local Planning document as copyright has since been secured from the consultant.

It is envisaged that the LPS will be completed in the coming 12 months with a further round of Public Notice, prior to ultimate consideration by the Western Australian Planning Commission.

Agricultural Development

This year Council invested resources to support the Transforming Agriculture in the Pilbara (TAP) initiative undertaken through the Department of Primary Industries and Regional Development. The intent of the support was to ensure that the Shire actively engaged in the initiative and had the capacity to make recommendations and provide direction to the project leading to better economic development and diversification outcomes.

Initial investigations by RFF Australia have been progressed and this has included a review of land tenure having regard to native title, mining tenements, water resources and soil suitability. This has been a complimentary exercise to the TAP project and is focused on the practical issues in relation to land tenure changes to enable investment and proximity of opportunities to communities who could benefit from new economic activity.

Tourism Development

The Shire of East Pilbara continued to provide financial support and business support functions of the Centre the Newman Visitor Centre and financial support to the Marble Bar Tourist Association throughout the year with on-going funding to support their activities and to contribute to the development of tourism in the region.

In Newman the Visitor Centre operates regular tours to BHP's Mount Whaleback mine site. The tours is of the largest open cut iron ore mine in the world continue to be popular with tourists visiting Newman with some days attracting over 70 people on the tour.

The Marble Bar Tourist Association has been steadily developing its capacity over the past year. A new funding agreement with the Shire has provided for the employment of Tourism officers at the Marble Bar Visitor Centre and the Museum during the peak tourism months of April through to October.

Looking forward the Shire has been successful in securing funding to develop an economic, tourism development and land use strategy.

The strategy will build on existing strategies to add value to economic growth; including the BHPfunded "Newman Futures". The preparation and delivery of a Development and Land Use Strategy for the Newman town centre and its immediate surrounds will integrate with the Economic Development and Tourism Strategy to form two strategic documents that guide the economic growth of the shire. The strategy will consider Newman as a modern centre, providing a more diverse economy than currently exists in order to support the future vision of becoming a regional service centre for the region. The strategy will also take into consideration the shire's two smaller townships of Marble Bar and Nullagine. The Development and Land Use Strategy will integrate with the Economic Development and Tourism Strategy to deliver real economic growth.

Industrial Development

Local Government has a key role in strategic industrial land development and infrastructure planning in consultation with government and other key stakeholders, to support growth in mining and other operations, and economic diversification, all of which are key growth enablers for the resources sector.

The early stages of the Local Planning Strategy and Scheme review has identified there is a shortage of industrial land, particularly for light industry around our townsites.

Looking forward, the Shire is currently considering opportunities for the expansion of light industrial areas, particularly in Newman as part of the priorities identified in the local planning strategy review



Assets and Procurement

Building assets and procurement plays a major role in the contract management of building, construction and maintenance services for the Shire.

The building and assets department at the Shire of East Pilbara is responsible for:

- + Asset Portfolio Management
- + Building management
- + Procurement
- + Contract management
- + Contractor management

Asset Portfolio Management

Asset portfolio management includes asset or property transactions.

\$1,116,000

Approximate total spent on maintenance to housing

\$1,240,000

Approximate total spent on maintenance to public buildings

\$1,230,000

Approximate total spent on capital to housing

\$257,000

Approximate total spent on capital to public buildings

Projects

Council is committed to investing \$2.7m in the maintenance and upgrades of public and built infrastructure. The following highlights the improvements and upgrades in the last financial year were:

- + Improvements to Capricorn Reserve included a lighting upgrade with globe and shroud replacement to Capricorn Oval.
- + The Newman Recreation Centre had an upgrade to the mechanical air-conditioning system within the weight and circuit rooms.
- + The construction of a new residence to house for the caretaker at Cape Keraudren.
- + The old SES building was demolished following the completion and activation of the new office.

Leases and Licences

The Shire of East Pilbara has entered into new agreements with the following organisations this year:

- + BAI Communications
- + C.A. Helicopters
- + Bureau of Meteorology
- + East Pilbara Race Club

Newman House

The Assets team oversees the building and operational needs of Newman House. During the past year the Shire has entered into new agreements with the following organisations:

- + NEMMS JV
- + Aboriginal Males Healing Centre
- + Puntukurnu Aboriginal Medical Services
- + Ethnic Disability Advocacy Centre
- + Pilbara Community Legal Service

Tenders and quotes requested

13 Total number of RFTs

6 Total number of RFQs

\$9.4m Total cost of awarded contracts



Health

The Shire's Environmental Health Department oversees health standards and legislation, and is committed to a safer, healthier future for our residents and visitors.

Regulatory Compliance and Control

Food safety management

Environmental Health ensures the safety and suitability of food sold to the community. The department has in the past year undertaken a total of 107 onsite food business assessments to verify compliance with applicable food safety standards.

Food safety checks have been an excellent opportunity to raise awareness on the importance of having food safety programs. The Department has assisted the child care centres in Newman to develop and review their food safety programs. Several improvements have been noted in the food handling practices of food businesses within Newman.

Trading in public places

The Public Places and Local Government Property Local Law 2011 governs trading activities on council property in the Shire, to ensure that trading is conducted at appropriate locations with public safety in view. This year, a total number of 102 traders permits were issued by the department.

Lodging facilities, licenced premises, caravan parks and camping grounds

Regular inspection of hotels and accommodation facilities in Newman were carried out to monitor the maintenance of health and safety requirements. Two new lodging house establishments were inspected and registered with the Shire bringing the new total to 24 registered premises.

102

Food trader permits issued

Compliance Monitoring

Water quality management

Liquid waste disposal

To ensure that wastewater does not pose a threat to the health of both the public and the environment, the Shire enforces the requirements of the Health Regulations 1974, ensuring that all on-site effluent disposal systems are installed, operated and maintained in accordance with the legislative requirements.

Over the past year, a total of 42 applications for new septic and waste water treatment systems were processed and registered.

Newman Wastewater treatment plant

Effluent samples collected 2018/2019

Routine sampling of discharged waste water effluent is carried out by the Shire Waste Water Treatment Facility. Some non-compliance was recorded of effluent quality in the 2018/2019 year, mitigations were introduced to achieve compliance.

Recreational water monitoring

The Shire monitors the bacterial and chemical content of recreational water to ensure that it is safe for swimming and recreational use. Water quality monitoring of recreational pools was carried out with no reportable issues. Mitigations were implemented and the results of the final year were consistently compliant.

Portable water monitoring

The Department continues to monitor the Newman Airport potable water through monthly sampling. A total of 72 microbiological potable water samples were collected in the year 2018/2019. The Department also continues to provide quarterly reports to the Department of Health on potable water quality at the Newman airport.

Thermophilic coliforms were within the recommended values for all samples obtained. The same was recorded for microbiological samples for naegleria. A further 24 water samples were collected to be tested for analysis. A few non compliances were observed relating to aesthetic values in the drinking water guidelines. Although some parameters were not measured over this period, health related values for potable water were all compliant.



Dust monitoring campaign

The Department completed the Newman dust monitoring campaign in July 2019 and at present the Department of Water and Environment Regulation and the Department of Health are analysing the results of the study and will submit a report to the Shire before the end of the year. This report will provide an assessment of the levels collated through the study as well as the public health impacts, if any.



The findings of the study; which was aimed at assessing levels of Total Suspended Particulates (TSP) contained within dust samples collected; will be sent to the Department of Water and Environment Regulation in conjunction with the toxicology unit of the Department of Health, who will make an assessment of PM10 and PM2.5 and resultant public health impacts of levels if applicable.



Drinking water quality

The Newman Airport water quality results were monitored throughout the year. The total coliform results were consistent with required parameters.

Whilst some samples were obtained that were positive for *Naegleria* and *Thermophilic Amoeba* over the course of the 2017/2018 year, follow up samples were obtained and corrective action was also implemented at the Newman Airport to rectify the issues identified.

Infectious Disease Notification

Mosquito Management Program

The Shire of East Pilbara Mosquito control program which commenced in 2012/2013, continues to achieve the objectives of vector control and provision of information on mosquito control as well as providing mosquito control products to the public e.g. repellent.

Surveillance programs have continued to be carried out monthly at known breeding sites in Newman, Marble Bar and Nullagine. Mosquito control is an important function of public health management for the prevention of mosquito borne diseases such as Murray Valley Encephalitis, Ross River Virus and Barmah Forest Virus.

This Department has initiated and has begun implementing several objectives to address the prevalence of mosquitoes within the Shire. After a previous survey conducted in Marble Bar of defective septic tanks known to breed mosquitoes, the Shire was able to purchase mosquito treatment products that were provided to residents to be used on their properties to control for mosquitoes.

Chicken Sentinel Surveillance

The Sentinel Chicken Surveillance Program is used to provide early warnings of increased flavivirus activity in Australia. The main viruses of concern are Murray Valley Encephalitis (MVEV) and Kunjin (KUNV) viruses. MVEV

causes the disease Murray Valley Encephalitis (formerly known as Australian encephalitis), a potentially fatal disease in humans. The Shire continues to be an active participant in the WA Sentinel Chicken Surveillance Program with sentinel chickens stationed at the Ophthalmia dam area, the Shire Depot and Marble Bar. Continued testing of chicken serum samples from the sentinel flocks assists in the detection of any virus activity. Due to some funding received from the Department of Health some much needed repairs are currently underway at the Marble Bar Chicken Pen to ensure that the enclosure meets ethical standards for the program.

Noise Pollution and Control

The Department has strengthened the control of after-hours noise issues from construction by ensuring that all complaints are followed up promptly and appropriate permits issued when conditions for noise control are met, such as the mandatory submission of Noise Management plans. Difficulties have been encountered in applicants failing to meet the minimum stipulated time for submission of an application and the department continues to advise applicants accordingly.

Air Quality: Mould

The Department continues to provide a mould testing service to residents within the Shire. The Department has this year been able to provide advice and testing for four properties in Newman. The relevant authorities or site and building managers were alerted and advised to implement measures to protect public health. After which remediation strategies were reviewed and followed up.

Projects

Public Health Plan 2.0

Local governments are responsible for enforcing and implementing the Public Health Act.

Environmental Health is in the process of developing the Public Health Plan 2.0, which is building upon the first Public Health plan. Currently the following options are being explored:

- + Carry over outstanding actions from PHP 1.0 and package these into an Interim Public Health Plan to be executed in the 2019/2020.
- + Develop PHP 2.0 which aligns with the State Public Health Plan and incorporates Aboriginal Health as one of the priorities.
- + Creating the opportunities for the establishment of strategic and symbiotic partnerships with other agencies in the achievement of health outcomes in the community, thus reducing unnecessary duplication in several areas.
- + Creating a framework and methodology for the targeted deployment of hitherto scarce financial, material and human resources to effectively and efficiently deliver outcomes of the Shire's Corporate Strategic Plan.



Airports

346,000

Passengers.

Airport Masterplan 2020

Masterplan was commissioned during the 2018/2019 year and is anticipated to be endorsed in March 2020 and will set the direction of Newman Airport for the next ten years.

Marble Bar Airstrip

Currently investigating opportunities to upgrade the Marble Bar airstrip and the Shire has applied for commonwealth grant funding to offset the costs of the works.

Newman, Marble Bar and Nullagine

The Shire of East Pilbara owns and operates Newman Airport, one of the busiest regional airports in Australia, as well as the airstrips at Marble Bar and Nullagine.

Newman Airport

Newman Airport experienced a downturn in passenger numbers in comparison to the last financial year. This figures had bottomed out at around 310,000 and were slowly climbing back to reach 346,000 by end of year. This was an encouraging result and highlights the confidence in the region, where the majority of passengers are FIFO employees.

Although it was business as usual for most of the year, plans were made for a number of projects including the development of a Master Plan for the airport which will be completed by January 2020. The Master Plan will enable the airport to plan for coming years with a defined strategy to meet future demands and projected growth estimates.

Projects that were initiated during the year included an upgrade to the aerodrome lighting system where tenders were sought for the design of a new system to replace aging infrastructure. A smaller but equally important project was to renew the aerodrome line markings to enhance visual reference for airline crews on the aircraft movement areas.

Negotiations were finalised for the construction of a cafeteria in the departures lounge of the passenger terminal. Construction of the café is expected to commence prior to Christmas 2019 and will provide a much needed boost to the passenger experience at the airport which has been lacking such facilities following the closure of the old kiosk nearly two years ago.

Maintenance is an on-going issue for any public facility and the airport is no exception. Critical infrastructure such as power and water are in constant need of attention to maintain the delivery of services to airport users. Although water leakages have reduced significantly over the last 12 months the infrastructure requires continual monitoring by maintenance personnel.

Maintenance of the aerodrome lighting system also requires constant attention to ensure that lights are operating at optimum performance levels. The airport hosted the Royal Australian Airforce (RAAF) on several occasions during the year which included the BAE Hawk fighter trainer from 76SQN AAF Base Pearce. Another aircraft of note, was a converted DC3 (C47 military variant) from South Africa conducting aerial geographical surveys in the Kimberley region.

Importantly, and as a CASA requirement every two years, the airport tested its Aerodrome Emergency Plan where all stakeholders from Newman were invited to attend. As well as testing the aerodrome emergency procedures it also provided the opportunity for emergency response agencies to practice their procedures and communications in the event of an aircraft incident or accident at the airport.

The passenger terminal at Marble Bar received a facelift and an upgrade of the water supply, improvements to the toilets and electrical facilities. Although this was a modest improvement it demonstrates the commitment to our more remote locations for the provision of services to the travelling public. The installation of solar power is under consideration for both Marble Bar and Nullagine in the next financial year to ensure the continuation of power to electrical systems at both airports and in particular for the operation of the runway lights at Marble Bar in support of RFDS medical flights





Martumili Artists

Operating since 2006 Martumili Artists is an Aboriginal Arts Centre representing Martu artists from across the Pilbara. Martumili is based within the East Pilbara Arts Centre (EPAC) and provide purpose built facilities, that includes studio and office space, plus a state of the art gallery to display exhibitions and create their work.

Community Exhibitions, Events and Partnerships

Warla Tuwa

Aboriginal Contemporary Galley, Waverley, NSW. July 2018

'Warla Tuwa - salt lakes and sand hills' follows critically-acclaimed exhibitions by Martu artists at both the Australian Museum and the MCA. The new exhibition includes works from senior artists, including Amy French, Bugai Whyoulter and Nancy Chapman, alongside the rising stars and next generation of Martu artists such as Cyril Whyoulter and Judith Anya Samson.

Martumili Artists and Spinifex Hill Artists. The Aboriginal and Torres Strait Islander art centres, both located in the Pilbara region of WA, united to bring together the last Pujiman (desert born and dweller) generation with younger artists. This exhibition celebrates the elder generation and acknowledges these moments as delicate and significant from a local and national perspective. It also pays tribute to their dedication and commitment to the establishment of the art centres.

The driving force behind this collaborative project was the desire to conserve knowledge, and share the Pujiman experiences and stories with younger generations who have had very different formative experiences. This project was also an excellent opportunity for both art centres to make a significant investment in the engagement of young people, diversify the mediums practiced by artists and included film, photography, drawing and stop motion sand animation. This was the third time the show has been exhibited and will commence a state-wide tour with 'Art on the Move' later this year.

Pilbara Creative and Cultural Forum

September 2018

The Pilbara Development Commission, in partnership with FORM, presented a two-day event featuring presentations, conversations, and professional development with leading speakers from across Australia and the region hosted with Martumili Gallery and EPAC. Martumili staff and artists were involved with a number of presentations and launched a significant exhibition during this time.

Marla Exhibition

September 2018

"I need marlpa people to keep me company."

↑ **1202**
new artworks created

↑ **1049**
artworks sold

↑ **190**
New artist engaged

↑ **7 markets**
Martumili has participated in seven Art Markets around Australia

Outback Fusion Festival Launch

August 2018

The opening of the Martumili Outback Fusion exhibition was held alongside the Framing the East Pilbara photography competition. It was all brought together for the Outback Fusion Festival 2018, for an exciting and inclusive launch opening celebration.

Salon Des Refuses

CDU Art Gallery, Charles Darwin University, Darwin. August 2018

The quality of this exhibition demonstrates the superb standard of art being created by Aboriginal and Torres Strait Islander artists, nationwide. This year the exhibition included Mulyatingki Marney and Minyawwe Miller.

Pujiman: Martumili Artists and Spinifex Hill Artists

The Goods Shed, Claremont WA. August 2018

The Pujiman exhibition is the culmination of a two-year collaboration between

People don't like painting alone. You feel good inside when you're doing it with someone, with marlpa. You got someone else beside you." Nola Ngalangka Taylor

At the heart of the contemporary practice of Martu artists is the collaborative concept of marlpa, working and painting together. Collaboration occurs in inter-generational partnerships, cross-cultural dialogues and community wide projects. Through working and painting together, Martumili artists celebrate the strength of Martu culture and the joy of community.

Desart Men's Art Worker Industry Engagement Trip

October 2018

Two of Martumili's arts workers were selected to attend the 2018 Desart Industry engagement trip to Perth. The field trip gave art workers exposure to the wider arts industry. They explored what happens to art when it leaves a remote art centre and visits public, community and commercial galleries .

Martumili Christmas Sale

December 2018

This year featured a curated exhibition in the Martumili Gallery with a focus on the inclusion of both established and emerging artists. Martumili's online sale has also grown exponentially with record online sales this year.

Grand Old Men

January 2019

Grand Old Men is an exhibition that pays homage to some of the great men of Indigenous art. Culturally, these men

exemplify strength and honour; artistically they present powerful renditions of ancestral narratives. They are role models to generations while their artworks are coveted by collectors and Institutions.

Martu Wangka Exhibition

March 2019

Martu Wangka is the language spoken by Martu people across the East Pilbara, Gibson and Great Sandy Deserts. The language combines elements of Manyjiljarra, Kartujarra, Warnman and Niyaparli. Martu artists share culture and language by storytelling through their paintings and this keeps the language strong.

Skills Development Trip - Melbourne

April 2019

Arts workers travelled to Melbourne for a week of intensive skills development with industry supplier Chapman and Bailey. During this week they learnt about materials preparation such as canvas stretching, priming and paint mixing, as well as stretching finished works. They also participated in screen printing workshops, studio photography workshops and gallery tours.

Kaalpa - Corban Clause Williams

Courthouse Gallery, Port Hedland, WA. May 2019

In his first solo exhibition, emerging artist Corban depicts his grandfather's Country of Kaalpa (Well 23 on the Canning Stock Route). Representing the new generation of Martumili Artists, Corban showcases a practice informed by tradition, yet imbued

with his unique contemporary vision of Country.

Yulpu Camp

May 2019

Martumili and Kanyirrinpa Jukurrpa (KJ) are working on a five year collaborative project called Warranku Ninti (knowledge of country). The first stage of the collaborative project was a trip to Yulpu near Parnngurr Community which comprised 57 participants from both KJ and Martumili and so began in-depth consultations about the ongoing collaborative project. East Pilbara Independent Support (EPIS) also supported Martumili on this trip allowing for care and support for artists and participants.

During the Yulpu camp, Martumili engaged a consultant to work with arts workers and the studio officer. Using existing photography skills, and introducing new skills in film and audio recording, artists explored methods of storytelling and knowledge recording that can happen on Country, during ranger work and the creation of artworks.

Kunawarritji and Punmu School Visits

June 2019

Martumili developed a schools' outreach program that culminated in an exhibition in the Martumili gallery, representing the remote community schools of Punmu, Parnngurr, Kunawarritji and Warralong. This exhibition recognised the Kuulkaja (school) as being at the heart of each community and celebrate the important role they play in keeping culture, Country and language strong.

Engagement with schools is incredibly important as it highlights the relevant and accessible future pathway to develop the students' connection with Country, culture and language. In Punmu, Martumili collaborated with Rawa Community School to organise a artist camp so that the kids could experience and connect with Elder artists and talk about the stories of the local area.

WA Day

June 2019

Martumili artists shared basket making skills and talked with guests as part of WA Day events in Newman to share knowledge about paintings and Country.



Artist Muuki Taylor at a Martumili and Kanyirrinpa Jukurrpa collaborative bush trip. Photograph Lara Smith courtesy of Martumili.

Art Awards

2018 National Aboriginal and Torres Strait Islander Art Awards (NATSIAA)

*Museum and Art Gallery of the Northern Territory, Darwin, NT.
August 2018*

The NATSIAA is Australia's longest running and most prestigious Indigenous art award. The aim is to recognise the important contribution made by Indigenous artists from regional and urban areas throughout Australia, working in both traditional and contemporary media. Two Martumili artists were selected as finalists - Bugai Whyoulter and her grandson Cyril.

2018 Hedland Art Awards

*Courthouse Gallery, Port Hedland, WA.
October 2018*

The Hedland Art Awards is one of the most prestigious awards in WA, exposing regional artist's to a national audience and providing new and emerging artists with opportunities to develop their work.

This year four Martumili artists were selected as finalists (Bugai Whyoulter, Corban Clause Williams, Judith Anya Samson, Nancy Chapman). This year Corban Clause Williams won the Youth Award (under 25) and Nancy Chapman won the Kathy Donnelly Award.

Desart Photography Prize

Desart, Alice Springs, NT.

October 2018

The Desart Photography Prize, now in its seventh year, provides an important platform where the Aboriginal photographer is behind the lens rather than being the observed. The prize emerged out of the broader Aboriginal Art Worker program that delivers opportunity for the development of technical skills and experimentation with new media. The work captures their lives through their eyes with a sense of familiarity that can only be conveyed by one who belongs.

Participating photographers provide an intimate insight into their community life. This year Martumili had eight finalists; Alysha Taylor, Ignatius Taylor, Corban Clause, Richard Mandijalu, Tamisha Williams, Montana Clause, Janita Angie and Cyril Whyoulter. Richard won the award with Tamisha and Corban receiving highly commended.

Mid West Art Prize 2019

*Geraldton Regional Art Gallery, Geraldton, WA.
February 2019*

The highly anticipated Mid West Art Prize opened at the Geraldton Regional Art Gallery on 16 February 2019 to a crowd of 750. The biennial prize is open to artists residing throughout WA and boasts more than \$29,000 in prize money. From 254 entries a fine selection of 72 were chosen. This year Corban Williams was the recipient of the Rio Tinto Midwest Aboriginal Art Award.

Marketplaces

National Indigenous Art Fair - Blak Markets

July 2018

Indigenous artists from around Australia are set to come together in Sydney for the National Indigenous Art Fair – a two day art market and program of events in celebration of NAIDOC Week at the Overseas Passenger Terminal in Circular Quay on 29 & 30 June 2019. The National Indigenous Art Fair is an ethical marketplace, offering a unique opportunity to buy artwork directly from Aboriginal and Torres Strait Islander artists from 30 remote community owned art centres from the Northern Territory, South Australia and Western Australia.

Revealed Marketplace

July 2018

This is an annual market to correspond with Revealed Emerging artists show, Fremantle Arts Centre, this year Martumili made record sales.

Darwin Aboriginal Art Fire (DAAF) Market

August 2018

This market is unique in that it provides a genuine opportunity to purchase artwork directly from over sixty Indigenous owned community Art Centres.

Desert Mob Market Place

September 2018

Desert Mob Market Place is a vibrant art market held on the Saturday of Desert Mob Weekend, Alice Springs.

West End Markets

October 2018

The Visual Arts edition of the Pilbara's only maker's market, Port Hedland.



Yikaratu Bumba in the Martumili Art Studio, 2019.



Infrastructure Services

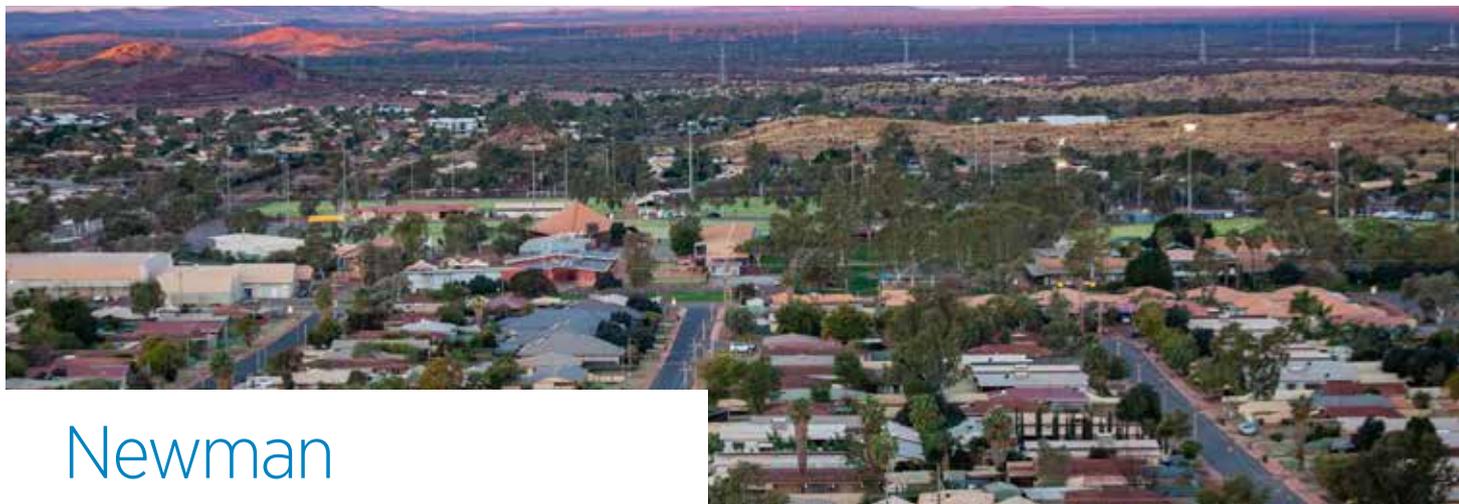
Infrastructure Services is responsible for the town site maintenance of Newman, Marble Bar and Nullagine including the operations of the respective town depots and is largely responsible for the delivery of most of the Shire's capital works program.



“

Satisfaction measures with public spaces scored highly, including parks and ovals at 82.8%, footpaths at 78.3% and free oval lighting 77.7%.

- Community Perception Survey 2019



Newman

Newman

The Newman Townsite maintenance team delivers services to ensure Newman's streets and drains operating efficiently and safely.

Town site maintenance includes the management of parks, gardens, playgrounds, ovals, roads, footpaths, drainage, verges and signage.

This area assists with project delivery and also operates the Newman Waste Water Treatment Plant and network that provides reuse water for many of the parks and ovals in town. Additional responsibilities extend to providing assistance to the events team for the delivery of Newman events.

The Newman Townsite maintenance team is responsible for maintaining the following infrastructure:

- + Town streets
- + Town pathways
- + Town piped drainage
- + Town open drains

Achievements

Key achievements for the 2018/2019 financial year include:

- + Concrete Infrastructure Renewal Program: Concrete pathway and kerbside works, September – October 2018
- + Drainage works, September 2018
- + Double coat spray sealing works, November 2018
- + Pavement profiling and asphalt works 2018-2019
- + Storm pit drain cleaning, August 2019
- + Newman town playgrounds audit, May 2019

Projects and Assets

In 2019/2020 a new department will be created and be responsible for asset management planning and project management delivery of all infrastructure projects throughout the Shire (excluding rural roads projects). Asset management planning includes the formulation of long term plans for the management of our infrastructure assets balancing levels of service, cost and risk. This includes the development and maintenance of asset management plans and renewal programs. Project management includes the initiation, planning, execution and handover of infrastructure related projects.

Waste Services

The Shire is responsible for all waste management services within Newman.

The Shire manages kerbside waste collection and management of the Newman landfill site including the liquid waste facility.

Key achievements for the 2018/2019 financial year include:

- + Construction of a sludge drying pond – designed and constructed to meet the Department of Water and Environmental Regulation requirements which include, achieving the recommended permeability over the working life of the pond.
- + Development of a landfill waste management plan. This is a live document that informs both the operations and upgrades required for the landfill facility.
- + Liquid Waste Facility – the total intake of liquid waste at the septage ponds located in the landfill has increased over the last financial year

Rural Services

As Australia's largest Shire, the East Pilbara maintains a vast road network extending from Cape Keraudren through to the Northern Territory border. Due to our outback location it is no surprise that the length of our unsealed roads vastly outweighs those of our sealed roads.

3,158

kilometres of unsealed roads.

140

kilometres of sealed roads.

\$1,365,599

The maintenance grading expenditure for the 2018/2019 financial year.



Rural Services

This area is responsible for the town site maintenance, waste kerbside collection and rubbish tips in Marble Bar and Nullagine including the operation of the respective depots. This area also manages the plant replacement program for the Shire as well as the overall management of rural roads.

Management includes road surveillance and assessment activities relating to road conditions following significant weather events, heavy vehicle access requests to Shire's road network, road access requests and issues relating to the mining industry, pastoralists and road access to remote Aboriginal Communities.

The Shire's road network is maintained by a small dedicated team comprising of a maintenance crew responsible for the operation of four maintenance graders servicing the Shire's extensive remote road network and a contract construction crew responsible for the renewal and upgrade of the Shire's Rural Road Network. Other crews operate out of a self-contained camps and are able to service the Shire's entire remote network extending from the coast at Cape Keraudren to the state borders.

The Shire's maintenance grading program focuses on high priority roads servicing Marble Bar and Nullagine as well as Aboriginal communities to minor access roads servicing pastoral leases and mining tenements. The maintenance graders operate within area boundaries ensuring a continuous service is achieved. Contract graders are utilised to conduct maintenance grading operations in remote areas servicing the access roads to the Communities of Punmu, Kunawarritji and Kiwirrkurra.



The following rural roads were improved in 2018-2019:

Aboriginal Access Roads

Road	Budget (\$)	Type of works
Kiwirrkurra access road	\$165,000	Formation & drainage improvements, gravel sheeting.
Punmu access road	\$630,000	Formation & drainage improvements, gravel sheeting.
Talawana track	\$230,000	Formation & drainage improvements, gravel sheeting.
Jupiter Well access road	\$75,000	Formation & drainage improvements, gravel sheeting.
Jigalong road	\$570,000	Formation & drainage improvements, gravel sheeting.
Total	\$1,670,000	

Rural Roads

Road	Budget (\$)	Type of works
Marble Bar Woodstock / Hillside road	\$225,000	Formation & drainage improvements, gravel sheeting.
Boreine Road	\$330,000	Formation & drainage improvements, gravel sheeting
Woodie Woodie road	\$300,000	Reseal, pavement repairs and unsealed shoulder maintenance
Munjina Roy Hill Road	\$450,000	Formation & drainage improvements, gravel sheeting.
Total	\$1,305,000	

Corporate Services

~45 million

Operational expenses

27% staff turnover

Turnover is comparatively low for Local Government in the Pilbara



Community satisfaction with the Shire’s overall performance significantly improved between 2016 and 2019.

The proportion of ‘very satisfied’ residents increased from 28.0% in 2016 to 40.5% in 2019 and residents that were ‘satisfied’ also increased from 65.0% in 2016 to 73.1% in 2019.

- Community Perception Survey 2019



Administration

The Shire of East Pilbara operates two administration offices located in Newman and Marble Bar.

Corporate Business Plan

During the 2018/2019 financial year the Shire of East Pilbara conducted a review of the Corporate Business Plan. The reviewed document covers the period 2018 - 2022. The Corporate Business Plan identifies and prioritises the principle strategies and activities the council will undertake in response to the aspirations and objectives stated in the Strategic Community Plan.

Strategic Community Plan

The Shire’s commitment to the future of all its towns is reflected in the Strategic Community Plan, which outlines a vision, strategies, initiatives and proposed outcomes for the coming decade. This year the Shire of East Pilbara conducted a major review of its Strategic Community Plan, fulfilling legislative obligations whilst paying due attention to the needs and aspirations of residents, into the future. The 2018 - 2028 Strategic Community Plan was adopted by Council in November 2018.

Records Management

The Shire of East Pilbara has an ongoing commitment to good and reliable record management practices.

The Shire of East Pilbara is updating and retaining corporate documents in an electronic records management system to deliver best practice and to provide an efficient processing service to Shire customers.

The Shire of East Pilbara’s Record Keeping Plan outlines the process for records management and disposal of records in accordance with the requirements of the State Records Act 2000.

The Record Keeping Plan is required to be reviewed at least once every five years. The Shire’s Record Keeping Plan is currently being reviewed and is due for the final review by State Records by the end of 2019.

The Senior Records and System Support Officer provides ongoing Recordkeeping training for staff, including induction training to new staff within two weeks of appointment. In 2019/2020 new online training products will be explored to enhance training delivery for staff. Internal procedures and guidelines have been created to ensure all staff are informed of their recordkeeping responsibilities.

Freedom of Information (FOI) statistics

In accordance with section 10 (1) of the Freedom of Information Act 1992, individuals and companies have a general right to access documents held by the Shire of East Pilbara, subject to the exemptions in that Act.

Official Conduct Report

The Local Government Act 1995 requires the Shire of East Pilbara to report on the number of official conduct complaints recorded under section 5.121 during a financial year. The Shire of East Pilbara received no complaints of this nature during the 2018/2019 financial year.

The following table indicates the applications received and the type of access granted by the Shire of East Pilbara in 2018/2019.

Access Type	Personal	Non-Personal	Total
Access in full	1	2	3
Edited documents	0	0	0
No documents found	0	0	0
Withdrawn by applicant	0	0	0
Not finalised	0	0	0
Total			3

Facility bookings

3,390

The total bookings for all facilities in 2018/2019

Facility use

13,469

The total hours of use for all facilities in 2018/2019

Statutory Compliance

National Competition Policy

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local governments will also be affected where local laws unnecessarily affect competition.

The Shire is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of local laws.

Competitive Neutrality

It is the Shire's responsibility to determine whether it is engaged in "significant business activities" within the context of its operations and therefore whether it is required to apply the competitive neutrality principles. Local government is only required to implement the above principles to the extent that the benefits to be realised from implementation outweigh the costs in respect of individual business activities exceeding an annual income of \$500,000. Within these criteria the Shire identified the following business activities:

- + Newman Airport Operations; and
- + Liquid Waste Disposal at Newman Landfill.

The public benefit tests for these activities revealed that competitive advantages and disadvantages existed in each of these activities and it was beneficial to the local community to continue the operational subsidies to enable the services to be maintained in the future.

Complaints

The Shire has not received any complaints as defined by section 5.121 of the Local Government Act 1995 during the reportable period.

Policy Manual

During the reportable period the following policies were amended in the policy manual. Amendments are due to changes in legislation and/or the current operational needs of the Shire:

- 1.7 Councillors & vehicle insurance cover
- 1.8 Distribution of Council agendas & minutes
- 1.9 Dress code for Councillors representing council on external business & events
- 1.13 Public question time (deleted)
- 1.21 Councillor conferences - study tours
- 2.5 Occupational health & safety policy
- 3.2 Corporate credit card
- 3.11 Financial reserves policy
- 3.14 Procurement and tender procedures policy
- 4.1 Advertising statutory & general
- 4.5 Execution of documents
- 4.12 Risk management policy
- 6.1 Piri Smith retirement units - Marble Bar
- 6.3 Youth planning community facilities and youth recreation programs
- 7.2 Free-standing garden sheds (deleted)
- 7.5 Sea containers
- 10.6 Light vehicle policy
- 10.6 Use of closed circuit television monitoring equipment

Insurance

By the end of June 2019, 86 Property, Vehicle and Public Liability claims closed, with a totaling approximately \$965,000. This included the \$400,000 imbursement for the fire at the Newman Depot Office. The total general ledger impact to the Shire of East Pilbara for these claims was \$69,000.

The fundamental cause of 50% of the Shire of East Pilbara's claims for 2018/2019 was vandalism, malicious damage and burglary.

From five Public Liability claims throughout the year, three claims were accepted with a payout of \$6,000.

Closed claims by causal event 18/19

Vandalism / malicious damage	41
Accidental vehicle damage	5
Storm damage	9
Water damage-burst pipe etc.	9
Burglary / theft	2
Accidental property damage	15
Public liability	5
Named cyclone	0
Total claims	86

Disability Access and Inclusion Plan 2015 - 2019

Updates on the Disability Access and Inclusion Plan (DAIP) 2015 - 2019 for this financial year include the Shire partnering with Empowering People In Communities (EPIC) to celebrate International Day of People with Disability to promote awareness and support from the wider community. The day was celebrated with carnival event at Boomerang Oval. The Shire of East Pilbara will continue to support local initiatives and recognise the challenges of ensuring that local businesses, community centres and public buildings are easily accessible for members with a disability.

Outcomes from the DAIP 2015-2019:

Outcome 1

People living with disability have the same opportunities as other people to access the services of, and any events organised by, the Shire of East Pilbara.

The DAIP is included in the Public Events Application forms for all event organisers. Library services throughout the Shire have reading materials and dedicated accessible areas for people with disability.

Outcome 2

People living with disability have the same opportunities as other people to access the buildings and other facilities owned and/or operated by the Shire of East Pilbara.

All new public building and facilities are accessible for people with disability. The Shire of East Pilbara continues to ensure that people living with disability have the same opportunities as other people.

Outcome 3

People living with disability receive information from the Shire of East Pilbara in a format that will enable them to access the information as readily as other people are able to access it.

All Shire documents can be made available in other formats on request.

Outcome 4

People living with disability receive the same level and quality of service from the employees of the Shire of East Pilbara.

All Shire employees deliver the same service to everyone regardless if they are a person living with disability.

Outcome 5

People living with disability have the same opportunities as other people to make complaints to the Shire of East Pilbara.

The Shire website provides a portal for anyone to make a complaint or suggest improvements to services online.

Outcome 6

People living with disability have the same opportunities as other people to participate in any public consultation process facilitated or/on behalf of the Shire of East Pilbara.

Disability services and groups will be part of the DAIP committee.

Outcome 7

People with disability have the same opportunities to obtain and maintain employment with the Shire of East Pilbara.

People with disability are offered the same opportunities for employment within the Shire. People with disability are currently employed as staff and will continue to be supported in maintaining their employment.

Outcome 8

The Shire of East Pilbara will undertake initiatives that promote community awareness, accessibility and inclusiveness relating to people living with disability.

The Shire of East Pilbara will celebrate International Day of People with Disability as an annual event and it is included in the event calendar.

Human Resources

The Shire of East Pilbara invests in a number of initiatives to ensure our employees have the skills and experience to deliver all the Shire services

People and Culture at the Shire

The Focus

In 2018-2019 the focus was on our greatest resource, human resources. It was critical to implement the Executive structure that would allow the Shire to fully deliver on Capital Works projects and programs and to be at a strong point to be able to fill vacant positions as they arose. A cornerstone of this skills capacity building was to be able to more effectively recruit engineers. As such, an innovative approach was implemented with the drafting of a Memorandum of Understanding (MOU) between with the Shire of East Pilbara and the Shire of Swan. This will provide us with access to qualified Engineers who can support the delivery of a range of projects. This MOU will be continued for 2019/2020.

Training and Development

This financial year we committed to building and implementing the Shire's Personal Evaluation System (PES). The PES system is used by the Shire to manage and monitor its Corporate Business Plan and Capital Works program. Implementation of the PES will connect all position outcomes to the Corporate Business Plan and enable the Shire to more effectively report on its strategic projects. Other people centred improvements will continue to be rolled out in the coming year

Recruitment and Separations

During 2018/2019 there were 27 new employees (permanent and fixed term) who commenced employment and correspondingly, 27 employees departed the Shire. This represented a turnover of 27%. The focus this year was to implement the Executive structure that would grow the capacity of a stronger mid-level management tier to effectively deliver on Capital Works projects and programs and to fill vacant positions as they arose.

Workforce turnover

27%

2018/2019 workforce turnover
for permanent full time and
part time positions

Employee Remuneration - Salary Range

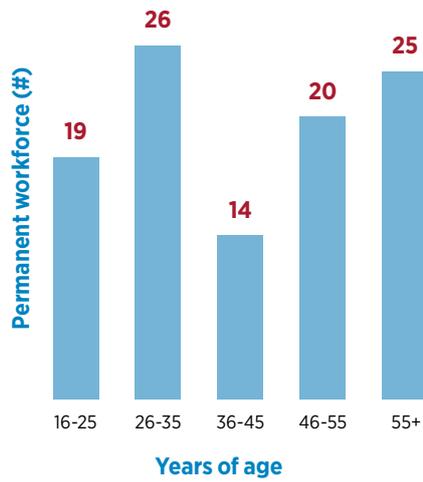
Salary Range	Total
100,000 - 110,000	0
110,000 - 120,000	4
120,000 - 130,000	4
130,000 - 140,000	2
140,000 - 150,000	0
150,000 - 160,000	0
160,000 - 170,000	0
170,000 - 180,000	3
180,000 - 190,000	0
190,000 - 200,000	0
200,000 - 210,000	1
210,000 - 220,000	0
220,000 - 230,000	0
230,000 - 240,000	1
Total	15

Above: regulation 19B of the Local Government Regulations 1996 requires the reporting of the number of employees within the Shire of East Pilbara with an annual salary of \$100,000 or more.

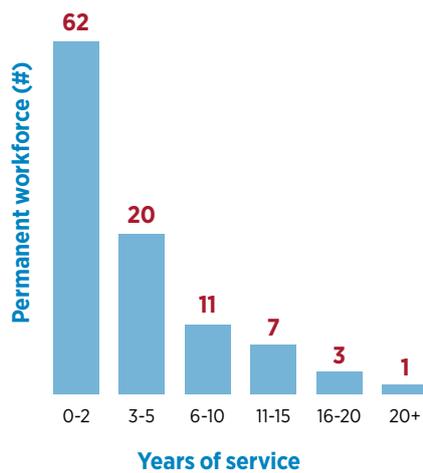
Recruitment Highlight

The Shire's Graduate Engineer recruitment program was developed and implemented with excellent results – 150 graduates applied to the Shire with 10 shortlisted for interview and four found suitable for appointment. Further graduate programs are planned for 2019/2020 year.

Age of permanent workforce



Length of service – permanent workforce



Shire Administration office in Marble Bar.



Annual Report

2018 - 2019 Financials



**SHIRE OF EAST PILBARA
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of East Pilbara for the financial year ended 30 June 2019 is based on proper accounts and records to present fairly the financial position of the Shire of East Pilbara at 30 June 2019 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 14 day of November 2019



Chief Executive Officer

Jeremy Edwards

Name of Chief Executive Officer

SHIRE OF EAST PILBARA
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
Revenue				
Rates	22(a)	12,187,430	12,068,600	11,626,519
Operating grants, subsidies and contributions	2(a)	5,396,173	4,951,600	5,644,957
Fees and charges	2(a)	20,572,246	17,256,800	18,706,090
Interest earnings	2(a)	1,200,933	1,099,800	986,634
Other revenue	2(a)	1,847,578	997,600	1,392,397
		41,204,360	36,374,400	38,356,597
Expenses				
Employee costs		(12,041,589)	(12,848,700)	(11,302,000)
Materials and contracts		(12,208,192)	(14,033,100)	(13,228,048)
Utility charges		(1,842,516)	(1,803,500)	(1,885,844)
Depreciation on non-current assets	11(c)	(16,564,811)	(16,758,400)	(16,463,165)
Interest expenses	2(b)	(320,876)	(333,300)	(340,171)
Insurance expenses		(950,842)	(1,018,700)	(872,894)
Other expenditure		(1,356,981)	(765,800)	(656,681)
		(45,285,807)	(47,561,500)	(44,748,803)
		(4,081,447)	(11,187,100)	(6,392,206)
Non-operating grants, subsidies and contributions	2(a)	4,964,819	4,695,700	9,254,769
Profit on asset disposals	11(a)	35,334	112,000	26,791
(Loss) on asset disposals	11(a)	(778,870)	(104,000)	(55,884)
		4,221,283	4,703,700	9,225,676
Net result for the period		139,836	(6,483,400)	2,833,470
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	33,220,842
Total other comprehensive income for the period		0	0	33,220,842
Total comprehensive income for the period		139,836	(6,483,400)	36,054,312

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

SHIRE OF EAST PILBARA
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
Revenue				
	2(a)			
Governance		176,574	90,300	82,021
General purpose funding		15,136,650	14,354,400	14,056,295
Law, order, public safety		129,721	135,500	108,756
Health		84,914	70,200	75,420
Education and welfare		296,241	337,200	375,044
Housing		391,733	348,400	381,397
Community amenities		4,609,937	4,369,300	4,461,604
Recreation and culture		2,436,282	2,045,600	3,000,952
Transport		16,476,824	13,935,200	14,690,763
Economic services		487,334	460,700	568,563
Other property and services		978,150	227,600	555,782
		41,204,360	36,374,400	38,356,597
Expenses				
	2(b)			
Governance		(1,178,303)	(1,948,000)	(1,673,069)
General purpose funding		(1,347,025)	(524,400)	(608,240)
Law, order, public safety		(1,089,004)	(1,179,800)	(1,086,822)
Health		(628,235)	(699,000)	(574,847)
Education and welfare		(1,884,166)	(1,864,500)	(1,710,182)
Housing		(878,592)	(816,000)	(831,192)
Community amenities		(4,157,554)	(4,974,000)	(4,406,572)
Recreation and culture		(9,619,364)	(11,054,700)	(10,354,475)
Transport		(20,983,699)	(22,190,200)	(20,992,145)
Economic services		(2,011,203)	(1,700,700)	(1,490,411)
Other property and services		(1,187,786)	(276,900)	(680,677)
		(44,964,931)	(47,228,200)	(44,408,632)
Finance Costs				
	2(b)			
Governance		(11,394)	(14,000)	(18,496)
Housing		(102,614)	(107,000)	(116,258)
Community amenities		(117,119)	(119,700)	(86,635)
Transport		(89,749)	(92,600)	(118,782)
		(320,876)	(333,300)	(340,171)
		(4,081,447)	(11,187,100)	(6,392,206)
Non-operating grants, subsidies and contributions	2(a)	4,964,819	4,695,700	9,254,769
Profit on disposal of assets	11(a)	35,334	112,000	26,791
(Loss) on disposal of assets	11(a)	(778,870)	(104,000)	(55,884)
		4,221,283	4,703,700	9,225,676
Net result for the period		139,836	(6,483,400)	2,833,470
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	0	0	33,220,842
Total other comprehensive income for the period		0	0	33,220,842
Total comprehensive income for the period		139,836	(6,483,400)	36,054,312

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

SHIRE OF EAST PILBARA
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2019

	NOTE	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	3	27,596,044	20,032,777
Trade receivables	5	3,812,022	3,689,535
Other financial assets	8	20,943,296	23,779,510
Inventories	6	124,599	148,926
Other assets	7	322,388	126,575
TOTAL CURRENT ASSETS		52,798,349	47,777,323
NON-CURRENT ASSETS			
Trade receivables	5	4,097	4,783
Other financial assets	8	87,586	0
Property, plant and equipment	9	84,362,968	87,106,633
Infrastructure	10	220,935,150	224,903,554
TOTAL NON-CURRENT ASSETS		305,389,801	312,014,970
TOTAL ASSETS		358,188,150	359,792,293
CURRENT LIABILITIES			
Trade and other payables	13	3,333,189	4,123,504
Borrowings	14	1,003,337	947,906
Employee related provisions	15	1,181,636	1,179,241
TOTAL CURRENT LIABILITIES		5,518,162	6,250,651
NON-CURRENT LIABILITIES			
Borrowings	14	3,797,161	4,800,498
Employee related provisions	15	156,110	164,263
TOTAL NON-CURRENT LIABILITIES		3,953,271	4,964,761
TOTAL LIABILITIES		9,471,433	11,215,412
NET ASSETS		348,716,717	348,576,881
EQUITY			
Retained surplus		172,031,696	179,777,718
Reserves - cash backed	4	44,034,534	36,148,676
Revaluation surplus	12	132,650,487	132,650,487
TOTAL EQUITY		348,716,717	348,576,881

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

SHIRE OF EAST PILBARA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2017		186,801,344	26,291,580	99,429,645	312,522,569
Comprehensive income					
Net result for the period		2,833,470	0	0	2,833,470
Other comprehensive income	12	0	0	33,220,842	33,220,842
Total comprehensive income		2,833,470	0	33,220,842	36,054,312
Transfers from/(to) reserves		(9,857,096)	9,857,096	0	0
Balance as at 30 June 2018		179,777,718	36,148,676	132,650,487	348,576,881
Comprehensive income					
Net result for the period		139,836	0	0	139,836
Other comprehensive income	12	0	0	0	0
Total comprehensive income		139,836	0	0	139,836
Transfers from/(to) reserves		(7,885,858)	7,885,858	0	0
Balance as at 30 June 2019		172,031,696	44,034,534	132,650,487	348,716,717

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

SHIRE OF EAST PILBARA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual \$	2019 Budget \$	2018 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		11,843,326	12,840,400	11,423,093
Operating grants, subsidies and contributions		5,478,410	5,084,100	6,037,823
Fees and charges		20,572,246	19,784,900	18,706,090
Interest received		1,200,933	994,500	986,634
Goods and services tax received		2,634,273	667,200	1,408,086
Other revenue		1,759,992	865,100	1,392,396
		43,489,180	40,236,200	39,954,122
Payments				
Employee costs		(12,466,892)	(13,162,000)	(11,121,600)
Materials and contracts		(12,750,448)	(15,774,500)	(13,360,402)
Utility charges		(1,842,516)	(1,803,500)	(1,885,844)
Interest expenses		(320,876)	(333,300)	(346,771)
Insurance paid		(950,842)	(1,018,700)	(872,894)
Goods and services tax paid		(2,494,207)	(700,000)	(1,328,503)
Other expenditure		(1,356,981)	(765,800)	(656,681)
		(32,182,762)	(33,557,800)	(29,572,695)
Net cash provided by (used in) operating activities	16	11,306,418	6,678,400	10,381,427
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	(3,753,995)	(5,306,200)	(5,474,270)
Payments for construction of infrastructure	10(a)	(7,234,165)	(10,813,000)	(6,837,887)
Proceeds from financial assets at amortised cost		2,836,214	0	0
Payments for financial assets at amortised cost		0	0	(23,779,510)
Non-operating grants, subsidies and contributions	2(a)	4,964,819	4,695,700	9,254,769
Proceeds from sale of property, plant & equipment	11(a)	391,882	540,000	236,400
Net cash provided by (used in) investment activities		(2,795,245)	(10,883,500)	(26,600,498)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings		(947,906)	(947,900)	(811,286)
Proceeds from new borrowings		0	0	1,000,000
Net cash provided by (used in) financing activities		(947,906)	(947,900)	188,714
Net increase (decrease) in cash held		7,563,267	(5,153,000)	(16,030,357)
Cash at beginning of year		20,032,777	43,727,200	36,063,134
Cash and cash equivalents at the end of the year	16	27,596,044	38,574,200	20,032,777

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

SHIRE OF EAST PILBARA
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2019

	NOTE	2019 Actual	2019 Budget	2018 Actual
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	23 (b)	6,325,902	6,782,100	8,722,869
		6,325,902	6,782,100	8,722,869
Revenue from operating activities (excluding rates)				
Governance		176,574	93,200	82,021
General purpose funding		2,949,220	2,285,800	2,429,776
Law, order, public safety		129,721	135,500	108,756
Health		86,683	79,600	75,420
Education and welfare		296,241	337,200	375,044
Housing		391,733	348,400	381,397
Community amenities		4,609,937	4,369,300	4,461,604
Recreation and culture		2,436,282	2,045,600	3,001,783
Transport		16,503,068	14,018,200	14,716,723
Economic services		494,655	477,400	568,563
Other property and services		978,150	227,600	555,781
		29,052,264	24,417,800	26,756,868
Expenditure from operating activities				
Governance		(1,216,976)	(1,962,000)	(1,705,116)
General purpose funding		(1,347,025)	(526,300)	(608,240)
Law, order, public safety		(1,126,873)	(1,179,800)	(1,097,567)
Health		(628,235)	(699,000)	(574,847)
Education and welfare		(1,885,494)	(1,864,500)	(1,731,267)
Housing		(981,206)	(923,000)	(947,450)
Community amenities		(4,574,275)	(5,093,700)	(4,493,207)
Recreation and culture		(9,746,185)	(11,054,700)	(10,364,978)
Transport		(21,358,119)	(22,370,600)	(21,110,927)
Economic services		(2,012,503)	(1,715,000)	(1,490,411)
Other property and services		(1,187,786)	(276,900)	(680,677)
		(46,064,677)	(47,665,500)	(44,804,687)
Non-cash amounts excluded from operating activities	23(a)	17,213,294	16,750,400	16,518,486
Amount attributable to operating activities		6,526,783	284,800	7,193,536
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		4,964,819	4,695,700	9,254,769
Proceeds from disposal of assets	11(a)	391,882	540,000	236,400
Purchase of property, plant and equipment	9(a)	(3,753,995)	(5,306,200)	(5,474,270)
Purchase and construction of infrastructure	10(a)	(7,234,165)	(10,813,000)	(6,837,887)
Amount attributable to investing activities		(5,631,459)	(10,883,500)	(2,820,988)
FINANCING ACTIVITIES				
Repayment of borrowings	14(b)	(947,906)	(947,900)	(811,286)
Proceeds from borrowings	14(c)	0	0	1,000,000
Transfers to reserves (restricted assets)	4	(12,731,405)	(3,212,700)	(12,449,860)
Transfers from reserves (restricted assets)	4	4,845,547	2,766,600	2,592,764
Amount attributable to financing activities		(8,833,764)	(1,394,000)	(9,668,382)
Surplus/(deficit) before imposition of general rates		(7,938,440)	(11,992,700)	(5,295,834)
Total amount raised from general rates	22	12,187,430	12,068,600	11,626,519
Surplus/(deficit) after imposition of general rates	23(b)	4,248,990	75,900	6,330,685

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

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. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as 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, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15* and *AASB 116 Property, Plant and Equipment paragraph 7*.

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.

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.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 25 to these financial statements.

SHIRE OF EAST PILBARA
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2019

2. REVENUE AND EXPENSES

(a) Revenue

Grant Revenue

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Operating grants, subsidies and contributions			
General purpose funding	2,384,949	2,040,000	2,123,807
Law, order, public safety	4,000	17,900	24,940
Health	18,171	0	5,186
Education and welfare	21,856	0	20,700
Community amenities	140,389	140,700	138,861
Recreation and culture	1,184,343	951,700	1,640,748
Transport	1,525,162	1,683,300	1,474,552
Economic services	117,303	118,000	216,163
	5,396,173	4,951,600	5,644,957
Non-operating grants, subsidies and contributions			
Law, order, public safety	0	25,000	0
Recreation and culture	74,326	70,000	50,000
Transport	4,890,493	4,500,700	5,836,769
Economic services	0	100,000	3,368,000
	4,964,819	4,695,700	9,254,769
Total grants, subsidies and contributions	10,360,992	9,647,300	14,899,726

SIGNIFICANT ACCOUNTING POLICIES

Grants, donations and other contributions

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over

Grants, donations and other contributions (Continued)

a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 21.

That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

SHIRE OF EAST PILBARA
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2019

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)	2019 Actual \$	2019 Budget \$	2018 Actual \$
Significant revenue			
WANDRRA Flood Damage	0	0	487,133
Other revenue			
Reimbursements and recoveries	342,904	400,000	593,928
Other	1,504,674	865,100	798,469
	1,847,578	1,265,100	1,392,397
Fees and Charges			
Governance	16,162	22,400	22,153
General purpose funding	32,912	10,500	4,810
Law, order, public safety	44,021	52,500	53,065
Health	65,743	70,200	70,235
Education and welfare	247,006	6,700	133,051
Housing	327,711	237,200	318,805
Community amenities	4,409,206	4,203,100	4,295,978
Recreation and culture	688,531	837,400	803,930
Transport	14,384,099	11,466,000	12,556,577
Economic services	319,739	335,500	354,744
Other property and services	37,116	15,300	92,742
	20,572,246	17,256,800	18,706,090

The following changes were made during the year to the amount of the fees and charges detailed in the original budget:

1. Newman Recreation Centre - Allow for additional fortnightly payments for 6 to 12 months Group Fitness and Fitness Centre memberships.
2. Newman Youth Centre - Amendment to Narration regarding the Long Term Hire for not-for-profit organisations.

Interest earnings

Reserve accounts interest	669,573	864,500	685,475
Rates instalment and penalty interest (refer Note 22(b))	140,766	105,300	114,386
Other interest earnings	390,594	130,000	186,773
	1,200,933	1,099,800	986,634

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.

SHIRE OF EAST PILBARA
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2019

2. REVENUE AND EXPENSES (Continued)

(b) Expenses	2019 Actual \$	2019 Budget \$	2018 Actual \$
Significant expense			
WANDRRA Flood Damage	0	0	561,101
Auditors remuneration			
- Audit of the Annual Financial Report	46,903	42,000	36,330
- Other services	12,639	10,000	6,400
	59,542	52,000	42,730
Interest expenses (finance costs)			
Borrowings (refer Note 14(b))	320,876	333,300	340,171
	320,876	333,300	340,171

SHIRE OF EAST PILBARA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2019

3. CASH AND CASH EQUIVALENTS

	NOTE	2019 \$	2018 \$
Cash at bank and on hand		4,783,603	5,814,829
Short-term Term Deposits		22,812,441	14,217,948
Total cash and cash equivalents		27,596,044	20,032,777
Financial assets at amortised cost (term deposits)	8	20,943,296	23,779,510
Total cash, cash equivalents, and all term deposits		48,539,340	43,812,287
Comprises:			
- Unrestricted cash and cash equivalents		3,076,473	6,436,896
- Restricted cash and cash equivalents		45,462,867	37,375,391
		48,539,340	43,812,287
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Reserve accounts			
Alice Springs Road Reserve	4	213,699	209,499
Heavy Road Plant Reserve	4	2,452,815	2,397,845
Cape Keraudren Development Reserve	4	360,122	351,462
Computer Technology Reserve	4	542,182	461,600
Newman Recreation Centre Maintenance Reserve	4	127,535	251,763
Newman Sewerage Treatment Plant Reserve	4	115,770	113,175
Newman Airport Reserve	4	29,098,199	21,700,604
Oval Lights Maintenance Reserve	4	13,201	139,992
Long Service Leave Reserve	4	464,411	496,039
Recreation Facilities Maintenance Reserve	4	2,011,442	2,152,105
Staff Housing Reserve	4	1,156,682	886,362
Newman Town Centre Revitalisation Reserve	4	340,272	332,646
Waste Management Reserve	4	663,964	1,137,878
Public Art Reserve	4	123,543	120,774
Town Centre Public Toilet Reserve	4	0	993
Annual Leave Reserve	4	494,773	483,685
Newman House Reserve	4	722,810	657,732
Public Building Maintenance Fund Reserve	4	2,368,292	2,497,698
Martumili Operations Reserve	4	990,312	899,613
Martumili Infrastructure Project Reserve	4	256,257	152,755
Future Infrastructure Reserve	4	1,493,970	680,717
Community Housing Reserve	4	24,283	23,739
		44,034,534	36,148,676
Other restricted cash and cash equivalents			
Unspent grants/contributions	21	228,395	226,715
Unspent loans	14(c)	142,382	1,000,000
Bonds and Deposits Held	25	1,057,556	0
Total restricted cash and cash equivalents		45,462,867	37,375,391

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

Cash and cash equivalents (Continued)

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.

SHIRE OF EAST PILBARA
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2019

4. RESERVES - CASH BACKED

	2019 Actual		2019 Actual		2019 Budget		2019 Budget		2019 Budget		2018 Actual		2018 Actual	
	Opening Balance	Closing Balance	Transfer to	Transfer (from)	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Opening Balance	Closing Balance	
(a) Alice Springs Road Reserve	209,499	0	4,200	0	209,100	4,300	(100,000)	113,400	205,017	4,482	0	209,499	0	
(b) Heavy Road Plant Reserve	2,397,845	0	54,970	0	2,393,700	59,800	0	2,453,500	1,853,996	543,849	0	2,397,845	0	
(c) Cape Kerandren Development Reserve	351,462	0	8,660	0	350,900	7,200	0	358,100	343,943	7,519	0	351,462	0	
(d) Computer Technology Reserve	461,600	0	80,582	0	460,800	61,500	0	522,300	352,446	109,154	0	461,600	0	
(e) Newman Recreation Centre Maintenance Reserve	251,763	0	5,772	(130,000)	251,300	2,100	(100,000)	153,400	246,377	5,386	0	251,763	0	
(f) Newman Sewerage Treatment Plant Reserve	113,175	0	2,595	0	113,000	2,300	0	115,300	110,754	2,421	0	113,175	0	
(g) Newman Airport Reserve	21,700,604	29,008,199	9,528,279	(2,130,684)	22,664,100	1,702,400	(512,400)	23,854,100	15,813,557	7,531,446	(1,644,399)	21,700,604	0	
(h) Oval Lights Maintenance Reserve	139,992	13,201	3,209	(130,000)	139,800	2,900	(130,000)	12,700	136,997	2,995	0	139,992	0	
(i) Long Service Leave Reserve	496,039	464,411	11,372	(43,000)	495,200	12,400	0	507,600	657,629	38,410	(200,000)	496,039	0	
(j) Recreation Facilities Maintenance Reserve	2,152,105	2,011,442	49,337	(190,000)	2,148,400	23,400	(370,000)	1,801,800	1,120,960	1,031,145	0	2,152,105	0	
(k) Staff Housing Reserve	886,362	1,156,682	520,320	(250,000)	884,800	516,200	(250,000)	1,151,000	867,400	18,962	0	886,362	0	
(l) Newman Town Centre Revitalisation Reserve	332,646	340,272	7,626	0	332,100	4,500	0	336,600	325,529	7,117	0	332,646	0	
(m) Waste Management Reserve	1,137,878	663,964	26,086	(500,000)	1,135,900	23,200	(570,000)	589,100	1,113,536	24,342	0	1,137,878	0	
(n) Public Art Reserve	120,774	123,543	2,769	0	120,600	2,400	0	123,000	118,190	2,584	0	120,774	0	
(o) Town Centre Public Toilet Reserve	993	0	0	(993)	1,000	0	0	1,000	993	0	0	993	0	
(p) Annual Leave Reserve	483,685	484,773	11,088	0	482,900	12,100	0	495,000	473,338	10,347	0	483,685	0	
(q) Royalties for Regional - Pilbara Revitalisation Reserve	0	0	0	0	87,400	9,000	(100,000)	(3,600)	184,686	60,317	(245,003)	0	0	
(r) Newman House Reserve	657,732	722,810	65,078	0	656,600	58,900	(53,000)	662,500	470,499	187,233	0	657,732	0	
(s) Public Building Maintenance Fund Reserve	2,497,698	2,368,292	490,594	(620,000)	2,493,400	62,300	(500,000)	2,055,700	1,458,468	1,039,230	0	2,497,698	0	
(t) Martumul Operations Reserve	899,613	990,312	776,073	(685,374)	970,000	21,100	(81,200)	909,900	386,871	1,016,104	(503,362)	899,613	0	
(u) Martumul Infrastructure Project Reserve	152,755	256,257	288,998	(165,496)	152,500	100,000	0	252,500	50,394	102,361	0	152,755	0	
(v) Future Infrastructure Reserve	680,717	1,493,970	813,253	0	469,600	524,100	0	993,700	0	680,717	0	680,717	0	
(w) Community Housing Reserve	23,739	24,263	544	0	23,700	600	0	24,300	0	23,739	0	23,739	0	
	36,148,676	44,034,534	12,731,405	(4,845,547)	37,036,800	3,212,700	(2,766,600)	37,482,900	26,291,580	12,449,860	(2,592,764)	36,148,676	0	

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

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

Anticipated date of use	Name of Reserve	Purpose of the reserve
Ongoing	Alice Springs Road Reserve	To establish a road link to Alice Springs from Marble Bar to the Northern Territory border.
Ongoing	Heavy Road Plant Reserve	To fund the purchase of heavy plant that is needed for the operation of the Shire.
Ongoing	Cape Kerandren Development Reserve	For the maintenance, development & enhancement of the Cape Kerandren Reserve.
Ongoing	Computer Technology Reserve	For the replacement, enhancement and upgrading of computer hardware and software.
Ongoing	Newman Recreation Centre Maintenance Reserve	For the upgrading and enhancement and future extensions of the Newman Recreation Centre.
Ongoing	Newman Sewerage Treatment Plant Reserve	For the maintenance, upgrading and replacement of all Shire plant and equipment associated with the treatment of sewage and the distribution of the treated product.
Ongoing	Newman Airport Reserve	For the upgrading, maintenance and enhancement of the Newman Airport.
Ongoing	Oval Lights Maintenance Reserve	To maintain and upgrade the lights at Capricorn Oval, Newman.
Ongoing	Long Service Leave Reserve	Provision for the long service leave entitlements for the employees of the Shire.
Ongoing	Recreation Facilities Maintenance Reserve	For the upgrading and maintenance of recreation facilities.
Ongoing	Staff Housing Reserve	For the upgrading and maintenance of staff housing assets.
Ongoing	Newman Town Centre Revitalisation Reserve	For the revitalisation, upgrade and maintenance of the Newman Town Centre Precinct.
Ongoing	Waste Management Reserve	For the development, maintenance & enhancement of waste management facilities.
Ongoing	Public Art Reserve	For the development, maintenance & enhancement of Public Art within the three towns of the East Pilbara Shire.
Ongoing	Town Centre Public Toilet Reserve	For the development, maintenance & enhancement of Town Centre Public Toilets.
Ongoing	Annual Leave Reserve	To provide for the payment of annual leave entitlements for staff.
Complete	Royalties for Regional - Pilbara Revitalisation Reserve	To hold and utilise the allocation of the Royalties for Regions - Pilbara Revitalisation funds in accordance with funding legislation.
Ongoing	Newman House Reserve	For the upgrade, maintenance and enhancement of Newman House.
Ongoing	Public Building Maintenance Fund Reserve	For the upgrading, maintenance and enhancement of Public Buildings.
Ongoing	Martumul Operations Reserve	To hold and utilise the allocation of Martumul's funds.
Ongoing	Martumul Infrastructure Project Reserve	For the upgrading, maintenance and enhancement of Martumul Buildings.
20/21	Future Infrastructure Reserve	For the development of new or replacement infrastructure with total project cost of greater than one (1) million dollars.
Ongoing	Community Housing Reserve	For the maintenance, upgrading and replacement of Community Housing.

5. TRADE RECEIVABLES

Current

Rates receivable	
Sundry receivables	
GST receivable	
Allowance for impairment of receivables	

Non-current

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

2019	2018
\$	\$
1,321,769	976,979
3,393,237	2,644,729
13,856	153,922
(916,840)	(86,095)
3,812,022	3,689,535
4,097	4,783
4,097	4,783

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 24.

Previous accounting policy: Impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment.

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.

6. INVENTORIES

Current

Fuels
 History Books
 Baskets

	2019	2018
	\$	\$
	96,891	113,580
	12,479	13,131
	15,229	22,215
	124,599	148,926
	148,926	188,242
	(596,681)	(445,531)
	572,354	406,215
	124,599	148,926

The following movements in inventories occurred during the year:

Carrying amount at 1 July

Inventories expensed during the year

Additions to inventory

Carrying amount at 30 June

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.

7. OTHER ASSETS

Other current assets

Prepayments
 Accrued Income

	2019	2018
	\$	\$
	65,180	112,205
	257,208	14,370
	322,388	126,575

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.

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8. OTHER FINANCIAL ASSETS

	NOTE	2019 \$	2018 \$
(a) Current assets			
Other financial assets at amortised cost		20,943,296	23,779,510
		20,943,296	23,779,510
Other financial assets at amortised cost			
- Financial assets at amortised cost - term deposits	3	20,943,296	23,779,510
(b) Non-current assets			
Financial assets at fair value through profit and loss		87,586	0
		87,586	0
Financial assets at fair value through profit and loss			
- <i>Unlisted equity investments</i>			
- Units in Local Government House Trust		87,586	0

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.

Term deposits with original maturities of three months or more were classified as cash and cash equivalents in the 2018 financial report. However, they have now been re-classified to financial assets at amortised cost.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Previous accounting policy: available for sale financial assets

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

Previous accounting policy: Loans and receivables

Non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and are solely payments of principal and interest were classified as loans and receivables and are subsequently measured at amortised cost, using the effective interest rate method.

Refer to Note 26 for explanations regarding the change in accounting policy and reclassification of available for sale financial assets to financial assets at fair value through profit and loss.

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 - non-specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	5,980,500	1,150,000	7,130,500	2,375,000	67,758,751	70,133,752	77,264,252	1,146,791	8,737,341	87,148,383
Additions	0	0	0	244,673	3,381,381	3,626,054	3,626,054	376,546	1,471,670	5,474,270
(Disposals)	0	0	0	0	0	0	0	(21,085)	(244,408)	(265,493)
Depreciation (expense)	0	0	0	(129,620)	(3,386,165)	(3,515,785)	(3,515,785)	(229,345)	(1,505,397)	(5,250,527)
Carrying amount at 30 June 2018	5,980,500	1,150,000	7,130,500	2,490,054	67,753,967	70,244,021	77,374,521	1,272,907	8,459,206	87,106,633
Comprises:										
Gross carrying amount at 30 June 2018	5,980,500	1,150,000	7,130,500	2,619,674	71,140,132	73,759,806	80,890,306	1,695,907	11,299,106	93,885,319
Accumulated depreciation at 30 June 2018	0	0	0	(129,620)	(3,386,165)	(3,515,785)	(3,515,785)	(423,000)	(2,839,900)	(6,778,686)
Carrying amount at 30 June 2018	5,980,500	1,150,000	7,130,500	2,490,054	67,753,967	70,244,021	77,374,521	1,272,907	8,459,206	87,106,633
Additions	0	0	0	751,140	1,397,175	2,148,315	2,148,315	69,020	1,536,660	3,753,995
(Disposals)	0	0	0	0	(389,160)	(389,160)	(389,160)	(55,254)	(576,694)	(1,021,108)
Depreciation (expense)	0	0	0	(142,662)	(3,507,519)	(3,650,181)	(3,650,181)	(278,442)	(1,547,929)	(5,476,552)
Carrying amount at 30 June 2019	5,980,500	1,150,000	7,130,500	3,098,532	65,254,463	68,352,995	75,483,495	1,008,231	7,871,243	84,362,968
Comprises:										
Gross carrying amount at 30 June 2019	5,980,500	1,150,000	7,130,500	3,370,814	72,107,509	75,478,323	82,608,823	1,676,411	11,976,408	96,261,642
Accumulated depreciation at 30 June 2019	0	0	0	(272,282)	(6,853,046)	(7,125,328)	(7,125,328)	(668,180)	(4,105,166)	(11,898,674)
Carrying amount at 30 June 2019	5,980,500	1,150,000	7,130,500	3,098,532	65,254,463	68,352,995	75,483,495	1,008,231	7,871,242	84,362,968

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
Land and buildings					
Land - freehold land	2	Market Approach using recent observable market data for similar properties	Independent registered valuer	June 2017	Price per hectare
Land - vested in and under the control of Council	3	Cost approach using depreciated replacement cost	Independent registered Valuer	June 2017	Improvement to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - non-specialised	2	Market approach using recent observable market data or similar properties	Independent registered Valuer	June 2017	Price per square metre
Buildings - specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers and management valuation	June 2017	Construction costs and current condition (Level 2), residual useful life assessments (Level 3) inputs
Furniture and equipment	3	Cost approach using depreciation replacement cost	Independent registered Valuer	June 2016	Construction costs and current conditions (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Plant and equipment	2	Market approach using recent observable market data or similar items	Independent registered Valuer	June 2016	Market price per item

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.

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 - Parks & Gardens and Infrastructure Other	Infrastructure - Airport	Total Infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2017	121,296,841	9,417,730	6,019,924	25,922,637	33,400,331	196,057,463
Additions	5,648,142	0	315,950	816,006	57,789	6,837,887
Revaluation increments / (decrements) transferred to revaluation surplus	23,361,429	523,054	5,418,117	(4,803,554)	8,721,796	33,220,842
Depreciation (expense)	(5,737,347)	(649,004)	(232,582)	(2,013,589)	(2,580,116)	(11,212,638)
Carrying amount at 30 June 2018	144,569,065	9,291,780	11,521,409	19,921,500	39,599,800	224,903,554
Comprises:						
Gross carrying amount at 30 June 2018	150,306,412	9,940,784	11,753,991	21,935,089	42,179,916	236,116,192
Accumulated depreciation at 30 June 2018	(5,737,347)	(649,004)	(232,582)	(2,013,589)	(2,580,116)	(11,212,638)
Carrying amount at 30 June 2018	144,569,065	9,291,780	11,521,409	19,921,500	39,599,800	224,903,554
Additions	4,036,412	0	841,236	1,902,883	453,634	7,234,165
(Disposals)	0	0	0	(86,507)	(27,803)	(114,310)
Depreciation (expense)	(6,920,511)	(423,797)	(325,398)	(1,724,916)	(1,693,637)	(11,088,259)
Carrying amount at 30 June 2019	141,684,966	8,867,983	12,037,247	20,012,960	38,331,994	220,935,150
Comprises:						
Gross carrying amount at 30 June 2019	148,605,477	9,291,780	12,362,646	21,735,058	40,020,834	232,015,795
Accumulated depreciation at 30 June 2019	(6,920,511)	(423,797)	(325,399)	(1,722,098)	(1,688,840)	(11,080,645)
Carrying amount at 30 June 2019	141,684,966	8,867,983	12,037,247	20,012,960	38,331,994	220,935,150

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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 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Footpaths	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Drainage	3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Parks & Gardens and Infrastructure Other	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Airport Infrastructure	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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.

10. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE)

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.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost where the fair value of the asset at date of acquisition is equal to or above \$5,000. All assets are subsequently revalued in accordance with the mandatory measurement framework.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by 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 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 fixed assets is determined at least every three years and no more than five years in accordance with the regulatory framework. 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 property, plant and equipment 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

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

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

Land under roads

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

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

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

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

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

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11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

(a) Disposals of Assets

	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss	2019 Budget Net Book Value	2019 Budget Sale Proceeds	2019 Budget Profit	2019 Budget Loss	2018 Actual Net Book Value	2018 Actual Sale Proceeds	2018 Actual Profit	2018 Actual Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - specialised	389,160	0	0	(389,160)	0	0	0	0	0	0	0	0
Furniture and equipment	55,254	0	0	(55,254)	0	0	0	0	21,086	0	0	(21,086)
Plant and equipment	576,694	391,882	35,334	(220,146)	532,000	540,000	112,000	(104,000)	244,407	236,400	26,791	(34,798)
Infrastructure - Parks & Gardens and Infrastructure Other	86,507	0	0	(86,507)	0	0	0	0	0	0	0	0
Infrastructure - Airport Infrastructure	27,803	0	0	(27,803)	0	0	0	0	0	0	0	0
	1,135,418	391,882	35,334	(778,870)	532,000	540,000	112,000	(104,000)	265,493	236,400	26,791	(55,884)

The following assets were disposed of during the year.

	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
	\$	\$	\$	\$
Plant and Equipment				
Governance				
Holden Colorado LX - 127EPS	16,091	12,707	0	(3,384)
Toyota Aurion Sedan (41224)	15,469	13,021	0	(2,448)
Toyota Hilux 4x4 - Manual	33,906	20,976	0	(12,930)
Health				
Toyota Hilux (EHO 71092)	20,798	22,567	1,769	0
Community amenities				
Cape K Public Toilets - Roof x 2	26,866	0	0	(26,866)
Cape K Public Toilets - External Services x 2	3,794	0	0	(3,794)
Cape K Public Toilets - Sub Structure x 2	15,949	0	0	(15,949)
Cape K Public Toilets - Fittings x 2	8,943	0	0	(8,943)
Cape K Public Toilets - Finishes x 2	26,829	0	0	(26,829)
Cape K Public Toilets - Services x 2	106,064	0	0	(106,064)
Cape K Public Toilets - Superstructure x 2	111,157	0	0	(111,157)
Toyota Prado GXT/D - 102EPS	34,092	32,959	0	(1,133)
Recreation and culture				
Newman - Capricorn Reserve - Water Tank	86,507	0	0	(86,507)
Transport				
Toyota Prado GX Auto - MTSR 107 EPS	36,349	31,203	0	(5,146)
Newman Depot - Office Block Finishes	10,191	0	0	(10,191)
Newman Depot - Office Block Fittings	3,094	0	0	(3,094)
Newman Depot - Office Block Services	33,432	0	0	(33,432)
Newman Depot - Office Block External	408	0	0	(408)
Newman Depot - Office Block Sub Structure	5,345	0	0	(5,345)
Newman Depot - Office Block Super	25,267	0	0	(25,267)
Newman Depot - Office Block Roof	11,822	0	0	(11,822)
Caterpillar Road Grader 140M - M/B - 1EDC513	213,388	123,038	0	(90,350)
Nullagine - Landcruiser 70 series - 1EGC124	18,306	36,798	18,492	0
Newman Aerodrome - Toyota Hilux - Manual	22,778	17,205	0	(5,573)
Case skid steer Loader - TC - 156EPS	4,050	11,802	7,753	0
Fuso Canter Tipper W Kevrek - P&G - 145EPS	37,617	10,539	0	(27,078)
Toyota Hiluz - Cape Keraudren Ranger	58,106	26,298	0	(31,808)
Economic services				
Toyota Prado DSL Wagon - MDSB - 111EPS	25,450	32,769	7,320	0
Asset written-off due to a change in accounting policy	123,350	0	0	(123,350)
	1,135,418	391,882	35,334	(778,870)

(b) Fully Depreciated Assets in Use

The gross carrying value of assets held by the Shire which are currently in use yet fully depreciated are shown below.

	2019	2018
	\$	\$
Plant and equipment	165,249	87,507
Infrastructure - Airport Infrastructure	14,600	0
	179,849	87,507

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11. PROPERTY, PLANT AND EQUIPMENT (INCLUDING INFRASTRUCTURE) (Continued)

(c) Depreciation

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Buildings - non-specialised	142,662	129,600	129,620
Buildings - specialised	3,507,519	3,413,000	3,386,165
Furniture and equipment	278,442	245,000	229,345
Plant and equipment	1,547,929	1,563,500	1,505,397
Infrastructure - Roads	6,920,511	6,800,000	5,737,347
Infrastructure - Footpaths	423,797	339,300	649,004
Infrastructure - Drainage	325,398	260,200	232,582
Infrastructure - Parks & Gardens and Infrastructure Other	1,724,916	1,377,700	2,013,589
Infrastructure - Airport Infrastructure	1,693,637	2,630,100	2,580,116
	16,564,811	16,758,400	16,463,165

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
Buildings	40 years
Plant and Equipment	3 - 10 years
Computer Equipment & Software	3 years
Furniture & Equipment	5 years
Tools	3 Years
Infrastructure Assets:	
Bridges	75 years
Car Parks	20 years
Culverts	50 years
Cycle Ways	50 years
Drains	25 years
Footpath - in situ concrete	50 years
Footpath - slab	20 years
Irrigation	20 years
Kerbs and Channel	50 years
Manholes	50 years
Median strips	50 years
Road seals - aggregate	15 years
Road seals - asphalt	25 years
Road (sealed) - pavement	50 years
Road (unsealed) - formed	20 years

Depreciation (Continued)

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.

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12. REVALUATION SURPLUS

	2019		2018		2018		2018		2018		2018	
	Opening Balance	Closing Balance	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Movement on Revaluation	Closing Balance	Revaluation Increment	Revaluation (Decrement)	Movement on Revaluation	Closing Balance	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Revaluation surplus - Land - freehold land	5,980,500	5,980,500	5,980,500	0	0	0	5,980,500	0	0	0	5,980,500	
Revaluation surplus - Land - vested in and under the control of Council	1,145,000	1,145,000	1,145,000	0	0	0	1,145,000	0	0	0	1,145,000	
Revaluation surplus - Buildings - non-specialised	20,712,197	20,712,197	20,712,197	0	0	0	20,712,197	0	0	0	20,712,197	
Revaluation surplus - Furniture and equipment	215,604	215,604	215,604	0	0	0	215,604	0	0	0	215,604	
Revaluation surplus - Plant and equipment	3,367,076	3,367,076	3,367,076	0	0	0	3,367,076	0	0	0	3,367,076	
Revaluation surplus - Infrastructure - Roads	66,828,070	66,828,070	43,466,641	23,361,429	0	0	43,466,641	23,361,429	0	23,361,429	66,828,070	
Revaluation surplus - Infrastructure - Footpaths	3,361,744	3,361,744	2,838,690	523,054	0	0	2,838,690	523,054	0	523,054	3,361,744	
Revaluation surplus - Infrastructure - Drainage	8,937,971	8,937,971	3,519,854	5,418,117	0	0	3,519,854	5,418,117	0	5,418,117	8,937,971	
Revaluation surplus - Infrastructure - Parks & Gardens and Infrastructure Other	1,282,573	1,282,573	6,086,127	0	(4,803,554)	0	6,086,127	0	(4,803,554)	(4,803,554)	1,282,573	
Revaluation surplus - Infrastructure - Airport Infrastructure	20,819,752	20,819,752	12,097,956	8,721,796	0	0	12,097,956	8,721,796	0	8,721,796	20,819,752	
	132,650,487	132,650,487	99,429,645	38,024,396	(4,803,554)	0	99,429,645	38,024,396	(4,803,554)	33,220,842	132,650,487	

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.

13. TRADE AND OTHER PAYABLES

Current

	2019	2018
	\$	\$
Sundry creditors	1,640,563	3,035,055
Accrued salaries and wages	2,160	423,670
ATO liabilities	1,965	0
Accrued interest on long term borrowing	34,045	41,874
Bonds & Deposits Held (refer to Note 25)	1,057,556	0
Other Accruals	550,163	568,117
Pre Paid Rates	46,737	54,788
	3,333,189	4,123,504

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

Trade and other payables (Continued)

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.

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14. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2018	Borrowed	Expended	Unspent
			During Year	During Year	Balance 30 June 2019
		\$	\$	\$	\$
Newman Sewerage Farm	73 26 Jun 18	1,000,000	0	(857,618)	142,382
		1,000,000	0	(857,618)	142,382

(d) Undrawn Borrowing Facilities

Credit Standby Arrangements

	2019	2018
	\$	\$
Credit card limit	50,000	25,000
Credit card balance at balance date	(11,761)	(13,316)
Total amount of credit unused	38,239	11,684

Loan facilities

Loan facilities - current	1,003,337	947,906
Loan facilities - non-current	3,797,161	4,800,498
Total facilities in use at balance date	4,800,498	5,748,404

Unused loan facilities at balance date

NIL NIL

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 24.

15. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

Opening balance at 1 July 2018

Current provisions

Non-current provisions

Additional provision

Balance at 30 June 2019

Comprises

Current

Non-current

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2018			
Current provisions	701,451	477,790	1,179,241
Non-current provisions	0	164,263	164,263
	701,451	642,053	1,343,504
Additional provision	38,051	(43,809)	(5,758)
Balance at 30 June 2019	739,502	598,244	1,337,746
Comprises			
Current	739,502	442,134	1,181,636
Non-current	0	156,110	156,110
	739,502	598,244	1,337,746

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

	2019 \$	2018 \$
Less than 12 months after the reporting date	802,636	702,840
More than 12 months from reporting date	474,641	565,445
Expected reimbursements from other WA local governments	60,469	75,219
	1,337,746	1,343,504

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.

16. 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:

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Cash and cash equivalents	27,596,044	38,574,200	20,032,777
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	139,836	(6,483,400)	2,833,470
Non-cash flows in Net result:			
Depreciation	16,564,811	16,758,400	16,463,165
(Profit)/loss on sale of asset	743,536	(8,000)	29,093
Recognition of units in Local Government House Trust	(87,586)	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(121,801)	3,194,600	269,023
(Increase)/decrease in other assets	(195,813)	0	0
(Increase)/decrease in inventories	24,327	114,700	(40,652)
Increase/(decrease) in payables	(790,315)	(2,151,800)	(5,295)
Increase/(decrease) in provisions	(5,758)	(50,400)	87,392
Grants contributions for the development of assets	(4,964,819)	(4,695,700)	(9,254,769)
Net cash from operating activities	11,306,418	6,678,400	10,381,427

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2019	2018
	\$	\$
Governance	9,213,265	8,300,351
Law, order, public safety	2,186,643	2,266,876
Health	55,314	47,696
Education and welfare	8,990,109	9,382,540
Housing	15,541,117	14,673,860
Community amenities	8,295,652	8,506,650
Recreation and culture	40,990,576	43,113,488
Transport	251,196,279	248,440,772
Economic services	9,546,652	9,715,978
Other property and services	3,214,802	3,859,577
Unallocated	8,957,741	11,484,505
	358,188,150	359,792,293

18. CONTINGENT LIABILITIES

Landfill Site Restoration Costs

The Shire currently operates three landfill sites in the towns of Newman, Marble Bar and Nullagine.

According to the Shire's current information all landfill sites have a life expectancy in excess of 20 years. The Shire is responsible to fully restore these sites at the end of the assets lives.

Restoration Costs will include three components – closure, maintenance and monitoring costs.

- Closure costs include cell capping, site works and gas / leachate infrastructure installation for landfills. Earthworks at quarries to spread soil and replant vegetation.
- Maintenance costs include vegetation management, leachate disposal and maintenance, gas maintenance, site security, fire management.
- Monitoring costs include development of monitoring plans, and ongoing groundwater and surface water monitoring

A scope was developed and a consultant has now been engaged to complete an operational plan including costing for the restoration works and this should be available during the 2019/20 financial year.

This cost will be provided in the accounts in accordance with AASB116 - Property, Plant and Equipment paragraph 16, once it can be reliably ascertained.

19. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects

Payable:

- not later than one year

	2019	2018
	\$	\$
	345,887	0
	345,887	0
	345,887	0

The capital expenditure projects outstanding at the end of the current reporting period represents the construction of the RO Plant at the Newman Airport and for the Upgrade to the Sewerage Plant.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:

- not later than one year

- later than one year but not later than five years

	2019	2018
	\$	\$
	70,649	70,649
	0	70,649
	70,649	141,298

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 payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over 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.

20. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2019 Actual	2019 Budget	2018 Actual
	\$	\$	\$
Meeting Fees	156,205	152,500	148,688
President's allowance	66,233	63,000	92,950
Deputy President's allowance	10,083	8,400	8,380
Travelling allowance	32,810	16,700	22,875
Telecommunications allowance	11,583	12,000	11,750
Member's Expenses Reimbursement	0	100	12
	276,914	252,700	284,655

Key Management Personnel (KMP) Compensation Disclosure

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

	2019 Actual	2018 Actual
	\$	\$
Short-term employee benefits	934,768	721,694
Post-employment benefits	113,227	91,472
Other long-term benefits	23,231	12,489
Termination benefits	63,432	301,307
	1,134,658	1,126,962

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.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

20. RELATED PARTY TRANSACTIONS (Continued)

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.

The following transactions occurred with related parties:	2019 Actual	2018 Actual
	\$	\$
Sale of goods and services	0	20,324
Purchase of goods and services	13,432	4,486

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.

SHIRE OF EAST PILBARA
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21. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening	Closing		Closing		Closing	
	Balance (1) 1/07/17	Received (2) 2017/18	Expended (3) 2017/18	Balance (1) 30/06/18	Received (2) 2018/19		Expended (3) 2018/19
	\$	\$	\$	\$	\$	\$	\$
Law, order, public safety							
FESA - SES Operating Grant	0	36,666	(36,666)	0	81,700	(70,255)	11,445
Health							
Dept of Health - Mosquito Control	0	0	0	0	18,171	(11,529)	6,642
Education and welfare							
Dept Regional Development - Local Projects	2,000	0	(2,000)	0	0	0	0
Dept of Prime Minister and Cabiner - NAIDOC Grant	0	0	0	0	2,000	0	2,000
DLG - Youth Trainee	0	18,200	(4,996)	13,204	0	(13,204)	0
WA Police - Friday Night Jive	0	0	0	0	19,856	(4,011)	15,845
Community amenities							
PDC - Town Centre Activation	38,500	0	(38,500)	0	0	0	0
Recreation and culture							
BHPB - Newman Events	30,550	219,495	(100,000)	150,045	150,000	(146,017)	154,028
Dept of Sport & Rec - Governance W/Shop	5,000	0	(2,500)	2,500	0	(2,500)	0
Dept of Sport & Rec - Kidsport	2,416	2,500	(4,182)	734	0	(734)	0
Dept Regional Development - Local Projects	175,000	0	(175,000)	0	0	0	0
Lotterywest - Outback Fusion Festival	0	25,000	(25,000)	0	41,158	(19,158)	22,000
State Grant - Fusion Festival	0	0	0	0	15,000	(15,000)	0
Pilbara Development Commission - Evaluation Project	25,545	0	(25,545)	0	0	0	0
Pilbara Development Commission - Business Activation	78,501	100,000	(139,400)	39,101	0	(39,101)	0
Country Arts WA - Programming for East Pilbara Community	0	11,250	0	11,250	0	(5,250)	6,000
DLG - Aquatic Youth Trainee	0	20,000	(10,119)	9,881	0	(9,881)	0
Country Arts WA - Presenter Development	0	0	0	0	2,101	(1,611)	490
Dept of Sport & Rec - Club Development	0	0	0	0	25,000	(15,055)	9,945
Total	357,512	433,111	(563,908)	226,715	354,986	(353,306)	228,395

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.
- (4) - The amount is disclosed in Note 3 of the financial report

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22. RATING INFORMATION

(a) Rates

RATE TYPE	Differential general rate / general rate	2018/19		2018/19		2018/19		2018/19		2018/19		2017/18		
		Number of Properties	Actual Rateable Value	Actual Rate	Actual Interim Rates	Actual Back Rates	Actual Total Revenue	Budget Rate	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Actual Total Revenue		
Gross rental valuations														
GRV - Industrial		101	12,412,043	234,804	(724)	1,181	235,261				234,800	0	234,800	221,517
GRV - Town Centre		34	4,715,648	270,018	0	0	270,018				270,000	0	270,000	254,813
GRV - Transient Workforce		18	24,724,500	1,683,170	0	0	1,683,170				1,683,200	0	1,683,200	1,631,042
GRV - Nullagine Townsite		22	206,755	15,230	0	0	15,230				15,200	0	15,200	14,400
GRV - Mixed Business		9	1,360,740	63,533	(12,365)	198	51,366				39,500	0	39,500	0
GRV - Other		1,856	30,608,209	2,345,201	564	0	2,345,765				2,369,400	0	2,369,000	2,412,862
Unimproved valuations														
UV - Pastoral/ Special Leases		1,483	5,383,207	327,805	230	31	328,066				327,800	0	327,800	295,384
UV - Other/ Mining		34	37,564,674	6,453,611	233,941	(13,261)	6,674,291				6,453,600	90,600	6,544,200	6,226,175
Sub-Total		3,557	116,975,776	11,393,372	221,646	(11,851)	11,603,167				11,393,500	90,600	11,483,700	11,056,193
Minimum payment														
Minimum														
Gross rental valuations														
GRV - Industrial		23	542,840	15,249	0	0	15,249				15,200	0	15,200	16,575
GRV - Town Centre		8	32,528	5,304	0	0	5,304				5,300	0	5,300	5,967
GRV - Transient Workforce		0	0	0	0	0	0				0	0	0	663
GRV - Nullagine Townsite		20	37,199	5,300	0	0	5,300				5,300	0	5,300	5,300
GRV - Mixed Business		0	0	0	0	0	0				0	0	0	0
GRV - Other		641	3,302,803	424,320	0	0	424,320				425,000	0	425,000	402,441
Unimproved valuations														
UV - Pastoral/ Special Leases		23	16,017	5,290	0	0	5,290				5,300	0	5,300	5,290
UV - Other/ Mining		560	2,179,937	128,800	0	0	128,800				128,800	0	128,800	134,090
Sub-Total		1,275	6,111,324	584,263	0	0	584,263				584,900	0	584,900	570,326
Total amount raised from general rate		4,832	123,087,100	11,977,635	221,646	(11,851)	12,187,430				11,978,400	90,600	12,068,600	11,626,519
							12,187,430						12,068,600	11,626,519

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

22. RATING INFORMATION (Continued)

(b) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single Full Payment	21 Sep 2018	0.00	0.00%	8.00%
Option Two				
First instalment	21 Sep 2018	6.00	4.00%	8.00%
Second instalment	23 Nov 2018	6.00	4.00%	8.00%
Third Instalment	25 Jan 2019	6.00	4.00%	8.00%
Fourth Instalment	29 Mar 2019	6.00	4.00%	8.00%

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Interest on unpaid rates	123,417	90,000	101,374
Interest on instalment plan	17,349	15,300	13,012
Charges on instalment plan	12,628	8,500	9,231
	153,394	113,800	123,617

23. RATE SETTING STATEMENT INFORMATION

Note	2018/19 (30 June 2019 Carried Forward)	2018/19 Budget (30 June 2019 Carried Forward)	2018/19 (1 July 2018 Brought Forward)	
	\$	\$	\$	
(a) Non-cash amounts excluded from operating activities				
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> .				
Adjustments to operating activities				
Less: Profit on asset disposals	11(a)	(35,334)	(112,000)	(26,791)
Less: Recognition of Units in Local Government House Trust	8	(87,586)	0	0
Movement in pensioner deferred rates (non-current)		686	0	0
Movement in employee benefit provisions (non-current)		(8,153)	0	26,228
Add: Loss on disposal of assets	11(a)	778,870	104,000	55,884
Add: Depreciation on assets	11(c)	16,564,811	16,758,400	16,463,165
Non cash amounts excluded from operating activities		17,213,294	16,750,400	16,518,486
(b) Surplus/(deficit) after imposition of general rates				
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.				
Adjustments to net current assets				
Less: Reserves - restricted cash	3	(44,034,534)	(37,482,900)	(36,148,676)
Add: Current Borrowings	14(a)	1,003,337	1,003,337	947,906
Total adjustments to net current assets		(43,031,197)	(36,479,563)	(35,200,770)
Net current assets used in the Rate Setting Statement				
Total current assets		52,798,349	39,131,400	47,777,323
Less: Total current liabilities		(5,518,162)	(2,575,937)	(6,250,651)
Less: Total adjustments to net current assets		(43,031,197)	(36,479,563)	(35,200,770)
Net current assets used in the Rate Setting Statement		4,248,990	75,900	6,325,902

Difference:

There was a difference of \$4,783 between the 1 July 2019 surplus brought forward position used in 2019 audited financial report and the surplus carried forward position as disclosed in the 2018 audited financial report. This difference related to the re-classification of Pensioner's rates and ESL deferred from current to non-current assets.

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24. 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. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

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 \$
2019					
Cash and cash equivalents	1.63%	27,596,044	22,812,441	4,783,603	0
Financial assets at amortised cost - term deposits	2.32%	20,943,296	20,943,296	0	0
2018					
Cash and cash equivalents	1.69%	20,032,777	14,217,948	5,814,829	0
Financial assets at amortised cost - term deposits	2.72%	23,779,510	23,779,510	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2019	2018
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	456,000	406,900

* 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 14(b).

24. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade 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 36 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.

The loss allowance as at 30 June 2019 and 1 July 2018 (on adoption of AASB 9) was determined as follows for rates receivable.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Unrecoverable	Total
30 June 2019						
Rates receivable						
Expected credit loss	0.00%	0.20%	0.58%	5.05%	100.00%	
Gross carrying amount	29,735	259,647	69,944	53,319	913,221	1,325,866
Loss allowance	0	519	406	2,694	913,221	916,840

01 July 2018

Rates receivable						
Expected credit loss	0.00%	0.20%	0.58%	1.50%	100.00%	
Gross carrying amount	15,610	508,002	296,866	79,204	82,079	981,762
Loss allowance	0	1,016	1,722	1,188	82,079	86,005

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 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2019					
Sundry Receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	1,602,526	1,380,404	362,948	47,359	3,393,237
Loss allowance	0	0	0	0	0

01 July 2018

Sundry Receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.40%	
Gross carrying amount	2,187,516	275,494	163,835	17,884	2,644,729
Loss allowance	0	0	0	72	72

24. 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
	\$	\$	\$	\$	\$
<u>2019</u>					
Payables	3,333,189	0	0	3,333,189	3,333,189
Borrowings	1,114,403	3,183,289	1,278,559	5,576,251	4,800,498
	<u>4,447,592</u>	<u>3,183,289</u>	<u>1,278,559</u>	<u>8,909,440</u>	<u>8,133,687</u>
<u>2018</u>					
Payables	4,123,504	0	0	4,123,504	4,123,504
Borrowings	1,236,770	3,929,074	1,769,540	6,935,384	5,748,404
	<u>5,360,274</u>	<u>3,929,074</u>	<u>1,769,540</u>	<u>11,058,888</u>	<u>9,871,908</u>

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25. TRUST FUNDS

In previous years, bonds and deposits were held as trust monies. They are now included in Restricted cash at note 3 and down as a current liability at note 13.

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 2018	Amounts Received	Amounts Paid	Reclassification to Restricted Cash	30 June 2019
	\$	\$	\$	\$	\$
EPSC Social Club	8,035	17,511	(15,413)	(10,133)	0
EPSC Lotto Syndicate	1,348	29,887	(26,513)	(4,722)	0
Refreshments Trust	831	1,658	(1,928)	(561)	0
Niyaparli Charitable Trust - Night Football	0	1,000	0	(1,000)	0
Recreation Centre Bonds	0	1,800	0	(1,800)	0
Booking Bonds	8,000	36,415	(32,298)	(12,117)	0
Building & Road Side Kerbing Retentions	251,000	0	0	(251,000)	0
BCITF Holding	0	66,884	(66,884)	0	0
Recreation Centre Holding	3,050	7,564	(6,764)	(3,850)	0
Unclaimed Monies	47,895	95,953	(96,075)	(47,773)	0
Prepaid Swimming Pool Inspection	41,735	9,991	(236)	(51,491)	0
Martumilli Arts Trust Account	325,613	635,928	(680,869)	(280,673)	0
BRB Receipts	0	48,785	(48,217)	(568)	0
Cash in Lieu of Public Open Space	758,224	0	0	0	758,224
Dept Health Trust	2,051	1,862	0	(3,913)	0
Retention Monies Held	28,979	171,693	(51,455)	(149,217)	0
Floodworks to Telfer (Trust)	193,000	0	0	(193,000)	0
Maintenance Bond	26,795	0	0	(26,795)	0
Martumili Unclaimed Monies	17,610	1,703	(369)	(18,944)	0
Tourist Assoc. - Souvenir Sales	0	422	(422)	0	0
	1,714,166	1,129,056	(1,027,443)	(1,057,556)	758,224

26. 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.

Whilst many reflected consequential changes associated with the amendment of existing standards, the only new standard with material application is AASB 9 *Financial Instruments*.

AASB 9 Financial instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Shire applied AASB 9 retrospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies, however there were no adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, the Shire has not restated the comparative information which continues to be reported under AASB 139. Differences arising from adoption have been recognised directly in accumulated surplus/(deficit).

The effect of adopting AASB 9 as at 1 July 2018 was, as follows:

	<u>Adjustments</u>	<u>01 July 2018</u>
		\$
Assets		
Trade receivables	(a),(b)	<u>0</u>
Total Assets		0
Total adjustments to Retained Surplus		
Accumulated surplus/(deficit)	(a),(b)	<u>0</u>
		0

The nature of these adjustments are described below:

(a) Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the Shire's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Shire's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

26. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The classification and measurement requirements of AASB 9 did not have a significant impact on the Shire. The following are the changes in the classification of the Shire's financial assets:

- Trade receivables (i.e. Other debtors) classified as Loans and receivables as at 30 June 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 July 2018.
- The Shire did not designate any financial assets as at fair value through profit and loss.

In summary, upon the adoption of AASB 9, the Shire had the following required (or elected) reclassifications as at 1 July 2018:

AASB 139 category	AASB 139 value	AASB 9 category amortised cost	Fair value through OCI	Fair value through P/L
	\$	\$	\$	\$
Loans and receivables				
Trade receivables	3,626,491	3,626,491	0	0
	<u>3,626,491</u>	<u>3,626,491</u>	<u>0</u>	<u>0</u>

(b) Impairment

The adoption of AASB 9 has fundamentally changed the Shire's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the Shire to recognise an allowance for ECLs for all financial assets not held at fair value through P/L.

Set out below is the reconciliation of the ending impairment allowances in accordance with AASB 139 to the opening loss allowances determined, in accordance with AASB 9:

	Impairment under AASB 139 as at 30 June 2018	Remeasurement	ECL under AASB 9 as at 01 July 2018
	\$	\$	\$
Loans and receivables under AASB 139 / Financial assets at amortised cost under AASB 9	86,095	0	86,095
	<u>86,095</u>	<u>0</u>	<u>86,095</u>

(c) Impact of changes to Retained Surplus

The impact on the Shire of the changes as at 1 July 2018 is as follows:

	Adjustments	2018
		\$
Retained surplus - 30 June 2018		179,777,718
Adjustment to retained surplus from adoption of AASB 9	0	<u>0</u>
Retained surplus - 1 July 2018		179,777,718

28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS

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

This note explains management's assessment of the new and amended pronouncements that are relevant to the Shire, the impact of the adoption of AASB 15 *Revenue from Contracts with Customers*, AASB 16 *Leases* and AASB 1058 *Income for Not-for-Profit Entities*. These standards are applicable to future reporting periods and have not yet been adopted.

(a) Revenue from Contracts with Customers

The Shire will adopt 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 will adopt the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments are expected to be made to the amounts recognised in the Statement of Financial Position at the date of initial application (1 July 2019):

	AASB 118 carrying amount		AASB 15 carrying amount
Note	30 June 2019	Reclassification	01 July 2019
	\$	\$	\$
Contract assets	0	0	0
Contract liabilities - current			
Unspent grants, contributions and reimbursements	0	228,395	228,395
Contract liabilities non-current			
Cash in lieu of parking	0	0	0
Adjustment to retained surplus from adoption of AASB 15	28(d)	(228,395)	

(b) 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 the 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 rates applied to the lease liabilities on 1 July 2019 is 2.20%.

	Note	2019
		\$
Operating lease commitments disclosed as at 30 June 2019		70,649
Lease liability recognised as at 1 July 2019		
Discounted using the Shire's incremental borrowing rate of 2.20%	28(d)	69,095
Right-of-use asset recognised at at 1 July 2019		<u>69,095</u>
Low-value leases recognised on a straight-line basis as an expense		<u>0</u>

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. Property, plant and equipment increases by \$69,095 on 1 July 2019 resulting in no impact on retained earnings 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.

28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE YEARS (Continued)

(c) Income For Not-For-Profit Entities

The Shire will adopt AASB 1058 *Income for Not-for-Profit Entities* (issued December 2016) on 1 July 2019 which will not result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire will adopt the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods shall not be 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 no change will occur to the following financial statement line items by application of AASB 1058 as compared to AASB 1004 Contributions before the change:

	AASB 1004 carrying amount		AASB 1058 carrying amount
Note	30 June 2019	Reclassification	01 July 2019
	\$	\$	\$
Trade and other payables	3,333,189	0	3,333,189
Adjustment to retained surplus from adoption of AASB 1058	28(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 give rise to a financial liability that is within the scope of AASB 9.

In accordance with the Shire's current accounting policies, prepaid rates have been recognised as a liability as at 30 June 2019. Therefore, the initial application of AASB 1058 Income for not Not-for-Profit Entities on 1 July 2019 will not have an impact on the recognition and classification of prepaid rates.

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.

Volunteer Services will not be recognised in revenue and expenditure as the fair value of the services can't be reliably estimated.

(d) Impact of changes to Retained Surplus

The impact on the Shire of the changes as at 1 July 2019 is as follows:

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			172,031,696
Adjustment to retained surplus from adoption of AASB 15	28(a)	(228,395)	
Adjustment to retained surplus from adoption of AASB 16	28(b)	0	
Adjustment to retained surplus from adoption of AASB 1058	28(c)	0	(228,395)
Retained surplus - 01 July 2019			171,803,301

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30. 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.

31. ACTIVITIES/PROGRAMS

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
<p>GOVERNANCE To provide a decision making process for the efficient allocation of scarce resources</p>	<p>Members of council, general governance including administration, finance and other corporate services, computer administration and community liaison.</p>
<p>GENERAL PURPOSE FUNDING To collect revenue to allow for the provision of services.</p>	<p>Rates, general purpose government grants, normalication grants and interest revenue.</p>
<p>LAW, ORDER, PUBLIC SAFETY To provide services to help ensure a safer and environmentally conscious community</p>	<p>Supervision of Local Laws, fire prevention, emergency services and animal control.</p>
<p>HEALTH To provide an operational framework for environmental and community health</p>	<p>Maintenance of infant health clinic, health inspection services, food and water quality control and immunisation.</p>
<p>EDUCATION AND WELFARE To provide services to children and youth.</p>	<p>Community services and sponsored support of community and youth.</p>
<p>HOUSING To provide and maintain housing.</p>	<p>Aged persons housing, and maintenance of leased properties.</p>
<p>COMMUNITY AMENITIES To provide services required to the community.</p>	<p>Rubbish collection services, maintenance of cemeteries and public toilets, the mainenance of the Newman Waste Water Treatment Plant and planning services.</p>
<p>RECREATION AND CULTURE To establish and effectively manage infrastructure and resources which will help the social and physical wellbeing of the community.</p>	<p>Maintenance of public halls, Newman and Marble Bar aquatic centres, Newman Recreation Centre, public parks and gardens, libraries and recreation services.</p>
<p>TRANSPORT To provide safe, effective and efficient transport services to the community.</p>	<p>Construction and maintenance of roads, footpaths, drainage works, parking facilities, trafffic signs, street lighting, depot operations, street cleaning and operation of the Newman airport and Marble Bar and Nullagine airstrips.</p>
<p>ECONOMIC SERVICES To help promote the Shire and its economic wellbeing.</p>	<p>Tourism support, building servcies and controls, caravan parks and bus services.</p>
<p>OTHER PROPERTY AND SERVICES To monitor and control the Shire's overheads and operating accounts.</p>	<p>Private works carried out by the Shire and allocations to works and service of all salaries and wages, overheads and plant costs incurred. Miscellaneous unclassified areas.</p>

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 FOR THE YEAR ENDED 30TH JUNE 2019

32. FINANCIAL RATIOS

	2019 Actual	2018 Actual	2017 Actual
Current ratio	2.15	2.01	2.50
Asset consumption ratio	0.67	0.70	0.90
Asset renewal funding ratio	N/A *	N/A *	N/A *
Asset sustainability ratio	0.56	0.47	0.47
Debt service cover ratio	9.51	9.02	10.87
Operating surplus ratio	(0.14)	(0.20)	(0.10)
Own source revenue coverage ratio	0.78	0.73	0.77

* Some of the Shire's Asset Management Plans do not contain the necessary information regarding the required capital expenditure for the next 10 years. Therefore, this ratio can't be calculated.

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	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

33 CHANGE IN ACCOUNTING POLICY

On the 26 June 2018 Paragraph 17A (5) was inserted into Local Government (Financial Management) Regulations 1996. The regulation stated an asset is to be excluded from the assets of a local government if the fair value of the asset at the date of acquisition by the local government is under \$5,000.

The Shire did not comply with this regulation at 30 June 2018 and included assets with a fair value of under \$5,000 at the time of acquisition within the assets of the Shire.

Australian Accounting Standard AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, requires this amendment to the asset values to be treated as a change in accounting policy. The standard requires balances to be adjusted retrospectively, unless it is impracticable to determine the period-specific or cumulative effects of the change. As the overall impact was immaterial, an adjustment to prior period balances was not required.

As a result, during the year assets with a fair value at the date of acquisition of under \$5,000 and purchased prior to 30 June 2018 have been excluded from the assets of the Shire along with those assets acquired during the year ended 30 June 2019 with a fair value of under \$5,000 which were capitalised in error (refer to Note 11).



Annual Report

2018 - 2019

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Shire of **EAST**
Pilbara
AUSTRALIA'S LARGEST SHIRE

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