

**Shire of Coolgardie
2018/19 Audit Report
Action List**

Matter Raised	Area of Concern	Action Taken / Proposed Action	Measurement of Success
<p>There is a significant adverse trend in the financial position of the Shire</p>	<p>The Operating Surplus Ratio has been below the industry benchmark for the past 3 years.</p>	<p>Operating Revenue minus operating expenditure divided by own source revenue is the measure for the Operating Surplus Ratio. For 2018/19 the difference between operating revenue and operating expenditure was (\$2,836,032). Consequently, in order to meet the standard and improve the ratio Council needs to have the following strategic conversation with the community;</p> <ul style="list-style-type: none"> • Increase revenue generated from non - rating sources such as Kambalda airstrip, Shire tip sites and commercial activities • Increase rates annually in excess of 7% over the next 5 years • Increase rates revenue through rating of mining infrastructure • Reduce levels of service on all operating activities <p>Council and management will continue to explore areas to help improve the operating position of the Shire. However this will not significantly improve the operating surplus ratio without the Council having a strategic conversation as suggested above.</p>	<p>Completion of monthly asset reconciliations, including depreciation calculated that reconcile between asset management & accounting software.</p>