



WANDERING SHIRE COUNCIL

Minutes of Meeting

Thursday 15 May 2014

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1 DECLARATION OF OPENING /ANNOUNCEMENT OF VISITORS

The meeting was opened by the Shire President at 1:45pm.

2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Attendance:

G Kerr President
B Dowsett Deputy President
J McNeil Councillor
B Whitely Councillor
W Gowland Councillor
J Price Councillor
C Ferguson Councillor
M Whitely Chief Executive Officer
P Rawlings Manager Admin & Finance

Apologies: Nil

Leave of Absence Previously Granted: Nil

Visitors: Nil

3 DISCLOSURE OF INTERESTS

Nil

4 PUBLIC QUESTION TIME

Nil

5 APPLICATIONS FOR LEAVE OF ABSENCE

86:2013/14

Moved Cr Dowsett Seconded Cr Ferguson that Cr McNeil be granted leave of absence from the June 2014 ordinary Council meeting.

CARRIED 7-0

6 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

6.1 Shire of Wandering Ordinary Meeting – 17th April 2014

87:2013/14

Moved Cr Price Seconded Cr McNeil that the minutes of the Shire of Wandering Ordinary Meeting held 17th April 2014 be confirmed as a true and correct record of proceedings with the following changes:

Item 8.2 (page 6) to read “Moved Cr Dowsett Seconded Cr McNeil....”

Item 8.4 (page 9) to read “Darralyn” in lieu of “Darrayln”

CARRIED 7-0

7 COUNCILLOR REPORTS

Councillor Kerr

Meetings Attended

WALGA Central Country Zone meeting in Lake Grace

Councillor Dowsett

Questions Without Notice

Moramocking Rd Crossing

Councillor McNeil

Questions Without Notice

Tree Pruning – North Bannister Wandering Rd (west of Ricks Rd)
Tree Pruning – North Wandering Rd

Councillor Ferguson

Questions Without Notice

Road Maintenance – Ricks Rd
Road Maintenance – Carabin Road Bridge

Councillor Price

Questions Without Notice

Update on signage information from Main Roads
Road Maintenance – Codjatotine Mooterdine Rd

Councillor Whitely

Meetings Attended

Newmont Mining Community Consultative Committee meeting

8 MATTERS REQUIRING COUNCIL DECISION

8.1 WALGA Western Australian Local Government Convention

NAME OF APPLICANT: WALGA
FILE REFERENCE: 1.4.5
AUTHOR: CEO

BACKGROUND

WALGA host a Local Government Convention each year in August and the dates for the 2014 convention have now been released.

COMMENT

The convention commences Wednesday 6 August 2014 with the WALGA Annual General Meeting, followed by the opening address for the convention on Thursday 7 August 2014 and concludes Friday 8 August 2014.

At this point in time the program for the conference has not been finalised, neither have the costs for the event. As an indicative, the cost of registration for the 2013 convention was \$1,375 which included registration to the conference, the welcome reception on Wednesday and the Sundowner on Thursday evening and there were additional costs to attend the Gala Dinner on Friday night and the quest speaker breakfast on the Friday morning of \$190 and \$88 respectively. Accommodation for the convention is also additional and last year attendees stayed at the Windsor Lodge in Como where the rooms were \$150 a night.

Cr Kerr, Cr Dowsett, Cr McNeil, Cr Schorer and the CEO attended the 2013 convention. The original officer recommendation was for Cr Price and Cr Ferguson to attend the conference however both Councillors were unable to attend due to prior commitments.

STATUTORY & TOWN PLANNING

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The cost to attend the convention will be in the vicinity of \$2,000 - \$2,500 per attendee dependant on attending the Gala Dinner, Breakfast and alternate accommodation arrangements.

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That Cr Ferguson and Cr Price along with other interested Councillors be enrolled for the 2014 WA Local Government Convention and Exhibition.

88:2013/14

Moved Cr Dowsett Seconded Cr McNeil that item be deferred until June 2014 meeting pending receipt of convention agenda.

CARRIED 7-0

8.2 2014 WALGA Annual General Meeting Voting Delegates

NAME OF APPLICANT: WALGA
FILE REFERENCE: 1.4.5
AUTHOR: CEO

BACKGROUND

The 2014 Annual General Meeting for the WA Local Government Association will be held during the Local Government Convention on Wednesday 6 August 2014 commencing at 1.30pm.

Council are permitted to have 2 voting delegates at the 2014 Annual General Meeting.

COMMENT

Historically the President and Deputy President have been nominated as the voting delegates with any other Councillors and/or CEO noted as the proxy voting delegates.

STATUTORY & TOWN PLANNING

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That Cr Kerr and Cr Dowsett be nominated as the voting delegates for the 2014 WA Local Government Association Annual General Meeting with Cr Ferguson and Cr Price as the proxy voting delegates.

89:2013/14

Moved Cr Price Seconded Cr McNeil that Cr Kerr and Cr Dowsett be nominated as the voting delegates for the 2014 WA Local Government Association Annual General Meeting proxy voting delegates decided at the June 2014 meeting.

CARRIED 7-0

8.3 Wandering Primary School

NAME OF APPLICANT: Wandering Primary School
FILE REFERENCE: 8.1.1
AUTHOR: CEO

BACKGROUND

A letter has been received from the Wandering Primary School seeking a contribution from the Shire towards the Wandering Primary School Quiz Night to be held at the Wandering Community Centre on 28 June 2014.

COMMENT

In September 2012 a similar request was put forward by the Wandering Primary School P&C for a fundraiser held the following month. At that meeting Council resolved to provide the Wandering Primary School P&C with the following items;

1. Venue hire free of charge
2. Private Works to the value of \$500
3. Load of sand or gravel
4. Any other suitable merchandise

STATUTORY & TOWN PLANNING

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Minimal staff, plant and material costs to complete the private works.

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That Council provide the Wandering Primary School with the following items for the Quiz Night to be held at the Wandering Community Centre on 28 June 2014;

1. Wandering Community Centre venue hire free of charge
2. Private Works to the value of \$500
3. Load of sand or gravel

90:2013/14

Moved Cr Dowsett Seconded Cr Price that Council provide the Wandering Primary School with the following items for the Quiz Night to be held at the Wandering Community Centre on 28 June 2014;

- 1. Wandering Community Centre venue hire free of charge**
- 2. Private Works to the value of \$500**
- 3. Load of sand or gravel**

CARRIED 7-0

8.4 Appointment of Acting CEO

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: 1.2.2
AUTHOR: CEO

BACKGROUND

I will be on annual leave for two weeks commencing Monday 2 June 2014. With the Manager of Administration and Finance recently resigning and finishing up on 23 May 2014 this will leave a period of two weeks without a CEO and essentially a Senior Manager.

COMMENT

I have made a few enquiries into availability of suitable candidates and while several people were interested they were unavailable for those dates. Mr James Trail, who has acted as a consultant for the Shire previously, is available for those dates and would be interested in assisting for the two week period.

The cost for Mr Trail's services is \$77 hour inclusive of GST. If appointed Mr Trail has agreed to stay at the CEO's house for the two week period.

Council must resolve to appoint an Acting CEO if they are to be delegated the same powers delegated to a CEO under the Local Government Act.

STATUTORY & TOWN PLANNING

Section 5.36 of the Local Government Act 1995

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

There will be additional cost of approximately \$2,500 for having Mr Trail as acting CEO in lieu of forgoing the Manager of Administration and Finance salary. There is provision in the 2013/14 Budget for used of consultancy services.

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That Council appoint Mr James Trail as the Acting CEO of the Shire of Wandering for the two week period commencing Monday 2 June 2014 through to Monday 16 June 2014.

91:2013/14

Moved Cr Dowsett Seconded Cr Whitely that Council appoint Mr James Trail as the Acting CEO of the Shire of Wandering for the two week period commencing Monday 2 June 2014 through to Monday 16 June 2014.

CARRIED 5-2

8.5 Building Permit Time Frames

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: 2.2.5
AUTHOR: EHO/BS

BACKGROUND

The Shire has a number of buildings under construction that have been going for quite a period of time.

This item seeks Council advice on how it would like the matter to be addressed for those with an expired building permit.

COMMENT

When building control was governed by the Local Government (Miscellaneous Provisions) Act building licenses were legislated to last for a period of two years, but were null and void if *“not substantially commenced within 12 months”*.

If the two year period expired, and building work had not been completed, apart from pleading or threatening letters, there was no mechanism to make the owner comply, other than to serve an order to demolish the premises.

There was also no legislative way to extend a permit – i.e. the Act and Regulations did not allow a Shire to extend the time that a building could be completed.

This caused all sorts of problems. If a Shire didn't want to take an owner to court to demolish his premises, and most didn't, they also couldn't extend the building period.

Most just meandered on and eventually finished or didn't ever finish.

Under the 2012 “new” Building Act, a Shire can stipulate the length of time a building permit runs for.

This could be from 12 months and any time after that.

If no period is stated, the “fall back” position is two years.

This is not too far removed from the Miscellaneous Provisions.

However, the 2012 Act gives provisions for a local government to extend the building permit. There is a fee of \$90 to apply for an extension.

Technically, a permit could be extended as many times as the Shire allowed. This does not however necessarily make the person finish the building in question.

It might be argued that there is no real value in this extra mechanism.

Perhaps it serves as a reminder to the owner that they are being monitored and perhaps the \$90 fee helps them to hurry up.

It would also help in any legal action to demolish the house in that it could be shown that the permit had been extended and yet the owner still would not complete the building.

23. Application to extend time during which permit has effect (s. 32)
(1) In this regulation —

expiry day, in relation to a permit, means the day on which the permit ceases to have effect.

(2) An application to extend the time during which a permit has effect —

(a) must be made to the relevant permit authority in a manner and form approved by the Building Commissioner; and

(b) must set out —

(i) the reference number of the permit; and

(ii) the grounds for requesting the extension; and

(iii) the period for which the extension is sought.

(3) A permit authority may, by written notice, refuse to accept an application made after the expiry day for the permit if —

(a) the permit authority is satisfied that the delay in making the application was unreasonable in the circumstances; or

(b) the application is made more than 12 months after the expiry date for the permit.

(4) If an application is made before the expiry day for a permit and has not been determined by the expiry day, the permit continues to have effect on and from expiry day —

(a) until the permit authority extends, or refuses to extend the time during which the permit has effect; or

(b) until the applicant withdraws the application or gives notice of completion in relation to the permit,
except for any period when the permit does not have effect under section 35.

(5) If an application made after the expiry date for a permit is accepted by the permit authority, the permit is to be taken to have had effect on and from the day immediately following the expiry day —

(a) until the permit authority extends, or refuses to extend, the time during which the permit has effect; or

(b) until the applicant withdraws the application or gives notice of completion in relation to the permit,
except for any period when the permit does not have effect under section 35.

24. Extension of time during which permit has effect (s. 32(3))

(1) The relevant permit authority may extend the time during which a permit has effect if the permit authority is satisfied that —

(a) the work, or stage of work, for which the permit was granted has not been completed; or

(b) the extension is necessary to allow rectification of defects in the work, or the stage of work, for which the permit was granted.

(2) If a relevant permit authority extends the time during which a permit has effect the permit authority may impose any condition on the permit that the permit authority could have imposed under section 27.

25. Review of decision to refuse to extend time during which permit has effect (s. 32(3))

A person who applies for the extension of the time during which a permit has effect may apply to the State Administrative Tribunal for a review of the decision of the permit authority —

(a) to refuse to accept an application made after the day on which the permit ceases to have effect; or

(b) to refuse to extend the time during which the permit has effect; or

(c) in relation to a condition imposed on the permit when the permit authority extends the time during which the permit has effect.

The Shire of Wandering has a number of building projects currently showing as started but not been completed within the two year period allowed are shown at **Attachment 2**.

Many of these permits listed in Attachment 2 simply require the Certificate of Completion paperwork to be finalised, however there are still a number of current outstanding building permits whereby the works are still in the process of being completed.

The alternative to considering applications to extend the building permit timeframe is to do nothing (let it just go on indefinitely) or issue an order to demolish the building, or perhaps issue an order to complete the building.

I believe the Building Commission would frown on the option of doing nothing and just letting things meander on.

If this was allowed to happen, any changes in the Building Code would not be implemented. For instance, if a building project was ongoing for many years without a Council doing anything to make it finish, the BCA might have changed substantially.

Whereas a new building would have to apply, say to a 2014 standard, the job that was ongoing for many years might still be being built to a 2005 standard.

If the permit was required to be reviewed and renewed, the current standards might be able to be implemented.

If Council was not prepared to extend a permit time, and didn't want it to just meander on, the Shire could issue an order to demolish the building.

If the order was appealed to the State Administrative Tribunal (SAT), I believe SAT would rule in order of the appellant because the Shire did not offer to extend the permit time in the first instance.

Another way to look at this is if the permit wasn't extended, or even was extended for 12 months only, and wasn't finished, but work was still being undertaken, effectively the builder would be building without a permit. This could attract a fine of up to \$50,000.

The bottom line is that Council would have to determine that some legal action would need to be taken.

There is always a cost in doing this, both financial and emotional.

Council can determine whether any application to extend the building permit time is handled administratively or whether each application should go to Council for determination of an outcome.

STATUTORY & TOWN PLANNING

Building Act 2012

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Minor increase in revenue through additional building permits.

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That Council

1. A letter is sent to all those building permit owners who have not completed their building projects within two years of the issue of the original permit, requesting the builder apply for an extension of time, including giving a reason why the extension should be granted, and submitting the stipulated fee for the application to extend the building permit.
2. Each request is considered by Council for a determination of whether to extend the permit timeframe and for how long.

92:2013/14

Moved Cr Price Seconded Cr McNeil that

1. A letter is sent to all those building permit owners who have not completed their building projects within two years of the issue of the original permit, requesting the builder apply for an extension of time, including giving a reason why the extension should be granted, and submitting the stipulated fee for the application to extend the building permit.
2. Each request is considered by Council for a determination of whether to extend the permit timeframe and for how long.

CARRIED 7-0

CEO Martin Whitely exited the Chambers at 2:24pm and returned at 2:26pm

8.6 2013/14 Budget Amendments

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: FNM – Budgeting
AUTHOR: Manager Administration and Finance

SUMMARY

To outline changes to the capital budget to cover “in-kind” over-expenditure on certain road projects with savings on, or postponement of, other projects.

BACKGROUND

Over the last two meetings Council has received reports on its estimated financial position as at 30th June 2014 and the likely impact on next year’s budget of a carried forward (underlying) deficit.

This report seeks to further inform members of progress to minimise the projected deficit and tidy up a few matters.

COMMENT

To assist in meeting the 2013/14 budgets’ targets, actions were taken to replace some contracted works with “in-house” resources on the major road projects. Such actions have led to savings in cash outgoings of \$80,000 though several projects appear to have exceeded their budget due to additional internal costs. However this is not so due to savings in other areas which are now proposed to be transferred to cover the “over expenditures”

The following table addresses the situation (over-expenditure in brackets):

Acct No.	Project	Labour	O’Heads	Plant
0056RRG	Crossman-Dwarda Rd.	(25,000)	(25,000)	(16,500)
0003RRG	Wandering-Pingelly Rd.	(18,000)	(18,000)	(32,000)
0025RTR	Reid Road	(2,500)	(2,500)	10,000
0049RTR	Popanyinning West Rd.	(4,000)	(4,000)	0
E14761	Industrial Subdivision	7,500	7,500	15,000
E12101	Own Roadworks	7,500	7,500	22,500
E12107	Dunmall Drive Drain	3,750	3,750	5,250
E10280	Transfer Station	12,500	12,500	26,250
E13260	Caravan Pk Ablutions	5,750	5,750	6,000

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E10103	Tip Mtce.	(3,500)	(3,500)	(17,000)
E12202	Bridge Mtce.	20,500	20,500	4,500
E12203	Drainage Mtce.	3,000	3,000	1,500
E13200	Caravan Pk Mtce.	1,500	1,500	0
E12200	Rural Road Mtce.	(9,000)	(9,000)	(25,500)
	TOTALS	Nil	Nil	Nil

In addition to the above, it is proposed to amend the allocation of the cost of upgrading the Wandering Telephone Exchange (\$97,000) to cater for ADSL2 broadband from capital expenditure to operating expenditure due to the assets now being transferred to Telstra as per the original contract.

Council's interests in this project are protected by a proposed Memorandum of Understanding as required by the financial assistance agreement Council entered into with the Dept. of Regional Development under the *Country Local Government Fund*.

STATUTORY IMPLICATIONS

Regulation 33A of the *Local Government (Financial Management) Regulations 1996*.

STRATEGIC IMPLICATIONS

Nil

PUBLIC CONSULTATION

No public consultation has been undertaken in regards to this item

FINANCIAL IMPLICATIONS

As discussed above, the proposed amendments have no cash implications for the 2013/14 or 2014/15 financial years.

OFFICER RECOMMENDATION

That the following amendments to the 2013/14 budget be approved:

Acct No.	Project	Labour	O'Heads	Plant
0056RRG	Crossman-Dwarda Rd.	(25,000)	(25,000)	(16,500)
0003RRG	Wandering-Pingelly Rd.	(18,000)	(18,000)	(32,000)
0025RTR	Reid Road	(2,500)	(2,500)	10,000
0049RTR	Popanyinning West Rd.	(4,000)	(4,000)	0
E14761	Industrial Subdivision	7,500	7,500	15,000
E12101	Own Roadworks	7,500	7,500	22,500
E12107	Dunmall Drive Drain	3,750	3,750	5,250
E10280	Transfer Station	12,500	12,500	26,250
E13260	Caravan Pk Ablutions	5,750	5,750	6,000
E10103	Tip Mtce.	(3,500)	(3,500)	(17,000)
E12202	Bridge Mtce.	20,500	20,500	4,500
E12203	Drainage Mtce.	3,000	3,000	1,500
E13200	Caravan Pk Mtce.	1,500	1,500	0
E12200	Rural Road Mtce.	(9,000)	(9,000)	(25,500)
Acct No.	Project	Contract		
E13580	ADSL2 Upgrade (CAPEX)	97,000		
E13590	ADSL2 Upgrade (Opertg)	(97,000)		
	TOTALS	Nil	Nil	Nil

93:2013/14

Moved Cr Whitely Seconded Cr Dowsett that the above-listed amendments to the 2013/14 budget be approved.

CARRIED 7-0

8.7 Adoption of Fair Values for Shire Land

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: CPRP – Asset Register
AUTHOR: Manager Administration and Finance

SUMMARY

To adopt fair values for Shire-owned freehold land derived from a mix of licenced valuer assessments and management valuations.

BACKGROUND

In September 2011 the Australian Accounting Standards Board issued accounting standard *AASB 13 Fair Value Measurement* to apply to non-current assets from 1 January 2013.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

Subsequent amendments to the *Local Government (Financial Management) Regulations 2006* allowed the phasing-in of fair values for plant & equipment (2012-13), land & buildings (2013-14) and all other assets (2014-15).

To comply with the standard, Landknow Pty. Ltd. was engaged to undertake an assessment of the fair market value of some Shire-owned land, mainly that land held for development and subsequent sale. Such values were then used as the basis for a management valuation of other land including freehold land under staff housing and the four commercial lots in Watts Street.

The following extract from Council's asset and property registers highlights the extent to which book values measured at cost will need to be amended to reflect their fair values:

Asset #	Asset Name	Comments	Book Value	Assess No	GRV/CV	UV/SV	Fair Value (Sworn)	Fair Value (M' ment)
218,5	Lot 10 Watts Street (Vacant Land, Vol 1220 Folio 718)	Pt LHR	5,496.05	A15	2,225		-	39,760
23	Location 1181(UNKNOWN)	Does not exist	310.00				0	0
383	Lot 801 Watts Street (Vacant Land, Vol 2547, Folio 447)		5,290.98	A320	2,750		-	100,600
390	1 Michibin Street (Lot 112, Residence Vol 2053 Folio 50)		0.00	A2	12,740		-	50,120
391	7 Gnowing Street (Lot 43, Residence Vol 1323 Folio 535)		0.00	A205	11,700		-	33,600
392	14 Down St (Lot 38, Residence Vol 199 Folio 124A)		0.00	A206	12,220		-	48,360
393	1 Dowsett St (Lot 46, Residence Vol 1911 Folio 288)		0.00	A275	12,480		-	53,520
394	Lot 300 Mill St (Cnr Turton Rd, Vol 2684 Folio 207)	LHR	130,645.24	A292 (Part)	1,650		78,000	-
395	Lot 60 Mill St (Vol 2684, Folio 208)	LHR	0.00	A292 (Part)	0		32,000	-
396	Lot 61 Mill St (Vol 2684, Folio 209)	LHR	0.00	A292 (Part)	0		40,000	-
397	Lot 9000 Moramockaning Rd (Caravan Park & Tip, Vol 2548, Folio 705)		0.00	A322	65,000		65,000	-
398	Lot 800 Watts Street (Fuel Facility, Vol 2547 Folio 446)	LHR	5,290.98	A353	3,550		-	160,280
400	19 Humes Way (Lot 110, Residence Vol 2685 Folio 280)		0.00	A421	14,300		45,000	-
401	9 Humes Way (Lot 115 Vacant Land Vol 2685 Folio 285)		0.00	A426	2,310		-	42,500
402	7 Humes Way (Lot 116, Vacant Land Vol 2685 Folio 286)		0.00	A427	2,460		88,000	-
403	5 Dunmall Drive (Lot 128, GEHA Residence Vol 2685 Folio 291)		0.00	A437	2,310		50,000	-
404	Lot 9500 Nth Bannister Rd (Cnr Turton Rd Vol 2680 Folio 208)	LHR	250,693.33	A468		176,000	180,000	-
405,263	Lot 9000 Dunmall Drive (Residence, Vol 2685 Folio 298)	Pt LHR	79,315.60	A303	13,520		-	86,134
41	Lot 62 Mill St (Vol 1694 Folio 910)		720.00	A504	0		-	128,000
52	Avon Loc 28352 - Moramockining Road Gravel Pit		7,098.00	-	-	0	12,000	-
56,384	Lot 802 Watts St (Telstra Vol 2547 Folio 448)		13,120.28	A321	2,750		-	100,560
57	Lot 103 Cheetaning St (SOLD)	SOLD	4,000.00	-	-		0	0
257	Original Industrial Subdivision	Does not exist	1,551.68	-	-		0	0
284,296	Lot 9001 Schorer Rd (Industrial Land, Vol 2823, Folio 591)	LHR	202,650.09	A505	0	0	97,000	-
			706,182.23				687,000	843,434
							1,530,434	

COMMENT

Nil

STATUTORY & TOWN PLANNING

Regulation 16 of the *Local Government (Financial Management) Regulations 1996* exempts land under roads and Crown land under Council control unless it is a golf course, showground, race course or any other sporting or

recreational facility of State or regional significance from being reported in the annual financial report. Regulation 17A requires the use of fair values in financial reports.

AASB 116 *Property, Plant and Equipment* provides that the fair value of land and buildings is usually determined from market-based evidence and by appraisal that is normally undertaken by professionally qualified valuers. The fair value of plant and equipment is usually its market value determined by appraisal. The standard requires disclosure as to whether an independent valuer was involved in revaluation

AASB 140 *Investment Property* encourages (but does not require) the determination of fair value of investment property on the basis of independent valuations by a qualified valuer holding a recognised and relevant professional qualification and with recent experience in the location and category of investment property being valued⁴⁸. The standard also requires specific disclosures to be made about the extent to which fair value has been determined by a qualified valuer.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The net increase in the value of land holdings (\$824,251.77) will be transferred to the asset revaluation reserve via the statement of comprehensive income as at 30th June 2014.

STRATEGIC IMPLICATIONS

A key function of local governments is to manage long term infrastructure assets.

The introduction of Integrated Planning and Reporting in WA as part of the State Government's Local Government Reform Program, provides (among other things) a process to ensure that across the sector:

- there are financial planning systems that accurately demonstrate a local government's capacity to deliver services and manage assets that can sustain their communities into the future, and
- effective asset management systems exist with the rigour of process and integrity of data to accurately reflect true asset management costs.

Aligned with this is the integration of Asset Management Plans (and "whole-of-life" asset costs) with Long Term Financial Plans that effectively address the renewal funding gap and show the implication of doing so.

Asset management processes are used to sustainably manage assets and asset systems to achieve the aims of the Corporate Business Plan.

Events that typically give rise to the need for an accounting entry include:

- Acquisition or creation of an asset;
- Expenditure on enhancement that is not repair or maintenance;
- Depreciation;
- Revaluation; or
- Disposal or other decommissioning event.

The use of fair value measurement of assets in financial statements and Asset Management Plans enables the community to assess the worth of assets or infrastructure they are being asked to fund and judge if the local government is increasing the worth of the community.

OFFICER RECOMMENDATION

That Council adopts the revised land asset fair value of \$1,530,434 as at 30th June 2014.

94:2013/14

Moved Cr Ferguson Seconded Cr McNeil that Council adopts the revised land asset fair value of \$1,530,434 as at 30th June 2014.

CARRIED 7-0

8.8 Differential Rating

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: RMNT - Valuations
AUTHOR: Manager Administration and Finance

SUMMARY

To propose the imposition of differential general rates on the basis of a combination of zoning and the purpose for which certain land is held or used.

BACKGROUND

Under section 6.33 (1) of the *Local Government Act 1995* Council may impose differential general rates according to any, or a combination of, the following characteristics:

- (a) the purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the *Planning and Development Act 2005*; or
- (b) a purpose for which the land is held or used as determined by the local government; or
- (c) whether or not the land is vacant land; or
- (d) any other characteristic or combination of characteristics prescribed.

Under subsection (3) of the same section when imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

Under section 6.35 (1) of the *Local Government Act 1995* Council may impose a minimum payment which is greater than the general rate which would otherwise be payable on that land.

If the land is vacant and the number of properties subject to minimum payments under a differential rate category is more than 50%, Council must first seek the approval of the Minister for Local Government (section 6.35 (5)). No Ministerial discretion exists with respect to occupied land.

COMMENT

In order to levy differential rates Council needs to establish the rationale for re-distributing the rate burden within the respective rate category.

Within the gross rental valuation (GRV) category, a differential rate of an additional one (1) cent in the dollar is proposed for five tourism-related special-use sites (Tavern, Bannister & North Bannister roadhouses and two other lots at Bannister) as a modest contribution towards the district's area promotion. Increasing visitor numbers will improve the respective properties revenue capacity.

Within the unimproved valuation (UV) category a differential rate of an additional point two (0.20) cents in the dollar is proposed for rural residential properties due to their lower average valuation compared to broad-acre farms. The additional \$18,000 per annum is to be used to fund the higher level of services enjoyed by residents of such estates including sealed roads within Wandering Downs and the cost of maintaining Reid Road, the new sealed road to Blackboy Springs.

Also within the UV category a differential minimum rate of \$1,700 per mining tenement – twice that of rural and rural residential properties – is proposed as a reasonable contribution to the overall rate burden given the potential future revenue to be derived should such tenements subsequently be mined.

The mining proposal will require Ministerial approval as all rates to be levied are minimum payments.

STATUTORY IMPLICATIONS

Sections 6.33 and 6.35 of the *Local Government Act 1995*.

STRATEGIC IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Increase in revenue for 2014/15 financial year proposed as follows:

Category	Total Props	UV Value	GRV Value	Min Amt	UV %	GRV %	Props on Min	% on Min	14/15 Rates Proposed	13/14 Non-Min	13/14 Min	13/14 Total	Variance
UV Mining	7	169,228	0	1,700	0.5000		7	100.00%	11,900	0	3,670	3,670	8,230
GRV Residential	79	0	679,925	800		7.5000	39	49.37%	67,990	36,506	14,553	51,059	16,931
GRV Special Use	5	0	176,232	800		8.5000	2	40.00%	16,036	13,493	1,078	14,571	1,465
UV Rural Residential	103	13,140,000	0	850	0.7000		38	36.89%	94,061	0	75,602	75,602	18,459
UV Rural	198	108,145,200	0	850	0.5000		57	28.79%	555,275	487,005	32,296	519,301	35,974
									745,262	537,004	127,199	664,203	81,059

PUBLIC CONSULTATION

No public consultation has been undertaken in regards to this item but a minimum 21-day local public notice period inviting submissions will apply.

The three mining companies impacted were invited to meet with Council staff to discuss the proposals with Bauxite Resources the only company to take up the offer.

OFFICER RECOMMENDATION

That Council invites submissions via local public notice closing 30th June 2014 in respect of the proposed differential rates and minimum payments for the 2014/15 financial year.

95:2013/14

Moved Cr Dowsett Seconded Cr Gowland that Council invites submissions via local public notice closing 30th June 2014 in respect of the proposed differential rates and minimum payments for the 2014/15 financial year.

CARRIED 7-0

8.9 2014/15 Draft Budget

NAME OF APPLICANT: Shire of Wandering
 FILE REFERENCE: 10.1.4
 AUTHOR: CEO

BACKGROUND

The purpose of tabling the draft budget for this meeting is to allow Council the opportunity to review the draft prior to scheduling a formal budget meeting to discuss the 2014/15 Draft Budget in greater detail.

COMMENT

Currently the 2014/15 Draft Budget shows a balanced budget. It should be noted that the draft budget includes limited capital expenditure for most areas other than roads.

Council have until the 31st August each financial year to adopt the budget.

STATUTORY & TOWN PLANNING

Section 6.2 of the Local Government Act 1995
Financial Management Regulations 2007

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

As per the Shire of Wandering 2014/15 Budget

STRATEGIC IMPLICATIONS

Corporate Business Plan
Long Term financial Plan
Plant Replacement Program
Road Replacement Program
Community Strategic Plan
Workforce Plan

OFFICER RECOMMENDATION

That the information be received.

96:2013/14

Moved Cr McNeil Seconded Cr Ferguson that the information be received.

CARRIED 7-0

8.10 List of Accounts – April 2014

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: 10.1.16
AUTHOR: Accounts Officer

BACKGROUND

Attached is a list of accounts for Council consideration.

COMMENT

Nil

STATUTORY & TOWN PLANNING

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

2013/14 Budget

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That all Cheque, EFT, wages, transport payments, transfers to investments, credit card payments, creditor payments and other vouchers from the Municipal and Trust Fund totalling \$385,800.62 be passed for payment.

97:2013/14

Moved Cr Ferguson Seconded Cr Whitely that all Cheque, EFT, wages, transport payments, transfers to investments, credit card payments, creditor payments and other vouchers from the Municipal and Trust Fund totalling \$385,800.62 be passed for payment.

CARRIED 7-0

8.11 Financial Reports – April 2014

NAME OF APPLICANT: Shire of Wandering
FILE REFERENCE: 10.1.16
AUTHOR: Manager Administration & Finance

BACKGROUND

Separately attached are the monthly Financial Statements for the period 30 April 2014.

COMMENT

Refer to Finance Report on page 19.

STATUTORY & TOWN PLANNING

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Shire of Wandering 2013/14 Budget

STRATEGIC IMPLICATIONS

Nil

OFFICER RECOMMENDATION

That Council endorse the monthly Financial Statements for the period ending 30 April 2014.

98:2013/14

Moved Cr Ferguson Seconded Cr Whitely that Council endorse the monthly Financial Statements for the period ending 30 April 2014.

CARRIED 7-0

9 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

10 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

11 NEXT MEETING

Next Ordinary Council meeting to be held on Thursday 19 June 2014 at 1:30pm

12 CLOSURE OF MEETING

There being no further business for discussion the Shire President closed the meeting at 4:23 pm

**These Minutes were confirmed by Council at the Ordinary Council Meeting
on Thursday 19th June 2014.**

CR G G KERR, President