



AGENDA

ORDINARY MEETING OF COUNCIL

9 DECEMBER 2015





AGENDA

ORDINARY MEETING OF COUNCIL

9 DECEMBER 2015

NOTICE OF MEETING

Dear Elected Member

The next Ordinary Meeting of the Murchison Regional Vermin Council will be held on Wednesday 9 December 2015, commencing at 10:15am (or at the conclusion of the Audit Committee meeting in the Council Chambers, 90 Hepburn Street Mount Magnet.

A handwritten signature in blue ink, appearing to read 'Warren Olsen', with a long horizontal stroke extending to the right.

Warren Olsen
Chief Executive Officer
4 December 2015

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Murchison Regional Vermin Council for any act, omission, statement or intimation occurring during this meeting. It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decision, which will be provided within fourteen (14) days of this meeting.

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Murchison Regional Vermin Council
Agenda for the Ordinary Meeting of Council - Wednesday, 9 December 2015
in the Council Chambers, 90 Hepburn Street, Mount Magnet

1. **DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**
2. **RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**
3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
4. **PUBLIC QUESTION TIME AND ADDRESS BY MEMBERS OF THE PUBLIC**

4.1 Public Question Time

4.2 Address by Members of the Public

5. **APPLICATIONS FOR LEAVE OF ABSENCE**
6. **DEPUTATIONS / PRESENTATIONS / SUBMISSIONS**
7. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

7.1 Minutes of the Special Meeting held on 23 November 2015

OFFICER RECOMMENDATION

Moved:

Seconded:

That the minutes of the Special Meeting held on 23 November 2015 as circulated be confirmed as a true and correct record of proceedings.

CARRIED/LOST

8. **ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**
9. **PETITIONS**
Nil.
10. **DECLARATIONS OF INTEREST**
11. **BUSINESS DEFERRED FROM PREVIOUS MEETING**
Nil.

12. REPORTS

12.1 Cash Position Statement - As at 30 November 2015

Officer:	Finance Manager, Ms Maureen Murat
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	9 December 2015

Comment

The Cash Position Statement is as stated below:

STATEMENT OF CASH POSITION AS AT 30 NOVEMBER 2015	\$
BALANCE OF CASH POSITION AS AT 1 JULY 2015	16,215.61
Add - Operating - Revenue	
Credit Interest	1.28
Waratah Cash Back	1,720.00
Precepts	72,347.00
Annual Subsidy	30,800.00
Fence Rental	6,193.75
TOTAL – OPERATING - REVENUE	111,062.03
LESS – OPERATING - EXPENDITURE	
Fence Maintenance	-16,373.50
Financial/Audit Services	-10,345.62
Secretarial Services	-6,600.00
Meeting Expenses	-250.00
Communication Expenses	-700.91
Insurance	-825.00
Bank Fees	-32.90
TOTAL – OPERATING – EXPENDITURE	-35,127.93
ADD - ATO – BAS - April 2015 to June 2015	1,911.00
ADD - ATO – BAS – Amended – June 2015	20,122.00
ADD - ATO – BAS - July 2015 to September 2015	12,974.00
LESS - CAPITAL - EXPENDITURE	
Fencing Materials	-104,487.45
Fencing Contractor	-173,580.00
Field Coordinator	-2,145.00
TOTAL – CAPITAL – EXPENDITURE	-280,212.45
CASH DEPOSIT	
Drawdown – Cash Deposit	170,000.00
CASH BALANCE AS AT 30 NOVEMBER 2015	16,944.26

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements
Simple Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That the Cash Position Statement as at 30 November 2015 be received.

CARRIED/LOST

12.2 Accounts for Payment - 1 November 2015 to 30 November 2015

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 9 December 2015

Comment

Accounts for payment list 1 November 2015 to 30 November 2015 are attached for notation:

ACCOUNTS AUTHORISED FOR PAYMENT				
DATE PAID	INVOICE NO	NAME	PARTICULARS	AMOUNT \$
01/11/2015	Direct	CBA	Account Service Fee	5.00
01/11/2015	Direct	CBA	Account Service Fee	4.20
06/11/2015	50	FITZPATRICK CONTRACTING SERVICES	Fence Maintenance	3,960.00
24/11/2015	0069	YOWERAGABBIE CONTRACTING	Final Claim – Tender MRVC/12 – Construction 77.8km No2 Vermin Fence	54,780.00
24/11/2015	5455	SHIRE OF MOUNT MAGNET	Reimbursement – <i>Satellite Phone Account</i>	100.00
TOTAL				\$58,849.20

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That payments of accounts for payment list for 1 November 2015 to 30 November 2015 are noted.

CARRIED/LOST

12.3 Debtors - As at 30 November 2015

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 9 December 2015

Comment

Details of outstanding debtors are available to Councillors as a separate document.

OUTSTANDING DEBTORS - AS AT 30 NOVEMBER 2015		
Outstanding Current	Fence Rental	\$ 81.25
Outstanding Previous Years	Fence Rental	\$ 8,524.08
	Recovery Expenses	\$ 249.29
TOTAL AMOUNT OUTSTANDING		\$ 8,854.62

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That the outstanding Debtors Report be received.

CARRIED/LOST

12.4 Investment Register - As at 30 November 2015

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 9 December 2015

Comment

The Investment Register as at 30 November 2015 is attached for notation.

Commonwealth Bank of Australia - Cash Deposit Account Number 36558508						
Maturity Date	Interest Rate	Opening Balance	Interest Earned to 30.11.2015	Transfers to Investments	Transfers from Investments	Closing Balance 30.11.2015
OPERATING						
At Call	1.950%	54,883.98	546.47		34,420.38	89,850.83
CAPITAL						
At Call	1.950%	392,129.81	2,891.35		(204,420.38)	190,600.78
TOTAL		\$447,013.79	\$3,437.82	-	-\$170,000.00	\$280,451.61

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That the Investment Register as at 30 November 2015 is noted.

CARRIED/LOST

12.5 Statement of Financial Activity to 30 November 2015

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 9 December 2015

Application

To review the Statement of Financial Activity to 30 November 2015.

Background

The attached Statement of Financial Activity to 30 November 2015 has been prepared by RSM Bird Cameron.

Consultation

Mr Travis Bate – RSM Bird Cameron.

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That the Statement of Financial Activity to 30 November be adopted.

CARRIED/LOST

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Compilation Report

To the Council

Murchison Region Vermin Council

Scope

We have compiled the accompanying special purpose financial statements.

The specific purpose for which the special purpose financial report has been prepared is to provide information relating to the financial performance and financial position of the Shire that satisfies the information needs of the Council and the *Local Government Act 1995* and associated regulations.

The responsibility of the Murchison Region Vermin Council

The Murchison Region Vermin Council (MRVC) is solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the Council and the *Local Government Act 1995* and associated regulations.

Our responsibility

On the basis of information provided by the MRVC, we have compiled the accompanying special purpose financial statements.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Management provided, into a financial report. Our procedures do not include any verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the MRVC, may suffer arising from negligence on our part. No person should rely on the report without having an audit or review conducted.

This report was prepared for the benefit of the Council of the MRVC and the purpose identified above. We do not accept responsibility to any other person for the content of the report.



Signed at GERALDTON

Date 16 November 2015

RSM
Chartered Accountants

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

MRVC Ordinary Meeting of Council Agenda 9 December 2015



Quality
ISO 9001

Appendix A: Issues Noted in Preparation of Financial Report

We noted the following issues during the preparation of the financial statements which we wish to bring to your attention:

Format of Report

The format of the Financial Statement is consistent with that used previously with the Council. We accept no responsibility for the Financial Statements compliance or otherwise with the requirements of the *Local Government Act 1995* and associated regulations.

Fixed Assets, Depreciation and Profit / Loss on Sale of Asset

Depreciation expense is brought to account for the MRVC at the 30 June and is not reflected in these financial statements.

Receivables greater than 90 days

MRVC currently has \$8,773.36 outstanding receivables older than 90 days.

Murchison Region Vermin Council

FINANCIAL REPORT

For the Period 1 July 2015 to 30 November 2015

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

This report should be read in conjunction with the notes to the accounts

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Income Statement by Nature and Type

Income Statement by Statutory Reporting Program

Statement of Financial Position at 30 November 2015

Note 1 Significant Accounting Policies

MYOB "Profit & Loss Statement" 1 July 2015 to 30 November 2015

MYOB "Balance Sheet" at 30 November 2015

MYOB "GST Detail" Report Year to 30 November 2015

MYOB "Bank Register" Report Year to 30 November 2015

Murchison Region Vermin Council
INCOME STATEMENT
By Nature and Type
For the Period 1 July 2015 to 30 November 2015

	Nov-15 \$	2016 Budget \$	Nov-14 \$
REVENUES FROM ORDINARY ACTIVITIES			
Subsidy-Meekatharra Rangelands	29,915	30,596	29,705
Fees and Charges	77,196	72,148	70,047
Interest Earnings	3,439	24,200	11,741
	<u>110,551</u>	<u>126,944</u>	<u>111,493</u>
EXPENSES FROM ORDINARY ACTIVITIES			
Materials and Contracts	(23,029)	(43,200)	(23,517)
Depreciation	-	(149,805)	-
Insurance Expense	(750)	(800)	(750)
	<u>(23,779)</u>	<u>(193,805)</u>	<u>(24,267)</u>
REVENUES FROM ORDINARY ACTIVITIES			
Non Operating Grants	-	4,800,000	478,847
	<u>-</u>	<u>4,800,000</u>	<u>478,847</u>
NET RESULT	<u>86,772</u>	<u>4,733,139</u>	<u>566,073</u>
Opening Funding Surplus(Deficit)	<u>601,253</u>	<u>318,639</u>	<u>678,631</u>
Closing Funding Surplus(Deficit)	<u>429,192</u>	<u>172,028</u>	<u>777,048</u>

Murchison Region Vermin Council
INCOME STATEMENT
By Program
For the Period 1 July 2015 to 30 November 2015

	Nov-15 \$	2016 Budget \$	Nov-14 \$
REVENUES FROM ORDINARY ACTIVITIES			
Economic Services	110,551	126,944	111,493
	<u>110,551</u>	<u>126,944</u>	<u>111,493</u>
EXPENSES FROM ORDINARY ACTIVITIES EXCLUDING BORROWING COSTS EXPENSE			
Governance	-	(24,800)	(682)
Economic Services	(23,779)	(169,005)	(23,585)
	<u>(23,779)</u>	<u>(193,805)</u>	<u>(24,267)</u>
REVENUES FROM ORDINARY ACTIVITIES			
Non Operating Grants	-	4,800,000	478,847
	<u>-</u>	<u>4,800,000</u>	<u>478,847</u>
NET RESULT	<u>86,772</u>	<u>4,733,139</u>	<u>566,073</u>
Opening Funding Surplus(Deficit)	<u>601,253</u>	<u>318,639</u>	<u>678,631</u>
Closing Funding Surplus(Deficit)	<u>429,192</u>	<u>172,028</u>	<u>777,048</u>

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

Murchison Region Vermin Council
STATEMENT OF FINANCIAL POSITION
For the Period 1 July 2015 to 30 November 2015

	NOTE	Nov-15 \$	Nov-14 \$
CURRENT ASSETS			
Cash and Cash Equivalents		297,396	833,619
Trade and Other Receivables		4,218	3,396
Inventories		123,824	10,060
TOTAL CURRENT ASSETS		<u>425,438</u>	<u>847,076</u>
NON-CURRENT ASSETS			
Infrastructure		3,483,527	2,019,440
TOTAL NON-CURRENT ASSETS		<u>3,483,527</u>	<u>2,019,440</u>
TOTAL ASSETS		<u>3,908,966</u>	<u>2,866,515</u>
CURRENT LIABILITIES			
Trade and Other Payables		(3,754)	110,197
TOTAL CURRENT LIABILITIES		<u>(3,754)</u>	<u>110,197</u>
TOTAL LIABILITIES		<u>(3,754)</u>	<u>110,197</u>
NET ASSETS		<u>3,912,720</u>	<u>2,756,318</u>
EQUITY			
Equity		3,912,720	2,756,318
TOTAL EQUITY		<u>3,912,720</u>	<u>2,756,318</u>

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of Preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the local Government Act 1995 and accompanying regulations.

The report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of the 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.

(b) The Local Government Reporting Entity

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

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

(c) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the statement of financial position are stated inclusive of applicable GST.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

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

(e) Trade and Other Receivables

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

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Inventories

General

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

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

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until Finance costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

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

(g) Fixed Assets

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

Initial Recognition

All assets are initially recognised at cost. 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 Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Revaluation

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Depreciation of Non-Current Assets (Continued)

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Fencing	50 years
Plant and Equipment	10 years

Capitalisation Threshold

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(h) Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other techniques are adopted.

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

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

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(iv) Available-for-sale financial assets

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

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

(i) Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Impairment

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

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 *'Impairment of Assets'* and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

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

(k) Trade and Other Payables

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

(l) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employees services provided to reporting date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) 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.

Murchison Region Vermin Council
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the Period 1 July 2015 to 30 November 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result to settle the obligation; and
- c) 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.

Provisions are not recognised for future operating losses.

(o) Joint Venture

The Council does not have any interest in a joint venture.

(p) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

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

(q) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees.

(r) Current and Non-Current Classification

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

(s) Rounding Off Figures

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

(t) Comparative Figures

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

(u) 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.

12.6 Acceptance of the 2014-2015 Annual Report

Officer: Chief Executive Officer, Mr Warren Olsen
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 9 December 2015

Matter for Consideration

To accept the annual report for the financial year ended 30 June 2015.

Background

The Murchison Regional Vermin Council Annual Report for the Year Ended 30 June 2015 has been separately circulated with the agenda for this meeting.

The Annual Report includes the Annual Financial Statements prepared by RSM Bird Cameron, Chartered Accountants, and audited by Anderson, Munro and Wyllie who have attached their Independent Audit Report.

Comment

The annual report includes all the components specified in section 5.53 of the Local Government Act 1995 and in regulations 19B and 19CA of the Local Government (Administration) Regulations 1996.

Subsection 5.54(1) of the Act requires the annual report for a financial year to be accepted by the local government no later than 31 December after that financial year.

Following acceptance of the Annual Report, the availability of the report will be advertised in accordance with the requirements of section 5.55 of the Act.

Statutory Environment

Part 5 Division 5, Local Government Act 1995.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Absolute Majority

OFFICER RECOMMENDATION

Moved:

Seconded:

That the Murchison Regional Vermin Council Annual Report for the Year Ended 30 June 2015 be accepted.

CARRIED/LOST

12.7 Council Meeting Dates for the 2015-2017 Term

Officer:	Chief Executive Officer, Mr Warren Olsen
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	9 December 2015

Matter for Consideration

To set MRVC ordinary meeting dates through to October 2017.

Background

At its October 2014 meeting, the Council set meeting dates through to December 2015.

It is now appropriate for the new Council to set meeting dates for its term. If it sets the meeting dates for whole term, that is a task that won't have to be revisited again throughout this term of Council. We will have more time and effort for addressing other issues.

It also helps Councillors, staff and others to better plan their lives if Council meeting dates are set well into the future. It means people can book airline tickets for example knowing that their travel isn't going to conflict with a Council meeting day.

It also facilitates the scheduling of regional meetings if local governments' meeting days are known well in advance.

Of course, meeting dates will have to change from time to time, such as the date of this meeting which was originally scheduled for 8 December. Or the Council may decide to change its whole schedule. Neither of those events will be a big deal – we merely update the schedule and publish the new meeting dates for the next 12 months, and we reduce costs by complying with two sub-regulations of our legislation at the same time.

So I commend to you the concept of setting meeting dates today right through to the first meeting of the next Council.

Statutory Environment

Subregulation 12 (1) of the Local Government (Administration) Regulations 1996 requires that, at least once each year, Local Government is to give local public notice of the dates on which and the time and place at which it will hold its' Council Meetings.

Subregulation 12 (2) of the Local Government (Administration) Regulations 1996 requires that local public notice be given of any change to the date, time or place of a meeting referred to in subregulation 12 (1).

Comment

Councillors will note that the regulations don't say you have to set Council meeting dates once a year, they just require that a notice be published at least once a year. The Shire staff can arrange that administratively – we will publish the meetings out 12 months in advance every time we publish a meeting notice. But by giving us a schedule for the whole term, we can go ahead and publish the required notices without unnecessarily coming back to the Council.

Looking back on the dates set in October 2014, they were all on the second Tuesday of the month. So I have recommended dates that are also the second Tuesday of the month. Except for one further meeting this month – for the Steering Committee to report to. That meeting needs to be set for a time that suits the Steering Committee's schedule. That could be styled

as a “special” meeting, but calling it an ordinary meeting will allow it to deal with any other business that arises.

I have checked that none of the recommended dates conflict with Easter Tuesday, which is typically observed as a holiday by local governments.

Policy Implications

Nil.

Financial Implications

Nil – unless there is an increase in the number of meetings (which would cause an increase in meeting attendance fees)

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That the Council meeting times and dates for the term of the current Council be set as follows:

<i>Meeting Date</i>	<i>Time</i>
<i>Tuesday, 22 December 2015</i>	<i>10.00am</i>
<i>Tuesday, 8 March 2016</i>	<i>10.00am</i>
<i>Tuesday, 14 June 2016</i>	<i>10.00am</i>
<i>Tuesday, 13 September 2016</i>	<i>10.00am</i>
<i>Tuesday, 13 December 2016</i>	<i>10.00am</i>
<i>Tuesday, 14 March 2017</i>	<i>10.00am</i>
<i>Tuesday, 13 June 2017</i>	<i>10.00am</i>
<i>Tuesday, 12 September 2017</i>	<i>10.00am</i>
<i>Tuesday, 12 December 2017</i>	<i>10.00am</i>

CARRIED/LOST

12.8 Members Fees and Allowances

Officer:	Chief Executive Officer, Mr Warren Olsen
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	9 December 2015

Matter for Consideration

To set Members Fees and Allowances in accordance with the determination of the Salaries and Allowances Tribunal.

Background

The Salaries and Allowances Tribunal issued its current determination in respect of local government Elected Members and CEOs on 17 June 2015. A copy of the determination can be obtained from the Salaries and Allowances Tribunal's website:

<http://www.sat.wa.gov.au/LocalGovernmentCEOsandElectedMembers/Documents/Local-Government-Combined-Remuneration-Determination-Final.pdf>

Comment

The determination by the Salaries and Allowances Tribunal sets the range of payments within which regional local governments are required to set the actual amount. For the Murchison Regional Vermin Council the following fees and allowances are applicable:

Item	2014-2015 Amount	SAT Determination Range
Council Meeting - Councillor	\$150.00	\$88.00 to \$232.00
Council Meeting - Chairman	\$300.00	\$88.00 to \$477.00
Committee & Prescribed Meetings – All Members	Not set	\$44 to \$116
Chairman's Allowance	\$500.00	A minimum of \$500.00 to a maximum of \$19,570.00 (or a maximum of 0.2 % of the 2014-2015 operating revenue whichever is the lesser)
D/Chairman's - Allowance	\$125.00	A minimum of \$125.00 to a maximum \$4,892.50 (or a maximum of 25% of 0.2% of the 2013/2014 operating revenue whichever is the lesser)

With respect to the Chairman's allowance in the above table, the 2013/2014 operating revenue was \$122,171 of which 0.2% is \$244.34; hence it is considered that the minimum of \$500 applies. Similarly with the Deputy Chairman's allowance a minimum of \$125.00 is considered to apply.

Travel expenses to meetings and information/communication and technology expenses are paid by individual Councils.

Statutory Environment

Local Government Act 1995 - Sections 5.98 to 5.100

Policy Implications

The adoption of elected member remuneration becomes a matter of policy. The Council may wish to make some policy (especially if it sets attendance fees for committee and prescribed meetings) establishing the conditions under which attendance fees will be paid.

Financial Implications

To be determined; will depend on the level of remuneration set.

Strategic Implications

Nil.

Voting Requirements

Absolute Majority.

OFFICER RECOMMENDATION

Moved:

Seconded:

That the following Elected Member fees and charges be approved:

- *Council Meeting – Councillor* \$ _____
- *Council Meeting – Chairman* \$ _____
- *Committee/prescribed Meeting – All* \$ _____
- *Chairman’s Allowance* \$ _____
- *D/Chairman’s Allowance* \$ _____

CARRIED/LOST

12.9 Determination of the Route of the fence required to complete Vermin Cell

Officer:	Chief Executive Officer, Mr Warren Olsen
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	9 December 2015

Matter for Consideration

To determine the route for the fence required to complete the proposed Murchison Regional Vermin Cell.

Background

A determination needs to be made of the route of the Vermin Fence required to complete the Murchison Region Vermin Cell. It is essential that the final route is fixed before Christmas, as the business plan cannot be finalised until this is done.

Until the business plan (including the robust funding model) is finalised only limited progress can be made on the business case that we need to present by March 2016.

I reported to the special meeting held on 23 November pointing out that we have no power to raise revenue outside of our MRVC territory – the implication being that the pastoral stations in the south-east corner of the Shire of Murchison would have to be excluded from the cell unless:

- The Shire of Murchison became a member of the MRVC; or
- There was a boundary adjustment to bring the subject pastoral stations into the Shire of Yalgoo.

I consider either of those options to be extremely unlikely.

However, at that meeting it was generally agreed that I should write to the Shire of Murchison and to the owners of the four affected stations advising them of the situation and giving them until 9th December to respond. Those letters were all sent on 23rd November.

Comment

As at the date of writing this report:

- I have received no contact from either Twin Peaks Station or Mt Wittenoom Station.
- I have had a very understanding email from Yuin Station, wishing us well with the project and confirming that they wouldn't be pursuing either of the options above.
- I have exchanged a couple of emails with Murgoo Station, the owner of which intended to make a submission to the Shire of Murchison.
- I've had a phone call from the Chief Executive Officer of the Shire of Murchison, exploring other avenues

If I receive any other responses by 9 December, I shall report on them to the meeting.

Statutory Environment

Local Government Act 1995

Policy Implications

Nil.

Financial Implications

It is important to get this decision right, or we are unlikely to get the funding required to complete this project.

Strategic Implications

It is important to get this decision right, or we are unlikely to get the funding required to complete this project.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION

Moved:

Seconded:

That the final route for the fence required to complete the Murchison Region Vermin Cell be as follows: _____

CARRIED/LOST

- 13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 14. NOTICE OF MOTIONS FOR THE NEXT MEETING**
- 15. CONFIDENTIAL BUSINESS**
- 16. LATE AGENDA ITEMS**
- 17. ELECTED MEMBER MATTERS**
- 18. NEXT MEETING**
- 19. CLOSURE OF MEETING**