



MINUTES
ORDINARY MEETING OF COUNCIL
28 JUNE 2016





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1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Deputy Chairman, Cr Jason Homewood, opened the meeting at 10.49 am. When a quorum was achieved.

The Deputy Chairman requested that the meeting be adjourned, it was then moved Cr Pigdon, seconded Cr Price that the meeting be adjourned to 12.15 pm. The motion was then put by the Deputy Chairman and carried 5/0.

The Deputy Chairman adjourned the meeting at 10.50 am.

Cr Neil Grinham arrived at the meeting at 12.15 pm. The adjourned meeting resumed at 12.18 pm with Cr Neil Grinham resuming the Chair and with all members being present at the adjournment being present at the resumption of the meeting.

Cr Bob Grinham left the meeting at 12.19 pm.

2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Present:

| | |
|-----------------|---|
| Chairman | Cr Neil Grinham arrived at 12.15pm |
| Deputy Chairman | Cr Jason Homewood |
| Member | Cr Harvey Nichols |
| Member | Cr Ross Pigdon |
| Member | Cr Les Price |
| Member | Cr Bob Grinham (attendance via Telephone and left the meeting at 12.19pm) |

Apologies:

| | |
|--------|------------------|
| Member | Cr Joe O'Brien |
| Member | Cr Kerry Key |
| Member | Cr Carol Hodshon |
| Member | Cr David Hodder |

Leave of Absence:

Nil

In Attendance:

| | |
|--------------------------------------|--------------------|
| Shire of Mount Magnet Councillor | Cr Eliz Morris |
| A/CEO | Mr Dominic Carbone |
| Shire of Cue Chief Executive Officer | Mr Rob Madson |
| Administration Supervisor | Ms Ronella Kelly |

Members of the Public:

Nil

3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
Nil.
4. **PUBLIC QUESTION TIME**
Nil.
5. **APPLICATIONS FOR LEAVE OF ABSENCE**
Nil.
6. **DEPUTATIONS / PRESENTATIONS / SUBMISSIONS**
Nil.
7. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

| |
|--|
| 7.1 Minutes of Ordinary Meeting held on 12 March 2016 |
|--|

| |
|---------------------------|
| COUNCIL RESOLUTION |
|---------------------------|

Moved: Cr Jason Homewood **Seconded:** Cr Ross Pigdon
That the minutes of the Ordinary Meeting held on 12 March 2016 as circulated be confirmed as a true and correct record of the meeting.

CARRIED / 5/0

| |
|--|
| 7.2 Minutes of Special Meeting held on 2 May 2016 |
|--|

| |
|---------------------------|
| COUNCIL RESOLUTION |
|---------------------------|

Moved: Cr Jason Homewood **Seconded:** Cr Harvey Nichols
That the minutes of the Special Meeting held on 2 May 2016 as circulated be confirmed as a true and correct record of the meeting.

CARRIED / 5/0

8. **ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**
The Chairman advised the Council that the MRVC to provide an eight (8) year plan for the maintenance of the vermin cell fence to DPaW.
9. **PETITIONS**
Nil.
10. **DECLARATIONS OF INTEREST**
Nil.
11. **BUSINESS DEFERRED FROM PREVIOUS MEETING**
Nil.

12. REPORTS

12.1 Financial Activity Statement for the Period 1 July 2015 to 31 May 2016

| | |
|--------------------|-------------------------|
| File: | |
| Author: | Dominic Carbone, A/CEO |
| Interest Declared: | No interest to disclose |
| Date: | 15 June 2016 |

Matter for Consideration

Adoption of the monthly financial statements.

Background

The Local Government Act and Regulations require local governments to prepare monthly reports containing the information that is prescribed.

Statutory Environment

Local Government Act 1995

Section 6.4-Specifies that a local government is to prepare such other financial reports as are prescribed.

Local Government (Financial Management) Regulations 1996

Regulation 34 states:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget regulation 22(1)(d) for that month in the following detail:
 - (a) Annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - (b) Budget estimates to the end of month to which the statement relates;
 - (c) Actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
 - (d) Material variances between the comparable amounts referred to in paragraphs (b) and (c);
 - (e) The net current assets at the end of the month to which the statement relates.

Sub regulations 2, 3, 4, 5 and 6 prescribe further details of information to be included in the monthly statement of financial activity.

Strategic Implications

Provision of timely accounting information to inform Council of the financial status and financial affairs of local government.

Reports showing year to date financial performance allow monitoring of actual expenditure, revenue and overall results against budget targets.

Financial Implications

Nil

Consultation

Nil

Comment

The Shire utilizes the services of accountants RSM to prepare the monthly financial statements in the statutory format and provide general accountancy support and advice.

It is noted that the monthly financial statements prepared by RSM are not consistent with the requirements of Reg. 34 Local Government (Financial Management) Regulations 1996. The Regional Council has a minimum requirement to prepare a monthly Financial Activity Statement and is to be accompanied by an explanation of the composition of the net current assets of the month to which the statement relates. The Regional Council may want to produce other management reports at its discretion but it must meet its statutory obligation.

Accordingly the Acting Chief Executive Officer has produced the above mentioned financial statements in order that the MRVC meets its statutory compliance.

Voting Requirement

Simple Majority

The Acting CEO informed the Council that the previous monthly financial statements did not comply with the statutory requirements and the Financial Activity Statement and Summary of Current Assets and Liabilities have now been prepared for Council consideration.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Cr Jason Homewood

That Council adopts the Financial Activity Statement for the period ending 31 May 2016.

CARRIED/5/0

12.2 Accounts for Payment 1 February 2016 to 31 May 2016

File:

Author: Dominic Carbone, A/CEO

Interest Declared: No interest to disclose

Date: 15 June 2016

Matter for Consideration

Council approve the Accounts for payment list for the period 1 February 2016 to 31 May 2016 as detailed in the report below.

Background

The Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 requires the Chief Executive Officer to present a list of accounts paid and/or payable to Council and such to be recorded in the minutes of the meeting.

Statutory Environment

Local Government Act 1995

6.10. Financial management regulations

Regulations may provide for —

- (a) the security and banking of money received by a local government; and
- (b) the keeping of financial records by a local government; and
- (c) the management by a local government of its assets, liabilities and revenue; and
- (d) the general management of, and the authorisation of payments out of —
 - (i) the municipal fund; and
 - (ii) the trust fund,of a local government.

Local Government (Financial Management) Regulations 1996

13. Payments from municipal fund or trust fund by CEO, CEO's duties as to etc.

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee's name; and
 - (b) the amount of the payment; and
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.
- (2) A list of accounts for approval to be paid is to be prepared each month showing —
 - (a) for each account which requires council authorisation in that month —
 - (i) the payee's name; and
 - (ii) the amount of the payment; and
 - (iii) sufficient information to identify the transaction;and

- (b) the date of the meeting of the council to which the list is to be presented.
- (3) A list prepared under subregulation (1) or (2) is to be —
 - (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Strategic Implications

Nil

Financial Implications

Nil

Consultation

Nil

Comment:

The list of accounts paid for the period 1 February 2016 to 31 May 2016 are as follows:

MURCHISON REGIONAL VERMIN COUNCIL
LIST OF ACCOUNTS PAID
1 February 2016 to 31 May 2016

| DATE PAID | INVOICE NO | PAYEE | PARTICULARS | AMOUNT |
|-----------|-------------|------------------------------|---|-----------|
| 2/1/2016 | Direct | CBA | Account Service Fee | 5.00 |
| 2/5/2016 | 10391841 | West Australian Newspapers | Advertisement - Availability of Annual Report & Council Meeting Dates | 280.00 |
| 2/5/2016 | 0400-J00379 | Core Business Australia | MRVC Business Case - Claim #1 | 10283.90 |
| 2/5/2016 | 515 | Murchison Aviation Australia | Field Trip to Finalise & Plot Final Route of Fence to Enclose the MRVCell | 6435.00 |
| 2/5/2016 | 514 | Murchison Aviation Australia | 09/12/15 Meeting Attendance & 22/12/15 Participation in Asset Management Workshop | 935.00 |
| 2/5/2016 | 5506 | Shire of Mount Magnet | Reimbursement - Hotels.com - Accommodation - Geraldton - CEO W Olsen - Meeting on Vermin Cell - \$128.68 and Invoice - Finer Image - Maps for Field Officer - \$24.00 | 152.68 |
| 2/12/2016 | 290013211 | RSM | Financial Services - 01/10/15 to 31/12/15 & Additional Financial Statements December '15 | 3201.14 |
| 3/1/2016 | Direct | CBA | Account Service Fee | 5.00 |
| 3/1/2016 | Direct | CBA | Account Service Fee | 0.20 |
| 3/2/2016 | 13809 | Anderson Munro & Wyllie | Audit Fees | 2585.00 |
| 3/9/2016 | 5528 | Shire of Mount Magnet | Reimbursement - Catering Workshop 22/12/15 | 48.40 |
| 3/9/2016 | 230068 | Southern Wire Pty Ltd | Fence Upgrade Materials | 2073.94 |
| 3/9/2016 | 70 | Yoweragabbie Contracting | Install Great Northern Highway Intersection on No 2 MRVC Fence as directed by MRWA | 5500.00 |
| 3/9/2016 | Direct | Swagman Roadhouse | Catering - Council Meeting 09/12/15 | 250.00 |
| 3/9/2016 | 0408-J00379 | Core Business Australia | MRVC Business Case - Claim #2 | 6221.60 |
| 3/9/2016 | 5540 | Shire of Mount Magnet | Reimbursement - Pivotal - Satellite Phone Account to 14/01/16 & 14/02/16 | 200.00 |
| 3/9/2016 | 10391841 | West Australian Newspapers | Advertisement - Notice of Special Meeting Tuesday 16/02/16 | 149.80 |
| 3/9/2016 | 37 | Imerkate Haulage | Freight - Southern Wire - Fencing Materials | 330.00 |
| 4/1/2016 | Direct | CBA | Account Service Fee | 5.00 |
| 4/1/2016 | Direct | CBA | Account Service Fee | 0.20 |
| 4/19/2016 | 75 | Yoweragabbie Contracting | Fence Maintenance - Replacement 600m Fence at White Wells & 500m Fence at Gum Creek | 12100.00 |
| 4/22/2016 | 76 | Yoweragabbie Contracting | Construction New Fencing - Additional 32km | 103840.00 |
| 4/27/2016 | Direct | R Grinham | Assist Field Co-Ordinator Ashley Dowden to Survey MRVCell Fence Route | 486.63 |
| 4/27/2016 | 0432-J379 | Core Business Australia | MRVC Business Case - Claim #3 | 10366.40 |
| 4/28/2016 | 5577 | Shire of Mount Magnet | Reimbursement - IGA Account - Catering Consumables; Invoice - Impact Communication - Conference Registration Dr Cosgrove & Mr Carbone; Sadleirs Nexus Freight - Fencing Materials | 303.12 |
| 4/28/2016 | 10391841 | West Australian Newspapers | Advertisement - Notice of Change of Meeting Date 12/03/16 | 112.00 |
| 4/28/2016 | 5549 | Shire of Mount Magnet | Reimbursement - Pivotal - Satellite Phone Account to 14/03/16; Invoice - Sadleirs Nexus Freight - Fencing Materials | 149.15 |
| 4/28/2016 | 517 | Murchison Aviation | Attendance Special Meeting 20/02/16; Supply Information D Carbone & Core Business re MRVCell Business Plan; Fence Inspection and Report for Asset Management | 4207.50 |
| 4/28/2016 | 8722 | Swagman Roadhouse | Catering - Meeting 21/02/16 | 500.00 |
| 4/28/2016 | 518 | Murchison Aviation | Field Co-Ordinator - Final Fence Inspection | 1309.00 |
| 4/28/2016 | 501099 | Civic Legal | Establishment Agreement Variation & Project Agreement | 14027.20 |
| 4/28/2016 | 0429-J426 | Core Business Australia | National Stronger Regions Funding Application | 21758.00 |
| 4/28/2016 | 7043 | Swagman Roadhouse | Catering - Meeting 16/02/16 | 250.00 |
| 4/28/2016 | | Shire of Mount Magnet | Reimbursement - Pivotal - Satellite Phone Account to 14/04/16 | 100.00 |
| 4/29/2016 | Direct | H Nichols | Meeting Fees - February to March 2016 | 400.00 |
| 4/29/2016 | Direct | N Grinham | Chairman's Allowance & Meeting Fees - February to March 2016 | 1125.00 |
| 4/29/2016 | Direct | C Hodshon | Meeting Fees - February to March 2016 | 550.00 |
| 4/29/2016 | Direct | K Key | Meeting Fees - February to March 2016 | 400.00 |
| 4/29/2016 | Direct | J Homewood | Deputy Chairman's Allowance & Meeting Fees - February to March 2016 | 581.25 |
| 4/29/2016 | Direct | L Price | Meeting Fees - February to March 2016 | 550.00 |
| 4/29/2016 | Direct | J O'Brien | Meeting Fees - February to March 2016 | 400.00 |
| 4/29/2016 | Direct | R Grinham | Meeting Fees - February to March 2016 | 400.00 |
| 4/29/2016 | Direct | R Pigdon | Meeting Fees - February to March 2016 | 550.00 |
| 5/1/2016 | Direct | CBA | Account Service Fee | 5.00 |
| 5/1/2016 | Direct | CBA | Account Service Fee | 0.40 |

TOTAL

213132.51

Voting Requirements

Simple Majority

COUNCIL RESOLUTION:

Moved: Cr Jason Homewood

Seconded: Cr Harvey Nichols

That Council approve the list of accounts paid for the period 1 February 2016 to 31 May 2016 amounting to \$213,132.61 and the list be recorded in the minutes.

CARRIED/5/0

12.3 Debtors – Outstanding as at 31 May 2016

File:

Author: Dominic Carbone, A/CEO

Interest Declared: No interest to disclose

Date: 15 June 2016

Matter for Consideration

That Council receive the Debtors Outstanding Report as at 31 May 2016.

Background

Council be informed of debtors outstanding

Statutory Environment

Nil

Consultation

Nil

Comment:

The outstanding debtors as at 31 May 2016 are detailed below.

| | |
|----------------------------------|---------------------------|
| Fence Rental | \$ 8,524.08 |
| Recovery of Expenses | \$ 249.29 |
| Member Contribution – Mt. Magnet | \$50,000.00 |
| Member Contribution – Yalgoo | \$29,700.00 |
| Member Contribution – Cue | (\$10,000.00) overpaid |
| Total | <u>\$78,473.37</u> |

Details of Outstanding debtors are available to members under a separate document.

Voting Requirement

Simple Majority

COUNCIL RESOLUTION:

Moved: Cr Jason Homewood

Seconded: Cr Les Price

That Council receive the Outstanding Debtors Report as at 31 May 2016.

CARRIED/5/0

12.4 Permit to Use Vermin Fence Access Track

File:

Author: Dominic Carbone, A/CEO

Interest Declared: No interest to disclose

Date: 15 June 2016

Matter for Consideration

Council give consideration to granting access to a portion of the MRVC Vermin Fence track.

Background

Requests for permission to use the MRVC Vermin Fence access track to be referred to Council.

Statutory Environment

Nil

Consultation

Nil

Comment

A request has been received from Mr Peter Hayden a geologist to use a five (5) kilometer stretch of the MRVC Vermin Fence Access Track running south west from Palagea Rockhole. Mr Hayden states that he would be working in the area for once or twice a year for a few days each time utilizing a single light four wheel drive vehicle. Mr Hayden was previously granted a permit in September 2014 as per attachment.

Voting Requirement

Simple Majority

COUNCIL RESOLUTION:

Moved: Cr Jason Homewood

Seconded: Cr Harvey Nichols

That Council.

1. *Grant a permit to use the portion of the MRVC vermin fence access track as detailed on the map attached to Report No. 12.4 to Mr Peter Hayden, Consultant Geologist.*
2. *Subject to (1) above that the permit be valid for the period 1 July 2016 to 30 June 2019.*
3. *Subject to (1) and/or (2) above Mr Peter Hayden be advised accordingly.*

CARRIED/5/0

12.5 Draft Establishment Agreement

File:

Author: Dominic Carbone, A/CEO

Interest Declared: No interest to disclose

Date: 15 June 2016

Matter for Consideration

That Council give consideration to the draft Establishment Agreement and if satisfied that no other changes are to be made refer the agreement to the Participant Local Governments for consideration and acceptance.

Background

Council at its Special Council Meeting held on 2 May 2016 resolved as follows:

“That the Acting Chief Executive Officer meet with Civic Legal and make the relevant changes to the Draft Establishment Agreement”.

Statutory Environment

Local Government Act 1995

3.65. Establishment agreement, amendment of

- (1) The participants may amend the establishment agreement for a regional local government by agreement made with the Minister’s approval, and a reference in this Division to the establishment agreement includes a reference to the establishment agreement as so amended.

- (2) The establishment agreement can be amended under subsection (1) to include another local government as a further participant if that local government is a party to the amending agreement.
- (3) Section 3.61(2) and (3) apply, with any necessary modifications, to an agreement amending the establishment agreement.

Strategic Implications

Nil

Consultation

Civic Legal

Comment

The Acting Chief Executive Officer met with Civic Legal on Friday 3 June 2016 to discuss the relevant changes to the Establishment Agreement. Accordingly Civic Legal have made the requested changes which are highlighted on the marked up version of the Agreement (copy attached).

Council is requested to review the updated draft of the Agreement and if satisfied that no other changes are necessary refer the Draft Establishment Agreement to participant local governments being the Shires of Cue, Meekatharra, Mt. Magnet, Sandstone and Yalgoo for consideration and acceptance prior to referring the Agreement to the Minister for Local Government for approval.

Voting Requirement

Simple Majority

COUNCIL RESOLUTION:

Moved: Cr Les Price

Seconded: Cr Harvey Nichols

That Council refer the Draft Establishment Agreement to the participant local governments comprising of the Shires of Cue, Meekatharra, Mt. Magnet, Sandstone and Yalgoo for consideration and acceptance.

CARRIED/5/0

12.6 Investments as at 31 May 2016

| | |
|--------------------|-------------------------|
| File: | |
| Author: | Dominic Carbone, A/CEO |
| Interest Declared: | No interest to disclose |
| Date: | 15 June 2016 |

Matter for Consideration

That Council receive the Investment Report as at 31 May 2016.

Background

Money held in the Municipal Fund of a Regional Local Government that is not required for the time being may be invested under the Trustee Act 1962 Part III.

Local Government Act 1995

Statutory Environment

6.14. Power to invest

- (1) Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds under the *Trustees Act 1962* Part III.
- (2A) A local government is to comply with the regulations when investing money referred to in subsection (1).
- (2) Regulations in relation to investments by local governments may —
 - (a) make provision in respect of the investment of money referred to in subsection (1); and
 - [(b)deleted]
 - (c) prescribe circumstances in which a local government is required to invest money held by it; and
 - (d) provide for the application of investment earnings; and
 - (e) generally provide for the management of those investments.

Local Government (Financial Management) Regulations 1996

19. Investments, control procedures for

- (1) A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.
- (2) The control procedures are to enable the identification of —
 - (a) the nature and location of all investments; and
 - (b) the transactions related to each investment.

19C. Investment of money, restrictions on (Act s. 6.14(2)(a))

- (1) In this regulation —

authorised institution means —

 - (a) an authorised deposit-taking institution as defined in the *Banking Act 1959* (Commonwealth) section 5; or
 - (b) the Western Australian Treasury Corporation established by the *Western Australian Treasury Corporation Act 1986*;

foreign currency means a currency except the currency of Australia.
 - (2) When investing money under section 6.14(1), a local government may not do any of the following —
 - (a) deposit with an institution except an authorised institution;
 - (b) deposit for a fixed term of more than 12 months;

- (c) invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
- (d) invest in bonds with a term to maturity of more than 3 years;
- (e) invest in a foreign currency.

Strategic Implications

Nil

Consultation

Nil

Comment

The worksheet below details the investments held by the MRVC as at 31 May 2016.

| MRVC INVESTMENTS AS AT 31 MAY 2016 | | | | | | | | |
|------------------------------------|-------------------|----------------------|-------------|---------|---------------------|------------------|---------------|-------------------|
| INSTITUTIONS | SHORT TERM RATING | INVESTMENT TYPE | ACCOUNT NO. | TERM | DATE OF TRANSACTION | DATE OF MATURITY | INTEREST RATE | PRINCIPAL |
| Commonwealth Bank | N/A | Operating A/c | 65210311201 | Ongoing | N/A | N/A | 1.95% | 31,049.79 |
| Commonwealth Bank | N/A | Cash Deposit at Call | 36558508 | Ongoing | N/A | N/A | 1.70% | 145,000.00 |
| Commonwealth Bank | N/A | Cash Deposit at Call | 36558508 | Ongoing | N/A | N/A | 1.95% | 77,864.75 |
| TOTAL | | | | | | | | 253,914.54 |

INVESTMENT REGISTER

01 JULY 2015 TO 31 MAY 2016

Commonwealth Bank of Australia - Cash Deposit Account Number 36558508

| Maturity Date | Interest Rate | Opening Balance | Interest Earnt to 31.05.2016 | | Investment Transfers | Closing Balance 31.05.2016 |
|------------------|---------------|----------------------|------------------------------|-------------|-----------------------|----------------------------|
| OPERATING | | | | | | |
| At Call | 1.950% | 54,883.98 | 1,892.09 | | 146,880.26 | 203,656.33 |
| CAPITAL | | | | | | |
| At Call | 1.950% | 392,129.81 | 3,958.87 | | (376,880.26) | 19,208.42 |
| TOTAL | | \$ 447,013.79 | \$ 5,850.96 | \$ - | -\$ 230,000.00 | \$ 222,864.75 |

Voting Requirements
Simple Majority

COUNCIL RESOLUTION:

Moved: Cr Jason Homewood **Seconded:** Cr Ross Pigdon

That the Investment Report as at 31 May 2016 be received.

CARRIED/5/0

12.7 MRVC Vermin Control Cell R4R Business Case

File:
Author: Dominic Carbone, A/CEO
Interest Declared: No interest to disclose
Date: 15 June 2016

Matter for Consideration

That Council give consideration to the draft copy of the MRVC Vermin Control Cell R4R Business Case and advise Core Business Australia of any amendments.

Background

The MRVC engaged Core Business Australia to prepare a business case to support an application to the Mid-West Development Commission for Royalties for Regions funding of \$1,100,000 to construct Stage II (108km) to complete the construction of the final 326 km vermin barrier fence of the vermin control cell.

Statutory Environment

Nil

Strategic Implications

To control vermin in particular wild dogs within the cell which will enable the revitalization of the pastoral industry.

Consultation

Core Business Australia

Comment

Core Business Australia has finalized Draft 6A of the MRVC Vermin Control Cell Royalties for Regions Business Case for Council comment or feedback. The Business Case was forwarded to members on Saturday 14 May 2016 and the following comments were received from Cr. Les Price.

“This is a pretty comprehensive and detailed document. I have had a cursory glance but not yet considered the full 115 pages in detail. The document is well constructed and canvasses all of the criteria in some detail. It also addresses the essential Policy and Strategy Framework of Government as well as covering off on Economic Benefits and Financial Analysistwo key areas for any funding application.

Just one point I noticedpage 6 refers to there being an increase in full time employment of 34 ‘if the region returns to full capacity’. I would have thought that if the region were to return to full capacity the requirement for staff will be considerably higher than 34. As Government is looking for the flow on effects of employment we should ensure that we maximize on these numbers.”

Voting Requirement

Simple Majority

COUNCIL RESOLUTION:

Moved: Cr Jason Homewood **Seconded:** Cr Ross Pigdon

That the Acting CEO meet with representatives from Core Business Australia to align the MRVC Vermin Control Cell Royalties for Regions Business Case with the MRVC Business Plan Vermin Proof Fence.

CARRIED/5/0

12.8 Amounts Outstanding – Core Business Australia

File:
Author: Dominic Carbone, A/CEO
Interest Declared: No interest to disclose
Date: 15 June 2016

Matter for Consideration

The Authorisation of expenditure and related payment of amounts outstanding.

Background

The original proposal received from Core Business Australia dated 4 November 2015 for the preparation of a Royalties for Region Business Case amounted to \$44,690 (exclusive of GST) a purchase order No. 104 was issued by the MRVC on 11 November 2015 for the same amount.

A first progress payment has been made to Core Business Australia amounting to \$20,541.

Statutory Environment

Local Government Act 1995

6.8. Expenditure from municipal fund not included in annual budget

- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
 - (a) is incurred in a financial year before the adoption of the annual budget by the local government; or
 - (b) is authorised in advance by resolution*; or
 - (c) is authorised in advance by the mayor or president in an emergency.

** Absolute majority required.*

Local Government (Financial Management) Regulations 1996

5. Financial management duties of the CEO

- (1) Efficient systems and procedures are to be established by the CEO of a local government —
 - (a) for the proper collection of all money owing to the local government;
 - (b) for the safe custody and security of all money collected or held by the local government;
 - (c) for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process);
 - (d) to ensure proper accounting for municipal or trust —
 - (i) revenue received or receivable;
 - (ii) expenses paid or payable; and
 - (iii) assets and liabilities;
 - (e) to ensure proper authorisation for the incurring of liabilities and the making of payments;
 - (f) for the maintenance of payroll, stock control and costing records; and
 - (g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

12. Payments from municipal fund or trust fund

- (1) A payment may only be made from the municipal fund or the trust fund —
 - (a) if the local government has delegated to the CEO the exercise of its power to make payments from those funds — by the CEO; or
 - (b) otherwise, if the payment is authorised in advance by a resolution of the council.

- (2) The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.

Consultation

Nil

Comment

The following invoices were received from Core Business Australia.

- \$22,595.10 (inclusive of GST) second progress payment for the preparation of the MRVC Vermin Control Fence Business Case for which the MRVC issued a purchase order number 104 for the sum of \$44,690 (exclusive of GST). It is noted that the progress payment invoice includes variation for
 - Additional Work – data collection
 - (i) Agreed additional time onsite during kick-off meeting to collect data and complete data request \$1,056.00 (inclusive of GST) for Bruce Lorimer.
 - (ii) Agreed additional time onsite during kick-off meeting to collect data and complete request \$836.00 (inclusive of GST) for Mark Weller.

- \$5,280.00 (inclusive of GST) MRVC Vermin control Fence Business Case Variation 2, additional research and drafting associated with release of WA Wild Dog Action Plan.
 - (i) Anne Marie O’Callaghan \$2,640.00 (inclusive of GST)
 - (ii) Paul Rosair \$2,640.00 (inclusive of GST)

For the above mentioned variation the same purchase order number 104 was also quoted; the Acting CEO on reviewing the invoice and authorizing it for payment noted the same order number being quoted and emailed Core Business requesting the supply of relevant documentation regarding the variation. A response was received from Core Business stating the following:

“To my knowledge there was no additional purchase order. The agreement to undertake the additional work post release of the WA Wild Dog Action Plan was a verbal agreement discussed between Paul and Warren”.

The Acting CEO upon receiving the above advice sent a letter to Mr Warren Olsen requesting the following information:

- (1) What instruction was given to Core Business to undertake the additional research?
- (2) Who provided the quotation, in what capacity and on whose behalf?
- (3) Was this variation reported to Council if not, why not?
- (4) In relation to the above has Council met its obligations as required pursuant to Section 6.8 of the Local Government Act 1995.

A reply was received from Mr Warren Olsen stating in part the following:

“The variation was certainly reported to the Council; at its meeting held on 16 February at the last dot. – pointed sub-paragraph on page 24 of minutes refers here to”.

The dot-point in the minutes states the following:

“Peter Cook has been a principal driver of the State Wild Dog Plan; Core Business Australia had suggested that we get a submission from him for the business case stating that the proposed project supports the Wild Dog Plan. There would probably be a cost in doing this”.

Mr Warren Olsen in his letter dated 26 May 2016 provided further comment stating:

“At times like this I wish that our minutes were more comprehensive; but they are not supposed to be Hansard.

I recall that there was a question from Cr Les Price as to the approximate cost, and I indicated that the additional work with Peter Cook to try to align the Business Case with the Wild Dog Strategy would be about \$5k. There was no quote because there had at that stage been no discussion with Peter Cook but Paul Rosair had provided me orally with an estimate (in response to my question) on behalf of Core Business Australia.

There was a general consensus that that we should proceed with this variation; and that I should report on the cost in due course (which you are now in a position to do).

In my hand-written meeting notes in my guard book I have recorded that there was a motion moved by Cr Homewood and seconded Cr O’Brien that the variation to get input from Peter Cook (ie. Author of the Wild Dog Strategy) should be proceeded with. My notes record that the motion was carried 9/0.

It is apparent now that I have checked the official minutes that this motion never made it in the published minutes.

Following the meeting I confirmed to Paul Rosair that the Council wished to proceed in getting input from Peter Cook; ideally I should have organized a purchase order in respect of the variation and failing to do so was an oversight.

In respect of your query in relation to s. 6.8 of the Local Government Act, I do not claim any legal qualifications but it appears to me that the Council has met its obligations in respect of this particular variation because:

1. It made a resolution in advance of the expenditure being incurred; and
2. The resolution was carried by an absolute majority

So the Council has met its obligations, notwithstanding that the Administration failed to properly minute the meeting. I believe that on any inquiry, the notes in my guard book would provide evidence of the Council meeting its obligations under s 6.8.

However, although minutes have been kept in accordance with s. 5.22 of the Local Government Act 1995, there has clearly been a breach in relation to Regulation 11 of the Local Government (Administration) Regulations 1996 in as much as this decision (the motion and outcome) did not appear in the minutes as subparagraphs (c) and (d) of Regulation 11 require. That is a failure of my responsibilities rather than the Council's, as I was obviously not sufficiently diligent in checking the draft minutes against the notes in my guard book."

The Acting CEO by email forwarded to the Chairman and Members sought the following information.

"A recollection as to what transpired at the meeting as to whether a motion was moved and voted on in relation to engaging a consultant to get input from Mr Peter Cook or otherwise. This will assist in determining the actions required such as correction to the minutes and/or approval of expenditure as per Section 6.8 of the LG Act 1995."

The following information was received from members.

Cr Bob Grinham

"My recollection of the resolution that was passed, is that the MRVC Council (CEO) would contact Peter Cooke to ask if we could link the wild dog action plan with the Vermin Cell Project, if he was agreeable the CEO would look for a suitable consultant to do the work required and report back to Council with the name of the consultant who he had found and a costing or quote on the work to be done. The resolution did not give the CEO authority to proceed with a variation he was instructed to report back to Council who would then made a decision to proceed, as I have not attended any meetings since then I am not aware of the CEO reporting back to Council."

Chairman Cr Neil Grinham

"Peter Cook! CEO to supply sub in support of fence, report on cost Jason, Joey 9/0".

The 2015-16 Annual Budget adopted by the MRVC did not authorize expenditure to be incurred in relation to the preparation of business plan, business cases and variations too, legal fees relating to establishment agreement nor does it state what source of funds are to be utilized for the purpose. As there appears to be conflict in the information and understanding in relation to the actions required and taken the members are requested to confirm the following:

- (1) Approve the following expenditure
 - (a) The preparation of a Business Case to the Royalties for Regions, Department of Regional Development \$44,690 (exclusive of GST).
 - (b) In relation to (a) above approve the following variations

- Additional Data Collection \$1,720.00 (exclusive of GST).
 - Variation No. 2 additional research and drafting associated with the release of WA Wild Dog Action Plan \$4,800.00 (exclusive of GST).
- (2) That the contributions received from the Shires of Cue, Mt. Magnet and Yalgoo \$266,000 be utilized to fund the expenditure detailed in (1) above.
- (3) Authorise the payment of the following invoices:
- Core Business Australia \$22,595.10 (incl. GST)
 - Core Business Australia \$ 5,280.00 (incl. GST)

Voting Requirements

Absolute Majority

COUNCIL RESOLUTION:

Moved: Cr Jason Homewood

Seconded: Cr Ross Pigdon

That Council

- (1) *Pursuant to Section 6.8 of the Local Government Act 1995 authorises the following expenditure.*
- *Business Case Murchison Region Control Cell Royalties for Regions \$51,210 (including variations)*
- (2) *Pursuant to Regulation 12 of the Local Government (Financial Management) Regulations 1996 authorises payment of the following.*
- *Core Business Australia \$22,595.10 (incl. GST)*
- (3) *That the payment to Core Business Australia for \$5,280 (incl. GST) be withheld and the Acting CEO and/or the Chairman be authorized to obtain further clarification in relation to the amount invoiced.*

CARRIED/5/0

12.9 Presentation of Business Plan inclusive of Revitalisation Program for the Murchison Region Vermin Cell Fence

File:
 Author: Dominic Carbone, A/CEO
 Interest Declared: One of the Consultants engaged to prepare Business Plan
 Date: 15 June 2016

Matter for Consideration

Council to receive a presentation of the Murchison Region Vermin Cell Fence Business Plan from Consultants Dominic Carbone and Associates and Social Innovations Pty Ltd.

Background

The MRVC engaged the Services of Dominic Carbone and Associates and Social Innovations Pty Ltd to prepare a business plan for the construction of 326 Km fence to fully enclose Murchison Region Vermin Cell at \$100 per hour (excluding GST) for an estimated 150 hours to complete the plan.

Statutory Environment

MRVC current Constitution

Local Government Act 1995 Section 9.71, Clause 10 of Schedule 9.3

Land Administration Act 1997 Sections 144, 147 and 195

Environmental Protection Act 1986 Section 51A, 51E

Comment

The purpose of the Plan is as follows:

- To document the current problem faced by pastoralists from a wild dog perspective and the impact it has on pastoral production in the Murchison region, in particular the Murchison Region Vermin Cell.
- To document how the existing vermin fence has assisted the pastoral industry control the wild dog problem.
- To enable MRVC to construct a vermin proof fence approximately 326 kilometres in length, which will result in a fully enclosed Vermin Cell surrounding pastoral stations.
- To enable MRVC to develop a funding model for the construction and ongoing maintenance of the vermin proof fence.
- To enable MRVC to put in place the relevant legal mechanisms to facilitate the construction and ongoing maintenance of the vermin proof fence.
- To document how the MRBA, in conjunction with DPaW, will undertake vermin control measures within the Murchison Region Vermin Cell.
- To document how the Independent Group will implement revitalization strategies and vermin control measures for the management of the environment within the Murchison Regional Vermin Cell.

Ms Karen Cosgrove, from Social Innovations Pty Ltd and Mr Dominic Carbone from Dominic Carbone and Associates will be at the meeting to present the Draft Business Plan inclusive of the Revitalisation Program.

Voting Requirement

Simple Majority

Mr Dominic Carbone workshopped the Business Plan with the members present at the meeting and took on board comments received from members. Mr Carbone further commented that the Plan should be finalised in approximately two weeks.

COUNCIL RESOLUTION:

Moved: Cr Ross Pigdon

Seconded: Cr Les Price

That Council receive the presentation of the Business Plan – Murchison Regional Cell Fence inclusive of the Revitalisation Program.

CARRIED/5/0

12.10 Provision of Accounting Services by RSM

| | |
|--------------------|-------------------------|
| File: | |
| Author: | Dominic Carbone, A/CEO |
| Interest Declared: | No interest to disclose |
| Date: | 15 June 2016 |

Matter for Consideration

The provision of Accounting Services to be provided in-house.

Background

RSM have been providing accounting services to the Murchison Regional Vermin Council since September 2013 based on a quotation provided with no end date and annual increases based on CPI. The service included the preparation of quarterly and annual Financial Statements and Annual Budget.

Statutory Environment

Nil

Consultation

Nil

Comment

The Acting CEO has discussed the provision of the accounting service with Mr Travis Bate from RSM on the basis that this could now be done inhouse. RSM in their letter agree that the terms of engagement for accounting services be revisited.

It's proposed that RSM will finalise 2015-16 Annual Financial Statements under the current arrangements and the MRVC will be responsible in meeting its Financial and Budgeting obligations from 1 July 2016.

Voting Requirement

Simple Majority

It was moved Cr Harvey Nichols seconded Cr Ross Pigdon that the meeting be adjourned as Cr Jason Homewood had to leave the room on the basis that the meeting would not have a quorum if the Councillor left the meeting.

The motion was put by the Chairman and carried 5/0.

Cr Jason Homewood left the meeting at 1.53pm and returned at 1.56pm.

The adjourned meeting resumed with all members present at the adjournment present at the resumption of the meeting.

COUNCIL RECOMMENDATION:

Moved: Cr Jason Homewood **Seconded:** Cr Les Price

That Council

(1) *Undertake its financial and budgeting obligation inhouse from the 1 July 2016.*

(2) *That RSM prepare the 2015-16 Annual Financial Statements.*

(3) *That RSM be thanked for the services provided to the MRVC.*

CARRIED/5/0

13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

14. NOTICE OF MOTIONS FOR THE NEXT MEETING

Nil.

15. CONFIDENTIAL BUSINESS

Nil.

16. URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING

Nil.

17. ELECTED MEMBER MATTERS

Cr Jason Homewood informed the Council that the Shire of Mount Magnet will be advertising for the appointment of a new CEO and whether the Shire's job description for the CEO should incorporate the role of the CEO of the MRVC.

The Acting CEO was asked whether he was interested in continuing his role with the MRVC on a more permanent basis.

The Acting CEO declared an interest on the matter and responded to the question accordingly.

A consensus was reached amongst the members that the Shire of Mount Magnet incorporate the role of the CEO for the MRVC in the Shire's CEO job description for the time being.

18. NEXT MEETING

Tuesday, 13 September 2016

19. CLOSURE OF MEETING

There being no further business, the Chairman closed the meeting at 2.04pm..