

MURCHISON REGIONAL VERMIN COUNCIL



MINUTES ORDINARY MEETING OF COUNCIL 12 MARCH 2016

TABLE OF CONTENTS

1.	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	2
2.	RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE.....	2
3.	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	2
4.	PUBLIC QUESTION TIME.....	2
5.	APPLICATIONS FOR LEAVE OF ABSENCE	2
6.	DEPUTATIONS / PRESENTATIONS / SUBMISSIONS.....	2
7.	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	4
7.1	Minutes of the Ordinary Meeting held on 9 December 2015	4
7.2	Minutes of the Special Meeting held on 22 December 2015.....	4
7.3	Minutes of the Special Meeting held on 16 February 2016.....	5
7.4	Minutes of the Special Meeting held on 20 February 2016.....	5
8.	ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION.....	5
9.	PETITIONS.....	5
10.	DECLARATIONS OF INTEREST	5
11.	BUSINESS DEFERRED FROM PREVIOUS MEETING	5
12.	REPORTS	6
12.1	Report of the Audit Committee - 16 February 2016.....	6
12.2	Budget Review 31 January 2016	6
12.3	Cash Position Statement - As at 31 January 2016	7
12.4	Accounts for Payment - 1 December 2015 to 31 January 2016	8
12.5	Debtors - As at 31 January 2016.....	9
12.6	Investment Register - As at 31 January 2016	10
12.7	Statement of Financial Activity to 31 January 2016.....	11
12.8	Fence Maintenance	12
12.9	Flood Damage to Fence in White Well Section.....	12
12.10	Cost to Shire of Mount Magnet in relation to MRVC	14
12.11	Request for Permit to use Vermin Fence Access Track	16
12.12	Proposed Submission to the Salaries and Allowances Tribunal.....	18
13.	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	20
14.	NOTICE OF MOTIONS FOR THE NEXT MEETING.....	20
15.	CONFIDENTIAL BUSINESS.....	20
16.	URGENT BUSINESS INTRODUCED BY DECISION OF THE MEETING.....	20
17.	ELECTED MEMBER MATTERS	20
18.	NEXT MEETING	20
19.	CLOSURE OF MEETING	20

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The President, Mr Neil Grinham, opened the meeting at 10:19am.

2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Present: Cr Neil Grinham (in the Chair), Cr Jason Homewood, Cr Kerry Key, Cr Carol Hodshon, Cr Ross Pigdon, Cr Les Price.

Apologies: Cr Robert Grinham, Cr David Hodder, Cr Harvey Nichols, Cr Joe O'Brien.

Leave of Absence: Nil.
(Previously Granted)

Also In Attendance: Warren Olsen (Chief Executive Officer), Ronella Kelly (Administration Supervisor), Mr Bruce Lorimer (Core Business Australia) Mr Rob Madson (CEO - Shire of Cue), Mr Steven Cosgrove (Manager Compliance - Shire of Yalgoo), Mr Dominic Carbone (Dominic Carbone and Associates) Ms Eliz Morris (Councillor - Shire of Mount Magnet).

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

Order of magnitude estimate. 3 gravel road grids (Mt Wittenoom Road, Berringarrah Road and Kalli Road are to be installed to Main Road standards and costings added to the Business Case.

Chief Executive Officer Warren Olsen exited from the meeting at 10.36am.

Chief Executive Officer Warren Olsen returned to the meeting at 10.38am.

Chief Executive Officer Warren Olsen exited from the meeting at 10.39am.

Chief Executive Officer Warren Olsen returned to the meeting at 10.40am.

Mr Bruce Lorimer will source reasonable costing for grids from Main Roads.
The Chief Executive Officer suggested purchasing from a commercial grid supplier.

*Administration Supervisor Ronella Kelly exited from the meeting at 11.00am.
Administration Supervisor Ronella Kelly did not return to the meeting.*

Dominic discussion:

- Expectations to contribute member Councils towards grants.
- National Stronger Region Funds \$3.00 for every \$1.00 (remote).
- MRVC raises bill for rent - fees and charges.
- Cue, Mount Magnet, Yalgoo 326K road participating.

- 5 member councils contribute to upkeep and maintenance of fence in 10 years time - discussion - Project 1.
- Project 2 - increase rd. 3 member participants (Councils). Comments to include Sandstone, Meekatharra etc. Have a right to vote, grant?, not excluding - Neil, they already contribute to fence.
- Project 1 - 5 members
- Project 2 - 3 members
- Comment - pro rata situation? Warren - haven't done the numbers, financially same result.
- Neil - Bruce to deal with Dominic, take pressure off Warren.
- Dominic - confirm Royalties for Regions Federal Government (leave out)?
- Visitor left 11.40am (Eliz Morris).
- Pass resolution
- Business Plan 326K Road
- Royalties for Regions \$1.1M. Apply for National Stronger Regions loan \$1.8M.
- Council loan \$500,000.00 - Member contributions \$100,000.00
- Bruce leaves 11.50am (off telephone).
- Item 7.51? (Dominic)
 - Confirmation tender document, specifications right?
 - Discuss modifications with Jorgen and Ashley.
 - No questions.
- Neil - Core Business / Dominic \$20,000 - nothing spent so far?
- 1st Project \$45,000 - Business Case - Royalties for Regions.
- We want to know what we are getting for \$45,000 - send this information by email and next Agenda

*Cr Carol Hodshon exited from the meeting at 12.17pm.
Cr Carol Hodshon returned to the meeting at 12.20pm.*

COUNCIL RESOLUTION

Moved: Cr Jason Homewood

Seconded: Cr Ross Pigdon

CEO provide copies of proposal Core Business Australia in regards to Royalties for Regions Funding.

CARRIED 6/0

Resolution no. 2016-001

- MRBA draft resolutions
 - Background information - MRVC allows for non elected member....?
 - Warren - only elected members.
 - Neil - letter expressing concern - lacking commitment Meekatharra (someone) no interest and won't be attending any more meetings.
 - Dominic - if member doesn't want to be a member - write resignation. Meekatharra have a right to withdrawal.

*Warren - Agendas and Minutes on website - MRVC members.
Warren - send to MRBA members - Geoff*

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

7.1 Minutes of the Ordinary Meeting held on 9 December 2015

COUNCIL RESOLUTION

Moved: Cr Les Price

Seconded: Cr Ross Pigdon

That the minutes of the Ordinary Meeting held on 9 December 2015 as circulated be confirmed as a true and correct record of the meeting.

CARRIED 6/0

Resolution no. 2016-002

Mr Dominic Carbone exited from the meeting at 12.38pm.

Mr Dominic Carbone returned to the meeting at 12.40pm.

Warren - Letter out Mondays mail - include Meekatharra.

Chief Executive Officer Warren Olsen exited from the meeting at 12.39pm.

Cr Ross Pigdon exited from the meeting at 12.39pm.

Chief Executive Officer Warren Olsen returned to the meeting at 12.40pm.

Cr Ross Pigdon returned to the meeting at 12.42pm.

- Carol - discuss resolution.
- Dominic - A report to clarify minutes.
- Warren - written notice of motion required.

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Cr Jason Homewood

The group not to be included in the Business Plan.

CARRIED 6/0

Resolution no. 2016-003

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Cr Jason Homewood

Warren to get letter out.

CARRIED 6/0

Resolution no. 2016-004

7.2 Minutes of the Special Meeting held on 22 December 2015

- Jason - no comment - he wasn't there for half teleconference.
- Neil - confirms Bob Grinham was in teleconference.
- Carol - amendments.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Les Price

That the minutes of the Ordinary Meeting held on 22 December 2015 as circulated be confirmed as a true and correct record of the meeting.

CARRIED/LOST

Resolution no. 2016-005

7.3 Minutes of the Special Meeting held on 16 February 2016

*Cr Jason Homewood left the meeting at 12.56pm.
The President adjourned the meeting at 3:41pm
The meeting resumed at 3:45pm.
All Councillors were present at the resumption of the meeting.*

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Kerry Key

That the minutes of the Ordinary Meeting held on 16 February 2016 as circulated be confirmed as a true and correct record of the meeting.

CARRIED 5/0
Resolution no. 2016-006

- Dominic - meeting advertised - meeting illegal.
- Dominic - proceed to next meeting.
- Special meeting 16 March null and void.
- Dominic - incorrectly advertised meeting.
- Warren - a matter of noting, subject to

7.4 Minutes of the Special Meeting held on 20 February 2016

- Bob wasn't there.
- Warren - resolution numbers, Neil agrees.

COUNCIL RESOLUTION

Moved: Cr Les Price

Seconded: Cr Ross Pigdon

That the minutes of the Ordinary Meeting held on 20 February 2016 as circulated be confirmed as a true and correct record of the meeting.

CARRIED/LOST
Resolution no. 2016-007

8. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION
Nil.

9. PETITIONS
Nil.

10. DECLARATIONS OF INTEREST
Nil.

11. BUSINESS DEFERRED FROM PREVIOUS MEETING
Nil.

12. REPORTS

12.1 Report of the Audit Committee - 16 February 2016

- Committee report to Council last month - Audit Committee met to adopt compliance return.
- Dominic - recommendation of committee.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Cr Carol Hodshon

That:

1. *The report of the Audit Committee meeting of 16 February 2016 be received and noted.*
2. *In accordance with the Committee's recommendation, the Compliance Audit Return for the 2015 calendar year be adopted.*

CARRIED 5/0

Resolution no. 2016-008

12.2 Budget Review 31 January 2016

Officer:	Chief Executive Officer, Mr Warren Olsen
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	12 March 2016

Application

To adopt the review of Council's 2015/2016 Annual Budget as at 31 January 2016.

Background

The 2015/2016 Statutory Budget has been reviewed on the basis of actual expenditure and income as at 31 December 2015. Council's Financial Advisor RSM Bird Cameron has reviewed the 2015/2016 Annual Budget in the context of the attachment and advises that on review no variances are required.

Comment

As required under Regulation 33A (4) the Annual Budget Review once adopted by Council will be forwarded to the Department of Local Government.

Consultation

Mr Travis Bate - RSM Bird Cameron

Statutory Environment

Local Government Financial Management Regulations 1996 – Regulation 33A

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Absolute Majority.

- Budget item was anticipated.
- Dominic - Budget can be altered, see Local Government Act.

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Cr Les Price

That Council adopts the Budget Review as at 31 January 2016 with no variances required.

CARRIED 5/0

Resolution no. 2016-009

12.3 Cash Position Statement - As at 31 January 2016

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Comment

The Cash Position Statement is as stated below:

STATEMENT OF CASH POSITION AS AT 31 JANUARY 2016	
BALANCE OF CASH POSITION AS AT 1 JULY 2015	\$ 16,215.61
ADD - OPERATING - Revenue	
Credit Interest	\$ 1.89
Waratah Cash Back	\$ 1,720.00
Precepts	\$ 72,347.00
Annual Subsidy	\$ 30,800.00
Fence Rental	\$ 6,275.00
Contribution – Murchison Regional Vermin Cell – Funds Transfer	\$ 30,000.00
TOTAL – OPERATING - REVENUE	\$141,143.89
LESS – OPERATING - Expenditure	
Fence Maintenance	-\$ 20,773.50
Financial/Audit Services	-\$ 11,690.92
Advertising	-\$ 128.80
Secretarial Services	-\$ 6,600.00
President/Deputy President Allowance	-\$ 315.05
Meeting Fees	-\$ 5,100.00
Meeting Expenses	-\$ 750.00
Communication Expenses	-\$ 800.91
Insurance	-\$ 825.00
Bank Fees	-\$ 50.80
Murchison Regional Vermin Cell - Expenses	-\$ 3,262.50
TOTAL – OPERATING – EXPENDITURE	-\$ 50,297.48
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	-\$ 107,931.13
Fencing Contractor	-\$ 196,738.30
Field Coordinator	-\$ 2,145.00
TOTAL – CAPITAL – EXPENDITURE	-\$ 306,814.43
CASH DEPOSIT	
Drawdown – Cash Deposit	\$ 195,000.00
CASH BALANCE AS AT 31 JANUARY 2016	\$ 30,254.59

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

- \$66,000 - originally paid to Mount Magnet - should be MRVC (no trust account) - doesn't require trust account.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Cr Kerry Key

That the Cash Position Statement as at 31 January 2016 be received.

CARRIED 5/0

Resolution no. 2016-010

12.4 Accounts for Payment - 1 December 2015 to 31 January 2016

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Comment

Accounts for payment list 1 December 2015 to 31 January 2016 are attached for notation:

Date Paid	Invoice No	Name	Particulars	Amount \$
01/12/2015	Direct	CBA	Account Service Fee	5.00
01/12/2015	Direct	CBA	Account Transaction Fee	5.00
23/12/2015	Direct	RJ Homewood	President/Deputy President Allowance & Meeting Fees	812.00
23/12/2015	Direct	C Hodshon	Meeting Fees	600.00
23/12/2015	013755	Anderson Munro & Wyllie	CLGF Grant Acquittal Audit	990.00
23/12/2015	Direct	M King	Meeting Fees	150.00
23/12/2015	Direct	R Grinham	Meeting Fees	450.00
23/12/2015	Direct	L Price	Meeting Fees	600.00
23/12/2015	0053	Naja Business Consulting Services	MRVCell – Vermin Fence Business Case Development and Related Matters plus Travel	3,262.50
23/12/2015	Direct	J O'Brien	Meeting Fees	300.00
23/12/2015	5473	Shire of Mount Magnet	Reimbursement – <i>Sadleirs Nexus Freight – Fencing Materials – Southern Wire</i>	3,080.00
23/12/2015	290012673	RSM Bird Cameron	Financial Services – Accounting – June 2015 BAS Amendment	355.30
23/12/2015	71	Yoweragabbie Contracting	MRVC/12 – Variations	23,158.30
23/12/2015	10391841	The West Australian	Advertisement – Change of Council Meeting Date	128.80
23/12/2015	Direct	R Grinham	President/Deputy President Allowance & Meeting Fees	1,453.05
23/12/2015	Direct	R LeMaitre	Meeting Fees	150.00
23/12/2015	Direct	H Nichols	Meeting Fees	150.00
23/12/2015	Direct	A Bloore	Meeting Fees	150.00

24/10/2015	6776	Swagman Roadhouse	Catering – Ordinary Council Meeting 23/11/15	250.00
01/01/2016	Direct	CBA	Account Service Fee	5.00
01/01/2016	Direct	CBA	Account Service Fee	0.40
08/01/2016	Direct	D Hodder	Meeting Fees	150.00
08/01/2016	5489	Shire of Mount Magnet	Reimbursement – Swagman Roadhouse – Catering	250.00
08/01/2016	5493	Shire of Mount Magnet	Reimbursement – Pivotel - Satellite Phone	100.00
08/01/2016	5494	Shire of Mount Magnet	Reimbursement – Saddleirs Nexus Freight – Southern Wire – Fencing Materials	363.68
08/01/2016	Direct	D Hodder	Meeting Fees	450.00
11/01/2016	Direct	CBA	Account Service Fee	2.50
28/01/2016	07	Fitzpatrick Contracting	Fence Maintenance	4,400.00
TOTAL				\$41,771.53

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

- Carol - D.Hodder paid too much for meeting, D.Hodder only ever attended 1 meeting.
- Warren will take on notice and get back.
- Neil spoke to Ronella this morning RE spelling mistake Neils name (Bob paid twice?).
- Green payment sheet at front of agenda from now on.

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Cr Les Price

That payments of accounts for payment list for 1 December 2015 to 31 January 2016 are noted, subject to CEO additional information providing at next meeting.

CARRIED 5/0

Resolution no. 2016-011

12.5 Debtors - As at 31 January 2016

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Comment

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

Outstanding Debtors - As At 31 January 2016		
Outstanding Previous Years	Fence Rental	\$8,524.08
	Recovery Expenses	\$249.29
Total Amount Outstanding		\$8,773.37

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

- Warren to discuss to discuss with Dominic Outstanding Debt referred to Dominic.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Cr Kerry Key

That the outstanding Debtors Report be received.

CARRIED 5/0

Resolution no. 2016-012

12.6 Investment Register - As at 31 January 2016

Officer: Finance Manager, Ms Maureen Murat
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Comment

The Investment Register as at 31 January 2016 is attached for notation.

Commonwealth Bank of Australia - Cash Deposit Account Number 36558508						
Maturity Date	Interest Rate	Opening Balance	Interest Earned to 31.01.2016	Transfers to Investments	Transfers from Investments	Closing Balance 31.01.2016
OPERATING						
At Call	1.950%	54,883.98	1,017.56		83,973.38	139,874.92
CAPITAL						
At Call	1.950%	392,129.81	3,322.94		(278,973.389)	116,479.37
TOTAL		\$447,013.79	\$4,340.50	-	-\$195,000.00	\$256,354.29

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Cr Les Price

That the Investment Register as at 31 January 2016 is noted.

CARRIED 5/0

Resolution no. 2016-013

12.7 Statement of Financial Activity to 31 January 2016

Officer:	Finance Manager, Ms Maureen Murat
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	12 March 2016

Application

To review the Statement of Financial Activity to 31 January 2016.

Background

The attached Statement of Financial Activity to 31 January 2016 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.

- Do pages coincide? 36 and 17.

COUNCIL RESOLUTION

Moved: Cr Ross Pigdon

Seconded: Cr Kerry Key

That the Statement of Financial Activity to 31 January 2016 be adopted.

CARRIED 5/0

Resolution no. 2016-014

12.8 Fence Maintenance

Officer: Chief Executive Officer, Mr Warren Olsen
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Application

To note maintenance work carried out on the No. 1 Vermin Fence by Council's fencing contractor Mr Liam Fitzpatrick.

Maintenance Report

The attached report details work carried out for the period 26 December 2015 to 30 December 2015 by the contractor at a rate of \$800 per day.

Consultation

Mr Ashley Dowden - Vermin Fence Field Coordinator.

Statutory Environment

Nil.

Policy Implications

Nil.

Financial Implications

The cost of this works is provided for in the 2015/2016 maintenance budget.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

COUNCIL RESOLUTION

Moved: Cr Les Price

Seconded: Cr Kerry Key

That Council notes the maintenance work carried out under contract on the No 1 Vermin Fence over the period 26 December 2015 to 30 December 2015.

CARRIED 5/0

Resolution no. 2016-015

12.9 Flood Damage to Fence in White Well Section

Officer: Chief Executive Officer, Mr Warren Olsen
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Matter for Consideration

Damage to approximately 300m of fence.

Background

I received a phone call on 29 February from Mr John Martin of Colga Downs Station (and subsequently an email that he had sent the previous Saturday) reporting that a 300m section of fence had been demolished by flood waters.

I thanked Mr Martin for reporting the matter to me and contacted the Field Officer for advice on arranging a purchase order for our maintenance contractor to repair the fence.

Comment

Mr Martin commented as follows:

“There is a 300m section of the new vermin fence that has been demolished by recent floodwaters in the White Well section.

We are not sure how many stock have been lost and have organised a chopper to assist in the recovery and determine the stock numbers involved.

This is the third time the fence has gone down and it urgently needs replacing with a stronger system instead of just being "propped up " with star pickets.

This flood section previously had thick mulga posts and 3.5mm weld mesh, and to replace it with this fragile construction is ludicrous.”

I was originally intending to issue a purchase order to Liam Fitzpatrick for up to 5 days work, plus materials. However, after further discussion it appears that the level of work required is probably beyond a maintenance contractor due to the equipment required.

Our Construction Contractor, Jorgen Jensen, said that he and Liam would have a look at the job and get back to me. As soon as I have a quotation for the job, issue a purchase order.

However, in light of Mr Martin’s comments about the fence, I am presenting them here for consideration about the Council.

In his telephone conversation, Mr Martin started talking about the MRVC’s liability for his stock losses. At that stage, I denied that the MRVC had any such liability and cut the conversation short. I do not believe that the MRVC has any such liability but, in any case, that is conversation best had between lawyers.

Consultation

Ashley Dowden

Jorgen Jensen

Policy Implications

Nil.

Financial Implications

Yet to be determined.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

- Neil reads correspondence from Ashley Dowden RE MRVC 29 June minutes, floodgates.

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Cr Ross Pigdon

That the information be received.

CARRIED 5/0

Resolution no. 2016-016

Mr Rob Madson exited from the meeting at 3.00pm.

Mr Rob Madson returned to the meeting at 3.02pm.

- Warren to discuss with Jorgen Jensen.

12.10 Cost to Shire of Mount Magnet in relation to MRVC

Officer:	Chief Executive Officer, Mr Warren Olsen
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	12 March 2016

Matter for Consideration

To consider the realistic costs to the Shire of Mount Magnet in relation to administering the MRVC.

Background

I have been requested to report on the costs to the Shire of Mount Magnet in relation to administering the MRVC.

In addition to paying some direct costs (e.g. RSM accounting, the auditor, et cetera), the MRVC has made an annual payment of \$6000 to the Shire of Mount Magnet to cover its administrative costs. That contribution has not changed over decades (I am told).

For many decades, the work of the MRVC (and its revenue) did not change either. Basically, it had an annual budget of approximately \$60,000 - it maintained the old fences as well as could within the constraints of that meagre budget and there were 4 meetings per year (reportedly of fairly short duration).

The workload has grown exponentially in recent times, mainly due to getting funding and undertaking substantial capital works. This in itself leads to a very substantial workload in terms of preparing funding submissions, business cases and the suchlike – but also in arranging tenders, and preparing and filing quarterly and annual reports to the funding bodies.

Also, because of the works there has been a lot more to talk about and to report on. Consequently, the agendas, the meetings, the minutes and the correspondence have all grown quite significantly - and there has been a need for more frequent ordinary meetings or for special meetings.

The accounting work has also grown, as there has been a lot more material to be ordered, more contractors to be engaged and a lot more invoices to be paid. And more frequent deliveries of materials to be unloaded in our depot.

Comment

The Finance Manager has prepared a fairly elaborate spreadsheet which estimates the costs of staff time allocated to MRVC work. I am not going to reproduce that spreadsheet in this agenda for privacy reasons, as it necessarily contains remuneration information relating to

individual officers. However, the spreadsheet can be made available at the meeting, for perusal.

In summary, the spreadsheet calculates the costs as follows:

NB: Warren's hours based on 48 weeks - 15% time - of that 25% MRVC Council - Balance to Upgrade and MRVCell

	Ordinary	Special	Upgrade	MRVCell	TOTAL
Warren	6,498.00	1,805.00	6,317.50	11,371.50	25,992.00
Ronella	1,011.20	1,011.20	-	-	2,022.40
Maureen	1,719.20	-	1,031.52	687.68	3,438.40
Patrick	455.76		683.64		1,139.40
TOTAL	9,684.16	2,816.20	8,032.66	12,059.18	32,592.20

*Additional Costs
Stationery*

1000.00

Based on this estimate, it is probably costing about \$34,000, the main component being staff time. In reality:

- we can practically ignore the cost of utilities et cetera because the marginal cost is very low.
- It is therefore reasonable just to consider the costs of staff time and effort.
- It's quite probable that my time has been underestimated. But it is very difficult to estimate accurately because the amount of time and effort demanded appears to be a bit "lumpy". This week for example, MRVC business is probably taking more than 50% of my time. But the best we can do is our best estimates - perhaps my time has been underestimated.

According to the Finance Manager, the \$6000 per year that MRVC is currently paying to the Shire of Mount Magnet was calculated on the basis of 4 meetings per year each one costing approximately \$1500.

So one idea is that, by agreement between the MRVC and the Shire of Mount Magnet, there be a base fee to cover all the "non-meeting" costs, plus a fee per meeting held (because meetings are a large generator of administrative tasks) to cover the costs associated with each meeting.

If the idea of a fee per meeting was attractive to the MRVC Council, then we could work out a slightly smaller fee for a special meeting than for an ordinary meeting, because there are no financial statements to be produced for special meetings.

So, if the MRVC was keen to reimburse the Shire of Mount Magnet for approximately \$33,500 per annum, it could be on the basis of:

	\$	
Non-meeting costs, say . . .	20,000	
Ordinary meetings @\$1500 each	6,000	
Special meetings @ \$1250 each	7,500	(There were six in the last 12 months)
	<u>\$33,500</u>	

Consultation

Finance Manager
Administration Supervisor
Works Manager

Policy Implications

Nil.

Financial Implications

Obviously this would be a significant increase in the administrative expenditure of the MRVC.

Currently, there are sufficient funds from the contributions of the Shire of Cue, the Shire of Yalgoo and the Shire of Mount Magnet to cover these additional costs.

However, it may not be sustainable in the long term (depending on how the business model figures stack up). But the current workload is likely to be reduced somewhat after the vermin cell has been fenced, which would allow the annual contribution to this Shire of Mount magnet to be reduced also in line with reduced activity.

Strategic Implications

Nil.

Voting Requirements

Simple Majority.

- Discussion - Maureen's spreadsheet.

COUNCIL RESOLUTION

Moved: Cr Les Price

Seconded: Cr Carol Hodshon

That the contribution to the Shire of Mount Magnet in relation to administering the MRVC be increased to \$20,000 for costs that are not meeting related, plus \$1500 per ordinary meeting, plus \$1250 per special meeting.

- Is \$20K reasonable and Dominic consultation.
- Dominic compensating Mount Magnet for time spent! RE 126K fence.
- This item will be deferred to next Council meeting.
- Warren will handball to Dominic.

CARRIED 5/0

Resolution no. 2016-017

Chief Executive Officer Warren Olsen exited from the meeting at 3.48pm.

Cr Ross Pigdon exited from the meeting at 3.48pm.

Cr Les Price exited from the meeting at 3.48pm

Chief Executive Officer Warren Olsen exited from the meeting at 3.49pm.

Cr Ross Pigdon exited from the meeting at 3.49pm.

Cr Les Price exited from the meeting at 3.49pm

Cr Les Price exited from the meeting at 3.50pm

Cr Les Price exited from the meeting at 3.53pm

Cr Ross Pigdon exited from the meeting at 3.50pm.

Cr Ross Pigdon exited from the meeting at 3.52pm.

12.11 Request for Permit to use Vermin Fence Access Track

Officer: Chief Executive Officer, Mr Warren Olsen
Amended By: Nil
Disclosure of Interest: Nil
Meeting Date: 12 March 2016

Matter for Consideration

To consider, and if thought appropriate, to grant a permit for 8 vehicles to use the Vermin Fence Access Track on 7th and 8th May 2016.

Applicant's Submission

Reproduced on the immediately following page.

Background

We recently received an application for a permit for 8 vehicles to use the Vermin Fence Access Track in May. I am reporting this to the Council for 2 reasons:

1. Although I would have thought that my delegations of authority would have extended to issuing permits to use the Vermin Fence Access Track, on checking my delegations such an authority is not specified. There is some reference to being an authorised officer under the Control of Vehicles (Off-road Areas) Act 1978; however, that legislation has nothing to do with issuing permits to use the Vermin Fence Access Track. My delegations of authority are due for review at the June meeting, and I will report on this matter at that time.
2. Even if I had the delegated authority to approve this permit, I should be a little wary of doing so in the circumstances. I would ordinarily be looking for some official purpose why people would be track, rather than in unit as access to attend what may well be a social event. In this case, the application is for 8 vehicles; since I'm not familiar with the track in the section which they intend to use and do not know whether it is a good idea to have 8 vehicles going down it at that time of year, I am seeking the views of the Council in regard to this matter.

As the intended use of the track is not until May, and there is a Council meeting between receiving the application and that time, there would really be no reason for me to exercise a delegated authority to issue the permit even if I had such delegated authority.

Comment

I seek the Council's views on for what purposes permits to access the Vermin Fence Access Track should be issued, and whether such permits should be subject to any particular conditions.

Risk Analysis

As I do not know who the applicants are and we do not know at this stage what sort of vehicles they will be using, I have no way of knowing whether they (and the MRVC) will potentially be at some risk if the permit is issued.

If the group is inexperienced or have the wrong type of vehicles, they could potentially come to some sort of harm.

Policy Implications

To be determined.

Financial Implications

Nil.

Strategic Implications

Nil

Voting Requirements

Simple Majority

For consideration and direction.

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon
That MRVC Council reviews application.

Seconded: Cr Kerry Key

CARRIED 5/0
Resolution no. 2016-018

12.12 Proposed Submission to the Salaries and Allowances Tribunal

Officer:	Chief Executive Officer, Mr Warren Olsen
Amended By:	Nil
Disclosure of Interest:	Nil
Meeting Date:	12 March 2016
Declarations of Interest:	The author of this report does not consider that he has a financial interest in this matter; the purpose of the submission would be to allow the MRVC to employ its own CEO should choose to do so.

The author's interest in this topic is about getting some relief from the current situation of an unrealistic work load running to fairly busy councils. So that would certainly be some kind of partiality interest (i.e. Getting a life) but I do not stand to gain financially.

Matter for Consideration

To consider, and if thought appropriate, to approve a submission to the Salaries and Allowances Tribunal.

Background

In 2011, an amendment to the Local Government Act brought CEO remuneration under the strict control of the Salaries and Allowances Tribunal. Prior to that amendment, the Tribunal had given guidance the matter but councils still had the flexibility to pay as they thought appropriate in order to meet the market for their requirements.

The Salaries and Allowances Tribunal makes an annual determination that fixes remuneration ranges for elected members and CEOs of both local governments and regional local governments.

All local governments are allocated to a "band", the lowest band (which applies to all the local governments of the Murchison region) being Band 4.

All regional local governments are also allocated to a band, except for the Murchison Regional Vermin Council.

The table on the following page is extracted from the current Salaries and Allowances Tribunal determination in respect of regional local governments, issued on 17 June 2015.

Early in February, the Salaries and Allowances Tribunal sent out its annual questionnaire and also invited submissions closing on 26 February. However, I have contacted the Tribunal's support staff at the Public Service Commission and explained our situation (i.e. we didn't have an ordinary Council meeting scheduled during February) and they have given me an extension to lodge a submission on behalf of the MRVC.

- (3) Regional Local Governments have been classified in Table 3 below.

Table 3: Regional Local Government band classification

Regional Local Government	Band	Total Reward Package Per Annum
Bunbury-Harvey Regional Council	4	\$125,079 - \$195,280
Eastern Metropolitan Regional Council	2	\$201,433 - \$311,907
Mindarie Regional Council	3	\$154,045 - \$252,917

18

Regional Local Government	Band	Total Reward Package Per Annum
Murchison Regional Vermin Council	-	-
Pilbara Regional Council	4	\$125,079 - \$195,280
Rivers Regional Council	3	\$154,045 - \$252,917
Southern Metropolitan Regional Council	2	\$201,433 - \$311,907
Tamala Park Regional Council	2	\$201,433 - \$311,907
Western Metropolitan Regional Council	4	\$125,079 - \$195,280

- (4) The Murchison Regional Vermin Council is not awarded a band classification as the CEO position is undertaken by the CEO of one of the member Local Governments who does not receive additional remuneration for this purpose.

Comment

With the changes in the legislation in 2011, making a submission to the Salaries and Allowances Tribunal suddenly became a very important matter.

In fact, the local government I was then working for (which had never previously bothered with making a submission to the Tribunal) made a very strong submission 2012 as the Council realised that it would otherwise struggle to recruit an Officer of the required calibre.

The remuneration bands refer to full-time positions. In the event that Council believed that a part-time CEO would be a feasible option, I believe it would be able to apply the remuneration band on a pro rata basis.

Policy Implications

None identified.

Financial Implications

Obviously, any proposal to employ staff directly would have to be budgeted for.

Strategic Implications

Although this does not directly relate to anything in the Council's strategic plan, it is probably stating the obvious to say that if the MRVC wants to achieve great things then it needs to ensure that the CEO has the capacity to devote to the MRVC's work without distractions and competing obligations.

Voting Requirements

Simple Majority.

COUNCIL RESOLUTION

Moved: Cr Carol Hodshon

Seconded: Cr Ross Pigdon

That the attached submission be endorsed and be sent to the Salaries and Allowances Tribunal.

CARRIED 5/0

Resolution no. 2016-019

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

Cr Carol Hodshon exited from the meeting at 4.07pm.

Cr Carol Hodshon returned to the meeting at 4.08pm.

17. ELECTED MEMBER MATTERS

- Cr Carol Hodshon - discussion of friction between the Neil and Warren
- Warren denies friction.

Cr Ross Pigdon exited from the meeting at 4.14pm.

Cr Ross Pigdon exited from the meeting at 4.15pm.

- Neil - focus is on the project.
- A discussion was had on Ash comments, report to MRBA.

Mr Steven Cosgrove exited from the meeting at 4.22pm

Mr Steven Cosgrove exited from the meeting at 4.24pm

Cr Kerry Key exited from the meeting at 4.24pm

Cr Ross Pigdon exited from the meeting at 4.24pm.

Cr Kerry Key returned to the meeting at 4.25pm

18. NEXT MEETING

Tuesday, 14 June 2016

19. CLOSURE OF MEETING

There being no further business, the President closed the meeting at 4.25pm.