



Western Australia

Unconfirmed Minutes for the Ordinary Meeting of the Murchison Shire  
Council,

Held in the Council Chambers, Carnarvon Mullewa Road, Murchison,  
On Friday **22 July 2011**, commencing at 12.10 pm.

**TABLE OF CONTENTS**

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS .....3

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE .....3

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE .....3

4. PUBLIC QUESTION TIME .....3

    4.1 Standing Orders .....3

5. NEXT MEETING.....3

6. APPLICATIONS FOR LEAVE OF ABSENCE.....3

7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS .....4

    21.1 Matter of a confidential nature.....4

8. CONFIRMATION OF FLYING MINUTES .....4

    8.1 Flying Minute: 280611 .....4

9. CONFIRMATION OF MINUTES .....6

    9.1 Ordinary Council Meeting – 17 June 2011 .....6

10. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION.....6

11. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....6

12. ANNOUNCEMENTS CONCERNING MEETINGS ATTENDED .....6

    12.1 President .....6

    12.2 Councillors.....6

13. DISCLOSURE OF INTERESTS.....7

14. REPORTS OF COMMITTEES .....7

15. REPORTS OF OFFICERS.....7

    15.1 Monthly Plant Report.....7

    15.1.1 Monthly Plant & Works Progress Report.....7

    15.1.2 Works Supervisor Report .....8

16. FINANCE.....10

    16.1 Financial Activity Statements May and June 2011.....10

    16.2 Accounts Paid during the period May and June 2011. ....11

17. DEVELOPMENT .....12

18. ADMINISTRATION.....12

    18.1.220711 Elected Members’ Meeting Fees and Allowances .....12

    18.1.230711 Auditor Selection .....15

    18.1.240711 Reserve Account – Change of Purpose .....16

19. NOTICE OF MOTION .....17

Nil. 17

20. CEO ACTIVITY REPORT .....17

20. URGENT BUSINESS .....18

    20.1 Bank Overdraft - Increase .....18

21. ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS.....19

    21.1 Matter of a confidential nature.....19

22. MEETING CLOSURE.....19

**1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The President welcomed everyone and opened the meeting at 12.10pm.

**2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**

**Elected Members:**

Councillor S A Broad, Shire President  
Councillor M W Halleen, Deputy Shire President  
Councillor B M Seaman  
Councillor R E Foulkes-Taylor  
Councillor D A McTaggart

**Staff:**

Mr M C Sully, Chief Executive Officer  
Mrs J Sully, Admin Officer (Minutes)  
Mr B Wundenberg, Works Supervisor

**Apologies:**

Councillor P R Squires

Shire President, Councillor Broad acknowledged that representatives from OPR had attended to give a presentation prior to the Ordinary Council meeting.

**3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil.

**4. PUBLIC QUESTION TIME**

**4.1 Standing Orders**

**Moved: Councillor Foulkes-Taylor**

**Seconded: Councillor McTaggart**

**That the following Local Law-Standing Orders 2001 be stood down for the duration of the meeting:**

8.2 Limitation on the number of speeches

8.3 Duration of speeches

***CARRIED 5/0***

**5. NEXT MEETING**

The scheduled date for the next ordinary meeting is Thursday 25 August 2011.

**6. APPLICATIONS FOR LEAVE OF ABSENCE**

Nil.

**7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

**21.1 Matter of a confidential nature**

**8. CONFIRMATION OF FLYING MINUTES**

**8.1 Flying Minute: 280611**

**Crosslands Resources Ltd – Road Train Permit Agreement**

File:  
 Author: Mike Sully, Chief Executive Officer  
 Interest Declared: Nil.  
 Date: 28 June 2011  
 Attachments: Nil.

**Matter for Consideration:**

This report recommends that the Crosslands Resources road train permit agreement be extended to June 2012, with negotiations for a new Agreement to commence in March 2012.

**Background:**

On 15 March 2006 the Shire of Murchison and Crosslands Resources Ltd (previously known as Murchison Metals Ltd) signed a road train permit agreement allowing Crosslands to operate road trains on the Beringarra Cue road for the purpose of hauling minerals from its Jack Hills Mine to Geraldton Port.

Condition 3 of the Agreement states:

*3. TERM  
 This Agreement shall continue from the Commencement Date until 30 August 2011, unless otherwise terminated or extended in accordance with this Agreement.*

Crosslands Resources has requested that the Term of the Agreement be extended from 30 August 2011 to 30 June 2012 with all of the existing conditions and approvals. The Agreement allows for variations to be made to the Agreement. Condition 14.4 of the Agreement outlines the condition for variations to the Agreement:

*14.4 AMENDMENTS  
 This Agreement may only be varied by a document signed by or on behalf of each of the parties.*

**Comment:**

Crosslands is currently undergoing feasibility studies for the Jack Hills Expansion Project with the aim of developing the mine to its full potential. The project aims to expand current operations from around 2 million tonnes per year to around 35 million tonnes per year with an extended mine life of 25 years.

To accommodate Crossland's growth and the development of other mines in the region about 570 km of rail line will/may be built across the Murchison region and a multi-billion dollar deep water port is planned for Oakagee, 25 Kms north of Geraldton.

The planning, assessment and approval processes for the expansion project have commenced and Crosslands is requesting that the existing road train permit agreement be extended to June 2012. Crosslands believe that by March 2012 it will have sufficient information about the expansion project to commence negotiations with the shire of Murchison and the Shire of Cue on a new road train permit agreement.

The Shire of Cue has agreed to Crossland's request on condition that the Shire of Cue receives \$50,000 for their community fund and that their Agreement contains the same technical conditions that are currently in the Murchison-Crosslands Agreement.

**Consultation:**

Cr. Simon Broad	Shire President, Shire of Murchison
Paul Omodei	Commissioner, Shire of Cue
Peter Money	Chief Executive Officer, Shire of Cue
Peter George	Production Manager & Logistics coordinator, Crosslands Resources Ltd.

**Statutory Environment:**

Nil.

**Strategic Implications:**

The development of mineral resources infrastructure will create a significant number of employment opportunities in the mid-west region

**Policy Implications:**

Nil.

**Financial Implications:**

Extending the existing Agreement to June 2012 will provide an opportunity for Council to negotiate a new Agreement with an awareness of the potential increase in the volume of minerals being hauled during the new Agreement's term.

**Voting Requirements:**

Simple majority

<b>COUNCIL DECISION/OFFICER'S RECOMMENDATION:</b>
---

**Moved: Councillor Foulkes-Taylor**

**Seconded: Councillor Halleen**

That Council agree to extend the term of the Shire of Murchison-Crosslands Resources road train permit agreement to 30 June 2012 with the following conditions;

Negotiations for a new Road Train Permit Agreement commence from 1 March 2012.

Crosslands agree to pay \$50,000 to the Shire of Murchison before 30 June 2012 as a contribution to the Crosslands Community fund.

**CARRIED 5/0**

*Note: \$55,000 (Inc. GST) community fund donation paid to Shire of Murchison 1 July 2011*

**9. CONFIRMATION OF MINUTES**

**9.1 Ordinary Council Meeting – 17 June 2011**

**Background:**

Minutes of the Ordinary Meeting of Council have previously been circulated to all Councillors.

**Voting Requirements:**

Simple majority

<p><b>COUNCIL DECISION/OFFICER’S RECOMMENDATION:</b></p>
--

**Moved: Councillor Foulkes-Taylor**

**Seconded: Councillor Halleen**

That the Minutes of the Ordinary Council meeting of 17 June 2011 be confirmed as an accurate record of proceedings.

**CARRIED 5/0**

**10. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**

Nil.

**11. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

Nil.

**12. ANNOUNCEMENTS CONCERNING MEETINGS ATTENDED**

**12.1 President**

- Attended WARRAG meeting on 21.06.11 with Councillor Seaman and the CEO. It was a very informative meeting. Steve Douglas was trying to organize a meeting between CSIRO and the Shire of Murchison representatives, but Brian Boyle and Anthony Schinckel were too busy.

**12.2 Councillors**

**Councillor Seaman**

- Attended the WARRAG meeting on 21.06.11. In attendance also were Brian Boyle and Anthony Schinckel from CSIRO, Penny Griffiths from the Chamber of Commerce and Meredith Wills from the Geraldton University. Reported on aspects of the meeting and said that the Shire of Murchison needs a representative to ‘push the barrow.’ The CEO handed over the signed Road Agreement.
- Attended 2 days Communication training in Perth. It was very good value and a worthwhile exercise.

**Councillor McTaggart**

- Nothing to report

**Councillor Foulkes-Taylor**

- Attended DAP training in Geraldton. There was far too much time taken on pay details for representatives.

**Councillor Halleen**

- Attended DAP training in Geraldton. Regional Development Plan overrides Council. Shire of Murchison Policy needs updating. Advice was given to take Community petitions ‘with a pinch of salt.’
- Thanks to the Shire staff for the work carried out before and during the Polocrosse weekend. There were a couple of issues that require attention such as septic capacity to cope and hot water that drained into a horse trough.
- Provided statistics from doggers re number destroyed – 705. A further \$50,000 funds have been provided for an extra dogger.

The forthcoming Astrofest was discussed including maximum numbers that the Settlement can support and adequate toilets.

Councillor Seaman, Chair of the Committee and Robin Boddington gave an interview on ABC radio. Response to advertising has been excellent with over 100 registrations so far.

**13. DISCLOSURE OF INTERESTS**

Nil.

**14. REPORTS OF COMMITTEES**

Nil.

**15. REPORTS OF OFFICERS**

**15.1 Monthly Plant Report**

**15.1.1 Monthly Plant & Works Progress Report**

File:  
 Author: Brian Wundenberg, Works Supervisor  
 Interest Declared: No interest to disclose  
 Date: 17 July 2011  
 Attachments:

**Matter for Consideration:**

To view the plant operation for the month of June/July and an update on works carried out.

**Background:**

HEAVY PLANT			Start	End		MTD	Total
Plant Item	Year	REGO	Hours	Hours	Total	Service	Ownership
Cat Grader 12H	2005	MU 141	6812.9	6961	148.10		
Cat Grader 12M	2008	MU 51	3006	3109	103.00		
Volvo L110 Loader	2006	MU 65	3182	3240	58.00		
Komatsu Dozer	1997		7096	**			
Cat Vibrating Roller	2005	MU 177	35.9	112	76.10		
John Deere Grader	2011	MU 121	35.9	183	147.10		
<b>TRUCKS</b>							
Iveco Prime Mover	2003	MU000	218211k	220887k	2676.00		
Nissan UD	2009	000 MU	87616k	90108	2492.00		
Iveco Tipper	2004	MU 00	139606k	**			

<b>GENERATORS</b>							
Generator 2-100KVA	2005				xxxxxxxxxx		
Generator 1-83KVA	2005		40608				
Generator 13KVA (Const)	2005			4149			
Maintenance Genset			14676.16	**			
Construction Genset							
<b>LIGHT VEHICLES</b>							
Mitsubishi Canter	2011	01 MU	9179k	12102k	2923k		
Mitsubishi Canter	2004	MU 140	97212k	99829k	2167k		
Toyota Prado	2010						
Holden Rodeo	2008	MU 167	133582k	136553k	29710k		
Isuzu DMAX	2009	MU 300	93056k	100536k	7480k		
Toyota PTV	1986	MU 1017					
<b>TRAILERS &amp; TIPPERS</b>							
Side Tipper	2001	MU 2010	182172k	185744k	3572k		
Side Tipper – Evertran	2009	MU 662		31505			
Tri-Axle Low Loader	2008	MU 663	23180k	24465k	1285k		
30K Water Tank	2005	MU 2024	3154k	3154k			
Dog Fuel Trailer	1993	MU 658					
Dog Fuel Trailer	1972	MU 2005					
Dolly 1-Red	2001	MU 2003					
Dolly 2-Black	2000	MU 2009					
<b>TRACTORS &amp; VARIOUS SMALL PLANT</b>							
New Holland	2006	MU 380					
Forklift							
Caravans							
Various small plant							
Cobra Multi Tyre Roller							
Ford Tractor				1235			
Ride on Mower							
Patient Transfer Vehicle				20939			

\*\* Vehicles could not be accessed owing to road closures.

**15.1.2 Works Supervisor Report**

**CONSTRUCTION CREW.**

- Tommy Cross, William and Colleen Herald are all I have in construction crew at the moment.
- Have finished boxing out the limestone and have replaced with gravel in preparation for when we do the next section of sealing.
- All the limestone and dirt that has been boxed out has been placed on the Twin Peaks road east of the Murchison river in the low lying areas. Drains cannot be completed due to it being too wet. After completing this section we will move to begin works on the four kilometre section just north of the settlement.
- We are currently advertising for a full time grader operator and hopefully with the package offered we should be able to fill the position in the near future.

## MAINTENANCE

- Mick Wall, the casual maintenance grader operator is now at Nookawarra station. He has pulled up there for a week and has bought his grader down to give Tommy and Paul a hand to grade the Carnarvon /Mullewa road in preparation for the Murchison polocrosse carnival.
- Paul Smart is back on deck after his successful operation and commenced work on the 12<sup>th</sup> July. He will be doing light duty work for the next four weeks (including grading)
- Sandy has been pushing up gravel on the Pindar/Beringarra road in readiness for road sheeting for the shire/ flood damage and the CSIRO.
- Stuart Broad has been busy doing general maintenance as well as assisting Ross John and other work crew.
- Ross is busy catching up on our maintenance and has been doing a very thorough job. He has now taken over Brian's ute as it is fully equipped with all the necessary tools.
- The grid repair/replacement has been advertised and we have also received several tenders to consider.

## FLOOD DAMAGE CREW

- Contractors have finished the Boolardy- Kalli road just in time before the big rains. They have now relocated back to the settlement and are working on the second flood damage claim on Butchers Track and Muggon Road.

<b>COUNCIL DECISION/OFFICER'S RECOMMENDATION:</b>
---

**Moved: Councillor Foulkes-Taylor**                      **Seconded: Councillor Seaman**  
That the Work's Supervisor's Report be accepted.

**CARRIED 5/0**

*Note: The Meeting adjourned for lunch at 1.45pm and resumed at 2.25pm with all previous attendees present.*

*Note: Brian Wundenberg, Works Supervisor left the meeting at 3.40pm.*

## 16. FINANCE

### 16.1 Financial Activity Statements May and June 2011.

File:

Author: Mike Sully, Chief Executive Officer

Interest Declared: No interest to disclose

Date:

Attachments: Financial Activity Statements for May and June 2011  
Balance Sheet  
Income Statement Detail  
Income Statement by Nature & Type  
Income Statement Summary

#### **Matter for Consideration**

Council to consider adopting the monthly financial statements for May and June 2011.

#### **Background**

Amendments to the Local Government (Financial Management) Regulations 1996 that were gazetted on 20 June 2008 and became effective from 1 July 2008 have resulted in regulations 34 and 35 relating to monthly financial reports and quarterly/triennial financial reports being repealed and substituted with a new regulation 34. The new regulation 34 requires that local government report on a monthly basis and prescribes what is required to be reported with the intention of establishing a minimum standard across the industry.

#### **Statutory Environment**

Local Government Act 1995

Section 6.4—Specifies that a local government is to prepare such other financial reports as is 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 under 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**

Nil.

#### **Policy Implications**

Nil.

#### **Financial Implications**

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

**Consultation**

UHY Haines Norton

**Comment**

Nil.

**Voting Requirements**

Simple majority.

**COUNCIL DECISION/OFFICER'S RECOMMENDATION:**

**Moved: Councillor McTaggart**

**Seconded: Councillor Halleen**

That Council adopt the financial statements for the period ending 31 May 2011, as attached.

**CARRIED 5/0**

**COUNCIL DECISION/OFFICER'S RECOMMENDATION:**

**Moved: Councillor McTaggart**

**Seconded: Councillor Foulkes-Taylor**

That Council receive the financial statements for the period ending 30 June 2011, as attached.

**CARRIED 5/0**

**16.2 Accounts Paid during the period May and June 2011.**

File:

Author: Mike Sully, Chief Executive Officer

Interest Declared: No interest to disclose

Date:

Attachments: EFT & Cheque Detail for

**Matter for Consideration:**

Authorisation of accounts paid during the month of May and June 2010.

**Background:**

Accounts paid are required to be submitted each month.

**Statutory Environment:**

Local Government (Financial Management) Regulations 1996

Reg 13(1)–Requires that where the Chief Executive Officer has delegated power to make payments from the Municipal or Trust funds a list of accounts paid is to be prepared each month.

**Strategic Implications:**

None

**Policy Implications:**

None

**Financial Implications:**

Payment from Council's Municipal Account

**Consultation:**

None

**Comment:**

Payments made during the month of May and June as per attached schedule.

**Voting Requirements:**

Simple majority

**COUNCIL DECISION/OFFICER’S RECOMMENDATION:**

**Moved: Councillor Foulkes-Taylor**                      **Seconded: Councillor McTaggart**  
That the accounts as per the attached Schedule be passed by Council.

**CARRIED 5/0**

**COUNCIL DECISION/OFFICER’S RECOMMENDATION:**

**Moved: Councillor Foulkes-Taylor**                      **Seconded: Councillor McTaggart**  
That the accounts as per the attached Schedule be passed by Council.

**CARRIED 5/0**

**17. DEVELOPMENT**

Nil.

**18. ADMINISTRATION**

**18.1.220711 Elected Members’ Meeting Fees and Allowances**

File:  
Author: Mike Sully, Chief Executive Officer  
Interest Declared: Nil.  
Date: 12 July 2011  
Attachments:

**Matter for Consideration:**

This report recommends the method of payment and amount of meeting fees and allowances to be paid to Elected Members for 2011/12 financial year.

**Background:**

The Local Government Act 1995 requires that Council determine the fees and allowances payable to Elected Members each year.

Elected Member meeting fees and allowances are currently based on a meeting attendance fee and paid bi annually in June and December.

The following meeting fees and allowances for the 2010/2011 financial year were endorsed by Council at its meeting in April 2010 (Item16.3).

**PRESIDENT**

Council & Special Meeting Attendance Fee	<b>\$150.00</b>
Committee Meeting Attendance Fee	<b>\$45.00</b>
President’s Allowance	<b>\$5,000.00</b>
Telecommunications Allowance	<b>\$500.00</b>
Mobile Phone Allowance	<b>\$760.00</b>
Travel Allowance per kilometre	<b>\$1.30</b>
Travel Allowance WALGA-State Council per kilometre	<b>\$0.70</b>

**DEPUTY PRESIDENT**

Council & Special Meeting Attendance Fee	<b>\$120.00</b>
Committee Meeting Attendance Fee	<b>\$45.00</b>
President’s Allowance	<b>\$1,000.00</b>
Telecommunications Allowance	<b>\$500.00</b>

**COUNCILLOR**

Council & Special Meeting Attendance Fee	<b>\$120.00</b>
Committee Meeting Attendance Fee	<b>\$45.00</b>
Telecommunications Allowance	<b>\$500.00</b>
Travel Allowance per kilometer	<b>\$1.30</b>

**Comment:**

Meeting fees and allowances payable to Elected Members in accordance with the Local Government Act 1995 are either entitlements or discretionary

**Entitlements**

Entitlements are fees and expenses that an Elected Member must receive should he/she request to receive them. Generally, Council can determine the amount to be paid within the minimum and maximum parameters specified by legislation. Examples are Elected Members’ attendance fees for Ordinary and Special Council meetings and Elected Members’ attendance fees for Committee meetings.

The Shire President is entitled to a meeting attendance fee based on a per meeting basis that can range from \$120 to \$280 for Ordinary and Special Council meetings and \$30 to \$70 for Committee meetings with the total amount paid not exceeding \$14,000 per year; this is the current method used by the Shire. An alternative method of determining a meeting attendance fee is based on an annual meeting attendance fee ranging from \$6,000 to a maximum of \$14,000 per year.

Elected Members are also entitled to be paid meeting attendance fees that can be paid per meeting in which case the minimum amount payable for Ordinary and Special Council meetings is \$60 and the maximum \$140 and \$30 to \$70 for committee meetings. The amount paid cannot exceed \$7,000 per year; alternatively a meeting attendance fee ranging from \$2,400 to \$7,000 per year can be set.

**Discretionary**

Discretionary allowance are those that Council has the right to determine whether they should be paid and if so, the amount. For example; an allowance in recognition of the additional duties required of the President may be paid and can range from \$600 to \$12,000, or 0.002% of the Local Government’s operating revenue provided the result does not exceed \$60,000.

The Deputy Shire President may also receive an allowance for additional duties. Should Council decide to continue to pay a Deputy Shire President’s allowance, the maximum amount of the allowance is 25% of the Shire President’s allowance.

Council has previously determined that all Elected Members will be provided with a telecommunications allowance rather than a reimbursement of telecommunication equipment rental charges. The maximum annual amount allowed is \$2,400 per member.

It should be noted that the annual meeting fee determined by Council is not reduced if an Elected Member does not attend any particular Council meeting/s during the year.

**Consultation:**

Nil.

**Statutory Environment:**

Local Government Act 1995

S 6.2 requires that each year a local government prepare and adopt an annual budget

S5.98-99 sets out the provision for allowances and fees to be paid

Local Government (Administration) Regulations 1996

Reg 33 specifies that the maximum annual allowance for a mayor or president is \$12000 or 0.002% of the government operating revenue, up to a maximum of \$60,000;

Reg 33 specifies the maximum annual allowance for a deputy is 25% of the mayor or president.

Reg 34 specifies the minimum annual attendance fee for elected members is \$2,400 and the maximum \$7,000. The minimum attendance fee for a mayor or president is \$6,000 and the maximum \$14,000;

Reg 34A specifies the maximum annual telecommunications allowance is \$2,400; and

Reg 30(2) specifies a minimum committee sitting fee of \$30 with a maximum of \$70

**Strategic Implications:**

Nil.

**Policy Implications:**

Nil.

**Financial Implications:**

Fees and allowances as endorsed by Council will be included in the 2011/2012 draft budget. As it is proposed that there will be an increase in the fees and allowances paid to Elected Members additional funds may need to be made available. However, the reduction in the number of Elected Members from seven to six should also be taken into account

**Voting Requirements:**

Absolute Majority

**COUNCIL DECISION/OFFICER’S RECOMMENDATION:**

**Moved: Councillor Halleen**  
That Council

**Seconded: Councillor Foulkes-Taylor**

1. Adopt an annual attendance fee structure for meeting attendance at Council meetings by Elected Members.
2. Approve the following levels of fees and allowances for 20011/2012 and that they be paid/reimbursed at the end of each quarter (September, December, June and March) in arrears, on production of the required documentation:

**SHIRE PRESIDENT**

Ordinary, Special and Committee Meetings annual attendance fee	<b>\$6,000.00</b>
Shire President’s annual allowance	<b>\$6,000.00</b>
Telecommunications annual allowance	<b>\$1,000.00</b>
Mobile Phone annual allowance	<b>\$1,000.00</b>
Travel Allowance per kilometre	<b>\$1.90</b>
Travel Allowance WALGA-State Council per Kilometre	<b>\$1.00</b>

**DEPUTY SHIRE PRESIDENT**

Ordinary, Special and Committee Meeting annual attendance Fee	<b>\$3,500.00</b>
Deputy Shire President’s annual allowance	<b>\$1,500.00</b>
Telecommunications’ annual allowance	<b>\$1,000.00</b>
Travel allowance per kilometer	<b>\$ 1.90</b>

**COUNCILLOR**

Ordinary, Special and Committee Meeting annual attendance fee	<b>\$3,500.00</b>
Telecommunications annual allowance	<b>\$1,000.00</b>
Travel allowance per kilometre	<b>\$ 1.90</b>

**CARRIED 5/0**

**18.1.230711 Auditor Selection**

File:  
 Author: Mike Sully, Chief Executive Officer  
 Interest Declared: Nil.  
 Date: 20 July 2011  
 Attachments:

**Matter for Consideration:**

This report recommends that council consider the recommendation from the Audit Committee for the provision of audit services for the 20011/12 financial year.

**Background:**

The current three year audit contract, held by Anderson, Munro and Wyllie, expired on 30 June 2011. Quotes were called and one has been received from an Accounting Practice interested in providing Council with auditing services.

**Comment:**

Council is required to appoint an Auditor in accordance with Section 7.3 of the Local Government Act 1995. The length of time of the contract can be one year but is not to exceed five years, as defined in the Act.

The recommendation from Council’s Audit Committee is that Anderson, Munro and Wyllie be appointed for a one year period to audit Council’s accounts and Annual Financial Report for the 20011/12 financial year.

**Consultation:**

Shire of Murchison Audit Committee.

**Statutory Environment:**

Section 7.3 of the Local Government Act 1995 requires that Council appoint an Auditor on the recommendation of its Audit Committee.

**Strategic Implications:**

Nil.

**Policy Implications:**

Nil.

**Financial Implications:**

**Voting Requirements:**

Absolute Majority

**COUNCIL DECISION/OFFICER'S RECOMMENDATION:****Moved: Councillor Seaman****Seconded: Councillor McTaggart**

That Council appoint Anderson, Munro and Wyllie as Auditor for the provision of audit services for the 2011/12 financial year, as recommended by the Audit Committee at a cost of \$9,000.

**CARRIED 5/0**

*Note: Councillor Seaman left the Chambers at 4.22pm and returned at 4.25pm.*

**18.1.240711 Reserve Account – Change of Purpose**

File:  
 Author: Mike Sully, Chief Executive Officer  
 Interest Declared: Nil.  
 Date: 20 July 2011  
 Attachments: Nil.

**Matter for Consideration:**

Council is requested to approve a temporary transfer of \$750,000 from the Reserve Account to the Municipal Account to allow payment of outstanding invoices.

**Background:**

A combination of end of financial year and numerous payments to contractors undertaking flood damage repairs to roads has temporarily reduced the amount of funds in the Municipal Account. There are invoices totalling approximately \$1.2 Million outstanding from the 2010/2011 financial year, \$700,000 for which payment is urgent.

A claim for a \$1.88 Million reimbursement for invoices already paid by the Shire has been sent to MainRoads/FESA however, payment will be delayed until the necessary reviews are carried out by MainRoads. This may take several weeks

There is currently \$1.265 million in the Shire's Reserve Account, which will not be required until later in the financial year, that could be transferred to the Municipal Account to facilitate payment of the urgent invoices.

**Comment:**

The outstanding invoices are for work that has been undertaken by contractors to carry out necessary repairs to the shire's road system for damage caused by the December 2010 and February 2011 severe rain storm events.

There is an urgent need to repair the road system as quickly as possible to ensure the safety of road users and to limit damage to their vehicles. Since the flood events and subsequent rain storms there have been a number of vehicle accidents including; several 4 wheel drives, a semi trailer, a tourist mobile home, a caravan and several camper trailers.

The Shire President has previously recognised the urgent need to carry out road repairs to ensure the safety of road users and has declared an emergency to ensure that the roads are repaired as soon as possible.

**Consultation:**

Numerous creditors

**Statutory Environment:**

Under Section 6.8(1) (c) of the Local Government Act 1995 - emergency provisions, it is possible for Council to approve changes to the use of Reserve Funds without giving local public notice. However, an absolute majority vote must be achieved

**Strategic Implications:**

Nil.

**Policy Implications:**

Nil.

**Financial Implications:**

Payment of the outstanding invoices should be made as soon as possible so that contractors are able to continue the road repair work. There are cost savings by using Council’s reserve funds instead of seeking an increase in Council’s bank overdraft which would attract interest penalties.

**Voting Requirements:**

Absolute Majority

**COUNCIL DECISION/OFFICER’S RECOMMENDATION:**

**Moved: Councillor Halleen**

**Seconded: Councillor Foulkes-Taylor**

That Council approve a temporary transfer of \$750,000 from the Reserve Account to the Municipal Account to allow payment of outstanding invoices from the 2010/2011 financial year.

**CARRIED 5/0**

**19. NOTICE OF MOTION**

Nil.

**20. CEO ACTIVITY REPORT**

- 21.06.11 Met with Travis Bate, RSM Bird Cameron in Geraldton
- 21.06.11 Attended WARRAG Meeting together with Cr Broad & Cr Seaman
- 30.06.11 Inspected road Boolardy to Top Shed together with Works Supervisor.
- 01.07.11 Letter to Craig Harvey re driving on closed roads.
- 14.07.11 Assisted Fuel Fix technician to replace card reader at Roadhouse fuel pumps.
- 07.07.11 Evening meeting in Geraldton.
- 10.07.11 Attended site of truck rollover on Boolardy/Top Shed Road together with Works Supervisor.
- 17.07.11 Geraldton to pick up John Pianta, Contracted Accountant.
- 18.07.11 Deliver documents to Travis Bate at RSM Bird Cameron.
  
- Mr Bill Mitchell has advised that he would like to attend the Ordinary Council meeting in August.
- I request that Council approve annual leave from 29.07.11 to 02.08.11 inclusive.

**COUNCIL DECISION:**

**Moved: Councillor Foulkes-Taylor**

**Seconded: Councillor Mark Halleen**

That the CEO be given approval to take annual leave from Thursday 28 July 2011 to Tuesday 2 August 2011 inclusive.

**CARRIED 5/0**

**COUNCIL DECISION:**

**Moved: Councillor Foulkes-Taylor**  
That the CEO's report be accepted.

**Seconded: Councillor Seaman**

**CARRIED 5/0**

**20. URGENT BUSINESS****20.1 Bank Overdraft - Increase**

File:  
Author: Mike Sully, Chief Executive Officer  
Interest Declared: Nil.  
Date: 21 July 2011  
Attachments: Nil.

**Matter for Consideration:**

Council is requested to approve a permanent increase in the bank overdraft from \$100,000 to \$500,000.

**Background:**

Council currently has approved access to an overdraft facility of up to \$100,000. However, a combination of end of financial year and numerous payments to contractors undertaking flood damage repairs to roads has temporarily reduced the amount of funds in the Municipal Account and created a need to access funding that exceeds the current overdraft limit.

There are invoices totalling approximately \$1.2 Million outstanding from the 2010/2011 financial year and a number of invoices payable in July 2011 which approximately total a further \$600,000.

A claim for a \$1.88 Million reimbursement for invoices already paid by the Shire has been sent to MainRoads/FESA. Council has previously received \$940,000 as an advance so will receive around \$800,000 as reimbursement. However, MainRoads has advised that payment will be delayed until the necessary reviews are carried out by MainRoads and FESA.

As this may take several weeks, the result will be that Council will not receive the reimbursement until the middle of August and therefore be unable to pay contractors within a reasonable period of time. A solution to this cash shortage is the ability for Council to access funds from a bank approved overdraft that has sufficient funds to meet the demand.

**Comment:**

Under Westpac Bank's terms and conditions for accessing a permanent overdraft, there are no costs to Council if the overdraft facility is not used. As Council would be applying for an increase to its existing overdraft, the Westpac Bank would require a copy of the Ordinary Council Meeting minutes showing Council approval for the increase and appropriate signatures on the overdraft application forms.

**Consultation:**

Nick Short Business Manager Westpac Bank, Geraldton.

**Statutory Environment:**

Nil.

**Strategic Implications:**

Nil.

**Policy Implications:**

Nil.

**Financial Implications:**

The requested increase in the overdraft facility would allow Council to fulfil its financial obligations in a timely manner.

**Voting Requirements:**

Absolute Majority

**COUNCIL DECISION/OFFICER'S RECOMMENDATION:**

**Moved: Councillor Halleen**

**Seconded: Councillor Foulkes-Taylor**

That Council approve an increase in its bank overdraft facility to \$500,000.

**CARRIED 5/0**

**21. ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

**21.1 Matter of a confidential nature.**

**COUNCIL DECISION:**

Moved: Councillor Halleen

Seconded: Councillor Foulkes-Taylor

That Council move behind closed doors to discuss matters of a confidential nature.

**CARRIED 5/0**

**COUNCIL DECISION:**

**Moved: Councillor Foulkes-Taylor**

**Seconded: Councillor Seaman**

That Council close the Behind Closed Doors session and move back into a normal meeting.

**CARRIED 5/0**

**22. MEETING CLOSURE**

Shire President, Councillor Broad closed the meeting at 6.00pm

## ACTION LIST 2011

Item No	Originator	Action	Officer/Councillor	Schedule	Status
1	MSC June 2011 Council meeting	Finalise CBD Development Committee meeting	CEO	ASAP	To arrange c/tee meeting
2	MSC	Contact Shire of Shark Bay to make Butchers track a joint road of Regional significance	CEO	July 2011	
3	MSC Nov 2010 Council meeting	Prepare report on implications of changing road hierarchy from Mt Wittenoom/Meka Rd to Kalli Rd	CEO	Feb 2011	In Progress
4	MSC June 2011	Review Emergency M/ment plan	CEO	ASAP	In Progress Met with FESA. 9/6/11
5	MSC May 2011	Contact Northampton Shire re Yallalong Road not being maintained	CEO	ASAP	Shire of Northampton claim to have deregistered road and not willing to grade now.
6	MSC May 2011	Bush Fire Brigade – all units to be serviced and operational	CEO/MEMBERS	ASAP	In progress, Community meeting to be held 3/9/11
7	MSC May 2011	Relocate stables and stock ramp from near community centre	CEO/ELECTED MEMBERS	ASAP	