



Western Australia

Minutes of the Special Meeting of the Murchison Shire Council,
In accordance with Section 5.4(a) (i) of the Local Government Act 1995
a Special Meeting of the Shire of Murchison was held in the
Council Chambers, Carnarvon Mullewa Road, Murchison,
On Friday **11th July 2014**, commencing at 2:00 pm.

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1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Shire president declared the meeting open at 2.05pm

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Elected Members:

Councillor M Halleen, Shire President
 Councillor RE Foulkes-Taylor, Deputy Shire President
 Councillor SA Broad
 Councillor A Whitmarsh
 Councillor M Williams

Staff:

Jenny Goodbourn – Chief Executive Officer
 Brian Wundenberg – Works Supervisor
 Candice Smith – Senior Finance Officer

Apologies:

Councillor P Squires

Leave of Absence:

Nil

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTION TIME

Nil

4.1 Standing Orders

Council Decision:

Moved: Councillor Broad

Seconded: Councillor Foulkes-Taylor

That the following Local Law-Standing Orders 2001 be stood down:

- 8.2 Limitation on the number of speeches
- 8.3 Duration of speeches

Carried

For: 5

Against: 0

5. NEXT MEETING

The scheduled date for the next ordinary meeting is Friday 18th July 2014.

6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7. NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

Nil

8. REPORTS

8.1 Reports – Chief Executive Officer

In accordance with S5.4 (b) of the Local Government Act 1995 a Special Meeting was called for the purpose of dealing with three items:-

Capital Works Programme for 2014-2015;
 Members Remuneration for 2014-2015; and

Review of the draft budget for 2014-2015.

Officers Recommendation:

That the Chief Executive Officer’s report be accepted

Voting:

Simple Majority

Council Decision:		
Moved: Councillor Williams	Seconded: Councillor Whitmarsh	
That the Chief Executive Officer’s report be accepted.		
Carried	For: 5	Against: 0

9. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

None

10. ADMINISTRATION

10.1 Construction Programme for 2014-2015

File:	12.9
Author:	Jenny Goodbourn
Interest Declared:	No interest to disclose
Date:	11 th July 2014
Attachments:	Construction Programme

Matter for Consideration:

Council to consider the proposed construction programme for 2014-15.

Background:

At the May council meeting councillors discussed the proposed works programme for 2014-15 following on from the road inspection carried out earlier in the year. This has now been worked through and costed.

Comment:

The proposed construction programme is:-

Carnarvon/Mullewa Road - (South of Byro job) finish off reforming road and gravel sheeting
Carnarvon/Mullewa Road - Two calcrete sections south and north of Tin Hut Creek require boxing out to a depth of 100mm. Fresh dirt needs to be pulled in from both sides and then remixed with polycom added, re-crushed and laid back down with a good rolling - 2.5kms
Carnarvon/Mullewa Road - on southern end of above section (calcrete) water lays on the road. This was picked up in last year's inspection and will require about 1km of gravel sheeting plus improvements to bunds, drains and contour banks. - 2.2kms
Carnarvon/Mullewa Road - Reform section from Woodleigh/Byro turn-off south. Need to improve water flow at the bunds as water lays here in wet times. Sections will need to be boxed out, replaced with calcrete and good drainage on down side alongside of the bund to be installed - 2.5kms
Woodleigh/Byro Road - Requires gravel sheeting of stony sections, straightening out of some corners, new bunds and repairs to existing bunds.

Carnarvon/Mullewa Road- 5.2km north of Mt Narryer water lays on road. This is a 1km section - Rebuild where water lays (about 400m) up 400mm. The rest of this section needs reforming by pulling in from sides and then gravel sheeting 150mm. Re-dress bunds and drains.
Carnarvon/Mullewa Road – 27km north of settlement - water lays on the road. This is a 1.5km section of road that requires reforming up by ripping both sides of the road and sheeting with calcrete. Requires one new bund and drains need to be flatter and longer on west side. Need to place a contour on east side of the road from bund to bund.
Carnarvon-Mullewa Road - Sealing of the 4km section north of the Murchison river. Week to trim up and cost of seal.
Beringarra/Pindar Road - Completion of form work and then sealing of the three dust suppression jobs at Tallering, Yuin and the Pia Community - Two weeks for shire then cost to seal.
Beringarra-Cue Road. Put in off shoot drains. New floodways in various places. Repairs to the shoulder on west side of road 2km south of Mileura station homestead. Place a contour bank on west side of road 400m south of shoulder. Repair to prevent shoulder damage. Remove all but boundary grids - <i>funding to come from Mitsubishi funds.</i>
Wooleen/Mt Wittenoom Road - 2.4km of new alignment. Clear the new alignment - shape up road, gravel sheet where required, box out floodway and replace with gravel. Place stone wall in floodway. Put in new driveway for Wooleen station. New alignment through small creek at Wooleen wool shed.
Carnarvon/Mullewa Road - Forming up and gravel sheeting from the settlement to Butchers Track turn off – 8km - <i>RRG funded project - RRG 263,667 SOM \$131,833</i>
Twin Peaks/McNabb's road - 3.1km of calcrete sheeting south from the Sanford River.
Butchers Track Road - Gravel sheeting over stony section west from Muggon shed turn off - 1.2km. Move bunds and drains 5km before western boundary. Signage required.
Concrete Crossing Repairs for the year - Yarra-Yarra River 3km south of Byro on the Carnarvon-Mullewa road
Additional replacement grids on Beringarra-Pindar Road and various other roads.
CSIRO – Safety Signage etc. – to use up remaining funds from CSIRO provided in May 2013
Ballinyoo Bridge – New bridge project

A full break-up with costings of the programme is attached.

The Works Supervisor commented that we had originally included concrete crossings at Yallalong and Yarra-Yarra but the one at Yallalong was now being deferred and allowance only made for the one at Yarra-Yarra, it was suggested that the extra money be spent on more grids.

Cr Broad commented that in the past after the road inspection there was a list of priorities made before the budget was constructed. The CEO replied that at the May meeting the Works Supervisors report had included this report and it was discussed by council.

Cr Broad also commented that there did not seem to be any of the re alignments in this budget discussed during the road inspection. The Works Supervisor replied that the programme was based on completing previous years priorities then moving onto new jobs in an orderly fashion rather than moving from jobs at one end of the shire to the other.

Cr Foulkes-Taylor commented that whilst the road works were not formalised he liked the overall following up of jobs from previous years.

Cr Foulkes-Taylor commented that he thought the \$80K would not be enough for the crossing at Yarra Yarra and that it should be more like \$110K - \$130K. Cr Foulkes-Taylor also commented that 5 grids for \$105 - \$110K would be a good expansion.

Cr Broad felt that the Yarra-Yarra crossing was ok and that he would rather more money be spent on grids. The Works Supervisor replied that the Yarra-Yarra crossing had deteriorated and needed lifting as it is too low.

Cr Williams thoughts were that the crossings were deteriorating and that they needed work.

Cr Whitmarsh suggested that we don't take money from the crossings and make a start on them. The CEO made the suggestion to change the budget to 115K for grids and 123.5K for crossings. Cr Whitmarsh also commented that there had already been an incident at the crossing with damage to a vehicle.

President Halleen mentioned that they can't all utilise the Carnarvon-Mullewa road. He also thinks that the Yarra Yarra crossing needs doing and thinks that the CEO's suggestion is a good idea.

Cr Foulkes-Taylor mentioned that the cost of completing the concrete crossings is much more manageable right now compared to a few years ago when it was double the costs. It was also mentioned that this may be the case again in 3-4 years.

Cr Williams asked the Works Supervisor if any more grids could be sacrificed on the Pindar road. The Works Supervisor replied that there was no more that could be removed.

Cr Foulkes-Taylor noted that the costs associated with the grids may be a little higher as you are not allowed to utilise railway sleepers to make grids but have to use box tubing.

Statutory Environment:

Nil.

Sustainability Implications

- **Environmental**
There are no known significant environmental implications associated with this decision
- **Economic**
Road works are a major part of the shires economic operations and capital construction is included in all strategic plans. The proposed works are in line with the long term financial plan, asset management and corporate business plan.
- **Social**
There are no known significant social considerations associated with this decision

Strategic Implications:

Nil.

Policy Implications:

Nil.

Financial Implications:

The agreed Construction Programme forms part of the proposed 2014-2015 budget.

Consultation:

Nil

Recommendation

That Council adopt the Construction Programme for the 2014-2015 Financial year as detailed in the schedule attached and use this in developing the 2014-2015 annual budget.

Voting Requirements:

Simple majority.

Council Decision:

Moved: Councillor Foulkes-Taylor

Seconded: Councillor Whitmarsh

That Council adopt the Construction Programme for the 2014-2015 Financial year as detailed in the schedule attached and use this in developing the 2014-2015 annual budget. It was agreed that the Concrete Crossing's amount be adjusted to \$118,500 and the additional replacement grids be reduced to \$120,000.

Carried**For: 5****Against: 0****10.2 Elected Member Remuneration for 2014-2015**

File:	2.4
Author:	Jenny Goodbourn
Interest Declared:	No interest to disclose
Date:	11 th July 2014
Attachments:	N/A

Matter for Consideration:

Council to consider adopting Elected Member Remuneration as detailed in the table below.

Background:

A council member who attends a council or committee meeting is entitled to be paid a prescribed minimum fee and to be reimbursed for prescribed expenses.

The President, in addition, is entitled to a prescribed annual allowance and the local government may decide to pay the Deputy President an allowance up to 25% of that prescribed for the president.

Comment:

On 18 June 2014, the Salaries and Allowances Tribunal reviewed Elected Members Remuneration increasing maximums for attendance at Council Meetings and increasing the Presidents and Deputy Presidents Allowance by 3%. As last year, travel allowance is required to be claimed according to the Public Service Award 1992, however clarification as to which schedule can be used was sought last year.

In November last year the Salaries and Allowances Tribunal considered the request to be able to use Schedule E (car has to be provided) as opposed to schedule F (use of private vehicle). We argued that whilst it is not a necessity for someone to have a vehicle to stand for council the reality is that there is no public transport or taxi services in our region. The SAT response was “*Essentially, the Tribunal confirmed the current determination and took the view that Local Governments should make a decision based on their own particular circumstances.*” They did not uphold our request to allow the allowance to be based on where the member resided rather than the areas they travelled through so we will still have to calculate travel based on the three zones but we can use the rates in schedule E which are: Zone1- Metropolitan area \$1.855, Zone 2 – South West Land Division \$1.874 and Zone 3 – Rest of State \$1.947 per km. This means we will not need the additional \$1.00 per km paid as an allowance that we brought in last year to subsidise the reduction in travel.

If council wishes to go with a 3% increase this would see Councillors attendance fees increase from \$3,850 to \$3,970. The Presidents attendance fee rise from \$6,600 to \$6,800. The Presidents annual allowance would also be increased to \$6,800 and the Deputy Presidents annual allowance would increase from \$1,650 to \$1,700. The total budget allocation for 2014-2015 would need to be \$26,650 for member’s attendance allowance and \$8,500 for President and Deputy President’s allowance.

Based on say 11 ordinary meetings and two extraordinary and one trip to Perth for each member the travel expense would be approx. \$58,000.

Telecommunications allowance was \$1,100 for 2013-2014. A 3% increase would see this rise to \$1,135 per person.

The CEO Explained to the councillors how the new Councillors attendance fees and travel allowance had been determined by SAT in June this year.

Cr Broad asked the CEO about the boundaries on the map for the 3 zones. The CEO left the room and came back with the map of the zones and explained the areas relating to the 3 zones.

Cr Squires had phoned the office prior to the meeting and asked that it be mentioned that he would prefer the extra \$30K added to the travel allowance be used in another area of the budget. It was noted that Cr Squires had not fully understood the changes which had seen an increase in travel and decrease in members attendance allowance due to the changes in the travel rates compared to last year.

Statutory Environment:

Local Government Act 1995: s5.98 to 5.100
Salaries and Allowances Tribunal 18 June 2014

Sustainability Implications

- **Environmental**
There are no known significant environmental implications associated with this decision
- **Economic**
There are no known significant economic implications associated with this decision
- **Social**
There are no known significant social considerations associated with this decision

Strategic Implications:

Nil.

Policy Implications:

Nil.

Financial Implications:

Overall operating costs would rise by \$6,484 compared to last year but a provision has been made in the draft budget to cover the revised costs.

Consultation:

Nil

Recommendation

That Council adopt Elected Members Remuneration for the 2014-2015 Financial year as detailed in the schedule below.

The President is to be paid an Attendance Fee at the base rate of \$6,800, plus an Annual Allowance of \$6,800;

The Deputy President is to be paid an Attendance Fee at the base rate of \$3,970, plus an Annual Allowance of \$1,700;

All Members are to be paid an Attendance Fee at the base rate of \$3,970;

All Elected Members are to be paid a Telecommunications Allowance of \$1,135 per annum and a Travel Allowance based on the Public Service Award 1992 – Schedule E.

ELECTED MEMBERS REMUNERATION

	2013-14		2014-15	
	Range	Adopted	Range	Budget
Fees for Attending Council and Committee Meetings	\$	\$		
Councillor	3.5-9K	\$3,850	3.5-9.27K	\$3,970
President	3.5-18.5K	\$6,600	3.5-19.055K	\$6,800
	Range	Adopted	Range	Budget
Annual Local Government Allowances	\$	\$		
President	.5-19K	\$6,600	.5-19.57K	\$6,800
Deputy President	25%	\$1,650	25%	\$1,700
Other Fees – Elected Members	\$	\$		
Telecommunications Allowance	.5-3.5K	\$1,100	.5-3.5K	\$1,135
Travel Allowance	94.3/91/89.5 per km	94.3/91/89.5 per km	194.7/187.4/185.5 per km	194.7/187.4/185.5 per km

Voting Requirements:

Absolute majority.

Council Decision:**Moved: Councillor Broad****Seconded: Councillor Foulkes-Taylor**

That Council adopt Elected Members Remuneration for the 2014-2015 Financial year as detailed in the schedule below.

The President is to be paid an Attendance Fee at the base rate of \$6,800, plus an Annual Allowance of \$6,800;

The Deputy President is to be paid an Attendance Fee at the base rate of \$3,970, plus an Annual Allowance of \$1,700;

All Members are to be paid an Attendance Fee at the base rate of \$3,970;

All Elected Members are to be paid a Telecommunications Allowance of \$1,135 per annum and a Travel Allowance based on the Public Service Award 1992 – Schedule E.

Carried by Absolute Majority**For: 5****Against: 0****10.3 Draft Budget for 2014-2015**

File:	2.4
Author:	Jenny Goodbourn
Interest Declared:	No interest to disclose
Date:	11 th July 2014
Attachments:	N/A

Matter for Consideration:

Council to consider the draft budget for 2014/2015.

Background:

The audit committee met on the 20th June and held a workshop format meeting to go through the operating income and expenses and proposed capital expenditure as part of the development of the 2014-2015 budget.

Comment:

The budget has been further worked on and adjustments made. The capital programme, as per the earlier item, has been included and the insurance and depreciation has been adjusted in line with information received.

The CEO discussed any alterations made to the draft budget from the previous meeting and added that the depreciation and administration allocations had now been fully costed and the correct opening surplus calculated.

Cr Foulkes-Taylor asked the CEO why there was a \$400K difference from the previous draft. The CEO replied that the actuals on the previous draft budget were end of May figures and that projects were showing as underspent. The CEO explained that she had used the actual June figures for the cashflow and opening surplus for this draft and it therefore meant less \$ would need to be carried forward.

Cr Williams asked if the road bunding bill had been paid to which the CEO replied that it had been paid in June but it was not shown in schedule 12 as the figures were to the end May.

Cr Williams asked the CEO to explain why the admin salaries were up by \$60K? The CEO replied that there has been an allowance for a part time project officer included in the salaries and also a CPI pay rise.

Cr Williams then mentioned that the insurance was less than previous years and why was the sports complex insurance higher? The CEO replied that all of the property and plant insurances were less in 2014/2015 and that the sports complex insurance was higher because there had been a revaluation completed on the complex and it now included the sporting fields associated with the complex.

Cr Williams asked if the Other Rec costs were including the salaries of the staff to which the CEO confirmed that this was correct.

Cr Foulkes-Taylor asked the CEO what made up the \$20K for the water. The CEO explained that the costs were for an additional bore and signage advising of non-potable supply and then Cr Foulkes-Taylor asked if this was enough money to cover the costs.

The Works Supervisor then commented that when the water has been deemed non potable we not only need to put signs on the taps but the taps also need to be a different colour than they are currently.

The CEO asked the councillors to be aware that she had allowed \$5K for the Astrofest even though it is only biannual. This is to ensure that funding can be obtained for the years that the festival is on.

President Halleen asked how many tourist books we still have and do we need to get more printed in this new financial year. The CEO asked if we had an existing book for print as previously in another shire they had issues getting more printing complete. President Halleen commented that there had been several prints completed in the past. The actual count needs to be done as part of the year end stock take and some boxes are out in the sea container but there is sufficient for at least the next year.

Cr Foulkes-Taylor asked the CEO how the amount for the Anzac Memorial was arrived at. The CEO replied that it was the figure taken from the grant application.

The CEO mentioned to all of councillors that money had been received for the insurance claim on a former CEO's fraudulent activity. The CEO also mentioned that she has approached the insurance company for restitution of costs for the forensic audit completed which cost the shire substantial money. The shire is yet to be advised if they are to receive this money and how much.

Cr Broad commented that the \$6K allowed for his state council meetings was a little light and should be higher. The CEO commented that it could be made higher and then the associated costs would also be higher as it is claimed by the shire and then reimbursed to Cr Broad.

Cr Foulkes-Taylor asked if the ongoing costs with the new accounting programme were comparable to the existing costs. The CEO replied that they were and in the long run we would be able to save money with a more efficient system and month end reporting process

President Halleen asked if the \$30K cost to collect the data for Roman was a once off and the CEO confirmed that this was correct.

Cr Williams asked if the money for the new staff house if not spent would go back to the reserve account. The CEO explained that we do not transfer the money until after the project is complete and if it is not needed then it will not be transferred.

Cr Williams asked why the amount for the new post hole digger had risen? The Works Supervisor explained that the hydraulic driver they had was not suitable for the new PHD and they would need to purchase a new one. President Halleen asked if we would then sell on the existing PHD to offset the costs? It was the consensus from the previous meeting that this would be tendered as a surplus item of plant.

Cr Broad asked the Works Supervisor what was the biggest post we would use? And should we get an air compressor?

Cr Foulkes-Taylor commented that the trouble with the air compressor is that they are hard to use and he suggested we stay with the PHD. The air compressor is a very physical and noisy machine.

The CEO suggested that the council leave the provision in the budget and do not purchase anything until it has gone before the Plant Working Group. Everyone agreed this was a good idea.

Statutory Environment:

Section 6.2 of the Local Government Act 1995 refers.

Section 6.2(2) of the Act requires that in preparing its annual budget the Council is to have regard to the contents of its plan for the future prepared in accordance with section 5.56. Under the Integrated Planning Framework for Local Government, that is the Community Strategic Plan. This section requires that Council must prepare detailed estimates of:

- (a) Expenditure;
- (b) Revenue and income, independent of general rates

(c) The amount required to make up the ‘deficiency’ if any shown by comparing the estimated expenditure with the estimated revenue and income.

Section 6.2(3) requires that all expenditure, revenue and income must be taken in account unless otherwise prescribed. Local Government (Financial Management) Regulation 32 prescribes amounts that may be excluded in calculating the ‘budget deficiency’

Section 6.2(4) requires the annual budget to incorporate:

- (a) Particulars of estimated expenditure proposed;
- (b) Detailed information relating to the rates and service charges which will apply, including:
 - (a) Amount estimated to be yielded by the general rate
 - (b) Rate of interest to be charged on unpaid rates and service charges;
 - (c) Fees and charges;
 - (d) Borrowings and other financial accommodations proposed;
 - (e) Reserve account allocations and uses;
- (f) Any proposed land transactions or trading undertakings per section 3.59

Sustainability Implications

- **Environmental**
The budget has been developed in conjunction with the shires integrated planning documents with particular reference to the corporate Business Plan, Long Term Financial Plan and Asset Management Plan.
- **Economic**
The budget has been developed in conjunction with the shires integrated planning documents with particular reference to the corporate Business Plan, Long Term Financial Plan and Asset Management Plan.
- **Social**
The budget has been developed in conjunction with the shires integrated planning documents with particular reference to the corporate Business Plan, Long Term Financial Plan and Asset Management Plan.

Strategic Implications:

Nil.

Policy Implications:

Nil.

Financial Implications:

The setting of the 2014-2015 budget will control the financial operations of the shire over the coming year.

Consultation:

UHY Haines Norton
Works Supervisor

Recommendation

That Council adopt the draft budget as presented and use this to develop the budget in its statutory format for formal adoption at the July meeting.

Voting Requirements:

Simple majority.

Council Decision:		
Moved: Councillor Williams		Seconded: Councillor Foulkes-Taylor
That Council adopt the draft budget as presented and use this to develop the budget in its statutory format for formal adoption at the July meeting.		
Carried	For: 5	Against: 0

11. URGENT BUSINESS

Nil

12. ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

Nil

13. MEETING CLOSURE

There being no further business the Shire President declared the meeting closed at 3.08pm

These Minutes were confirmed at the council meeting held on Friday 18th July 2014.

Signed.....Presiding Officer