

SHIRE OF TAMMIN

Minutes of the Ordinary Council Meeting held at Council Chambers, 1 Donnan Street, Tammin, on Wednesday, 7 September 2005, commencing at 1:00pm

DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

3:00pm - The Presiding Person, Cr Leslie declared the meeting open.

RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Present

Cr. B. Leslie	President (Presiding Person)
Cr. L Caffell	Deputy President
Cr. R Stokes	Member
Cr. M Greenwood	Member (until 7:26pm)
Cr M Wheeldon	Member
Cr S Jefferies	Member
Mr F. Peczka	Chief Executive Officer
Miss G. Stewart	Personal Assistant (Minutes)

Apologies

Leave of Absence

Nil

RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE- Nil

PUBLIC QUESTIONS TAKEN ON NOTICE

APPLICATIONS FOR LEAVE OF ABSENCE - Nil

DECLARATION OF INTEREST - NIL

PRESENTATIONS - NIL

MEETING GUEST

1:30pm – CBH representatives, Graeme Smallman and John Merritt entered Council Chambers.

They discussed matters relating to structural changes, on farm quality accreditation, receival point assessments, overloaded trucks, facility improvements, facility contributions.

2:53pm – CBH left Council Chambers.

3:00pm - Dave Flaherty of Kellerberrin Police Station entered Council Chambers and spoke about his proposed Adopt a Cop campaign at Tammin Primary School and policing standards and standards in Tammin.

CONFIRMATION OF MINUTES PREVIOUS MEETING

MINUTES OF ORDINARY COUNCIL MEETING HELD ON WEDNESDAY, 10 AUGUST 2005

MIN 142/05 MOTION - Moved Cr. Caffell 2^d Cr. Jefferies

That the minutes of the Ordinary Meeting of the Shire of Tammin held on 10 August 2005 at Council Chambers, Tammin be confirmed as a true and correct record.

CARRIED 6/0

MINUTES OF SPECIAL COUNCIL MEETING HELD ON WEDNESDAY, 10 AUGUST 2005

MIN 143/05 MOTION - Moved Cr. Wheeldon 2^d Cr. Caffell

That the minutes of the Special Council Meeting of the Shire of Tammin held on 10 August 2005 at Council Chambers, Tammin be confirmed as a true and correct record.

CARRIED 6/0

MINUTES OF SPECIAL COUNCIL MEETING HELD ON WEDNESDAY, 18 AUGUST 2005

MIN 144/05 MOTION - Moved Cr. Jefferies 2^d Cr. Greenwood

That the minutes of the Special Council Meeting of the Shire of Tammin held on 18 August 2005 at Council Chambers, Tammin be confirmed as a true and correct record.

CARRIED 6/0

MINUTES OF SPECIAL COUNCIL MEETING HELD ON WEDNESDAY, 25 AUGUST 2005

MIN 145/05 MOTION - Moved Cr. Greenwood 2^d Cr. Stokes

That the minutes of the Special Council Meeting of the Shire of Tammin held on 25 August 2005 at Council Chambers, Tammin be confirmed as a true and correct record.

CARRIED 6/0

BUSINESS ARISING FROM MINUTES

MIN 146/05 MOTION - Moved Cr. Caffell 2^d Cr. Wheeldon

That MIN89/05 regarding computer and office equipment be put on hold.

CARRIED 6/0

MINUTES OF KELLERBERRIN TAMMIN RESOURCE SHARING MEETING HELD ON FRIDAY, 26 AUGUST 2005

MIN 147/05 MOTION - Moved Cr. Wheeldon 2^d Cr. Caffell

That the minutes of the Development Services Committee Meeting of the Shire of Tammin held on 31 August 2005 at Council Chambers, Tammin be confirmed as a true and correct record with the following amendment:

- *NIL to be deleted after apologies.*

CARRIED 6/0

MINUTES OF DEVELOPMENT SERVICES COMMITTEE MEETING HELD ON WEDNESDAY, 31 AUGUST 2005

MIN 148/05 MOTION - Moved Cr. Stokes 2^d Cr. Wheeldon

That the minutes of the Development Services Committee Meeting of the Shire of Tammin held on 31 August 2005 at Council Chambers, Tammin be confirmed as a true and correct record.

CARRIED 6/0

BUSINESS ARISING FROM MINUTES – Nil

ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION - Nil

11. AGENDA ITEMS - CORPORATE SERVICES

Agenda Reference:	11.1.1
Subject:	Notice of Withdrawal from Resource Sharing Agreement- Formalisation of
Location:	Shire of Tammin
Applicant:	Shire of Tammin and Kellerberrin Tammin Resource Sharing Committee
File Ref:	ADM26
Disclosure of Interest:	N/A
Date:	31 st August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Kellerberrin Tammin Resource Sharing Committee Minutes of 26th August 2005 reads:

MIN RS20/05 MOTION - Moved Cr. Lamplugh 2nd Cr. Stokes

That the Resource Share Committee accepts and recommends to both Local Governments the Shire of Tammin's application to withdraw from the current Resource Share Agreement as at 15th December 2005.

CARRIED 12/0

Resource Sharing COMMITTEE RECOMMENDATIONS OF 5 JULY 2005 READS:

MIN RS12/05 MOTION - Moved Cr. Giles 2nd Cr. Morrell

That the Shire of Kellerberrin and the Shire of Tammin, acknowledge the existing Resource Sharing Agreement currently in place and to remain so until a new Agreement has been executed.

CARRIED 10/0

MIN RS13/05 MOTION - Moved Cr. Doncon 2nd Cr. Stokes

That the Resource Share Committee recommends to each Council:

That the Withdrawal Clause within the Resource Share Agreement be amended to reflect a minimum of six (6) months written notice be given of intention of withdrawal.

That the above aforementioned motion be also addressed within the re-writing of the new Resource Share Agreement.

CARRIED 10/0

Shire of Tammin Ordinary Council Meeting Minutes of 15th June 2005 reads;

MIN 105/05 MOTION – Moved Cr Stokes 2nd Cr Greenwood

That Council give notice of withdrawal from the current Resource Share Agreement with the Shire of Kellerberrin.

CARRIED 6/0

COMMENT

The Shire of Tammin needs to confirm its position of withdrawal from the Kellerberrin Tammin Resource Sharing Agreement following on from Councils minuted motions from its June 2005 Ordinary Meeting and the recent Resource Sharing Committee Meeting on Friday 26th August 2005. Clear direction is required to be given to the Shire of Kellerberrin, all Staff of both local governments and the resource Sharing Committee.

FINANCIAL IMPLICATIONS

Shire of Tammin 2005/2006 Budget – resource sharing expenses and revenue

- Salaries and Wages Budget for 2005/2006

Shire of Kellerberrin 2005/2006 Budget – resource sharing expenses and revenue

- Salaries and Wages Budget for 2005/2006

Corporate Governance and Statutory requirements to revise Councils structure of Human resources requirements to serve the Community and to deliver the programs set by the Council in their annual budgeting process.

POLICY IMPLICATIONS

Kellerberrin - Tammin Resource Sharing Agreement dated November 2004 – clauses 15 and 16, reads as follows;

Clause 15 Withdrawal from Agreement

15 (a) *A Shire may only withdraw from this Agreement by giving the other Shire notice in writing of its intention to do so and the Shire shall be considered as having withdrawn from this Agreement from and including the day following either;*

(i) the expiry of six (6) calendar months after the date of receipt of the notice by the Committee; or

(ii) the expiry of the financial year during which the notice was given, whichever is the longer period.

15 (b) *In this clause "financial year" means a period of twelve (12) months ending the 30th June.*

Clause 16 Termination of Agreement

16 (a) The Committee may terminate this agreement by a resolution to that effect passed by a clear majority of the members of the Committee.

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004 – Division 2 – Annual Budget

- *Section 6.2 (1)* requires that not later than 31st August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.
- *Section 6.2 (4)* requires the annual budget is to incorporate;
(a) particulars of the estimated expenditure proposed to be incurred by the local government.
- Section 5.35 – a local government is to employ a person to be the CEO of a local government.
- Section 5.38 – contract of employment for the appointed CEO or designated Senior Employees.

STRATEGIC PLAN IMPLICATIONS

Shire of Kellerberrin Strategic Plan:2003 to 2006 – Resource Sharing Objectives

Shire of Kellerberrin 2003-2006 Strategic Plan: Theme 3:Council Relationships & Resources

1. *Resource Sharing*

2.1 *Consolidate current resource sharing with Shire of Tammin*

2.2 *Investigate further opportunities for resource sharing with Shire of Tammin*

Shire of Tammin Strategic Plan:2003 to 2006 – Resource Sharing Objectives.

Shire of Tammin Strategic Plan 2003–2006 -

Theme 4: Our Organisation - *New Initiatives/Innovations:*

4.2 Promote our resource-sharing model and identify opportunities to raise revenue from consultancy and sale of intellectual property.

4.3 Investigate developing a relationship with a metropolitan Council for knowledge sharing and mutual benefit.

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION: Nil (not known at this time)

STAFF RECOMMENDATION

That Council confirms withdrawal from the Kellerberrin Tammin Resource Sharing Agreement and with the Shire of Kellerberrin, as of 15th December 2005 at 5.00pm

COUNCIL RECOMMENDATION

MIN 149/05 MOTION - Moved Cr. Stokes 2nd Cr. Greenwood

That Council confirms withdrawal from the Kellerberrin Tammin Resource Sharing Agreement with the Shire of Kellerberrin, as of 15th December 2005 at 5.00pm

CARRIED 6/0

Agenda Reference:	11.1.2
Subject:	Renewal/Renegotiation of Chief Executive Officer Contract of Employment
Location:	Kellerberrin Tammin Resource Sharing August Committee Meeting
Applicant:	Administration - Shire of Tammin
File Ref:	ADM-26/PERS-CEO
Disclosure of Interest:	Frank Peczka, Chief Executive Officer – employed person
Date:	31 st August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Kellerberrin Tammin Resource Sharing Committee Meeting held on Friday 26th August 2005 reads;

MIN RS22/05 MOTION - Moved Cr. Caffell 2nd Cr. Morrell

That the Resource Share Committee accepts the Shire of Tammin's intent not to renew the current Chief Executive Officers Contract and that each Local Government employ their own Chief Executive Officer.

CARRIED 12/0

REASON:

Shire of Tammin has given notice not to renew current CEO employment contract.

Kellerberrin Tammin Resource Sharing Committee Meeting held, 26th August 2005 Minute reads;

COMMITTEE RECOMMENDATION

NOTE:

The Resource Share Committee did not require to discuss this item as the Shire of Tammin withdrew from the Current Resource Share Agreement with the intent of employing their own Chief Executive Officer.

Kellerberrin Tammin Resource Sharing Committee Meeting held on Friday 26th August 2005

MIN RS24/05 MOTION - Moved Cr. Doncon 2nd Cr. Jefferies

- 1 *That the Resource Share Committee recommends that the Shire of Tammin researches the statutory requirement to complete a Performance Appraisal of the Chief Executive Officer*

CARRIED 12/0

REASON:

Acknowledging Shire of Tammin's notice to employ their own CEO.

Shire of Kellerberrin Ordinary Council Meeting held on Tuesday 19th August 2005

MIN 226/05 MOTION - Moved Cr. Lamplugh 2nd Cr. Morrell

1. *That the letter dated 15 August 2005 from the Shire President of Tammin be tabled and acknowledged.*
2. *That the Shire of Kellerberrin Council will offer the current Chief Executive Officer a Contract of Employment renewal.*
3. *That the Kellerberrin Shire Council is committed to the continuance of a Kellerberrin Tammin Resource Share Agreement and look forward to the outcomes of the Cost Analysis Report with a view to progressing a Resource Share Agreement.*

CARRIED 7/0

REASON:

Council confirming its intent of renewing Chief Executive Officer's Contract of Employment and commitment to continue Resource Sharing.

Shire of Tammin August 2005 Ordinary Council Meeting Minutes reads:

COUNCIL RECOMMENDATION

MIN 120/05 MOTION - Moved Cr. Jefferies 2nd Cr. Wheeldon

1. *That the Shire President of the Shire of Tammin write a letter to the President of the Shire of Kellerberrin to advise the Shire of Tammin's intentions and decisions regarding Resource Sharing and CEO Contract Renewal.*
2. *Letter to be delivered before the next Ordinary Council Meeting of the Shire of Kellerberrin on Tuesday, 16 August 2005.*

CARRIED 5/0

Shire of Kellerberrin July 2005 Ordinary Council Meeting Minute reads:

COUNCIL RECOMMENDATION

MIN 196/05 MOTION - Moved Cr. Leake 2nd Cr. Morrell

That the Shire of Kellerberrin, advise the Shire of Tammin the following response to their discussion points:

- 1. That the Shire of Kellerberrin expresses disappointment to the Shire of Tammin's response regarding motion RS16/05 in that the points raised in motion RS16/05 were to deal with renewal of the CEO Employment Contract and not to do with Roadworks and Cost Analysis Report as stated in the Shire of Tammin letter dated 14 July 2005 and Shire of Tammin motion MIN117/05.*
- 2. That the Shire of Kellerberrin requests the Shire of Tammin provide written response as directed by the Resource Share Committee Meeting in motion RS16/05 and in accordance with agreement reached at that meeting.*

CARRIED 6/1

Shire of Tammin July 2005 Ordinary Council Meeting Minute reads:

LATE ITEM 3 - Resource Sharing

MIN 117/05 MOTION - Moved Cr. Wheeldon 2nd Cr. Stokes

That the Shire of Tammin submit the following discussion points to the Shire of Kellerberrin

Discussion Points

*Merits of individual shires completing their own roadworks programs before Resource Sharing outside staff and equipment.
Await completion of financial Cost Benefit Analysis Report to analyse cost savings of Resource Sharing.*

CARRIED 4/0

Kellerberrin Tammin Resource Sharing 5th July 2005 Committee Meeting Minute reads:

MIN RS16/05 MOTION - Moved Cr. Jefferies 2nd Cr. Morrell

That in order to progress the renewal of the CEO Employment Contract this Committee recommends that the Shire of Tammin outline to the Shire of Kellerberrin changes they require to current resource sharing agreement.

That the information, be presented to the next Ordinary Meeting, of the Shire of Kellerberrin, on Tuesday 19th July 2005.

CARRIED 8/0

COMMENT

I would like to record my disappointment at the process of being notified of the decision of the Council not to record in minute procedure and not to inform me direct of my Employment Contract not being supported for renewal and/or not being renewed with the Shire of Tammin, by the Council. I am disappointed that after the "hard yards" of managing the continual improvements to Councils Administration and Management procedures and systems and improving the Financial Performance of the Council, that I was advised of Councils decision via a tabled letter.

Best wishes to the Council and the Community in their future endeavours.

FINANCIAL IMPLICATIONS

Shire of Tammin 2005/2006 Budget – resource sharing expenses and revenue

- Salaries and Wages Budget for 2005/2006

Shire of Kellerberrin 2005/2006 Budget – resource sharing expenses and revenue

- Salaries and Wages Budget for 2005/2006

Corporate Governance and Statutory requirements to revise Councils structure of Human resources requirements to serve the Community and to deliver the programs set by the Council in their annual budgeting process.

Council will need to provide guidance on the negotiation for the Chief Executive Officer to continue serving the Shire of Tammin with the Shire of Kellerberrin beyond the agreed date for ceasing the resource sharing agreement for all staff involved and the pro-rata of outstanding payment to the current Chief Executive Officer under the Contract of Employment and the calculation of leave entitlements accrued and other agreed employment conditions to the expiry of the Contract of Employment at 12th January 2006.

POLICY IMPLICATIONS

Resource Share Agreement between the Shire of Kellerberrin and the Shire of Tammin, as amended November 2004;

Clause 7. Employment of Chief Executive Officer

- *Sub Clause 7 (c); The Salary package for the current Chief Executive Officer of the Shire of Kellerberrin will remain in accordance within the terms and conditions as set by the Shire of Kellerberrin.*

STATUTORY IMPLICATIONS

Contract of Employment Document executed by the Shire of Kellerberrin and the Shire of Tammin and the Chief Executive Officer and amended on 20th July 2004 reads;

1. Clause 2 – Contract Term

2.1 Term

Subject to the terms and conditions of this Contract the Council shall employ the Employee as the Chief Executive Officer, for the term of three (3) years, commencing on the 13th January 2003 and expiring on the 12th January 2006.

2.2 Extension of Term

There is no compulsion on either the Council or the Employee to agree to an extension of the Term, however:

2.2.1 the Council shall invite the Employee in writing not later than six months prior to the expiry of the Term to discuss the possibility of the parties entering into a new Contract for a further term with the intent of finalizing those discussions not later than three months prior to the expiry of the Term; and

2.2.2 in the event that the Council and the Employee agree to an extension of the Term, this Contract shall continue to apply unless varied in writing by the parties.

Shire of Tammin Ordinary Council Meeting Minute reads;

MIN 83/05 MOTION – Moved Cr Stokes 2nd Cr Greenwood

That the Shire of Tammin recommends to the Joint Resource Sharing Committee to consider amending Clause 7. Employment of Chief Executive Officer of the Resource Sharing Agreement, with the following;

7a. The Committee shall conduct the appointment process for the Chief Executive Officer of the Shire of Kellerberrin and the Shire of Tammin to provide the services referred to in sub-clause (b) of this clause within the districts of the Shires in accordance with this agreement. The Committee shall recommend the preferred applicant to each Local Government for appointment.

7b. The review process for the Chief Executive Officers Contract for the Shire of Kellerberrin and the Shire of Tammin will be conducted by the Resource Share Committee with recommended outcomes to be presented to each local government.

CARRIED 6/0

REASON:

Council seeks to establish clear guidelines for the recommended process to be considered and in consideration of the statutory processes that are in place for the appointed Chief Executive Officer.

AMENDMENTS TO RESOURCE SHARING AGREEMENT DOCUMENT (CEO Contract of Employment Document Review/Negotiation) – Shire of Tammin

Shire of Tammin Special Council Meeting on Resource Sharing Committee Matters dated 1st June 2005 reads;

Chief Executive Officer Renewal/Review of Employment Contract

Note: *Council had no recommendations to be presented at this time.*

CONTRACT OF EMPLOYMENT DOCUMENT CEO NEGOTIATION/RENEWAL – Shire of Kellerberrin

Shire of Kellerberrin Special Council Meeting Minutes dated 6th June 2005, reads;

MIN /05 MOTION - Moved Cr Doncon 2nd Cr Morrell

That advice be sought for a set of KPI's to strengthen the Chief Executive Officer employment contract with the view of offering a new contract to our current Chief Executive Officer.

CARRIED 7/0

CONTRACT OF EMPLOYMENT DOCUMENT CEO NEGOTIATION – KPI's for the CEO – Shire of Kellerberrin

Shire of Kellerberrin Ordinary Council Meeting dated 21st June 2005 reads;

MIN 137/05 MOTION – Moved Cr Morrell 2nd Cr Lamplugh

That the Council recommends the following motion to the next Resource Sharing Committee Meeting scheduled for 5th July 2005, as follows;

That each Council prepare a draft set of KPI's for the CEO for inclusion in the negotiation process for Contract of Employment Renewal Document of the CEO.

CARRIED 7/0

CONTRACT OF EMPLOYMENT DOCUMENT - Shire of Kellerberrin and the Shire of Tammin and the employed Chief Executive Officer, document amended July 2004.

Shire of Tammin Employment Contract Document; Clause 5 – Remuneration Package

5.1 Remuneration – As determined by the contract with the Shire of Kellerberrin. The remuneration for the position of Chief Executive Officer is negotiated with the Shire of Kellerberrin. Ancillary benefits provided by the Shire of Tammin are as follows;

5.1.1 CDMA Mobile Phone 100% costs

5.1.2 Motor Vehicle (Statesman or equivalent) All costs associated with the provision of the vehicle are included in the contract prepared by the Shire of Kellerberrin.

Shire of Kellerberrin Employment Contract Document; Clause 5 - Remuneration Package

5.1 Remuneration – states the entitled remuneration employment package in detail

5.2 Salary (Cash Component)

5.2.1 The remuneration package referred to in sub clause 5.1 shall be reviewed annually by Council.

5.2.2 The Employee's salary shall be payable fortnightly, in arrears to a bank account nominated by the Employee

LOCAL GOVERNMENT AMENDMENT ACT 2004: section 5.39 – Contracts for CEO's and senior employees

LGAs5.39 (1) The employment of a person who is a CEO or senior employee is to be governed by a written contract in accordance with this section.

LGAs5.39 (2) A contract under this section;

(a) in the case of an acting or temporary position, cannot be for the term exceeding one year;

(b) in every other case, cannot be for a term exceeding 5 years.

LGAs5.39 (4) contract under this section is to be renewable and subject to subsection (5), may be varied.

LGAs5.39 (5) A provision in, or condition of, an agreement or arrangement has no effect if it purports to affect the application of any provision of this section.

Kellerberrin Tammin 26th August 2005 Resource Sharing Committee Meeting Minute reads;

COMMITTEE RECOMMENDATION

NOTE:

The Resource Share Committee did not require to discuss this item as the Shire of Tammin withdrew from the Current Resource Share Agreement with the intent of employing their own Chief Executive Officer.

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION

Councillors and Council of the Shire of Tammin
Cr Rod Giles President Shire of Kellerberrin by direct mail
Councillors of the Shire of Kellerberrin
Kellerberrin Tammin Resource Sharing Committee

STAFF RECOMMENDATION

That Council gives formal written notice to the current Chief Executive Officer that the current Contract of Employment with the Shire of Tammin will not be renewed and will terminate on 15th December 2005 in accordance with Council decision to withdraw from the Kellerberrin Tammin Resource Sharing Agreement and in accordance with the Local Government Amendment Act 2004 and the Contract of Employment with the Chief Executive Officer.

That Council provides written notice of this decision to the Shire of Kellerberrin.

COUNCIL RECOMMENDATION

MIN 150/05 MOTION - Moved Cr. Jefferies 2nd Cr. Caffell

That Council gives formal written notice to the current Chief Executive Officer that the current Contract of Employment with the Shire of Tammin will not be renewed and will terminate on 12th January 2006.

That Council provides written notice of this decision to the Shire of Kellerberrin.

In consideration of the Resource Sharing Agreement terminating on the 15 December 2005 that the Chief Executive Officer continue to Resource Share the services of the current Chief Executive Officer to the expiry of the contract on 12th January 2006.

That current Resource Sharing structure for sharing of the Chief Executive Officer be retained as per the Resource Sharing Agreement and the Contract of Employment with the Shire of Tammin up to 12th January 2006.

CARRIED 6/0

REASON

Council are terminating Resource Sharing on 15 December 2005 but would like to continue with the Chief Executive Officers employment contract until expiry on 12th January 2006.

Agenda Reference:	11.1.3
Subject:	Performance Appraisal Requirement for the current Chief Executive Officer
Location:	Shire of Tammin
Applicant:	Kellerberrin Tammin Resource Sharing Committee Recommendation
File Ref:	ADM-26/PERS-CEO
Disclosure of Interest:	Frank Peczka, Chief Executive Officer-employed person
Date:	31 st August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Kellerberrin Tammin Resource Sharing Committee Recommendation from Meeting held on Friday 26th August 2005

MIN RS24/05 MOTION - Moved Cr. Doncon 2nd Cr. Jefferies

That the Resource Share Committee recommends that the Shire of Tammin researches the statutory requirement to complete a Performance Appraisal of the Chief Executive Officer

CARRIED 12/0

REASON:

Acknowledging Shire of Tammin's notice to employ their own CEO.

SHIRE OF KELLERBERRIN 28 JULY 2005 SPECIAL COUNCIL MEETING MINUTES READ:

COUNCIL RECOMMENDATION

MIN 214/05 MOTION - Moved Cr. Morrell 2nd Cr. Doncon

That the Chief Executive Officer Performance Review for October 2005 include a round table discussion of the appraisal questions with the Chief Executive Officer to assist Councillors with the rating of the Chief Executive Officer's Performance Review.

CARRIED 6/0

COUNCIL RECOMMENDATION

MIN 215/05 MOTION - Moved Cr. Doncon 2nd Cr. Lamplugh

That questions for the Chief Executive Officer Performance Review be the same format as the Shire of Mt Marshall Chief Executive Officer Performance Review.

CARRIED 6/0

COUNCIL RECOMMENDATION

MIN 216/05 MOTION - Moved Cr. Pontifex 2nd Cr. Morrell

That the Chief Executive Officer Performance Review has a rating of 5 numbers as per the December 2004 Shire of Kellerberrin Chief Executive Officer Performance Review.

CARRIED 6/0

SHIRE OF KELLERBERRIN JULY 2005 ORDINARY MEETING MINUTE READS:

COUNCIL RECOMMENDATION

MIN 197/05 MOTION - Moved Cr. Leake 2nd Cr. Pontifex

That Council hold a Special Council Meeting on Thursday, 28 July 2005 commencing at 7:00pm to discuss KPI's and KRA's of the CEO Contract and Performance Appraisal.

CARRIED 7/0

KELLERBERRIN TAMMIN RESOURCE SHARING COMMITTEE MEETING RECOMMENDATION OF 5 JULY 2005 reads:

MIN RS17/05 MOTION - Moved Cr. Leake 2nd Cr. Morrell

"That the Resource Sharing Committee recommends to each Council the following;

- 1. That each Council be responsible for the undertaking of the Performance Appraisal of their appointed CEO by October 2005 – (RSC Agenda one month in advance) and present a report at the completion of the Appraisal to the next scheduled Resource Sharing Committee for consolidation.*
- 2. That the November 2005 Resource Sharing Committee is to consolidate each Councils appraisal results and present final outcomes and recommendations to each Councils December 2005 Ordinary Meetings for adoption.*

CARRIED 8/0

Shire of Kellerberrin Ordinary Council Meeting Minutes of 21st June 2005 reads;

MIN 174/05 MOTION – Moved Cr Leake 2nd Cr Morrell

"That the following of the Council be presented to the next scheduled Resource Share Committee Meeting for July 5, 2005, as follows;

- 1. That each Council be responsible for the undertaking of the Performance Appraisal of their appointed CEO by October 2005 – (RSC Agenda one month in advance) and present a report at the completion of the Appraisal to the next scheduled Resource Sharing Committee for consolidation.*
- 2. That the November 2005 Resource Sharing Committee is to consolidate each Councils appraisal results and present final outcomes and recommendations to each Councils December 2005 Ordinary Meetings for adoption.*

CARRIED 7/0

SHIRE OF KELLERBERRIN AUGUST ORDINARY MEETING MINUTE READS:

COUNCIL RECOMMENDATION

MIN 226/05 MOTION - Moved Cr. Lamplugh 2nd Cr. Morrell

1. *That the letter dated 15 August 2005 from the Shire President of Tammin be tabled and acknowledged.*
 2. *That the Shire of Kellerberrin Council will offer the current Chief Executive Officer a Contract of Employment renewal.*
 3. *That the Kellerberrin Shire Council is committed to the continuance of a Kellerberrin Tammin Resource Share Agreement and look forward to the outcomes of the Cost Analysis Report with a view to progressing a Resource Share Agreement.*
- CARRIED 7/0

REASON

Council confirming its intent of renewing Chief Executive Officer's Contract of Employment and commitment to continue Resource Sharing.

COUNCIL RECOMMENDATION

MIN 227/05 MOTION - Moved Cr. Lamplugh 2nd Cr. Morrell

That points 1 & 2 of min 225/05 be put forward to the next Resource Share Meeting on Friday, 26 August 2005 as an Agenda Item.

CARRIED 7/0

COMMENT

Acknowledging the decision of the Shire of Tammin to withdraw from the Kellerberrin Tammin resource Sharing Agreement and the Resource Sharing Committee endorsing a schedule for the review process of the CEO's Performance Appraisal requirement, the most recent Resource Sharing Committee recommendation was to seek if there is a requirement for the Shire of Tammin to undertake this process.

The Performance Appraisal Review process of the Chief Executive Officer has been a continual and admitted frustration by all Councillors in undertaking this task previously. The standard of document has been agreed as being insufficient and the desire to draft a Document that is accountable and linked to the allocation of resources and projects is most desirable.

There needs to advice sought as to whether Council seeks to continue with such a review in consideration of previous review attempts and unsatisfactory documentation to truly reflect the outcomes and process.

FINANCIAL IMPLICATIONS: Nil (not known at this time)

POLICY IMPLICATIONS

Kellerberrin Tammin Resource Sharing Agreement Document – dated November 2004

Clause 7 – Employment of Chief Executive Officer

7(d) the Shire of Kellerberrin and the Shire of Tammin to undertake the performance appraisal of the Chief Executive Officer as required by the Local Government Act 1995.

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004 – Annual Review of Certain Employee's Performances

- LGA section 5.38: the performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment.
- LGA section 5.39(1) the employment of a person who is a CEO or a senior employee is to be governed by a written contract in accordance with this section.
- LGA section 5.39(3) a contract under this section is of no effect unless;
 - (a) the expiry date is specified in the contract;
 - (b) there are specified in the contract performance criteria for the purpose of reviewing the person's performance; and
 - (c) any other matter that has been prescribed as a matter to be included in the contract has been included.

Contract of Employment – Chief Executive Officer – Shire of Tammin

Clause 4 – Performance Development and Review

Subclause 4.2 Performance Reviews

The employee's performance pursuant to this Contract shall be reviewed by the Council annually during the term and more frequently if the Council or the Employee perceives that there is a need to do so.

The Council shall give the Employee reasonable notice in writing that a performance review is to be conducted to enable the Employee sufficient time to prepare.

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION

Kellerberrin Tammin Resource Sharing Committee Members

STAFF RECOMMENDATION

That Council obtains advice from Workplace Solutions of the Western Australian Local Government Association as to Councils responsibility to complete a Performance review of the Chief Executive Officer in consideration of not renewing the Contract of Employment and Councils withdrawal from the Kellerberrin Tammin Resource Sharing Agreement as at 15th December 2005.

That the Chief Executive Officer be authorized to obtain this advice on behalf of Council.

COUNCIL RECOMMENDATION

MIN 151/05 MOTION - Moved Cr. Greenwood 2nd Cr. Wheeldon

That Council obtains advice from Workplace Solutions of the Western Australian Local Government Association as to Councils responsibility to complete a Performance review of the Chief Executive Officer in consideration of not renewing the Contract of Employment and Councils withdrawal from the Kellerberrin Tammin Resource Sharing Agreement as at 15th December 2005.

That the Chief Executive Officer be authorized to obtain this advice on behalf of Council.

CARRIED 6/0

Agenda Reference:	11.1.4
Subject:	Full Time Staff Structure Review Report
Location:	Shire of Tammin
Applicant:	Administration – Shire of Tammin
File Ref:	ADM26
Disclosure of Interest:	N/A
Date:	31 st August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

At the recent Kellerberrin Tammin Resource Sharing Meeting held on Friday 26th August 2005, it was determined that the Shire of Tammin confirmed its withdrawal from the Resource Sharing Agreement with the Shire of Kellerberrin and to appoint their own Chief Executive Officer and full time Staff for the Shire of Tammin and operate as an independent local government.

Kellerberrin Tammin Resource Sharing Committee Meeting held Friday 26th August 2005 reads;

MIN RS20/05 MOTION – moved Cr Lamplugh 2nd Cr Stokes

That the Resource Share Committee accepts and recommends to both Local Governments the Shire of Tammin's application to withdraw from the current Resource Share Agreement as at 15th December 2005.

CARRIED 12/0

MIN RS22/05 MOTION – Moved Cr Caffell 2nd Cr Morrell

That the Resource Share Committee accepts the Shire of Tammin's intent not to renew the current Chief Executive Officer's Contract and that each local government employ their own Chief Executive Officer.

CARRIED 12/0

COMMENT

The attached Staffing Structure Review Report is presented to Council on the basis of anticipated staffing requirements for the Shire of Tammin, to summarise the current resource sharing staff and then to consolidate full time staff at each local government, based on the staffing scenerios presented in the Report.

The report is presented to the Council based on their motions and that of the Resource Share Committee motions regarding the two important matters of withdrawal and independent Chief Executive Officer's for each local government.

FINANCIAL IMPLICATIONS

Shire of Tammin 2005/2006 Budget – Review Process

- adjust expenses for Staff Salaries and Wages
- adjust expenses for administration/management and works & services operations
- adjust revenues and expenditures from resource sharing payments

POLICY IMPLICATIONS

Kellerberrin Tammin Resource Sharing Agreement – November 2004

- withdrawal notice presented by the Shire of Tammin
- termination of agreement in regards to continuing resource sharing

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004 – Division 2 Local Governments and Councils of Local Governments

- section 2.7: The role of the Council

- LGA s 2.7(1) the Council
 - (a) directs and controls the local government's affairs; and
 - (b) is responsible for the performance of the local government's functions.
- LGA s 2.7(2) without limiting subsection (1), the council is to;
 - (a) oversee the allocation of the local government's finances and resources; and
 - (b) determine the local government's policies.
- section 6.2 (1) not later than 31st August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.
- Section 6.8 (1) a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure;
 - (a) is incurred in a financial year before the adoption of the annual budget by the local government;
 - (b) is authorized in advance by resolution*; or
 - (c) is authorized in advance by the mayor or president in an emergency.
- * absolute majority required
- section 5.35 (1) a local government is to employ;
 - (a) a person to be the CEO of the local government; and
 - (b) such other persons as the council believes are necessary to enable the functions of the local government and the functions of the council to be performed.
- section 5.36 (4) requires the position of the CEO to be advertised in the prescribed manner. The advertisement is to contain the information prescribed.
- section 6.4 (2) the financial report is to;
 - (a) be prepared and presented in the manner and form prescribed ; and
 - (b) contain the prescribed information.

Kellerberrin Tammin Resource Sharing Committee Meeting Minutes held on Friday 26th August 2005; MOTIONS RS20/05 and RS22/05

STRATEGIC PLAN IMPLICATIONS

Shire of Tammin 2003-2006 Strategic Plan

Theme 4: Our Organisation

- New Initiatives/Innovations
- 2. promote our resource sharing model and identify opportunities to raise revenue from consultancy and sale of intellectual property.

FUTURE PLAN IMPLICATIONS

Shire of Tammin Future Plan of Activities July 2004 to June 2008

1. Activity – Plant and Equipment Acquisition and Replacement
 - Joint Purchasing of identified Plant items, with the Shire of Kellerberrin.

COMMUNITY CONSULTATION

Kellerberrin Tammin Resource Sharing Committee

Councillors and Council Shire of Tammin

Councillors and Council of the Shire of Kellerberrin

Management Staff of the Shire of Kellerberrin and the Shire of Tammin

STAFF RECOMMENDATION

1. That the revised full time Administration and Management Staff Structure and associated costs for the Shire of Tammin be created and endorsed as follows, in accordance with the Local Government Amendment Act 2004;

1.
2.
3.
4.
5.
6.
7.

2. That the position of full time Chief Executive Officer for the Shire of Tammin be created, endorsed and advertised in accordance with the Local Government Amendment Act 2004 as follows;

1. Employment Package including the Salary Range of \$.
2. Employment Contract including Key Performance Indicators and Performance Appraisal Process.
3. Allocation of Residential property at 10 Ridley Street, Tammin to the position of Chief Executive Officer.

5:11pm – Cr Stokes left Council Chambers.

5:13pm – Cr Stokes entered Council Chambers.

COUNCIL RECOMMENDATION

MIN 152/05 MOTION - Moved Cr. Stokes 2nd Cr. Wheeldon

1. That the revised full time Administration and Management Staff Structure and associated costs for the Shire of Tammin be created and endorsed as follows, in accordance with the Local Government Amendment Act 2004;

- *CEO*
- *Finance Officer*
- *Administration Officer*
- *Community Development Officer – 3 days per week*
- *Works Supervisor*
- *Truck Operator – HR/HC x 2*
- *Grader Operator - HC x 2 (Construction and Maintenance)*
- *Parks & Gardens x 1*

CARRIED 6/0

5:19pm – Cr Greenwood left Council Chambers.

5:21pm – Cr Greenwood returned to Council Chambers.

5:22pm – Council adjourned for a break.

5:36pm – Council resumed. All those present at the commencement of the meeting remained present.

COUNCIL RECOMMENDATION

MIN 153/05 MOTION - Moved Cr. Jefferies 2nd Cr. Stokes

1. That the position of full time Chief Executive Officer for the Shire of Tammin be created, endorsed and advertised in accordance with the Local Government Amendment Act 2004 as follows;

- *Employment Package including the Salary Range of \$70,000 to \$80,000 cash component with a total package of \$117,000 to \$127,000.*
- *Employment Contract including Key Performance Indicators and Performance Appraisal Process.*
- *Allocation of Residential property at 10 Ridley Street, Tammin to the position of Chief Executive Officer.*

- *That a Special Council Meeting be held on Thursday, 15 September 2005 at 4:00pm to finalise the Position Description document and Contract of Employment for the Chief Executive Officer.*

CARRIED 6/0

COUNCIL RECOMMENDATION

MIN 154/05 MOTION - Moved Cr. Caffell 2nd Cr. Jefferies

1. That the position of full time Works Supervisor for the Shire of Tammin be created, endorsed and advertised in accordance with the Local Government Amendment Act 2004 as follows;

- *1. Employment Package including the salary range of \$47,000 to \$52,000 cash component with a total package of \$67,000 to \$72,000.*
- *Employment Contract including Key Performance Indicators and Performance Appraisal Process.*
- *Allocation of Residential property at 4 Old Yorkrakine Road, Tammin to the position of Works Supervisor.*
- *That a Special Council Meeting be held on Thursday, 15 September 2005 at 4:00pm to finalise the Position Description document and Contract of Employment for the Works Supervisor.*

CARRIED 6/0

**Shire of Tammin
STAFF STRUCTURE REVIEW REPORT
Full Time Staff – Administration/Management
Resource Share Staff for Shire of Tammin and the Shire of Kellerberrin
September 2005 Ordinary Meeting**

Council has determined that Resource Sharing with the Shire of Kellerberrin has ceased and now seek to have some guidance from the current Chief Executive Officer as to their staff structure requirements for the employment of full time administration and management staff, from the agreed date of 16th December 2005 onwards.

The current Chief Executive Officer is providing Council with options to consider for the full time staffing of their Office in accordance with Council direction as an independent Shire of Tammin. One assumes that Council has determined their staff structure previously in finally arriving at their decision of employing full time staff and not resource share staff with the Shire of Kellerberrin as per the most recent Kellerberrin Tammin Resource Sharing Committee Meeting held on Friday 26th August 2005 at the Shire of Kellerberrin by rotation. Council has the ultimate responsibility of determining their staff structure to service the needs of the Council and the Community and the summary information below is to act as guide for Council to finally consider their determined needs and staffing structure. It is acknowledged that the information provided hereunder is estimates only and for the consideration of the Council for ultimate decision making.

Summarised hereunder are estimated costs on known and potential situations regarding staff employment and employment positions;

1. Chief Executive Officer – estimated employment package cost			
Cash Salary			\$70,000.00
Superannuation (9% standard)			\$ 6,300.00
Superannuation (Council contribution of 3% matching)			\$ 2,100.00
Provision of Motor Vehicle (Council owned) - fuel costs	3,000		
	- license	500	
	- insurance	500	
	- FBT	4,000	\$ 8,000.00
Clothing Allowance			\$ 500.00
Conferences (LGMA & LG Week & Waste Management)			\$ 3,500.00
Insurance (Workers Compensation and Professional Indemnity)			\$ 2,000.00
Telephone (mobile Council owned - costs)			\$ 350.00

Housing (10 Ridley Street)	- rental @ \$90.00/wk	\$ 4,680.00
	- electricity (say 50%)	\$ 1,000.00
	- water costs	\$ 1,000.00
	- phone costs	\$ 800.00
	- rubbish removal	\$ 109.00
	- gas usage (say 50%)	\$ 241.00
	TOTAL GROSS COST	\$100,580.00
	less paid on cash salary to Kellerberrin	- \$ 27,000.00
	net cost for full time employee	- \$ 73,580.00
	less other negotiated costs by Council	- \$????????

Note: Council has only paid cash salary cost contribution to the Resource Sharing Agreement, in partnership with the Shire of Kellerberrin.

2. Administration/Finance Officer – (Level 4 Step 2 under the Local Government Officers’ Award-recommended level) *****\$37,096.00**
Less currently paid to Clerical Finance Officer - \$35,378.00
Net change/increase **\$ 1,718.00**

*** Note: this salary may be increased as per Council direction

3. Clerical Officer – Level 2 Step 4 – Local Govt Officers’ Award \$32,241.00
4. Community Development Officer – currently 3 days per week (Level 3 Step 2 – Local Government Officer’s Award) \$20,159.00

5. Summary of Full Time Staff as per desired staffing and based on current cash salary levels and a suggested level that may be considered by the Council for the Chief Executive Officer.

a) Chief Executive Officer	- \$70,000.00
b) Administrative/Finance Officer	- \$35,378.00
c) Clerical Officer	- \$32,241.00
d) Community Development Officer	- \$20,430.00
e) Work Supervisor	- \$45,000.00
TOTAL Cash Cost	\$203,049.00
Less currently paid to Resource Share	- \$27,000.00 (CEO – 30%)
Less paid by Kellerberrin Resource Share	- \$20,673.00 (CFO – 60%)
Net cost on cash salary only	\$155,376.00
<i>Less paid for other Resource Sharing Staff</i>	<i>- \$ 12,135.00 (CEOPA – 30%)</i>
<i>Less paid for other Resource Sharing Staff</i>	<i>- \$ 13,540.00 (FO – 40%)</i>
<i>Less paid for other Resource Sharing Staff</i>	<i>- \$ 25,154.00 (MCS – 40%)</i>
Net Cash Cost of Salary	\$ 104,547.00
Plus increase in Admin Officer/Finance Officer Classification Level – minimum estimates	+ \$ 1,718.00
Net Cash Cost of Salaries	\$ 106,265.00
<i>Less paid for other Resource Sharing Staff</i>	<i>- \$ 20,000.00 (MWS – 40%)</i>
Net Cash Cost of Salaries	\$ 86,265.00
Plus Superannuation (9%) Clerical Officer (currently paid for on Kellerberrin payroll)	+ \$ 2,902.00
Plus Uniform Allowance Clerical Officer (currently paid for on Kellerberrin Payroll)	+ \$ 400.00
Sub Total Cash cost	\$ 89,567.00
Plus Uniform Allowance CDO position	+ \$ 400.00
Plus Full Time CEO position – non cash (itemized as above in item 1)	+ \$ 30,580.00
Plus Employment Insurances paid by KE	+ \$ 2,000.00
Plus Superannuation of MWS – 40% (KE)	+ \$ 1,800.00
GROSS ESTIMATED COST	\$ 124,347.00*

- calculated for Administration/Management Staff only
- Plus unknown cost for Financial Services – statutory financial reports
- Assuming CDO remains employed for three days per week
- Suggesting broad duties for;
 - Administration/Clerical Finance Officer – creditors/payroll/administration assistance and assistance to records management and reception
 - Clerical Officer – debtors/licensing/library/reception/records management
 - Community Development Officer – broad duties of CDO and assistance with licensing and reception
- allowance made for a Works Supervisor or Manager Works & Services
 - Council has reduced Works & Services Staff by one position/person
 - Suggested Full time Administration/Management Staffing Requirements;
 - Chief Executive Officer
 - Administration Officer/Finance Officer
 - Clerical Officer
 - Community Development Officer – part time
 - Plus Financial Services for Statutory reporting requirements
 - Plus Works Supervisor or Manager Works & Services

Note 1: Shire of Tammin has not paid for staff superannuation, employment insurances, staff uniforms, vehicle running costs, accommodation, etc, for staff that are resource shared with the Shire of Kellerberrin.

Note 2: Shire of Tammin has only paid 30% of cash salary cost to Shire of Kellerberrin for CEO and CEOPA and 40% cash salary cost for MCS/CFO and MWS.

Shire of Tammin Current Staffing Structure (Resource Share Staff)

POSITION	COST	COMMENTS
Chief Executive Officer	27,000	70% paid by Shire of Kellerberrin
Chief Executive Officer PA	12,135	70% paid by Shire of Kellerberrin
Manager Corporate Services	25,154	60% paid by Shire of Kellerberrin
Manager Works & Services	20,000	60% paid by Shire of Kellerberrin
Finance Officer	13,540	60% paid by Shire of Kellerberrin
Manager Development Services	14,500	Shared Health Scheme with KE&BK
Clerical Finance Officer	13,782	60% paid by Shire of Kellerberrin
Total Gross Salaries paid	\$126,111	

Shire of Kellerberrin Current Staffing Structure (Resource Share Staff)

POSITION	COST	COMMENTS
Chief Executive Officer	90,000	30% paid by Shire of Tammin
Chief Executive Officer PA	40,451	30% paid by Shire of Tammin
Manager Corporate Services	60,000	40% paid for by Shire of Tammin
Manager Works & Services	50,000	40% paid for by Shire of Tammin
Finance Officer	33,849	40% paid for by Shire of Tammin
Manager Development Services	58,000	Shared Health Scheme
Clerical Finance Officer	20,673	40% paid for by Shire of Kellerberrin
Total Gross Salaries paid	352,973	
<i>Less contributions by Tammin</i>	27,000	CEO (30%)
	12,135	CEOPA (30%)
	25,154	MCS (40%)
	20,000	MWS (40%)
	13,540	FO (40%)
	14,500	(MDS – TN shared health scheme)
<i>Less contributions from Shire of BK</i>	14,500	(MDS – BK shared health scheme)
<i>less Shire of KE contribution</i>	20,673	CFO – paid for by Shire of KE
NET COST	205,471	
Difference	147,502	

Shire of Kellerberrin Staffing Structure Full Time – independent local government

POSITION	COST	COMMENTS
Chief Executive Officer	90,000	
Chief Executive Officer PA	40,451	
Manager Corporate Services	60,000	
Manager Works & Services	50,000	
Manager Development Services	29,000	Shared Health Scheme
Finance Officer	33,849	
Community Development Officer	29,739	
Clerical Officer	36,035	
Clerical Traineeship	28,638	
Cleaner – various buildings	21,949	
Landcare (NRM) Officer	43,680	
Estimated NET Salary COST	\$463,341	

Shire of Tammin Staffing Structure Full Time – independent local government

POSITION	COST	COMMENTS
Chief Executive Officer	70,000	
Administration/Finance Officer	37,096	
Clerical Officer	32,856	
Community Development Officer	20,430	
Manager Development Services	14,500	Shared Health Scheme
Plus Finance Services (estimated)	25,000	
Cleaner – S Button	5,439	
Cleaner – M Applegate	4,351	
TALEC Managers – D & D Goulden	45,606	
Plus Works Supervisor Cost – Est	45,000	
Estimated NET Salary COST	\$ 300,278	

6:50pm – Cr Stokes left Council Chambers.

6:52pm – Cr Stokes returned to Council Chambers.

Agenda Reference:	11.1.5
Subject:	Review of Council Financial Performance Key Indicators
Location:	Shire of Tammin
Applicant:	Administration – Shire of Tammin
File Ref:	ADM26
Disclosure of Interest:	N/A
Date:	30 th August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Acknowledging that the Shire of Tammin has determined withdrawal from the Kellerberrin Tammin Resource Sharing Agreement and the confirmed direction of re-establishing its own Administration Staff, Chief Executive Officer and independent Works & Service Staff to a full Shire of Tammin operation, a summary and a brief review of the Financial Performance of the Shire is enclosed in summary format (attachment to this agenda item) for the information of the Council.

COMMENT

The Key Financial Indicators and their review is timely given the confirmed independence of the Shire by Council.

The five (5) main indicators grouped as follows are in accordance with Financial reporting standards and Auditing requirements of local government.

- Employee Numbers
- Employee Costs
- Cash Assets – Reserves
- Interest earned on Investments
- Loan Borrowings; and
- Financial Ratios

An overview of the audited statistics and associated indicators, have been confirmed in Councils Annual Report Documents and have been extracted to compare financial years of;

- 2000/2001 (2001)
- 2001/2002 (2002)
- 2002/2003 (2003)
- 2003/2004 (2004)

Significant notes are summarised hereunder;

1. Cash Assets for reserves have significantly improved from the 2000/2001 financial year to 2003/2004 and even 2004/2005 by an amount of \$229,491.00.
2. Future Financial Planning and the setting of funds aside is very noticeable for creation of Reserve Accounts and cash reserves deposited for continuous improvement to Councils financial performance ie Tamma Village Reserve (Aged Pensioner Units), Housing Reserve and Information Technology Reserve.
3. Audited Employee Numbers displays an increase for the 2001/2002 financial year, however very noticeable is the stability of staff numbers around the 10 mark, with a downward trend in comparison to the 2000/2001 year to 2003/2004 year.
4. One Works & Services Staff position deleted, Works Supervisor position deleted, new Staff Position of part-time Community Development Officer introduced.
5. Very appreciative of the efforts of the Ministry of Justice Work Camp completing general community works without putting pressure on the Council for increased staff.
6. Loan Borrowings displayed a downward trend and well within the benchmarks of local government debt borrowing and servicing levels of a local government to a “spike” when a loan for the Hydrology Model was undertaken and now has Council towards the maximum levels of debt servicing and loan borrowing levels.
7. Outstanding Rates Recovery has slowed down the ideal benchmarks and slowing has risen in comparing the affordability and economic stability of the community.
8. Debt Servicing levels has been contained since the 2000/2001 year.
9. In summary the performance indicators detail the improvement of Councils Financial Performance in the key areas due to the decisions of the Council under the resource sharing structure and able to achieve major projects during the more recent times of Council planning and commitment.

FINANCIAL IMPLICATIONS

Future Budgets and Forward Financial Planning in respect to Reserve Funds, Loan Borrowings, Debt Servicing, Rates Coverage and Rates recovery.

POLICY IMPLICATIONS: Nil (not known at this time)

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004 – Division 5: annual reports and future planning Activities.

-section 5.53 (1) - the local government is to prepare an annual report for each financial year.

-section 5.53 (2) - the annual report is to contain;

(f) the financial report for the financial year

- (h) the auditor's report for the financial year
- (i) such other information as may be prescribed.

-section 5.54 (1) – subject to subsection (2), the annual report for a financial year is to be accepted by the local government no later than 31 December after that financial year.

-section 6.4 (1) – a local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.

-section 6.4 (2) – the financial report is to;

- (a) be prepared and presented in the manner and form prescribed; and
- (b) contain the prescribed information.

Local Government Amendment Act 2004 - Part 4 Audit

-section 7.9 (1) – an auditor is required to examine the accounts and annual financial report submitted for audit and, by the 31 December next following the financial year to which the accounts and reports relate or such later date as may be prescribed, to prepare a report thereon and forward a copy of that report to;

- (a) the mayor or president
- (b) the CEO of the local government; and
- (c) the Minister.

Local Government (Financial Management) Amendment Regulations (No 2) 2005

-regulation 50 (1) – the annual financial report is to include, for the financial year covered by the annual financial report and the 2 preceding financial years;

- (a) the current ratio;
- (b) the debt ratio;
- (c) the debt service ratio;
- (d) the rate coverage ratio;
- (e) the outstanding rates ratio.

Shire of Tammin Annual Report Document 2001-2002

Shire of Tammin Annual Report Document 2002-2003

Shire of Tammin Annual Report Document 2003-2004

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION

Annual Meeting of Electors to present the Annual Report of the Council for;

- 2001/2002
- 2002/2003
- 2003/2004

Council and Councillors

Chief Executive Officer

Management Staff

Auditor

Minister for Local Government and Regional Development

STAFF RECOMMENDATION

That the Report on the Review of Council's Audited Financial Performance Key Indicators over the past four (4) financial years as submitted, be accepted.

COUNCIL RECOMMENDATION

MIN 155/05 MOTION - Moved Cr. Wheeldon 2nd Cr. Stokes

That the Report on the Review of Council's Audited Financial Performance Key Indicators over the past four (4) financial years as submitted, be accepted.

CARRIED 6/0

Shire of Tammin QUICK FACTS August 2005 - 4 Year Financial Performance Review

1. Employee Numbers	2001	2002	2003	2004	2005
Number of full time equivalent (FTE's)	10.62	11.30	10.30	9.30	

Notes – 2003/2004 staff FTE's decreased by one full time position for deletion of Works Supervisor position from payroll

- 2004/2005 staff FTE's increased by two days (part year) for CDO Position as per Council decision
- 2005/2006 staff FTE's increased by one day/week for CDO position as per Council decision

- 2005/2006 staff FTE's decreased by one full time position – Works & Service Staff – General Hand/Plant Operator - as per Council direction.

- FTE's are based on full time payroll staff as required by audit and accounting standards for reporting purposes.

2. Employee Costs (\$'s)	2001	2002	2003	2004	2005
Audited expense	297,382	325,151	313,720	332,267	357,927

Notes – 2003/2004 commencement of Meat Inspector for Abattoir – increase in Salary allocations-reimbursed salaries by Abattoirs

- 2004/2005 increase in Team Leader - Road Construction Salary & new CDO position created for two (2) days per week.

- 2005/2006 increase in staff time for CDO position by one day per week from the previous two days per week as per Council direction

- 2004/2005 full year of employment for Meat Inspector Salary

***** Significant note-increase of employee costs of \$60,545 over a four year period inclusive of CPI increases, CDO position and Team Leader increase of \$5,000 approx.

3. Cash Assets (Reserves \$'s)	2001	2002	2003	2004	2005
Plant Reserve	26,231	99,126	166,347	171,725	159,338
Long Service Leave	7,094	7,715	7,963	13,449	19,149
Entitlements Reserve	-	-	10,000	20,295	20,530
Aged Pensioner Units	-	-	6,000	9,149	18,563
Information Technology	-	-	-	5,000	10,094
Housing	-	-	-	-	35,142
TOTALS	33,325	106,841	190,310	219,618	262,816

Notes – 2003 – introduction of two Reserves for future financial planning liability

2004 – introduction of a Reserve for future financial planning of IT Replacement in order to remain with current computing capacity and future technology changes.

2005 – introduction of another Reserve for sale proceeds of Housing & Housing Replacement Programs – future financial planning

***** Significant note - 2001-2005 period – increase in Reserve Funds of \$229,491.00.

4. Interest Earnings (\$'s)	2001	2002	2003	2004	2005
Investments on all funds held	22,539	15,384	28,829	15,513	

Notes – during 2003/2004 large expenditures were incurred for the Hydrology Model Project and amount held for investment reduced opportunity for interest earnings.

5. Loan Borrowings (\$'s)	2001	2002	2003	2004	2005
-outstanding Principal	262,006	226,345	191,038	509,264	

Notes - 2003/2004 – Debt Liability increased by \$360,000 raised for Hydrology Model Project, otherwise loan liability has been on a declining trend and new total outstanding represents approximately 31.5% of operating revenue of the Shire.

6. Financial Ratios (\$'s)	2001	2002	2003	2004	2005
Current Ratio	3.210	2.696	2.364	1.323	
Debt Ratio	0.033	0.014	0.014	0.031	
Debt Service Ratio	0.142	0.030	0.027	0.036	
Rate Coverage Ratio	0.265	0.231	0.248	0.252	
Outstanding Rates Ratio	0.019	0.040	0.048	0.057	

Current Ratio equals
$$\frac{\text{Current assets minus restricted current assets}}{\text{Current Liabilities minus liabilities associated with restricted assets}}$$

Note: current ratio can only deduct the current liability associated with the restricted assets (eg long service leave reserve) when calculating the denominator. The amount deducted cannot be more than the restricted asset as shown in the statement of financial position.

Debt Ratio equals
$$\frac{\text{Total Liabilities}}{\text{Total Assets}}$$

Debt Service Ratio equals
$$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$$

Note: debt service costs should include principal and interest repayments on finance leases and interest costs in relation to bank overdraft.

Note: available operating revenue is defined in Financial Management Regulation 50 (FMR 50) as operating revenue plus any contributions towards the repayment of money borrowed not included in operating revenue (eg principal contributions for self supporting loans); less specific grant contributions and donations of capital nature (eg grants and subsidies – non operating)

Rate Coverage Ratio equals
$$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$$

Outstanding Rates Ratio equals
$$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$$

Note: rates collectable defined in FMR 50 includes arrears brought forward from previous financial year and interest and additional charges payable.

Agenda Reference:	11.1.6
Subject:	Depreciation Briefing Report
Location:	Shire of Tammin
Applicant:	Administration – Shire of Tammin
File Ref:	ADM26
Disclosure of Interest:	N/A
Date:	30 th August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Recent discussions at Councils Ordinary Meetings suggested that Councils depreciation rate is not at an acceptable level for charging out and for recouping the charge out cost of Councils Major Plant Asset used in not only its own Works & Services Operations but also when on hire for Private Works and utilized under the Resource Sharing Agreement with the Shire of Kellerberrin.

COMMENT

I have not presented the report (enclosed as an attachment to this item) with a detailed report on the actual depreciation rate to be used on an hourly basis when using the plant item in Councils own works program including; Private Works and the recent Resource Sharing agreement with the Shire of Kellerberrin.

The Report has been submitted to provide greater knowledge to the Council on how depreciated is considered and accounted for in the annual operations and financial accounts of a local government. I confirm that part of the annual audit process, the Auditor does appraise and assess the hourly rates for operating cost, depreciation and labour rates when applying the cost to Councils own roadworks program and within the charge out rate for Private Works.

The detailed analysis of the hourly rate of depreciation to apply in the overall establishment of a machine operating hourly rate can and perhaps could be referred to an accountant or provided for in another detailed report in terms of the standard analysis of determining the rates for hourly operation of a machine inclusive of fuel, oils, servicing, repairs, licensing, insurance, consumables and depreciation. Currently the accepted and correct procedure for determining charge rates for each machine is submitted to the Council based on actual for the previous twelve months and new budgeting allocations combined with best knowledge from the Plant Mechanic of what is required to keep a machine operating with minimal downtime over a twelve month period. The other wild variable at this time influenced by outside considerations with no control is the world oil pricing and the demand and supply for that product that Council purchases to keep works operations going.

FINANCIAL IMPLICATIONS

Shire of Tammin 2005/2006 Budget – expenses for plant operating cost and revenue from private works for plant hire.

POLICY IMPLICATIONS: Nil (not known at this time)

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004 – (LGA)

- LGA section 6.2 (4) (e) details the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used;

Local Government (Financial Management) Amendment Regulations (No 2) 2005 – (FMR)

FMR 27 Budget Notes -The annual budget is to include or be accompanied by notes detailing;

FMR 27(d) in relation to the disposal of an asset, according to the program or sub-program to which the asset is principally attributed to;

(i) the net book value of the asset;

(ii) an estimate of the sale price of the asset; and

(iii) an estimate of the profit or loss on the sale;

FMR 27(h) if all or part of the money in a reserve account is to be used or set aside for a purpose other than the purpose for which the account was established;

(i) the proposed purpose;

(ii) an estimate of the amount to be used or set aside; and

(iii) the objects of, and reasons for, the change of use or purpose;

FMR 27(n) in relation to depreciation on non-current assets, an estimate of the depreciation for the financial year included in the operating expenditure for each program in the operating statement;

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION

Council and Councillors of the Shire of Tammin
Management Staff

STAFF RECOMMENDATION

That the Depreciation Briefing Report as presented, be received.

COUNCIL RECOMMENDATION

MIN 156/05 MOTION - Moved Cr. Caffell 2nd Cr. Greenwood

That the Depreciation Briefing Report as presented, be received.

CARRIED 6/0

Shire of Tammin DEPRECIATION BRIEFING REPORT

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognized on a straight line basis, using rates which are reviewed each reporting period. Major Depreciation periods for Plant and Equipment is, generally 5 to 10 years with Heavy Plant and Machinery depreciated at 10 years in accordance with previously adopted policies and Australian Accounting Standards and Audit Direction.

Generally from an accounting point of view, depreciation is an annual charge reflecting the decline in an assets value due to such causes as wear and tear, action of elements and inadequacy of asset performance during the life of the asset in terms of increasing maintenance and decreasing value. Instead of charging the cost of an expensive item of equipment to one year's expenditure, the charge is spread over a number of years during which the equipment/asset is giving service. (the estimated economic life). Consequently, it is an arbitrary figure designed to gradually write off the financial investment in an asset.

Generally from the operating point of view, depreciation in effect sets aside from each year's budget, sufficient funds available for the purchase of a new asset, when the present one is worn out.

The depreciation system based on taxation regulations fails to provide for the replacement of an asset that is becoming very expensive due to a high rate of inflation and/or deterioration in the exchange rate as far as major plant and machinery is concerned for local government. Equally, it does not provide for asset replacement which has become more expensive due to technological improvements over time.

The two most widely used depreciation methods used are;

- a) Straight line depreciation; and
- b) Declining/reducing balance depreciation.

Local Government uses the straight line method that is declared in its accounting policies and procedures and in the Annual report of the Shire as well as certified by the Audit process.

Under the straight line method, the cost of a new asset, such as plant or building, is equally spread over its estimated economic life.

Under the Declining/Reducing Balance Method, more than the straight line rate can be deducted, but on the “undepreciated” balance each year, not on the original purchase price. Clearly, this method will never permit a 100% depreciation of the asset.

METHODS OF DEPRECIATION
 Estimated Economic Life of Asset: 10 Years
 Original Cost: \$300,000

YEAR	Straight Line 10%		Declining Balance 20%	
	Annual Charge	Cumulated	Annual Charge	Cumulated
1	30,000	30,000	60,000	60,000
2	30,000	60,000	48,000	108,000
3	30,000	90,000	38,400	146,800
4	30,000	120,000	30,720	177,520
5	30,000	150,000	24,576	202,096
6	30,000	180,000	19,661	221,757
7	30,000	210,000	15,729	237,486
8	30,000	240,000	12,583	250,069
9	30,000	270,000	10,066	260,135
10	30,000	300,000	8,053	268,188
	300,000	300,000		

There are clear differences between the two methods of depreciation.

Under the straight line method, 50% of the asset’s value has been written off at the end of half its estimated economic life; under the declining balance method more than two thirds of the asset’s value have been written off at the same time.

Further, under the “accelerated” declining balance method, there is a rapid falling of the depreciation charge. (In private enterprise environment, this method is designed to encourage asset replacement sooner than is likely to take place under the straight line method).

Under the declining balance method, the asset can never be completely depreciated because only a percentage (in the above case 20%) of the undepreciated balance has been written off each year.

For assets with a very long economic life, for example, buildings, the declining balance method is not very convincing; it does however, have merit in the case of plant and motor vehicles.

As a general rule, Councils assets should be adjusted to current replacement values, and a corresponding replacement reserve should be established. Depreciation will affect asset values and should, therefore, be adjusted to current replacement values.

Councils are obliged to keep their accounts wherever possible in accordance with private enterprise commercial principles within the constraints of a regulatory environment and in accordance with Australian Accounting Standards, International Accounting Standards and Audit procedures.

This is reflected in the fact that Local Government Auditors are required to certify that the values of a Council asset have been fairly stated. However, it has to be stressed that the object of depreciation in Local Government Accounts is quite different from the object of depreciation in a profit making venture/enterprise. An asset's value entered into a Council's accounts is nothing more than a book entry that does not affect the amount of a Council's working/operating funds.

As a general rule, Councils assets are adjusted to current replacement values, and a corresponding replacement reserve and contributions thereto should be established via the annual budget of the Council.

Councils in Western Australia adopt the procedure of providing an affordable level of Reserve Fund contributions from the operating account to the designated Reserve Account such as the Plant Replacement Reserve Account. This amount is determined by annual Council resolution in terms of adopting its budget for contributions made to various nominated reserve accounts. Council's in the main do not recoup by cashing out the total of depreciation incurred/accounted for an asset as the final amount to be transferred to the reserve account. This option is the current practice and can be maintained with certainty during the budget adoption process. Further examination of depreciation rates in accordance with standard local government accounting procedures can be considered at another time in discussions with the auditor or external accounting advice.

Councils adopted depreciation rate for its Graders is \$10.87 per hour x estimated 1,100 hours per annum = \$11,957.00. It should be noted that the annual audit process and certification is made on plant operating and depreciation rates and are in comparison to Main Roads WA standard charge rates for plant operating costs.

Councils average annual plant reserve fund contributions is generally within the range of \$30,000 to \$50,000 per annum via its budget process and as long this procedure remains committed, the Reserve Account will be kept at an acceptable level for use of reserve funds with Municipal operating funds to purchase a major item of plant.

Agenda Reference:	11.1.7
Subject:	Creation of a Community Committee of the Council-Kadjininy Kep Facility
Location:	Tammin
Applicant:	Shire of Tammin Administration
File Ref:	PUB/FIN01/OSGOV26
Disclosure of Interest:	N/A
Date:	29 th August 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Council Ordinary Meeting held 13th July 2005 – Late Agenda Item1

- report submitted by the Chief Executive Officer in association with the Community Development Officer (Agenda Item) highlighted a number of areas that Council were recommended to adopt in terms of hosting a formal function and/or event at the Kadjininy Kep Facility (Hydrology Model).

- The Chief Executive Officer encouraged Council to adopt a standing committee of the Council in regards to involving the Community in promoting and marketing events and functions at the Kadjininy Kep Facility.

COMMENT

To protect the Council and the Community based Community in the conduct and hosting of the functions at the Kadjininy Kep Facility, Council is encouraged to create and adopt a standing committee of the Council for insurance, liability and accountability purposes. Councils governing legislation, the Local Government Amendment Act 2004 and the Local Government (Administration) Amendment No2 Regulations 2004 requires certain procedures to be considered and adopted by the Council.

Council needs to consider the following broad parameters for the establishment of the Committee;

1. Committee Name; eg Kadjininy Kep Events Committee
2. Committee Membership; eg make up - combination of Community Members, Councillors and Staff – the ideal mix for maximum community involvement
eg committee size – any number but limit for effective outcomes and decision making, whilst remaining proactive
3. Committee Terms of Reference or Charter; eg To research, promote and market events and functions at the Kadjininy Kep Facility.
4. Accountability; eg agendas and minutes to be recorded
eg operate on recommendations to the Council only – cannot expend council funds or authorize any actions without council authority
eg cannot have full delegation of powers to market and promote the facility
5. Reporting Mechanisms; recording of minutes and presentation of authorized reports to the Council as recommendations to the Council.
6. Establish regularity of meetings and venue with dates and times
7. Achieve the terms of reference set by Council with the required accountability mechanisms in place endorsed by the Council.
8. Compliance shall remain in place whilst operating as a community based committee

FINANCIAL IMPLICATIONS

2005/2006 Budget – expense general ledger account for Kadjininy Kep Facility
- revenue general ledger account for Kadjininy Kep Facility

POLICY IMPLICATIONS: Nil (not known at this time)

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004 – Subdivision 2 – Committees and their meetings

- Subdivision 3 – Matters affecting council and committee meetings

- section 5.8: establishment of committees
- a local government may establish committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.
- section 5.9 types of committees
- 5.9 (2): a committee is to comprise –
 - (a) council members only;
 - (b) council members and employees;
 - (c) council members, employees and other persons
 - (d) council members and other persons; or
 - (e) other persons only.
- section 5.10 appointment of committee members
- 5.10 (1) a committee is to have as its members;

- (a) persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and
- (b) persons who are appointed to be members of the committee under subsection (4) or (5).

*By Absolute Majority

- 5.10 (2) at any given time each council member is entitled to be a member of at least one committee referred to in section 5.9 (2) (a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed as the local government decides.
- 5.10 (4) if at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.
- 5.10 (5) if at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish;
 - (a) to be a member of the committee; or
 - (b) that a representative of the CEO be a member of the committee,
 the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.

Section 5.11 – tenure of committee membership

- 5.11 (1) where a person is appointed as a member of a committee under section 5.10 (4) or (5), the persons membership of the committee continues until;
 - (a) the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be;
 - (b) the person resigns from membership of the committee;
 - (c) the committee is disbanded; or
 - (d) the next ordinary elections day,
 whichever happens first.
- 5.11 (2) where a person is appointed as a member of a committee other than under section 5.10 (4) or (5), the person's membership of the committee continues until;
 - (a) the term of the person's appointment as a committee member expires;
 - (b) the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant;
 - (c) the committee is disbanded
 - (e) the next ordinary elections day,
 whichever happens first.

5.12 – election of presiding members and deputies

5.13 – functions of deputy presiding members

5.14 – who acts if no presiding member

5.15 – reduction of quorum for committees

5.16 – delegation of some powers and duties to certain committees

5.17 – limits on delegation of powers and duties to certain committees

5.18 – register of delegations to committees

5.22 – minutes of council and committee meetings

5.22 (1) the person presiding at a meeting of a council or a committee is to cause minutes to be kept of the meeting's proceedings

5.25 Regulations about council and committee meetings and committees

Local Government (Administration) Amendment Regulations No2) 2005

- regulation 8; procedure where no quorum at council or committee meetings is present and the procedure to follow should there not be a quorum
- regulation 9; voting at council or committee meetings are not to be secret
- regulation 10; revoking or changing decisions made at council or committee meetings
- regulation 11; content of minutes of council or committee meetings is to include names, members entering and leaving the room, details of each motion moved, details of each decision, a

summary of each question raised and disclosures to be made in accordance with the Act requirements.

- regulation 12; public notice of council or committee meetings
 12. (1) at least once each year a local government is to give local public notice of the dates on which and the time and place at which-
 - (a) the ordinary council meetings; and
 - (b) the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public, are to be held in the next 12 months.
 - (2) a local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).

STRATEGIC PLAN IMPLICATIONS

Shire of Tammin Strategic Plan 2003-2006

Theme 2: Our Economy - New Initiatives/Innovations

1. Develop tourism and education based on natural resource management, TALEC, the hydrology model, history and heritage;
 - a) Hydrology Model
 - Complete the hydrology model
 - Establish an Events Committee to develop and manage events
 - Develop merchandise

FUTURE PLAN IMPLICATIONS

Shire of Tammin Future Plan July 2004 to June 2008

Activity 11 – Hydrology Model

- Complete the hydrology model
- Develop merchandise

COMMUNITY CONSULTATION

Community Development Officer with members of the Tammin Art Prize Committee
General Community Interest
Chief Executive Officer
Councillors

STAFF RECOMMENDATION

That Council endorses the following procedural actions of creating/establishing a community based committee of the Council in accordance with the Local Government Amendment Act 2004 and the Local Government (Administration) Amendment Regulations (No 2) 2005;

1. Committee Name
2. Committee Membership
3. Committee Objectives
4. Committee Operational Guidelines
5. Committee Reporting Requirements
6. Committee Term

COUNCIL RECOMMENDATION

MIN 157/05 MOTION - Moved Cr. Jefferies 2nd Cr. Stokes

That Council endorses the following procedural actions of creating/establishing a community based committee of the Council in accordance with the Local Government Amendment Act 2004 and the Local Government (Administration) Amendment Regulations (No 2) 2005;

Committee Name: *Tammin Events Committee*
Committee Membership: *Two Councillors, Four Community Members and the Community Development Officer*
Committee Objectives : *Marketing and promotion of events within the Shire of Tammin*
Committee Operational Guidelines: *Encourage Community Participation*
Operate on a committee system
Committee Reporting Requirements: *Minutes to be sent to Council*
Committee Term: *Two Year Term with renewal option*

CARRIED 6/0

7:26pm – Cr Greenwood left Council Chambers.

Agenda Reference:	11.1.8
Subject:	July Cheque List
Location:	Shire of Tammin
Applicant:	N/A
File Ref:	N/A
Disclosure of Interest:	N/A
Date:	10 th August 2005
Author:	Raymond Griffiths, Manager Corporate Services

BACKGROUND

Accounts for Payment from 1st July 2005 to 31st July 2005

Municipal Fund

15250	-	15289	\$	222,182.81
15290				TEST RUN
15291	-	15337	\$	223,248.30
			\$	<u>445,431.11</u>

Trust Fund

Nil.

COMMENT

During the month of July 2005 the Shire of Tammin made the following significant purchases:-

Major Motors Pty Ltd New 2005 Isuzu EXY as Per Tender, Less Trade-In	167,350.00
RNR Contracting Pty Ltd Tn-Wyalkatch. Rd : Supply & Spray Bitumen, Supply, Deliver Aggregate	13,847.08
Woodstock Electrical Services Work at Hydrology Model - March - April, Various Parts	17,466.94
City & Regional Waste Management Services	17,802.98

Tip Fees : Cunderdin and Kbn, Household Refuse Management Fees 05/06

Motorcharge Limited	5,963.54
Fuel - June 2005	
Shire of Kellerberrin	52,934.06
Reimbursements, Resource Sharing	
Western Australian Treasury Corporation	8,349.95
Principal & Interest Repayment for Loan 77	
Western Power	12,849.30
Fire/Stn & York. Hall Elec. Consumption, Hydro Model Elec. Connection	
Howard Porter	89,001.00
2005 Tandem Axle Side Tipping Trailer (TN2203) & Tandem Axle Dolly (TN2202)	

FINANCIAL IMPLICATIONS

Shire of Tammin 2004/2005 Operating Budget

POLICY IMPLICATIONS - Nil

STATUTORY IMPLICATIONS

Local Government (Financial Management) Regulations 2005

Regulation 13 (2) – Where a local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, each payment from the municipal fund or the trust fund is to be noted on a list compiled for each month showing –

- a) The payee's name;
- b) The amount of the payment
- c) The date of the payment; and
- d) Sufficient information to identify the transaction.

(3) The list referred to in sub regulation (2) is to be –

- a) Presented to the council at the next ordinary meeting of the council following the preparation of the list; and
- b) Recorded in the minutes of the meeting at which it is presented.

STRATEGIC PLAN IMPLICATIONS

Nil

FUTURE PLAN IMPLICATIONS - Nil

COMMUNITY CONSULTATION

STAFF RECOMMENDATION

1 That the accounts submitted from 1st July 2005 to 31st July 2005 be accepted.

VOTING REQUIREMENT – ABSOLUTE MAJORITY

COUNCIL RECOMMENDATION

MIN 158/05 MOTION - Moved Cr. Jefferies 2nd Cr. Caffell

1 *That the accounts submitted from 1st July 2005 to 31st July 2005 be accepted.*

CARRIED 5/0
BY ABSOLUTE MAJORITY

Agenda Reference:	11.1.9
Subject:	July Financial Management Report
Location:	Shire of Tammin
Applicant:	Shire of Tammin
File Ref:	N/A
Disclosure of Interest:	N/A
Date:	10 th August 2005
Author:	Raymond Griffiths, Manager Corporate Services

BACKGROUND

Enclosed is the monthly report for the month of July 2005.

Direct Debit list for the month of July 2005:-

Municipal Fund

01.07.2005 National On-Line Fee for July 2005	\$	64.40
05.07.2005 Payment for Settlement Of 10 Ridley Street	\$	823.50
13.07.2005 Net Pay for F/E 13.07.2005	\$	12,125.51
25.07.2005 Lease Repayment for 928 H Cat Grader	\$	5,641.53
27.07.2005 Net Pay for F/E 27.07.2005	\$	12,978.13
29.07.2005 Municipal Fund Bank Fees for July 2005	\$	110.60
29.07.2005 Trust Fund Bank Fees for July 2005	\$	65.00
29.07.2005 Reserve Fund Bank Fees for July 2005	\$	20.00
29.07.2005 Interest Charged on Municipal Fund for May 2005	\$	34.59

Trust Fund

29.07.2005 Police Licensing for July 2005	\$	22,096.00
---	----	-----------

COMMENT

The following capital purchases were made during the month of July 2005.

Western Power	\$	12,849.30
Fire/Stn & York. Hall Elec. Consumption, Hydro Model Elec. Connection		

Howard Porter \$ 89,001.00
2005 Tandem Axle Side Tipping Trailer (Tn2203) & Tandem Axle Dolly (Tn2202)

FINANCIAL IMPLICATIONS

➤ Financial Management of 2005/2006 budget

POLICY IMPLICATIONS - Nil

STATUTORY IMPLICATIONS

Local Government (Financial Management) Regulations 2005

Regulation 34 – Financial reports to be prepared – s. 6.4

- (1) A local government is to prepare –
 - a) Monthly financial reports in such form as the local government considers to be appropriate; and
 - b)
 - c) Quarterly financial reports for the periods ending on 30 September, 31 December, 31 March and 30 June (or where a 4 weekly period system is used, the period to the end of the week closest to each of those dates) in accordance with regulation 35.
- (2) A monthly or quarterly financial report is to be –
 - a) Presented to the council –
 - i. At the next ordinary meeting of the council following the end of the period to which the report relates; or
 - ii. If the report is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of council after that meeting;
 - and
 - b) Recorded in the minutes of the meeting at which it is presented.
- (3) A quarterly report may be presented to a local government in lieu of a monthly report.

STRATEGIC PLAN IMPLICATIONS - Nil

FUTURE (PRINCIPAL ACTIVITY) PLAN IMPLICATIONS

COMMUNITY CONSULTATION

STAFF RECOMMENDATION

- 1 That Council approve the Monthly Financial Statements for the period ending 31st July 2005.
- 2 That the Direct Debit List be accepted for the month of July 2005.

COUNCIL RECOMMENDATION

MIN 159/05 MOTION - Moved Cr. Caffell 2nd Cr. Wheeldon

That Council approve the Monthly Financial Statements for the period ending 31st July 2005.

That the Direct Debit List be accepted for the month of July 2005.

CARRIED 5/0

DEVELOPMENT SERVICES AGENDA ITEMS

Agenda Reference:	11.2.1
Subject:	Dividing Fence Replacement
Location:	Lot 1 & 2 Donnan, Lot 11 & 12 Shields Street, Tammin
Applicant:	Mrs. Sonia Kickett, Administration
File Ref:	Ass
Disclosure of Interest:	Nil.
Date:	30 th August 2005
Author:	Manager, Development Services

BACKGROUND

The timber dividing fence between the industrial building and Mrs. Kickett's property is in disrepair. Mrs. Kickett has previously lodged her concerns regarding the fence to the Manager, Development Services.

In discussion's Mrs. Kickett initially advised that the current industrial tenant had damaged the fence, however it was conceded that the disrepair occurred over a number of years. Recently vehicle bodies were parked adjacent to the fence and Mrs. Kickett states that the industrial tenant caused the damage. I disputed this and suggested that children and age had deteriorated the fence.

COMMENT

The provisions of the Dividing Fences Regulations binds the crown and local government where the properties are not used for parks or public open spaces. It is appropriate for Council to support the replacement of the fence.

The Shire of Tammin is the owner of lots 11 Shields and 1 & 2 Donnan. The length of fence requiring replacement is 75m inclusive of the laneway distance. As the laneway must be fenced on both sides 20m can be removed from the distance. Three days labour is required to install the fence. Additional costs include \$500 for digging and concrete.

Correspondence from Mrs. Kickett appends. Mrs. Kickett seeks time to pay for her share of the costs. I recommend that any grace be limited to full payment within this financial year.

As Council purchased the building for the current tenant and the current tenant is paying the building off, the cost may be borne by the tenant.

FINANCIAL IMPLICATIONS

Labour component – 2 x Workcamp + Builder – 24 hours - \$1032

Ancillaries - \$500

Materials - \$2,750

Removal of old Fence - \$500 – allowance – can be used for vehicles or labour.

Total \$4,782

Council contribution - \$2,391

The owners of the lands are required to share the costs and advise each other of quotes.

No funds are provided within the 2005/06 for this project. It is recommended that funds be reallocated from the following areas: -

- 1) Job148.12 – Misc Land maintenance – Page 160 Tammin 04/05 Budget Document. Funds received from Mrs. Kickett can then be refunded to this account.

Alternatively, Council may approach the industrial tenant to pay the costs incurred.

POLICY IMPLICATIONS - Nil.

STATUTORY IMPLICATIONS

The fence is deteriorated. Fencing local laws to be adopted by the Shire of Tammin require that fences be maintained to the required zonal standard. As the higher standard is residential fencing the deteriorated fence must be replaced with steel post and rail fencing.

STRATEGIC PLAN IMPLICATIONS - Nil.

PRINCIPAL ACTIVITY PLAN IMPLICATIONS - Nil.

COMMUNITY CONSULTATION - Nil.

STAFF RECOMMENDATION

Council should resolve: -

- 1) "That the replacement of the fence between Lot 11 and 12 Shields Street be acknowledged as required and that the funds from Job148.12 be reallocated to the replacement of the fence."
ABSOLUTE MAJORITY REQ'D.
- 2) "That the tenant of the Tammin Steel building be requested to pay for a share of the costs to re-establish the fence."
- 3) "That Mrs. Kickett be advised that full payment is to be received as equal monthly installments prior to 30th June 2006."

COUNCIL RECOMMENDATION

MIN 160/05 MOTION - Moved Cr. Stokes 2nd Cr. Wheeldon

Council should resolve: -

1. *"That the replacement of the fence between Lot 11 and 12 Shields Street be acknowledged as required and that the funds from Job148.12 be reallocated to the replacement of the fence."*
ABSOLUTE MAJORITY REQ'D.
2. *That the tenant of the Tammin Steel building be requested to pay for a share of the costs to re-establish the fence."*
3. *"That Mrs. Kickett be advised that full payment is to be received as equal monthly installments prior to 30th June 2006."*

CARRIED 5/0

WORKS & SERVICES AGENDA ITEMS

NIL

COUNCIL RECOMMENDATION

MIN 161/05 MOTION - Moved Cr. Caffell 2nd Cr. Stokes

That Council accept the Chief Executive Officers Report and the following Sub reports:

*Manager Corporate Services
Manager Development Services
Manager Works and Services
Community Development Officer*

CARRIED 5/0

COUNCIL RECOMMENDATION

MIN 162/05 MOTION - Moved Cr. Jefferies 2nd Cr. Stokes

1. *That Council accept late items.*

CARRIED 5/0

Agenda Reference:	Late Item 1
Subject:	Corporate Governance Health Check
Location:	Shire of Tammin
Applicant:	Administration-Shire of Tammin
File Ref:	ADM-26
Disclosure of Interest:	N/A
Date:	4 th September 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

The enclosed/attached report prepared by the Chief Executive Officer is for Council to continually assess its performance as a Council group in its planning and governance areas. Whilst Council generally achieves the standards of compliance, there is always room to continually improve its performance and achieve a much higher level of performance for the betterment of the district and for Council to remain continually aware of its role and responsibility as a Council and as a Councillor.

COMMENT

The attached Report is based on a broad appraisal of the Council in terms of its continual improvement and performance targets in achieving good governance standards of its own performance. The report is to continually encourage the Council to strive for good corporate governance standards for sound decision making processes to be achieved and to keep Council abreast of its role and responsibility of governing the district.

FINANCIAL IMPLICATIONS: Nil (not known at this time)

POLICY IMPLICATIONS

Councillor's Manual – A Complete guide to the Local Government Act 1995. Publication produced by the Western Australian Local Government Association.

STATUTORY IMPLICATIONS

Local Government Amendment Act 2004
Local Government (Administration) Amendment Regulations (No 2) 2005
Inquiry Reports (Department of Local Government and Regional Development Publications) – to obtain the current and recent understanding of achieving high levels of Corporate Governance.

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION: Nil (not known at this time)

STAFF RECOMMENDATION

1. That the Governance Health Check Report by the Chief Executive Officer, be received.

2. That Council endorses Councillors attendance at identified Councillor Training Seminars for continual improvement to knowledge and responsibilities of being a Councillor.

COUNCIL RECOMMENDATION

MIN 163/05 MOTION - Moved Cr. Caffell 2nd Cr. Jefferies

That the Governance Health Check Report by the Chief Executive Officer, be received.

That Council endorses Councillors attendance at identified Councillor Training Seminars for continual improvement to knowledge and responsibilities of being a Councillor.

CARRIED 5/0

SHIRE OF TAMMIN Corporate Governance Health Check Report

As part of my role and responsibility as the appointed Chief Executive Officer it is my duty to formally provide Council with a report on their Governance Performance outcomes and appraisal during my time of employment and my comments are from observations and understanding of Councils Performance.

It must be stated that over time the Chief Executive Officer and Management Staff in particular, have been appraised and questioned on their performance without the acceptance or invitation for the Chief Executive Office and Management Staff to undertake a Performance Appraisal of the Council.

Introduction

The following report is to improve the understanding and responsibility of the Council and Councillors in consideration of increasing compliance being placed on systems and procedures of a local government and for Council to accept responsibility, accountability and transparency for good governance to the Community and of the Council.

Good Corporate Governance in a local government extends beyond the management of an organization. It also encompasses the individual's and the organisation's legislative compliance, structure, culture, policies and strategies, transparency, accountability to the community and most of all ethical behavior.

Councils, as the governing bodies, are accountable for overall organizational performance. They must not only set high standards of behavior and decision making for themselves, but have in place processes that allow them to monitor how the organization is functioning so that they can meet their obligation to;

- a) direct and control the local government affairs, and
- b) be responsible for the performance of the local government's functions.

The general function of local government

Section 3.1(1) of the Local Government Amendment Act 2004 reads "the general function of local government is to provide for the good government of persons in its districts". Whilst the Act does not define the term "good government", legal interpretation when considering the concept suggested that the good government of the local government might be measured by the quality of;

- (a) its decision making,
- (b) community participation in its decisions and affairs,
- (c) its accountability to its community, and
- (d) its efficiency and effectiveness.

Section 5.2 of the Local Government Amendment Act 2004, provides that the Council of a local government is to ensure that there is an appropriate structure for administering the local government.

The role of the Council

Section 2.7 of the Local Government Amendment Act 2004 states the role of the Council LGAs 2.7(1) The Council;

- (a) directs and controls the local government's affairs; and
- (b) is responsible for the performance of the local government's functions

LGAs 2.7(2) without limiting subsection (1), the council is to;

- (a) oversee the allocation of the local government's finances and resources; and
- (b) determine the local government's policies.

LGAs 5.2 provides that it is the duty of the Council of a local government to;

“ensure that there is an appropriate structure for administering the local government”

LGAs 5.35 subsection (1) and (2) places a further duty on the local government in relation to the employment of the CEO as follows. Subsection 5.36 (1) provides that;

A local government is to employ:

- (a) a person to be the CEO of the local government; and
- (b) such other persons as the council believes are necessary to enable the functions of the local government and the functions of the Council to be performed.

The role of the Mayor or President

Section 2.8 of the Local Government Amendment Act 2004 states the role of the Council

LGAs 2.8(1) The mayor or president;

- (a) presides at meetings in accordance with this Act;
- (b) provides leadership and guidance to the community in the district;
- (c) carries out civic and ceremonial duties on behalf of the local government;
- (d) speaks on behalf of the local government;
- (e) performs other functions as are given to the mayor or president by this Act, or any other written law; and
- (f) liaises with the CEO on the local government's affairs and the performance of its functions.

The role of Councillors

Section 2.10 of the Local Government Amendment Act 2004 states the role of Councillors;

LGAs 2.10; A councillor;

- (a) represents the interests of electors, ratepayers and residents of the district;
- (b) provides leadership and guidance to the community in the district;
- (c) facilitates communication between the community and the council;
- (d) participates in the local government's decision making processes at council and committee meetings; and
- (e) performs such other functions as are given to a councilor by this Act or any other written law.

Functions of CEO

Section 5.41 of the Local Government Amendment Act 2004 states the functions of the CEO;

LGAs 5.41; The CEO's functions are to;

- (a) advise the council in relation to the functions of a local government under this Act and other written laws;
- (b) ensure that advice and information is available to the council so that informed decisions can be made;
- (c) cause council decisions to be implemented;
- (d) manage the day to day operations of the local government;
- (e) liaise with the mayor or president on the local government's affairs and the performance of the local government's functions;
- (f) speak on behalf of the local government if the mayor or president agrees;
- (g) be responsible for the employment, management, supervision, direction and dismissal of other employees (subject to section 5.37 (2) in relation to senior employees);
- (h) ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law;
- (i) perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO.

Delegation of some powers and duties to CEO

Section 5.42 of the Local Government Amendment Act 2004 states the delegation of some powers and duties to CEO;

LGAs 5.42 (1) a local government may delegate to the CEO the exercise of any of its powers or the discharge of any of its duties under this Act other than those referred to in section 5.43.

LGAs 5.42 (2) a delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.

Council procedural provisions to the conduct of meetings

Under the Local Government Act the procedural provisions relating to Council meetings, and committee meetings, are set out in Division 2. There are a series of sections, which are required to be complied with and are summarised hereunder;

1. section 5.3 deals with the holding of ordinary meetings.
2. section 5.4 deals with the calling of council meetings.
3. section 5.5 deals with the convening of council meetings.
4. section 5.8 deals with establishment of committees.
5. section 5.15 deals the delegation of some powers and duties to certain committees.
6. section 5.17 deals with the limits on the delegation of powers and duties to certain committees.
7. section 5.20 deals the decisions of Councils and committees.
8. section 5.22 deals with the minutes of council and committee meetings.
9. section 5.23 deals with meetings generally being open to the public.
10. section 5.25 deals with the regulations about council and committee meetings.

Generally, the above mentioned provisions, in particular, the ways in which powers have been allocated between the Mayor or President, the councilors and the CEO are based on principles of openness, merit and equity, prescribe the processes and principles by which Parliament has sought to indicate their view as to what will lead to “good government” in the form of “good” decision making, “good” community participation, “good” accountability and a “good” level of efficiency and effectiveness. A failure to comply with these procedures and principles is indicative of the possibility of something less than “good government”.

It is also clear that Parliament intended that there be a clear distinction between the policy making role of the Council and the administrative and advisory role of the CEO and staff subordinate to the CEO, in updating the Local Government Act.

Case Examples

1. The provision of advice to Council

Section 5.41(b) of the Act provides that it is a function of the CEO to ensure that advice and information is available to the council so that decisions can be made.

2. Role of Council and Conduct of Meetings

In a Council meeting situation the mayor or president cannot be authorized to obtain appropriate professional advice, including legal advice.

Section 5.41(b) of the Act prescribes that the function of the CEO is to ensure that advice and information is available to the council so that informed decisions can be made. As the Act prescribes the functions of the CEO, council can not act contrary by delegating the function to the president. The Act only permits the CEO to delegate his or her functions under the Act and that delegation can only be to an employee of the local government. If Council needs to seek independent advice, it must do so by resolution with an instruction to the CEO to arrange for the advice to be obtained.

3. Role of Mayor or President

In a situation where at any meeting of the Council in which there were no minutes recorded, the Act under section 5.22 provides that the person presiding at a meeting of council or a committee is to cause minutes to be kept of the meetings proceedings. The presiding person needs therefore to ensure that adequate processes are in place for minutes to be kept of the meeting’s procedures.

Mayors or Presidents have no specific powers under the Act to make decisions in an administrative capacity, nor they can be delegated any authority. Delegation of the power and duties of the local government are only authorized under section 5.16 and section 5.42 of the Act. Section 5.16

authorises different levels of delegations to committees dependent upon their membership and section 5.42 authorises delegation to the Chief Executive Officer the exercise of any of the powers or the discharge of any of the duties of the local government.

Mayors or Presidents must ensure that they do not act in an administrative capacity without express authority being given by the Act or any other written law. The Act provides no authority for councils to retrospectively approve the actions of the Mayor or President.

The roles and responsibilities of Mayors, Presidents, Councils, elected members and CEO's have been debated since the 1996 Local Government Act was brought into operation. It has been clearly defined and stated that the Mayor or President must not;

- Obtain legal advice
- Negotiate with the CEO over matters that affect the role and responsibility of the CEO.
- Employ consultants
- Transfer assets
- Agree to payments
- Not become involved in contract negotiations, CEO role and responsibility
- Get involved in administrative matters, CEO role and responsibility
- Seek to have staff dismissed, CEO role and responsibility.

Mayor or President must;

- Ensure that Ordinary Meetings are convened within the prescribed time limits and notice period.
- Ensure Minutes are kept of all meetings of the Council or Committee.
- When cancellation of Ordinary and Committee Meetings are given these are to be completed in accordance within the requirements of the Local Government Act and associated Regulations in terms of approved notice period.
- Provide sufficient notice and information to Council agendas for debate on items that are based on sound decision making and transparency principles, achieving outcomes.
- Maintain openness and accountability within the operations and planning of the Council.

- References:** 1. *Department of Local Government and Regional Development – two publications: a) Inquiry into the City of Belmont and: b) Inquiry into the City of South Perth.*
2. *Councillor's Manual – the Complete Guide to the Local Government Act 1995, produced by the Western Australian Local Government Association.*
3. *Local Government Amendment Act 2004.*
4. *Seminar on "The Business of Local Government" – Australian Institute of Company Directors.*

The aforementioned information is presented to the Council as a guide to its continual review of its performance and processes for good government practices within its district and to provide some training overview from an in-house perspective.

FRANK PECZKA
Chief Executive Officer

Agenda Reference:	Late Item 2
Subject:	Street Tree Assessment – Removal and Renovation
Location:	Booth Street Tammin (near Tammin Primary School)
Applicant:	Administration-Shire of Tammin
File Ref:	ENG-03
Disclosure of Interest:	N/A
Date:	5 th September 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

Councillors were circulated with a Memo dated 26th August 2005 regarding concerns as to the condition of identified street trees on the verge of Booth Street (east side) in front of Tammin Primary School. The professional assessment was completed by Specialised Tree Service of Grass Valley, as to the condition and threat of street trees to public property.

COMMENT

Specialised Tree Service has submitted a professional report as circulated to Councillors as stated above. The concern arose from an early assessment by Council staff as to the suitable and healthy condition of the identified street trees and professional advice was obtained to determine the state of the trees.

Two street trees are recommended to be removed and two street trees are recommended for maintenance attention to preserve the trees.

Council note that the Professional Specialised Tree Service Report is attached to this agenda item and again presented for Council consideration and direction.

FINANCIAL IMPLICATIONS

Shire of Tammin 2005/2006 Budget

- expenses for street trees and tree pruning
- quote submitted for the identified and recommended street tree removal and renovation works is \$2,970.00 inclusive of GST.

POLICY IMPLICATIONS

Recommend to Council the condition of dangerous trees and for Council Works & Services Committee to inspect and recommend a course of action for the Council.

STATUTORY IMPLICATIONS

Legislation - Local Government Amendment Act 2004

Insurance - Local Government Insurance Services – Risk Management Strategy for Street Trees

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION

Works & Services Staff

Manager Works & Services and Chief Executive Officer

Councillors via Memo circulated

STAFF RECOMMENDATION

That the identified street trees of Booth Street near the Tammin Primary School site be removed to ground level including stump removal and the identified street trees be renovated in accordance with Street Tree Assessment Report submitted by Specialised Tree Service and accepted at the quoted price of \$2,970.00 including GST.

COUNCIL RECOMMENDATION

MIN 164/05 MOTION - Moved Cr. Jefferies 2nd Cr. Wheeldon

That the identified street trees of Shield and Strang Street near the Tammin Primary School site be removed to ground level including stump removal and the identified street trees be renovated in accordance with Street Tree Assessment Report submitted by Specialised Tree Service and accepted at the quoted price of \$2,970.00 including GST.

CARRIED 5/0

REASON

Incorrect street name listed in staff recommendation.

Agenda Reference:	Late Item 3
Subject:	Certified Enterprise Bargaining Agreement 1997(cessation of EBA)
Location:	Shire of Tammin
Applicant:	Administration-Shire of Tammin
File Ref:	PERS
Disclosure of Interest:	N/A
Date:	5 th September 2005
Author:	Frank Peczka, Chief Executive Officer

BACKGROUND

During 2004 informal discussions were had with the Manager Corporate Services and the concerned Employee in regards to the possibility of Council's Clerical Finance Officer seeking to be transferred from the Certified Enterprise Bargaining Agreement 1997 to the standard Local Government Officers' Award 1999. Briefings and discussions ensued and with consultation with the Chief Executive Officer, further research and written advice was to be obtained to give Council (the employer) processes to follow.

It was determined that the Employee provides a formal request to commence the process and then the required procedures fall into place ultimately resting with the Council.

COMMENT

This process did take some time and did so on the basis that due process is followed as per advice Council obtained from Industrial Relations Advisors, Workplace Solutions of WALGA.

Reading the Agreement it is obvious that the conditions contained within the Agreement were generous at the time and it was not an issue whilst this was the "operating" conditions of employment for staff that were on Councils EBA 1997.

Research completed revealed that an agreement was necessary for resigning from the Award and Agreement reached for the entitlements of staff on that EBA, hence Council created its Entitlements Reserve Fund to assist with Liabilities under the Agreement.

Prior to reaching final agreement advice was obtained from the Employees Industrial relations representative and from the Employers Industrial Relations Representative in order to reach consensus as to fair and reasonableness not only with considered conditions under the EBA 1997 but also relevant Award Conditions to provide a better Administration system and identification of current costs rather than Non-Current Liabilities for the Council.

Two meetings were convened on Tuesday 15th August 2005 and Friday 19th August 2005, this date was postponed to Monday 22nd August 2005 to finalise agreed conditions with respective parties.

Most of the discussions were centred around Clause 18 – Emergency and Planned Time Off Leave (EPTOL), whereas this clause replaces Clauses 41 and 41A of the Local Government Officers' Award of 1988.

The initiative of the EBA 1997, aims to contribute to the achievement of the following objectives;

- A reduced rate of absenteeism
- A reduction in unplanned leave
- The provision of short leave

All employees are entitled to EPTOL per year as follows;

On commencement	38 hours
After six (6) months service	38 hours
After one (1) years service	76 hours
After two (2) years service	76 hours
After three (3) years service and each year thereafter	91.2 hours

After the final tripartite meeting the following agreement was reached between the Chief Executive Officer and the Staff Member concerned summarised hereunder;

1. agreement to be transferred from the Certified EBA 1997 to the Local Government Officers' (LGO) Award 1999.
2. Transfer to the LGO Award on existing levels of salary ie Level 3 Step 4
3. agreement reached for payout of 50% Sick Leave (EPTOL) under the EBA 1997 and transfer balance of 50% across to the LGO Award 1999 as accrued sick leave without further cost being incurred by the Council now or in the future.
4. payout of accrued Annual Leave Entitlements of an agreed leave plan to reduce calculated days from current level of 85 days down to 5 days by end of June 2006.
5. Staff Performance Appraisal process be kept separate to the EBA 1997 closedown and then the appraisal process to follow.

Summary of costs and days accrued for annual leave hereunder;

1. Accrued Annual Leave = 85 days (current entitled leave)
 - Less - 25 days (annual leave now taken in September 2005)*
 - Less - 20 days (cash payout now to reduce accrued leave days)*
 - Less - 10 days (taken over xmas and new year period)*
 - Less - 25 days (taken during February 2006)*
 - Balance 5 days outstanding***
 - PLUS Long Service Leave due and confirmed to be taken during December 2005/January 2006/February 2006 in combination with Annual Leave notice as above.*

Calculated value of payouts for two components;

1. Accrued Sick Leave (EPTOL) under the old EBA 1997 = 51 days = \$6,768.64
 2. Agreed Accrued Annual Leave Periods for financing = 50 days = \$6,626.00
- Estimated Cost of payout = **\$13,394.64**

**calculations above are to be used as a guide for current cost allocation and consideration from the Entitlement reserve Fund that has been included in budget estimates for 2005/2006.*

It is strongly recommended that the Council and Staff member concerned remain with the agreement for the entitled and agreed leave periods to avoid increasing cost upon the Council in today's dollars and the inconvenience this could cause upon the Council.

FINANCIAL IMPLICATIONS

Shire of Tammin 2005/2006 Budget

- Operating expenses for Salary and Wages General Ledger Account
- Entitlements Reserve Account (for staff on the EBA)
- Estimated payout cost as summarised above \$13,394.64

POLICY IMPLICATIONS: Nil (not known at this time)

STATUTORY IMPLICATIONS

Shire of Tammin - Certified Enterprising Bargaining Agreement 1997 – dated October 1997
Clause 3 – Incidence and Parties Bound

This Agreement shall apply to and be binding upon the Shire of Tammin and all persons employed as salaried officers who are members of, or who are eligible to be members of the Australian Municipal, Administrative, Clerical and Services Union WA Clerical and Services Branch or The Association of Professional Engineers, Scientists and Managers Association.

Clause 4 – Date and Period of Operation

This Agreement shall operate from the beginning of the first pay period on or after the date of certification and shall remain in force for a period of twenty four months. In the event that the Agreement is not re-negotiated or replaced then this Agreement will remain in force. Negotiations for a new agreement shall start no later than three (3) months prior to the expiry of the term.

Clause 5 – Relationship to Existing Awards

This Agreement shall be read and interpreted wholly in conjunction with the Local Government Officers' (Western Australian Award 1988 on the other, this Agreement shall prevail to the extent of any such inconsistency.

Council commits itself to the existing conditions of employment in accordance with the Local Government Officers' (Western Australia Award 1988, such that terms and conditions will not be reduced for the life of this Agreement.

Clause 18 – Emergency and Planned Time Off Leave (EPTO)

Outlines the entitlements of employees, under the Certified Bargaining Agreement 1997, in respect to generous leave entitlements and the accrual rate.

Local Government Officers' (WA) Award 1999 – employment conditions under this Award

STRATEGIC PLAN IMPLICATIONS: Nil (not known at this time)

FUTURE PLAN IMPLICATIONS: Nil (not known at this time)

COMMUNITY CONSULTATION

Staff Member concerned

Australian Services Union representing staff member (employee)

Workplace Solutions of Western Australian Local Government Association (employer)

Manager Corporate Services

Chief Executive Officer

Staff Member concerned and Manager Corporate Services with the President

STAFF RECOMMENDATION

That the Council;

1. submit the Shire of Tammin Certified Enterprise Bargaining Agreement (EBA)1997, to the Industrial Relations Commission, to have the EBA deleted as an Agreement certified by the Council.
2. approve of the Staff Members' application to transfer from the Shire of Tammin ex Certified Enterprise Bargaining Agreement 1997 to the current Local Government Officers' (LGO's) Award 1999.

3. agree to the payment of entitled 50% accrued leave to the concerned staff member of leave accrued under the ex EBA 1997 and the balance of 50% accrued leave be transferred to the LGO's Award 1999 as sick leave as per normal Award conditions for claim and use.
4. agree to pay outright, 20 days of accrued annual leave from the ex EBA 1997, within the next full pay period after the date of this decision.
5. endorses the concerned Staff Members' agreed leave planning schedule, to dramatically reduce accrued annual leave of around 85 days to 5 days, by end of June 2006, without question.
6. that the transfer from the ex Certified EBA 1997 to the current LGO's Award 1999 be on the basis of Award Classification being endorsed at Level 3 Step 4, for equity and fairness of agreement reached.
7. that financing of the agreed payout and transfer of the concerned staff member to the LGO's Award 1999, be debited to the Entitlements Reserve Fund as identified within Councils 2005/2006 adopted Budget Document.
8. that a Staff Performance Appraisal be only completed on the aforementioned agreement of transfer of employment conditions, prior to further consideration being given to a revised classification level being negotiated under the current LOG's Award 1999, with the concerned staff member.

COUNCIL RECOMMENDATION

MIN 165/05 MOTION - Moved Cr. Wheeldon 2nd Cr. Caffell

That the Council;

1. *submit the Shire of Tammin Certified Enterprise Bargaining Agreement (EBA)1997, to the Industrial Relations Commission, to have the EBA deleted as an Agreement certified by the Council.*
2. *approve of the Staff Members' application to transfer from the Shire of Tammin ex Certified Enterprise Bargaining Agreement 1997 to the current Local Government Officers' (LGO's) Award 1999.*
3. *agree to the payment of entitled 50% accrued leave to the concerned staff member of leave accrued under the ex EBA 1997 and the balance of 50% accrued leave be transferred to the LGO's Award 1999 as sick leave as per normal Award conditions for claim and use.*
4. *agree to pay outright, 20 days of accrued annual leave from the ex EBA 1997, within the next full pay period after the date of this decision.*
5. *endorses the concerned Staff Members' agreed leave planning schedule, to dramatically reduce accrued annual leave of around 85 days to 5 days, by end of June 2006, without question.*
6. *that the transfer from the ex Certified EBA 1997 to the current LGO's Award 1999 be on the basis of Award Classification being endorsed at Level 3 Step 4, for equity and fairness of agreement reached.*
7. *that financing of the agreed payout and transfer of the concerned staff member to the LGO's Award 1999, be debited to the Entitlements Reserve Fund as identified within Councils 2005/2006 adopted Budget Document.*
8. *that a Staff Performance Appraisal be only completed on the aforementioned agreement of transfer of employment conditions, prior to further consideration being given to a revised classification level being negotiated under the current LOG's Award 1999, with the concerned staff member.*

CARRIED 5/0

CLOSURE OF MEETING

8:30pm – There being no further business the Presiding Person, Cr Barry Leslie closed the meeting.

NEXT MEETING DATES

- Special Council Meeting, Thursday, 15 September 2005
- Ordinary Council Meeting, Wednesday, 5 October 2005