



MINUTES

ORDINARY COUNCIL MEETING

TIME: 5.30PM

THURSDAY 20 AUGUST 2015

CITY OF VINCENT

Managing waste and recovering resources responsibly
Constituent Members: *Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo*
Towns of Cambridge and Victoria Park



CONTENTS

1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	3
2	ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE	3
3	DECLARATION OF INTERESTS	4
4	PUBLIC QUESTION TIME	4
5	ANNOUNCEMENTS BY THE PRESIDING PERSON	4
6	APPLICATIONS FOR LEAVE OF ABSENCE.....	4
7	PETITIONS / DEPUTATIONS / PRESENTATIONS	4
8	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	4
	8.1 Ordinary Council Meeting - 2 July 2015	4
9	CHIEF EXECUTIVE OFFICER REPORTS.....	5
	9.1 Financial Statements for the months ended 31 May 2015 and 30 June 2015	5
	9.2 List of Payments made for the months ended 31 May 2015 and 30 June 2015.....	9
	9.3 Review of Council Policies and Delegations to the Chief Executive Officer.....	10
	9.4 Acquittal of Carbon Price Reserve.....	17
10	MEMBERS INFORMATION BULLETIN – ISSUE NO. 24.....	21
11	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	21
12	URGENT BUSINESS.....	21
13	QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN	21
14	MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC	21
	14.1 Waste to Energy – Regional Council Collaboration.....	22
	14.2 CEO Performance Review Committee – Consideration of Committees Recommendations	23
15	NEXT MEETING	24
16	CLOSURE	24

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open at 5.30pm

2 ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Councillor Attendance

Cr R Fishwick JP (Chairman)	City of Joondalup
Cr B Stewart (Deputy Chairman)	City of Stirling
Cr J Bissett	Town of Victoria Park
Cr D Boothman	City of Stirling
Cr J Carey	City of Vincent
Cr R Driver	City of Wanneroo
Cr K Hollywood	City of Joondalup
Cr D Newton JP	City of Wanneroo
Cr S Proud	City of Stirling
Cr E Re	City of Stirling
Cr S Withers	Town of Cambridge

Apologies

Cr J Davidson OAM JP	City of Perth
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Leave of Absence

Nil

Absent

Nil

MRC Officers

Mr B Callander (Chief Executive Officer)
Mr G Hoppe (Director Corporate Services)
Ms L Nyssen (Executive Support)

MRC Observers

Ms A Slater (Management Accountant)

Member Council Observers

Mr N Ahern (City of Perth)
Mr W Bow (Town of Victoria Park)
Mr N Claassen (City of Joondalup)
Mr L Kosova (City of Vincent)
Mr S Sciberras (City of Stirling)
Mr H Singh (City of Wanneroo)

Visitors

Nil

Members of the Public

Nil

Press

Nil

3 DECLARATION OF INTERESTS

Interest Type	Financial Interest
Name and Position of Person	Brian Callander, Chief Executive Officer, MRC
Report Item No. and Topic	14.2
Nature of Interest	Consideration of a salary increase for CEO

4 PUBLIC QUESTION TIME

Nil

5 ANNOUNCEMENTS BY THE PRESIDING PERSON

Nil

6 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7 PETITIONS / DEPUTATIONS / PRESENTATIONS

Nil

8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 ORDINARY COUNCIL MEETING – 2 JULY 2015

The Minutes of the Ordinary Council Meeting held on 2 July 2015 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Council Meeting of Council held on 2 July 2015 be confirmed as a true record of the proceedings.

RESOLVED

**Cr Re moved, Cr Boothman seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (11/0)

9 CHIEF EXECUTIVE OFFICER REPORTS
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9.1	FINANCIAL STATEMENTS FOR THE MONTHS ENDED 31 MAY 2015 AND 30 JUNE 2015
File No:	FIN/5-05
Appendix(s):	Appendix No. 1 Appendix No. 2 Appendix No. 3
Date:	7 August 2015
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to provide financial reporting in line with statutory requirements which provides useful information to stakeholders of the Council.

BACKGROUND

Reporting requirements are defined by Financial Management Regulations 34 of the Local Government (Financial Management) Regulations 1996.

The financial statements presented for each month consist of:

- Operating Statement by Nature – Combined
- Operating Statement by Nature – RRF Only
- Operating Statement by Function
- Statement of Financial Activity
- Statement of Reserves
- Statement of Financial Position
- Statement of Investing Activities
- Information on Borrowings
- Tonnage Report

DETAIL

The Financial Statements attached are for the months ended 31 May 2015 and 30 June 2015 and are attached at **Appendix No. 1 and 2** to this Item. The Tonnage Report for the 12 months to 30 June 2015 is attached at **Appendix No. 3**.

The complete suite of Financial Statements which includes the Operating Statements, Statement of Financial Position, Statement of Financial Activity and other related information are reported on a monthly basis.

The estimates for Provisions for Amortisation of Cell Development, Capping and Post Closure expenditure are based on the estimated rates per tonne calculated with reference to estimated excavation cost of various stages of the landfill and the life of the landfill. An adjustment is made (if necessary) at the end of the year based on actual tonnages on a survey carried out to assess the “air space” remaining and other relevant information.

The results presented for the year ended 30 June 2015 have not yet been audited and as a result, some adjustments are still likely to be processed through the accounts which may affect the final surplus for the year.

Summary of results for the year ended 30 June 2015

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	352,463	350,825	1,638
Tonnes – Others	18,897	20,461	(1,564)
TOTAL TONNES	372,360	371,286	74
	\$	\$	\$
Revenue – Members	43,694,231	43,663,910	30,321
Revenue – Other	5,892,113	5,616,274	275,839
TOTAL REVENUE	49,586,344	49,280,184	306,160
Expenses	48,126,487	51,023,343	2,896,856
Profit on sale of assets	18,680	3,372	15,308
Loss on sale of assets	(317,009)	(31,127)	(285,882)
NET SURPLUS	1,161,528	(1,770,914)	2,932,442

Commentary

Member tonnes for the 12 months to June 2015 are materially in line with the budget.

For the year to date (pre-audit), the MRC is showing a positive result to budget of \$2.9 million. The variances giving rise to this positive movement in the surplus are summarised below.

Analysis of 2014/15 surplus (unaudited)

Budget item	Explanation of variance	\$ 000's
1 Power generation sales	Higher than budgeted sales were achieved by Landfill Gas and Power (LGP). The timing of these sales is unpredictable, as LGP will time the sales to try and achieve the best market rates.	320
2 Employee costs	Operational savings were achieved through overtime reductions and use of casual staff (\$140k). Further savings were achieved via casual staff costs for education not incurred and through reductions in working hours for certain staff, as well as underspending of conference budgets (\$165k). As a consequence of the reductions in salaries across the various areas, superannuation costs were reduced by \$56k.	416
3 Consultants/contractors	Less than budgeted was spent as a result of: - delays in proceeding with the acquisition of a new landfill site and a detailed infrastructure review (\$270k); and - RRF consultancy services not required (\$35k) and provision for finance and admin contract labour not required (\$57k).	398

Analysis of 2014/15 surplus (unaudited)

Budget item	Explanation of variance	\$ 000's
4 Communication	Less than budgeted was spent primarily as a result of delays in launching the 'No Glass' campaign (\$200k).	276
5 Landfill expenses	Less than was budgeted was spent on: - mattress recycling (\$108k) as fewer mattresses than anticipated were collected by the contractor; - ground water management (\$105k) and monitoring programs (\$125k) as these programs progress, more cost effective options are being explored;and - limestone cover for landfill (\$81k) as a result of operational efficiencies.	555
6 Plant operations and hire	Operational savings were achieved with respect to repairs and maintenance (\$49k) which has a consequential reduction in replacement hire costs (\$93k). Further savings were achieved with respect to workshop consumables (\$21k), tyres and tubes (45k) and fuel and oil costs (\$67k).	330
7 Borrowing costs	Borrowing costs were over budgeted on a loan facility that moved from a fixed rate period to a floating rate period.	238
8 Insurances	The MRC was unable to insure gas and leachate risks during the year.	171
9 DER Landfill levy	The levy expense is lower than budgeted as a result of less tonnes to landfill than anticipated, as well as the timing of the tonnes received before and after the increase in the levy from 1 January 2015.	271
10 Cell development ammortisation	The cell development expenses are below budget as a result of lower than expected tonnes to landfill.	347
11 Other minor variances	Variance immaterial variances	253
12 RRF operating expenses	Relates to the additional tonnes processed through the RRF above the budgeted 100,000 per annum capacity. The MRC does not pay the capital cost on the tonnes in excess of 100,000 tonnes and as a result, these additional tonnes are processed at a cost cheaper than would be incurred to landfill the tonnes.	(372)
13 Loss on sale of assets	Attributable to an unforeseen loss on sale of the landfill compactor.	(271)
Net variance to budget		<u>2,932</u>

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix No. 1 and 2 for the months ended 31 May 2015 and 30 June 2015, respectively, be received.

RESOLVED

**Cr Re moved, Cr Carey seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (11/0)

9.2	LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 31 MAY 2015 AND 30 JUNE 2015
File No:	FIN/5-05
Appendix(s):	Appendix No. 4 Appendix No. 5
Date:	7 August 2015
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to provide details of payments made during the periods identified. This is in line with the requirement under the delegated authority to the Chief Executive Officer (CEO), that a list of payments made from the Municipal Fund since the last Ordinary Council meeting be presented to Council.

COMMENT

The lists of payments for the months ended 31 May 2015 and 30 June 2015 are at **Appendix 4 and 5** to this Item and are presented to Council for noting. Payments have been made in accordance with the delegated authority to the CEO which allows payments to be made between meetings. At the Ordinary Council Meeting held on 4 September 2014, the Council delegated to the CEO the exercise of its power to make payments from the Municipal Fund. In order to satisfy the requirements of Clause 13(2) of the Local Government (Financial Management) Regulations, a list of payments made must be submitted to the next Council meeting following such payments.

It should be noted that generally all payments are GST inclusive and the Mindarie Regional Council is able to claim this tax as an input credit when GST remittances are made each month to the Australian Tax Office.

Months Ended	Account	Vouchers	Amount
31 May 2015	General Municipal	Cheques	\$58,358.11
		EFT	\$2,950,318.40
		DP	\$287,957.93
		Inter account transfers	<u>\$2,500,000.00</u>
		Total	\$5,796,634.44
30 June 2015	General Municipal	Cheques	\$85,235.12
		EFT	\$2,843,337.56
		DP	\$541,555.35
		Inter account transfers	<u>\$1,600,000.00</u>
		Total	\$5,070,128.03

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the list of payments made under delegated authority to the Chief Executive Officer, for the months ended 31 May 2015 and 30 June 2015 be noted.

RESOLVED

Cr Newton moved, Cr Re seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (11/0)

9.3	REVIEW OF COUNCIL POLICIES AND DELEGATIONS TO THE CHIEF EXECUTIVE OFFICER
File No:	GOV/27
Appendix(s):	Appendix 6 – Council Policy Manual (Current) Appendix 7 – Register of Delegations(Current)
Attachment(s):	Attachment 1 – Council Policy CP13 – Budget Variance Reporting Threshold (New)
Date:	6 August 2015
Responsible Officer:	Chief Executive Officer

SUMMARY

The report seeks endorsement of the review undertaken by the Chief Executive Officer (CEO) on the current Council Policies and Delegations and of a new policy to determine reporting requirements for variations to the Budget.

BACKGROUND

The current Council Policies and Register of Delegations endorsed by Council are operating effectively, providing for efficient and timely administrative services and guidance in relation to discretionary decisions the Council has the ability to make by virtue of the *Local Government Act 1995* and other statutes.

DETAIL

In line with good governance practices the administration has formally reviewed Council's policies and delegations to the CEO. The result of the review was that the current policies and delegations to the CEO are adequate for purpose, however it was considered that a new policy entitled "*Budget Variance Reporting Threshold*" be added to ensure full compliance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996* (the Regulation).

Currently material variances are reported in the Financial Statements on a monthly basis and presented in a report to the Council meetings recommending that the report '*be received*', but the Regulation requires the Council to formally set the value of the variances which are to be reported in the Financial Statements on an annual basis. The Mindarie Regional Council's Policies are reviewed and endorsed by Council annually and would thus meet the requirements of the Regulations. The new policy reads as follows:

"Policy No: CP 13

Policy Title: Budget Variance Reporting Threshold

Policy Statement:

To set the threshold for variances (\$) that are required to be reported to Council in the Month End Financial Statements.

Policy Procedure:

The following year-to-date variances to Budget will be reported in the Financial Statements for each month presented to Council.

Revenue:

1. *Member Revenue (Aggregated) variances greater than \$250,000.*
2. *Non Member Revenue (Aggregated) variances greater than \$100,000.*
3. *Other Revenues Charged (Per Line Item) variances greater than \$100,000.*

Expenses:

1. *All Expense variations (Per Line Item) greater than \$100,000.*

To assist in determining the threshold for the variances to be reported, the Regulation refers to the Australian Accounting Standards made and amended from time-to-time by the Australian Accounting Standards Board (AASB).

When examining the AASB standards, two standards apply which are AASB 101, *Presentation of Financial Statements*, and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Both standards define materiality as follows:

“Material – omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.”

Neither standard however, gives a prescriptive mechanism of how a materiality threshold is to be calculated, rather it is a subjective measure which is determined with reference to the organisation’s particular circumstances and users. The levels set in the new policy address the definition of material variances and ensure that the Council is made aware of variances that may materially affect the business.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995 (the Act)

The following extracts from the Act relate to Council’s obligations in the areas of policy development and delegations to the CEO.

- “2.7. *Role of council*
- (1) *The council —*
 - (a) *governs the local government’s affairs; and*
 - (b) *is responsible for the performance of the local government’s functions.*
 - (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.*
- 5.42. *Delegation of some powers and duties to CEO*
- (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 —*
 - (a) *this Act other than those referred to in section 5.43; or*

- (b) *the Planning and Development Act 2005 section 214(2), (3) or (5).*
 * *Absolute majority required.*
- (2) *A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.*

5.43. *Limits on delegations to CEO*

A local government cannot delegate to a CEO any of the following powers or duties —

- (a) any power or duty that requires a decision of an absolute majority or 75% majority of the local government;*
- (b) accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;*
- (c) appointing an auditor;*
- (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;*
- (e) any of the local government’s powers under section 5.98, 5.98A, 5.99, 5.99A or 5.100;*
- (f) borrowing money on behalf of the local government;*
- (g) hearing or determining an objection of a kind referred to in section 9.5;*
- (ha) the power under section 9.49A(4) to authorise a person to sign documents on behalf of the local government;*
- (h) any power or duty that requires the approval of the Minister or the Governor;*
- (i) such other powers or duties as may be prescribed.”*

Local Government (Financial Management) Regulations 1996 (the Regulation)

The following extract from the Regulation relates to the requirement to have Council adopt a variance value annually.

“Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.”

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

Strategic Community Plan 2013/14 - 2033/34	
OBJECTIVE 1	Long Term Viability
Sub Objective	Good Corporate Governance
This report is required by legislation to ensure that the Council has the opportunity to review its current policies and the delegations it has provided to the Chief Executive Officer thus maintaining the relevance of the documents.	

Corporate Business Plan 2013/14 – 2016/17		
Strategies	Actions	Responsible Officer

1.1.2	Ensure Council Policies are relevant and reviewed by Council	CEO
1.1.3	Review the relevance of the delegations from the Council and report findings to Council	CEO
These actions ensure that an officer within the organisation, in this case the CEO, has a direct responsibility to review the current Council Policies and Instrument of Delegation and report the review findings to Council.		

COMMENT

The review of the policies and delegations by the administration determined that the current policies and delegations were adequate for their purpose and that an additional policy (CP 13 – Budget Variance Reporting Threshold) was required to improve compliance with the Regulation by setting a formal value for reporting material variances to Budget, acknowledging that the reporting of material variances was already engrained in the current financial reports developed by the Administration.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. Retain the existing Policies and Delegations (refer Appendix 6 & 7); and
2. Approve a new Policy (Policy No. CP13 – Budget Variance Reporting Threshold) as included in the Details section of, and Attachment 1, to this report.

Cr Bissett moved, Cr Boothman seconded

Cr Carey raised a concern in relation to Policy No. CP07 – Gratuity Payments and indicated that he could not support the retention of this policy as he believed that additional benefits are adequately compensated for in the *Local Government Act 1995*.

The Chairperson indicated to Cr Carey that as the item had been moved and seconded he could only foreshadow a change to remove the policy once the item had been considered.

The responsible officer recommendation was Put and Lost (5/6)

Cr Carey then moved a motion to withdraw Policy No. CP07 – Gratuity Payments from the Council Policy Manual.

FORESHADOW MOTION

Cr Carey moved, Cr Hollywood seconded

That the Council:

1. Retain the existing Policies and Delegations (refer Appendix 6 & 7) except Policy No. CP07 – Gratuity Payments; and
2. Approve a new Policy (Policy No. CP13 – Budget Variance Reporting Threshold) as included in the Details section of, and Attachment 1, to this report.

CARRIED UNANIMOUSLY (11/0)

Reason for Motion alternative to the Responsible Officer Recommendation

The Councillors agreed with Cr Carey's position that Gratuity Payments as permitted in the *Local Government Act 1995* were adequate therefore supported the motion.

ATTACHMENT 1
TO ITEM 9.3
ORDINARY COUNCIL MEETING
20 AUGUST 2015
POLICY NO. CP13 – BUDGET VARIANCE REPORTING THRESHOLD



Policy No: CP 13

TRIM Reference: D/13/

Policy Title: Budget Variance Reporting Threshold

Policy Statement:

To set the threshold for variances (\$) that are required to be reported to Council in the Month End Financial Statements

Policy Procedure:

The following year-to-date variances to Budget will be reported in the Financial Statements for each month presented to Council.

Revenue:

1. Member Revenue (Aggregated) variances greater than \$250,000.
2. Non Member Revenue (Aggregated) variances greater than \$100,000.
3. Other Revenues Charged (Per Line Item) variances greater than \$100,000.

Expenses:

1. All Expense variances (Per Line Item) greater than \$100,000.

Legislation	Local Government (Financial Management) Regulations 1996
Responsible Officer	Chief Executive Officer
Council Meeting Date	20 August 2015
Review History	Nil
Next Review Date	August 2016
Revision History	Nil
Delegation to the Chief Executive Officer	Nil

9.4	ACQUITTAL OF CARBON PRICE RESERVE
File No:	ENV/38-04
Appendix(s):	Appendix 8 – Waste Industry Protocol
Date:	12 August 2015
Responsible Officer:	Gunther Hoppe

SUMMARY

The purpose of this report is to seek Council's approval to acquit the Mindarie Regional Council's (MRC) carbon price reserve in line with the principles outlined in the Waste Industry Protocol.

BACKGROUND

In 2012 the then Federal Government introduced a carbon price mechanism which required significant carbon emitters, including large landfill operators, to pay a fixed carbon price on their carbon emissions.

The MRC was captured under this scheme and as a result passed on a carbon price related cost increase to its customers for the 2012/13 and 2013/14 financial years.

In 2014, the new Federal Government repealed the carbon price mechanism effective from 30 June 2014. As a result, the MRC ceased passing on a carbon price related cost increase to its customers effective from 1 July 2015.

Waste deposited in a landfill was deemed not to produce any methane emissions (more destructive than pure carbon emissions) in the first year it was deposited in the landfill. Thereafter, that same waste would continue to generate methane for an estimated 40 years as it decomposed.

As a result, landfill operators, including the MRC, were passing on the future costs associated with the lifetime emissions from each tonne of waste deposited into landfill to customers at the 'point of sale', thus collecting funds to settle a future anticipated carbon liability.

This resulted in the MRC collecting approximately \$3.4 million in respect of the carbon price from both member councils and other non-member customers. Approximately \$57,000 of these funds were used to acquit the MRC's carbon price liability related to the emissions from landfill during the operation of the scheme.

The balance of these funds has been kept in reserve by the MRC until such time as the Federal Government indicated what would be regarded as an acceptable acquittal of the funds.

The Australian Landfill Owners Association (ALOA) and Australian Local Government Association (ALGA) have together with Federal Minister for the Environment, Mr Greg Hunt, recently agreed on a voluntary Waste Industry Protocol to address how these funds should be acquitted.

The MRC has previously committed in the first instance to complying with any legislation regarding the acquittal of these funds that might be promulgated. Further, the MRC has

historically supported the principles of refunding residual carbon price proceeds to the member councils from which they were received.

DETAIL

A copy of the voluntary Waste Industry Protocol is included at Appendix 1.

The key tenets of the protocol are as follows:

- The protocol is voluntary and does not compel landfill operators to adopt the protocol
- Residual carbon funds held by operators should be refunded to local government customers in respect of their kerbside waste collected
- Any remaining funds should be either:
 - o Invested in carbon abatement projects; and/or
 - o Acquitted through the purchase and surrender to the Government of carbon abatement units.

While adoption of the protocol is voluntary, the MRC's historical position on how it was proposing to deal with these funds is closely aligned to that of the protocol.

However, were the MRC to formally adopt the protocol, this would introduce significant audit and regulatory compliance obligations on the MRC. Given that the MRC has kept very clear, publicly disclosed records with respect to the funds collected under the carbon price mechanism, the administration are of the view that the level of scrutiny and compliance being proposed under the protocol is unnecessarily burdensome in the MRC's particular circumstances.

With this in mind, the administration is proposing that the MRC act in a manner that is in alignment with the principles of the protocol, but that the MRC does not formally adopt the protocol. This course of action will still achieve the economic outcomes and clear accountability and transparency sought by the protocol and the government, without imposing an unnecessary compliance burden on the MRC.

Under this course of action, the MRC would propose to do the following:

- Change the purpose of the current
 - 'Reserve for carbon price' whose purpose is 'to be used to fund the MRC's liability arising from the Carbon Price Mechanism'*
 - to
 - 'to be used to fund the MRC's liability arising from the Carbon Price Mechanism or to refund member councils for carbon price proceeds received from them'*
- to allow for the refunds to member councils to occur
- Refund the residual carbon funds received from member councils, currently held in the carbon price reserve, directly to the member councils within the 60 days outlined in the protocol (approximately \$2.9 million)
 - Create a new reserve called the *'Carbon abatement reserve'*, whose purpose will be *'to be used to fund carbon abatement projects'*, with any residual funds in the *Reserve for carbon price* (estimated \$491,077) being transferred to the *Carbon abatement reserve*.
-

- The remaining residual carbon funds received from non-member customers to be held in the 'Carbon abatement reserve', would be used for carbon abatement projects as contemplated in the protocol which the MRC will identify and invest in before 31 December 2017 (approximately \$0.5 million)

All of the above, including the carbon abatement projects which the MRC decides to invest in, will be disclosed in the MRC's annual reports which are publicly available.

The table below provides the breakdown of carbon funds received during 2012/13 and 2013/14, net of amounts used to acquit the MRC's carbon liabilities, which will be refunded to member councils and/or set aside in the new reserve.

	\$
Town of Cambridge	97,572
City of Joodalup	740,969
City of Perth	156,911
City of Stirling	675,130
Town of Victoria Park	149,684
City of Vincent	170,825
City of Wanneroo	858,564
To be refunded to councils	<u>2,849,654</u>
To be transferred to carbon abatement reserve	491,077
Total balance on current reserve for carbon price	<u>3,340,731</u>

CONSULTATION

The MRC has been in discussions with ALOA and the Minister's office on the matters leading to the protocol over the last number of months.

STATUTORY ENVIRONMENT

The adoption of the Waste Industry Protocol by landfill operators is voluntary. It is being proposed that the MRC comply with the intent and principles of the protocol without formally adopting the protocol.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The \$3.3 million held by the MRC is currently held in a cash backed reserve. No acquittal of these funds had been budgeted for the 2015/16 financial year as the MRC was waiting for a final position from the Minister before committing to a formal course of action.

The \$491,077 to be held in the new carbon abatement reserve will be expended on carbon abatement projects identified by the MRC and ratified by Council before the deadline outlined in the protocol of 31 December 2017.

STRATEGIC IMPLICATIONS

Nil

COMMENT

Nil

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

- a. elects to act in line with the principles outlined in the Waste Industry Protocol without choosing to formally adopt the protocol;
- b. changes the purpose of the ‘Reserve for carbon price’ to ‘to be used to fund the MRC’s liability arising from the Carbon Price Mechanism or to refund member councils for carbon price proceeds received from them’;
- c. approves the refunding of carbon price proceeds received from member councils within 60 days as follows:

1. Town of Cambridge	\$97,572
2. City of Joondalup	\$740,969
3. City of Perth	\$156,911
4. City of Stirling	\$675,130
5. Town of Victoria Park	\$149,684
6. City of Vincent	\$170,825
7. City of Wanneroo	\$858,564

and

- d. approves the creation of a new reserve called the ‘Carbon abatement reserve’ whose purpose will be ‘to be used to fund carbon abatement projects’ and the transfer of \$491,077 from the ‘Reserve for carbon price’ to the ‘Carbon abatement reserve’.
- e. In accordance with Section 6.11 of the Local Government Act 1995 the Council provide one month public notice advising of its decision as detailed in (b) above.

(Absolute Majority Required)

RESOLVED

Cr Newton moved, Cr Proud seconded
That the recommendation be adopted.

CARRIED UNANIMOUSLY (11/0)

10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 24

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 24 be received.

RESOLVED

Cr Re moved, Cr Hollywood seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (11/0)

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12 URGENT BUSINESS

Nil

13 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

14 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

The Chairperson requested that in accordance with clause 7.9(3) of the Mindarie Regional Council Standing Orders Local Law 2010 and s5.23 of the Local Government Act 1995, Council proceed to meet “behind closed doors” to allow the Council to consider Items 14.1 and 14.2 as they were of a confidential nature.

Cr Bissett moved, Cr Proud seconded

CARRIED UNANIMOUSLY

No visitors in attendance. Member Council CEOs and Officers and Mindarie Regional Council Officers were invited to stay for Confidential Item 14.1. Doors were closed at 5.47pm.

14.1	WASTE TO ENERGY – REGIONAL COUNCIL COLLABORATION
File No:	WST/209
Appendix(s):	Nil
Date:	7 August 2015
Responsible Officer:	Chief Executive Officer

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

- 1. Authorise the Chief Executive Officer to enter into discussions with the EMRC and the SMRC to determine if a suitable Waste to Energy solution could be developed for the combined regions;**
- 2. Receive a further report from the Chief Executive Officer on the outcome of the discussions if they require any commitment, financial or otherwise, from the MRC.**

RESOLVED

Cr Stewart moved, Cr Re seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (11/0)

NOTE: The Chief Executive Officer has NOT released Report 14.1 for Public information due to Council's decision may result in a contract being entered into.

Member Council CEOs and Officers and Mindarie Regional Council CEO and Officers left the chambers for Confidential Item 14.2. MRC Director Corporate Services, Gunther Hoppe and Minute Taker Lynda Nyssen were invited to stay. Doors were closed at 5.50pm.

14.2	CEO PERFORMANCE REVIEW COMMITTEE - CONSIDERATION OF COMMITTEES RECOMMENDATIONS
File No:	PER/79
Attachments(s):	1. Chief Executive Officer Annual Appraisal 23 July 2015
Date:	27 July 2015
Responsible Officer:	Sonia Cherico

RECOMMENDATION

That the CEO Performance Review Committee recommends that Council:

- 1. ADOPTS the 2015 Performance Review Report of the CEO.**
- 2. ENDORSES the overall rating of “Meets performance indicators and associated objective at a highly satisfactory level”.**
- 3. ENDORSES the Key Performance Indicators and Objectives for 2015/16.**
- 4. APPROVES in accordance with the Salaries and Allowances Tribunal classification for the Mindarie Regional Council, the CEO’s total reward package be set at the maximum level of Band 3 for Regional Council CEO’s being \$252,917 commencing from 1 July 2015.**

RESOLVED

**Cr Bissett moved, Cr Hollywood seconded
That the recommendation be adopted.**

CARRIED (6/5)

*For: Cr Bissett, Cr Driver, Cr Fishwick, Cr Hollywood, Cr Newton, Cr Re
Against: Cr Boothman, Cr Carey, Cr Proud, Cr Stewart, Cr Withers*

NOTE: The Chief Executive Officer has NOT released Report 14.1 for Public information due to Council’s decision is a matter that affects the CEO.

The Chairperson sought that the meeting be reopened to the public
Cr Fishwick moved, Cr Stewart seconded.

CARRIED UNANIMOUSLY (11/0)

The meeting was reopened at 6.18pm.

The Chairperson read out the resolutions and the votes, made behind closed doors, of the Council Item 14.1 and 14.2 as detailed above.

15 NEXT MEETING

Next meeting to be held on Thursday 8 October 2015 in the Council Chambers at City of Perth commencing at 5.30pm.

16 CLOSURE

The Chairman closed the meeting at 6.21pm and thanked City of Vincent for their hospitality and use of their meeting facilities.

These Minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of the Council held on 20 August 2015.

Signed Chairman

Dated this day of 2015
