

ORDER OF BUSINESS

- 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS - COUNCIL CHAMBERS**
- 2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**
- 3 PUBLIC QUESTION TIME**
- 4 APPLICATIONS FOR LEAVE OF ABSENCE**
- 5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**
 - 5.1 Shire of Kulin Ordinary Meeting – 21 March 2018
 - 5.2 Kulin Retirement Homes Inc Meeting 19 March 2018
 - 5.3 Kulin Bush Races General Meetings – 6 & 26 March 2018
- 6 MATTERS REQUIRING DECISION**
 - 6.1 List of Accounts – March 2018
 - 6.2 Financial Reports - March 2018
 - 6.3 2017-2018 Annual Budget Review
 - 6.4 Option to Lease – BPD Kulin Solar Pty Ltd – Solar Farm
 - 6.5 KBR, Bendigo Shire Joint Working Group
 - 6.6 Kulin Bush Races - Incorporation
- 7 COMPLIANCE**
 - 7.1 Compliance Reporting - General & Financial Compliance March 2018
 - 7.2 Compliance Reporting – Delegations Exercised March 2018
- 8 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 9 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**
- 10 MATTERS FOR WHICH THE MEETING IS CLOSED TO THE PUBLIC**
 - 10.1 Staff Matter - CEO
- 11 DATE AND TIME OF NEXT MEETING**
- 12 CLOSURE OF MEETING**

Minutes of an Ordinary Meeting of Council held in the Council Chambers on Wednesday 18 April 2018 commencing at 4.06pm

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Attendance

BD West	President	West Ward
RD Duckworth	Deputy President	West Ward
HT McInnes	Councillor	Town Ward
G Robins	Councillor	Town Ward
B Smoker	Councillor	West Ward
R Bowey	Councillor	Town Ward
BP Taylor	Councillor	Central Ward
M Lucchesi	Councillor	Central Ward
L Varone	Councillor	East Ward
N Mason	Chief Executive Officer	
C Vandenberg	Deputy CEO	
J Hobson	Manager of Works	
N Thompson	ESO / Minutes	

Apologies

Nil

3. PUBLIC QUESTION TIME

Nil

4. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

5. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Shire of Kulin Ordinary Meeting – 21 March 2018

01/0418

Moved Cr Bowey Seconded Cr Lucchesi that the minutes of the Ordinary Council Meeting held on 21 March 2018 be confirmed as a true and correct record.

Carried 9/0

Kulin Retirement Homes Inc Meeting – 19 March 2018

02/0418

Moved Cr Bowey Seconded Cr Smoker that the minutes of the Kulin Retirement Homes Inc Meeting held on 19 March 2018 be confirmed as a true and correct record.

Carried 9/0

Kulin Bush Races General Meetings – 6 & 26 March 2018

03/0418

Moved Cr Robins Seconded Cr Taylor that the minutes of the Kulin Bush Races General Meetings held on 6 and 26 March 2018 be confirmed as a true and correct record.

Carried 9/0

6 MATTERS REQUIRING DECISION

6.1 List of Accounts – March 2018

RESPONSIBLE OFFICER: DCEO
FILE REFERENCE: 12.06
AUTHOR: DCEO
STRATEGIC REFERENCE/S: 12.01
DISCLOSURE OF INTEREST: Nil

SUMMARY:

Attached is the list of accounts paid during the month of March 2018 for Council's consideration.

BACKGROUND & COMMENT:

Nil

FINANCIAL IMPLICATIONS:

Nil

STATUTORY AND PLANNING IMPLICATIONS:

Nil

POLICY IMPLICATIONS:

Nil

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

OFFICER'S RECOMMENDATION:

That March payments being cheque No's 383 – 384 (Trust Fund), 2111 – 2113 (Kulin Bush Races), 36933 - 36962 (Municipal), EFT No's 13763 - 13882, DD6438.1 – 6451.7 (Municipal), credit card payments, creditor payments, and other vouchers from the Municipal Fund totalling \$452,579.12 be received.

VOTING REQUIREMENTS:

Simple majority required.

04/0418

Moved Cr Robins Seconded Cr Varone that March payments being cheque no's 383 – 384 (Trust Fund), 2111 – 2113 (Kulin Bush Races), 36933 - 36962 (Municipal), EFT No's 13763 - 13882, DD6438.1 – 6451.7 (Municipal), credit card payments, creditor payments, and other vouchers from the Municipal Fund totalling \$452,579.12 be received.

Carried 9/0

6.2 Financial Reports – March 2018

RESPONSIBLE OFFICER: DCEO
FILE REFERENCE: 12.01
AUTHOR: DCEO
STRATEGIC REFERENCE/S: 12.01
DISCLOSURE OF INTEREST: Nil

SUMMARY:

Attached are the financial reports for the period ending 31 March 2018.

BACKGROUND & COMMENT:

Nil

FINANCIAL IMPLICATIONS:

Nil

STATUTORY AND PLANNING IMPLICATIONS:

Regulation 34 of the Local Government (Financial Management) Regulations 1996 requires local governments to prepare each month a statement of financial activity reporting on the revenue and expenditure of funds for the month in question.

POLICY IMPLICATIONS:

Nil

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

OFFICER'S RECOMMENDATION:

That Council endorse the monthly financial statement for the period ending 31 March 2018.

VOTING REQUIREMENTS:

Simple majority required.

05/0418

Moved Cr Smoker Seconded Cr McInnes that Council endorse the monthly financial statement for the period ending 31 March 2018.

Carried 9/0

6.3 2017 - 2018 Annual Budget Review

NAME OF APPLICANT: DCEO
FILE REFERENCE: 12.04
AUTHOR: DCEO
STRATEGIC REFERENCE/S: 4.1 Strategic Community Plan – leadership
DISCLOSURE OF INTEREST: Nil

SUMMARY:

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires local governments to carry out, between the 1 January and 31 March in each financial year, a review of its annual budget for that year.

BACKGROUND:

Local Governments are required to conduct a budget review between 1 January and 31 March each year. This is mandatory under Regulation 33A of the *Local Government (Financial Management) Regulations 1996*. The thrust of the legislation is to ensure local governments conduct at least a single budget review after the half way mark of the financial year and before the completion of the ninth month.

A budget review comprises a detailed examination of year to date actual results with Council's adopted budget. Regulation 33A (2) and (3) of the FM Regulations requires the results of the budget review to be submitted to Council within 30 days of the review. Council is then to give consideration to adopting the review (or part of) and associated recommendations.

Regulations 33A (4) states that within 30 days after Council has conducted its review, a copy and recommendations are to be provided to the Department of Local Government.

COMMENT:

The review is presented in the attached report. The Report seeks to identify and quantify:

- i) the forecast year-end major variances from the adopted budget;
- ii) matters arising not currently included in the adopted budget but which are recommended for consideration of inclusion in the budget;

The review process has been undertaken having regard for:

- i) actual revenues and expenditures for the first (9) months of the financial year, a necessary indicator to informed forecasts for the remainder of the year;
- ii) forecast revenue and expenditure levels for the remaining (3) months of the year;
- iii) the more significant (in \$ terms) variances to budget rather than the many minor 'unders and overs' which, history has shown, will largely balance out;
- iv) recommendations in terms of transfers to Reserve funds have been incorporated

FINANCIAL IMPLICATIONS:

Nil

STATUTORY AND TOWN PLANNING IMPLICATIONS:

Local Government Act 1995 Section 6.2 Municipal Budget

Local Government (Financial Management) Regulations 1996 Regulation 33A

Regulation 33A Review of Budget;

1. Between 1 January and 31 March in each year a local government is to carry out a review of its annual budget for that year.
2. Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.
3. A council is to consider a review submitted to it and is to determine whether or not to adopt the review, any parts of the review or any recommendations made in the review.
4. Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

POLICY IMPLICATIONS:

Nil

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

RECOMMENDATION:

That Council accept the recommendations as contained in the *Review of Budget for the period ending 31 March 2018* and adopt the report as presented.

VOTING REQUIREMENTS:

Absolute majority required.

06/0418

Moved Cr Robins Seconded Cr Lucchesi that Council accept the recommendations as contained in the *Review of Budget for the period ending 31 March 2018* and adopt the reports as presented.

Carried by Absolute Majority 9/0

6.4 Option to Lease – BPD Kulin Solar Pty Ltd – Solar Farm - Cropping Paddock

RESPONSIBLE OFFICER: CEO

FILE REFERENCE: 05.19 Lease of Land – Portion of Lot 9002, Kulin

AUTHOR: CEO

STRATEGIC REFERENCE/S: CSP – Environment – Sustainable alternate energy solutions

DISCLOSURE OF INTEREST: CEO - The appointment of Veris as a planning consultant to develop the DA – brother of CEO works for Veris (business development manager)

SUMMARY:

Blue Planet Developments (BPD) Kulin Solar Pty Ltd (ACN 619 771 827) have requested that Council exercise the Option to Lease Agreement, provided by Douglas Cheverall's Lawyers – Subiaco, as per the in-principle support for the development of a 4-5MW Solar PV project at Kulin provided in May 2017 – 08/0517 on portion of Lot 9002, Kulin.

The Option to Lease Deed follows on from the Shire signing a Letter of Exclusivity, and is a temporary step toward to a formal lease agreement if the project is approved by Western Power. The Option to Lease Deed will give BPD Kulin Solar PL 3 years to seek a lease from Council over the land.

BACKGROUND & COMMENT:

Blue Planet Developments in association with EPMS Consultants PL have visited Kulin on two occasions in relation to the development of a solar PV farm in Kulin.

Blue Planet Developments/EPMS in their submissions to Council have indicated;
“Subject to the support of the Shire and their willingness to lease a portion of the land to the west of town (top corner adjacent to Davies and Corrigin-Kulin Rd, as shown on the attached map) we would be keen to develop a PV Solar Project in Kulin. The solar farm size is limited by a number of factors, including: local load, 33kv transmission line constraints and distance from Kondinin Sub-station, the max size PV solar farm we would be looking at is in the region of 4-5MW.

Western Power as owner of the grid must approve the Blue Planet Development/EPMS proposal BPD have indicated that the Kulin proposal forms the first step in a multi-site application being prepared. Now with the approval process beginning, and the expected high cost of fees, charges, design etc. – BPD are wanting to secure the landholding.

Council firstly agreed in-principle to support the proposal subject to the issuance of development approval (DA), which is now being prepared.

One of the approvals required was from the Western Australian Planning Commission for the issue of a long-term lease over the proposed land and this has now been received. BPD has been requested to update their lease plan as changes have altered the boundaries. (Attached)

A company check on BPD Kulin Solar Pty Ltd has been completed – copy of Company extract attached.

The Option to Lease deed has been prepared under WA laws and meets Shire requirements and standards. The Deed is drafted with remedies through the courts of WA. The Option to lease commits the Shire to leasing the land if an approval to develop the solar farm is granted by Western Power – again subject to meeting Shire DA requirements and achieving the other previously stated approvals (see planning implications below)

The Option to Lease Deed commits the Shire to holding the land available for BPD Kulin Solar Pty Ltd for a period of 3 years whilst an application is made to Western Power.

The final plan for the solar development as per Councils request to amend lot boundaries has been finalised - (copy attached) and is for 20ha.

FINANCIAL IMPLICATIONS:

BPD has now provided an estimated financial return for the life of the lease. This would be \$800 per ha or \$16,800pa. Shire currently receives \$10ha per year for the cropping paddock or approx. \$200 for this land.

The life of the Solar Farm lease if fully exercised is proposed to be 40 years (approx. life of solar panels) grossing a return to the Shire of \$672,000 for the 20ha.

BPD have not been requested to make a payment during the 3 year holding period; the Shire will be renting the land to the Kulin Kondinin Football Club (KKFC) for cropping in 2 of the three years until Jan 2020 (\$1200) and the third year should be commencement of the project. If the project receives approval earlier (at the earliest 2019) then the Lease would be required before work could commence, therefore payment would be made.

There is no other financial or capital investment or maintenance cost required by the Shire over the lifetime, the investor proponent pays for everything – the Shire transaction relates only to the lease of the land.

STATUTORY AND PLANNING IMPLICATIONS:

Key Planning considerations following receipt of a DA would include;

i) Site Works

Consideration needs to be given to the existing site contours. If any site levelling works are proposed to facilitate the development of a solar panel array the extent of these levelling works should be in the DA.

The development of a large scale solar array will require the delivery and storage of construction materials, plant, machinery and office accommodation & amenities. It is therefore likely that a temporary construction compound will be required. Such compounds should be carefully located in order to minimise environmental or amenity impact and any development application should contain details of their size and location.

The development of a large scale solar installation is likely to require the excavation of soils associated with construction compounds, access roads, cable trenching etc. Where such soil stripping occurs topsoil and subsoil should be stripped, stored and replaced separately in order to minimise soil damage and to provide optimal conditions for site restoration. Any DA should contain a methodology for soil stripping, storage and replacement and this methodology should subsequently be adhered to during site development.

ii) Visual Impact

The Shire is required to consider any potential visual impact the proposed development and use will have on the existing landscape character of the immediate locality. As such a visual impact assessment should accompany any development application prepared and submitted to the Shire;

iii) Ground Maintenance

Vegetation will grow under the solar panels and this will require management, particularly to avoid any potential fire risk and the site becoming overgrown with noxious weeds and assist with the eventual restoration of the site for future agriculture use. Details regarding ongoing ground maintenance arrangements should be included in the DA submitted to the Shire;

iv) Security

Overseas experience indicates that placing large quantities of expensive photovoltaic panels in isolated locations without adequate protection will attract criminals with the photovoltaic panels and associated infrastructure having significant potential to be stolen. Details as to what security measures will be put in place to guard against theft should be included in any development application submitted.

BPD has appointed Veris to assist them in preparing the development application and the Shire planner Mr. Joe Douglas has provided detail on the nature of the information required for the DA.

STRATEGIC & POLICY IMPLICATIONS:

The Community Strategic Plan 2013 (and the Review 2017) indicated that research into solar options should be a continuing focus to ensure sustainable future electricity costs. This is one of the strategic items listed in the Shires Annual Action Plan which has been the genesis of seeking out a development.

COMMUNITY/CONSULTATION:

During the strategic planning consultations, solar energy was a talking point for many community members, namely in the sense of reducing energy costs, but this proposal looks toward that other implications of long term sustainability and security over localised supply.

Whilst the Shire has a formal advertising period associated with the DA, community consultation can commence with the release of information in relation to the Deed and options that this creates for the lease – including outlines of the project. It may be time to provide background on the project to the community.

WORKFORCE IMPLICATIONS:

Ongoing maintenance of the solar facility information will be presented in the DA, yet initial information suggests that maintenance is a very minor aspect. Weeds, fences and firebreaks being the bulk of the issues, EPMS suggesting this could be Shire private works or contracted out.

RECOMMENDATION:

The Shire of Kulin sign the Option to Lease Deed with Blue Planet Developments Kulin Solar Pty Ltd for the lease of 20ha of Lot 9002 Proud Cropping Paddock to develop a solar PV farm acknowledging that final Lease Agreement remains subject to;

- Approval of a Development Application (DA) by the Shire, submitted by the proponent addressing planning/other development and community issues;
- Finalisation of a formal Lease Deed being agreed to by the Shire for the proposed land;
- Western Power support for the proposal, with the proponent obtaining approvals to develop the project and connect to the grid network.
- CEO to prepare preliminary community engagement information in relation to the project and advertise through the normal channels.

VOTING REQUIREMENTS:

Simple majority required.

Resolved that this item be held over/placed on the table until 16 May Council meeting to allow the Deed to be populated with data and to allow Councillors undertake a site inspection.

6.5 Kulin Bush Races, Bendigo Bank, Shire – Joint Working Group

RESPONSIBLE OFFICER: CEO
FILE REFERENCE: 02.06 KBR Community Projects
AUTHOR: CEO
STRATEGIC REFERENCE/S: 1.1 Community Strategic Plan – Strong Supportive Community
DISCLOSURE OF INTEREST: Nil

SUMMARY:

The Shire instigated a Joint Working Group (JWG) to look at the possibility of aligning the organisational and community aspirations in relation to what community projects could result from the efforts of Kulin Bush Races in raising funds and allocating those funds to community projects.

The JWG has spent the past two months assessing the question of what community framework would best suit the assessment of projects, allocation and/or holding of funding, and the eventual shift from funds being available to projects on the ground.

The JWG makes a number of recommendations to Council – and sees the Shire as being the appropriate body to drive the changes needed to establish the community based system for grants to undertake community projects. Each member of the JWG recognises that they will be required to sell the proposition back at their Committees, but believes that if the Shire also undertook a period of community information sharing and consultation then the proposal should be widely supported.

This Shire report consists of a number of extracts from the JWG Minutes and Agendas and these help to explain the thinking behind the recommendations.

BACKGROUND & COMMENT:

The JWG determined a focus of the discussions and the nature of the work in selecting projects at its first meeting and recognised the difficulty in meeting all expectations;

1. Project should accommodate the needs of Kulin now and into the future – therefore each should be able to provide benefits now and into the future;
2. Enhanced outcomes as a result of the special project – that the project would enhance the community amenity, facility, market capture or marketplace and community enjoyment over time, projects that deliver a one off result for a one off occasion would be favoured less;
3. The level of investment should deliver a rate of return – either now or into the future, and these returns should be able to be substantiated in today's terms, not something that may or may not happen;
4. Kulin Shire Council, Kulin Bush Races and Kulin Community Bank focus on community assets that generate community support and could be seen as required assets, which may not have a commercially acceptable rate of return. The importance of these discussions are to find common ground in what could be projects that all could support in the first instance; then identify those that may be more one party or the others preferred approach to a major project.
5. Where possible projects should deliver outcomes that can impact multiple shortcomings or goals simultaneously, not just focus on one issue at one time – more bangs for the buck concepts.
6. That projects should not be to the detriment of other established businesses, unless assessment indicates there is unmet need and demand is high. In those cases, the project should be developed in such a way that to maintain a fair and equitable marketplace.
7. In all classes of assets, having expended the funds on the physical assets and secondary or complimentary projects to support the original idea; the opportunity cost is such that if the associated projects fail, then so too does the original idea.

The second phase was to determine a list of projects and to compile them in a framework that put like and contrasted proposals in similar categories. (Copy Attached)

The final meeting agreed to a number of recommendations to the Shire and they are documented in a way to assist understanding and background thinking;

Extract of JWG Minutes 12th April meeting

5.1 Community Foundations/Community Chest

The Joint Working Group (JWG) considered the report item in relation to community foundations/community chest and drew the conclusion that the idea certainly holds merit for the community and that to be effective, both varieties of "foundation" are required.

The Bendigo/Adelaide Banks provides a Community Enterprise Foundation (CEF) framework so that communities can use foundations established under the wings of the bank which targets true charitable purposes and projects. It was believed there is real merit in having a CEF that can attract charitable donations from estates and for taxation benefit purposes.

In addition the Cultivating Kulin Inc. "foundation" role was seen as a way of establishing support for projects that may not fall under the true definition of charitable, or require grant applications (outside of Shire) when community projects that don't qualify in the strictest sense as a charity and have merit. A framework for them to seek support must also exist – and CK Inc. was seen as that framework with amendment to the Constitution to allow such. Changing the Constitution was timely and required under the new Associations Incorporation Act.

Bendigo has indicated that the CK Inc. would be an ideal vehicle for the CEF as it does require an incorporated body to take charge of the CEF therefore the JWG felt that CK Inc. could hold both roles.

In terms of a community decision making group to determine applications to the "foundations" the JWG believed that a Shire driven process of nominations for Shire, KBR & Bendigo representatives and community election process for community nominated places would be the best method of keeping a balanced group to make these decisions. (1 KBR, 1 Bendigo Bank, 2 Shire, 2 Community) members was seen as a good structure. The JWG agreed that the framework for allocation of the available Kulin Bush Race and other resources could be established in addition to the CEF so that the community can see what targets have been established and under what categories the funds are held to be allocated. (Recommendation B)

It was therefore recommended to Shire that the items contained in recommendation A be proposed as a community method of holding the funding and creating the opportunity of others to contribute to the funding;

Moved Graeme Robertson, seconded Tom Murphy that Recommendation A be supported.

Recommendation A

- 1 That Council support the establishment of a Bendigo/Adelaide Bank CEF for Kulin and support constitutional changes for CK Inc. so that it may act like a foundation for community projects and be the overarching body responsible for the Kulin CEF.*
- 2 The CEF and the CK Inc. community grants selection panel consist of membership, - 2 Shire Councillors, 1 Bendigo nomination, 1 KBR nomination and 2 elected community representatives; that will sit and determine applications for community funding in accordance with the established guidelines.*

CARRIED 8-0

5.2 Community Project Funding Framework

The JWG then turned to the question of what framework/system was required to bring together the project aims and aspirations of the community. It was recognised that this framework/system was a summary of all the possible projects and whilst it was important to have them listed, categorised and detailed; it was also important to understand what funding had been allocated, granted, pencilled-in for each of the categories and projects. The information then became a statement of the priorities in each category and a statement indicating the level of funding already committed to ensure projects were in fact actionable. The JWG recognised that whilst some projects may seem to be on the never quite funded – there will also be those who attract funding and are completed quickly. This would provide the balance to ensure the community felt that something was always on the boil.

Categories

The project categories have been summarised/listed in the following way;

- **Emergency Service Assets/Donations**
Minor donations to Kulin and non-Kulin emergency service providers who have operational responsibilities for Kulin or provide State based services and support which Kulin residents may use.
- **Community non-sporting/arts or Commercial Assets**
One off or multi occasion investments that have non-charity characteristics;
 - *Projects/investments with the potential of an income or a commercial return,*
 - *Projects/investments that directly compete with traditional open market opportunities,*
 - *Projects/investments that support individual groups or categories of activities that the whole of community wouldn't normally benefit from.*
- **Sporting, Arts or Recreation Assets**
More traditionally projects/investments that the Shire, Club or Not-for-Profit (NfP) organisation would be involved in that have the potential to be a whole of community benefit;
- **Maintenance of Community Assets**
Funds retained for the maintenance of previous projects/investments that have been developed utilising community and NfP funding sources for which no particular group has responsibility for or where costs of maintenance become problematic and where standards have to be maintained.

Formula – Allocation to Categories

The JWG believed that the following framework represented a sound base for the foundation to work from in relation to how much funding would be allocated to each of the categories;

Category	Percentage	Current Balance	Example Priority Projects
Emergency Service Assets/Donations	2%	\$2000	RFDS Donation
Community (non-sporting/arts) or Commercial Assets	45%	\$45,000	Short stay accommodation
Sporting, Arts or Recreation Assets	20%	\$20,000	Playground upgrade Skate park upgrade
Maintenance of Community Assets	13%	\$13,000	Community Bus THH repairs to horses Pool Slide
CEF	20%	\$20,000	On application

Example – based on KBR view that \$100k would be available in 2018.

The JWG recommends the grant selection panel could be guided under the following rules; but in essence these would be the CK Inc. or the panel to determine;

- Where changes to the recommended category are required, formula or priorities used by the panel must be advertised for community comment – and only changed on a decision of an open community meeting. This would establish security that things will not change in a hurry to suit urgent ‘ideas’;
- Changes determined by the public meeting be phased in over 2 years, again giving stability;
- Changes to categories or formulas will not result in a decrease of available funds in each category of more than 10% or an increase of more than 15% in any one year,
- Funding decisions of the panel be advertised in the community once per annum with balance estimates and project priorities being listed.

Mechanisms

The Joint Working Group was charged with the task of providing KBR, Bendigo and Shire with a mechanism/ recommendation/decision whereby the current round of potential major projects could be determined. Our discussions lead to the idea that a CEF or CK Inc. type framework was needed to achieve the best of available foundation structures. The chosen mechanism of allocating nominated percentages towards projects by categories reduces the potential of achieving any major projects, unless alternate sources of income or contributors are found to compliment the KBR funding. This is the downside of establishing a new mechanism to distribute funds but after all the options the JWG recommends;

Moved Sharyn McAdam, seconded John Bowey that Recommendation B be supported

Recommendation B

The community (with Shire support) establish a framework that can both holds funds for projects and distribute allocated projects to those community members who are acting as the project drivers/leaders/managers.

- 1 The project categories have been summarised/listed as;
 - Emergency Service Assets/Donations
 - Community Non-sporting/arts or Commercial Assets
 - Sporting, Arts or Recreation Assets
 - Maintenance of Community Assets

and that the completed list of projects be advertised for community input. An online survey of community views be conducted to ascertain support for projects and priorities beyond current year.

- 2 Allocations to the community funding framework be as follows

Category	Percentage	Current Balance	Example Priority Projects
Emergency Service Assets/Donations	2%	\$2000	RFDS Donation
Community (non-sporting/arts) or Commercial Assets	45%	\$45,000	Short stay accommodation
Sporting, Arts or Recreation Assets	20%	\$20,000	Playground upgrade Skate park upgrade
Maintenance of Community Assets	13%	\$13,000	Community Bus THH repairs to horses Pool Slide
CEF	20%	\$20,000	On application

3 The JWG recommends the grant selection panel could be guided under the following rules; but in essence these would be the CK Inc. or the panel to determine;

- Where changes to the recommended category are required, formula or priorities used by the panel must be advertised for community comment – and only changed on a decision of an open community meeting. This would establish security that things will not change in a hurry to suit urgent ‘ideas’;
- Changes determined by the public meeting be phased in over 2 years, again giving stability;
- Changes to categories or formulas will not result in a decrease of available funds in each category of more than 10% or an increase of more than 15% in any one year,
- Funding decisions of the panel be advertised in the community once per annum with balance estimates and project priorities being listed.

CARRIED 8-0

5.3 Projects for 2018

Moved Brad Smoker, seconded Tom Murphy that Recommendation C be considered

Recommendation C

The JWG considered what would/could be priority projects under the framework for 2018. The following were recommended as community projects;

1. Community bus replacement (Council and KBR - \$10,000)
2. Upgrade BMX track
3. Clean-up Jilakin Rock Reserve
4. Tin Horse Highway – Maintenance allocation
5. Skate park – playground redevelopment/upgrade
6. Main street building facelift (Busy Bee and fund supplies paint)

CARRIED 8-0

5.4 Short Stay Accommodation

The JWG discussed the report item and indicated that short stay accommodation has been a major influence on the JWG conversations to date;

Some of the points that have been recognised include;

- The market has recognised that an opportunity may exist. Some organisations are now signalling that they may be prepared to create accommodation products. (e.g. Retirement Homes – 2 units);
- A variety of accommodation is needed and the Working Group determined that a project of approx. 20 beds would be a feasible starting point;
- A recent auction of 3 ensuite dongas (near new) sold units of our style/size/quality for approx. \$25k per unit – therefore a \$100k for 4 dongas and up to 20 beds is realistic;
- If more support facilities like common kitchen, lounge etc. are required, expect and additional \$30k per unit.
- Construction costs of pad, roof, carport, sewer, electricity and water may cost additional \$100k. There is a real impact in providing short stay accommodation;
- it directly competes with existing Kulin businesses and splits the available market;
- Whilst the aim is to provide sufficient beds to allow larger community functions to occur, requires more community functions and these are not lock in or guaranteed;
- if the premise is a “build it and they will come” investment, then logic would dictate that there should be increasing demand for short stay and evidence does not support such;
- requires a parallel investment in developing market or else market splitting adversely affects the current suppliers and the investment;
- Politically the message is conflictual - having community or Shire supply short stay accommodation may not be supported.

To date, all actions in attracting more people to Kulin have been toward greater utilisation of existing assets and diversification into travelling public markets – e.g. VDZ, Caravan Park, summer visitors to slide and use of Hostel for major events, ladies Bowls week, KBR etc., not traditionally competition for existing service providers.

Without specific plans to increase the growth of the short stay market growth, and without hard and fast data to prove the market is growing, the risk in this investment increases dramatically.

The JWG believed that a community project in this space should only be considered after advertising to the community an intention to develop a project. The advertising should call for private investors willing to share the development cost; and if no support to develop such is forthcoming, then and only then should the community funds be used to develop the project.

FINANCIAL IMPLICATIONS:

In accepting the recommendations – administration time to set up the proposed changes;
 Cultivating Kulin Inc. constitution
 Working with Bendigo to establish the Community Enterprise Foundation (CEF)

STATUTORY AND PLANNING IMPLICATIONS:

Nil

POLICY IMPLICATIONS:

Nil

COMMUNITY CONSULTATION:

Once accepted, advertising in the Update for community (including survey) and seeking public engagement as per the recommendations of the JWG and support for the project framework and the project list.

WORKFORCE IMPLICATIONS:

Nil

OFFICER'S RECOMMENDATION:

That the Joint Working Group recommendations be accepted by the Shire and the JWG be thanked for their valuable contribution to this difficult and complicated community issue;

Recommendation A

That Council support the establishment of a Bendigo/Adelaide Bank CEF for Kulin and support constitutional changes for CK Inc. so that it may act like a foundation for community projects and be the overarching body responsible for the Kulin CEF.

The CEF and the CK Inc. community grants selection panel consist of membership, - 2 Shire Councillors, 1 Bendigo nomination, 1 KBR nomination and 2 elected community representatives; that will sit and determine applications for community funding in accordance with the established guidelines.

Recommendation B

The community (with Shire support) establish a framework that can both holds funds for projects and distribute allocated projects to those community members who are acting as the project drivers/leaders/managers.

The project categories have been summarised/listed as;

- Emergency Service Assets/Donations
- Community Non-sporting/arts or Commercial Assets
- Sporting, Arts or Recreation Assets
- Maintenance of Community Assets

and that the completed list of projects be advertised for community input. An online survey of community views be conducted to ascertain support for projects and priorities beyond current year.

Allocations to the community funding framework be as follows

Category	Percentage	Current Balance	Example Priority Projects
Emergency Service Assets/Donations	2%	\$2000	RFDS Donation
Community (non-sporting/arts) or Commercial Assets	45%	\$45,000	Short stay accommodation
Sporting, Arts or Recreation Assets	20%	\$20,000	Playground upgrade Skate park upgrade
Maintenance of Community Assets	13%	\$13,000	Community Bus THH repairs to horses Pool Slide
CEF	20%	\$20,000	On application

The JWG recommends the grant selection panel could be guided under the following rules; but in essence these would be the CK Inc. or the panel to determine;

- Where changes to the recommended category are required, formula or priorities used by the panel must be advertised for community comment – and only changed on a decision of an open community meeting. This would establish security that things will not change in a hurry to suit urgent ‘ideas’;
- Changes determined by the public meeting be phased in over 2 years, again giving stability;

- Changes to categories or formulas will not result in a decrease of available funds in each category of more than 10% or an increase of more than 15% in any one year,
- Funding decisions of the panel be advertised in the community once per annum with balance estimates and project priorities being listed.

Recommendation C

The JWG considered what would/could be priority projects under the framework for 2018. The following were recommended as community projects;

- Community bus replacement (Council and KBR - \$10,000)
- Upgrade BMX track
- Clean-up Jilakin Rock Reserve
- Tin Horse Highway – Maintenance allocation
- Skate park – playground redevelopment/upgrade
- Main street building facelift (Busy Bee and fund supplies paint)

VOTING REQUIREMENTS:

Simple majority required.

07/0418

Moved Cr Bowey Seconded Cr Robins that Council support the establishment of a Bendigo/Adelaide Bank CEF for Kulin and support constitutional changes for Cultivating Kulin Inc. so that it may act like a foundation for community projects and be the overarching body responsible for the Kulin CEF.

The CEF and the CK Inc. community grants selection panel consist of membership, - 2 Shire Councillors, 1 Bendigo nomination, 1 KBR nomination, 1 elected community representative and 1 ex-officio shire member; that will sit and determine applications for community funding in accordance with the established guidelines.

Carried 9/0

NOTE: Recommendation A was considered separately so that debate could focus on particular matters of the makeup of the community grants panel. The recommendation was altered to change the make-up of the community grants panel.

Cr Duckworth left the Council Chambers at 6.17pm

08/0418

Moved Cr Robins Seconded Cr Bowey that Council give in principal support to Recommendation B and Recommendation C.

Recommendation B

The community (with Shire support) establish a framework that can both holds funds for projects and distribute allocated projects to those community members who are acting as the project drivers/leaders/managers.

The project categories have been summarised/listed as;

- Emergency Service Assets/Donations
- Community Non-sporting/arts or Commercial Assets
- Sporting, Arts or Recreation Assets
- Maintenance of Community Assets

and that the completed list of projects be advertised for community input. An online survey of community views be conducted to ascertain support for projects and priorities beyond current year.

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- Where changes to the recommended category are required, formula or priorities used by the panel must be advertised for community comment – and only changed on a decision of an open community meeting. This would establish security that things will not change in a hurry to suit urgent ‘ideas’;
- Changes determined by the public meeting be phased in over 2 years, again giving stability;
- Changes to categories or formulas will not result in a decrease of available funds in each category of more than 10% or an increase of more than 15% in any one year,
- Funding decisions of the panel be advertised in the community once per annum with balance estimates and project priorities being listed.

Recommendation C

The JWG considered what would/could be priority projects under the framework for 2018. The following were recommended as community projects;

- Community bus replacement (Council and KBR - \$10,000)
- Upgrade BMX track
- Clean-up Jilakin Rock Reserve
- Tin Horse Highway – Maintenance allocation
- Skate park – playground redevelopment/upgrade
- Main street building facelift (Busy Bee and fund supplies paint)

Carried 8/0

NOTE: Council changed the recommendation to “give in principle support” so that it can await the feedback from the community survey on project priorities prior to consideration of the final recommendations.

President West requested it be recorded in the Minutes his acknowledgment of the efforts of the Joint Working Group and its members; to be in a position to present this complex work in April was commendable. He wanted to record Council’s thanks for this effort.

6.6 Kulin Bush Races – Incorporation

RESPONSIBLE OFFICER: CEO
FILE REFERENCE: 02.06 Kulin Bush races – Constitution
AUTHOR: CEO
STRATEGIC REFERENCE/S: 1.1 Community Strategic Plan – Strong Supportive Community
DISCLOSURE OF INTEREST: Nil

SUMMARY:

The Kulin Bush Races (KBR) Inc. received Incorporation approval effective on the 23 March 2018. Whilst some months before thought possible, this now creates and opportunity to establish the stand alone organisation for the next Bush Races event and have the KBR off the Shires financial records by the 30 June 2018.

Seeking Council approval to wind-up the Kulin Bush Races Committee as at the 30 June 2018 and act to complete the financial records, removing KBR from the Shire Balance Sheet at End of Year 2018.

The process of wind-up would require additional Shire assistance to support Bush Races to develop insurance coverage effective from 1 July 2018, (using Shire records) and to complete an Memorandum of Understanding with KBR to establish the work and other commitments the Shire will make each year.

BACKGROUND & COMMENT:

The possibility of re-establishing the KBR as a separate entity to the Shire was canvassed and discussed at the Feb 2016 KBR strategic planning evening. Whilst the Shire involvement back in 2002 resolved the critical matter of event insurance, there were a number of operational and corporate governance issues that were never likely to be resolved as both organisations fundamentally had different business processes.

Research by the CEO resulted in alternate and realistically priced insurance options being found and that prompted both the Shire and the KBR to consider if a separation was now possible.

The Shire then presented KBR with a draft Constitution and following significant effort by both parties a preferred Constitution was submitted under the Incorporations Act. This also gave KBR the opportunity to review the supporting bylaws, rules and operating procedures.

Suprisingly, Consumer Affairs have completed the incorporation process inside 2 months and we are now in a position to capitalise on this result by preparing to wind-up the KBR Committee under the Shire banner. Technically, KBR Inc. exists from the day of incorporation and constitutionally has 18 months in which to hold an AGM and elect its office bearers and committee. For the Shire, acting now and removing the KBR Committee and its operations from within the Shire realm by the 30 June 2018, effectively brings forward the resolution of the accounting and governance issues a full year.

The 2017-18 financial accounts can show the termination of the accounting under Shire, and therefore no accounting issues will carry forward beyond this year. This would be an excellent outcome considering that new Audit arrangements be in place by 2018/19, (Auditor General taking responsibility for Shire Audits) and previously recorded governance, management letter and audit qualifications about KBR will no longer be an issue.

To ensure that the Kulin Bush Races Inc. are ready to operate as their own organisation as at 01.07.2018 the following must be completed:

- **ABN registration** – a new ABN will need to be applied for under the name Kulin Bush Races Inc. (Incorporated body) including registration for GST.
- **New Bank Account** – presently the bank accounts are in the name of Shire of Kulin Bush Races. A new account under the name of Kulin Bush Races Inc. with new signatories will need to be set up. You will need to show minutes reflecting this decision and signatories to be on the account
- **Insurance** – current insurance cover will run to 30 June 2018. KBR will need to take out new insurance cover from 1 July 2018.

In terms of ongoing support for KBR – as was suggested in the initial report to Council that an MOU be established outlining Shire commitment on an annual basis – this will now be the focus of staff.



WESTERN AUSTRALIA
Associations Incorporation Act 2015
(Section 10)

IARN: A1024260F

Certificate of Incorporation

This is to certify that

KULIN BUSH RACES INC.

is an association incorporated under the
Associations Incorporation Act 2015

The date of incorporation is the
twenty third day of March 2018

David Hillyard
Commissioner for Consumer Protection

CERTIFICATE

FINANCIAL IMPLICATIONS:

Administrative cost to Shire in establishing the Constitution (CEO, CDO, and Senior Finance Officer); normal financial staff costs in completing the accounting records at EOY.

Cost of submitting the Constitution - \$144. When the Shire initially looked at repeating processes used for the Camp Kulin Charity Inc. it was thought that the cost of establishing a Constitution could be \$4400. Other than administrative time – this cost has been saved by Shire and KBR.

In terms of financial commitment to the KBR; in the early days of conversation with KBR the Shire committed to look at the question of event insurance and general insurance and the possible financial impact going forward. Whilst quotes suggest this is not a major financial impost, it is difficult to get a complete picture of what insurance costs will be when the entity does not exist. Now that KBR Inc. has been established, quotes need to be sourced. This may impact KBR Inc. financially. It has always been in the Shire offer, to consider this question of insurance cost and that if it has a major financial impact then we are happy to discuss and support. The question can now be researched – though may come back to Shire afterwards.

STATUTORY AND PLANNING IMPLICATIONS:

Nil

STRATEGIC & POLICY IMPLICATIONS:

Strategically a good result for both KBR and Shire. The process has taken 2 years and is possibly likely to take another 6 months to bed down and finalise – but a good result for both organisations.

COMMUNITY/CONSULTATION:

Following Shire decisions, the results of the separation will be publicised by both KBR and Shire – will require press statements by Presidents indicating the win-win for both.

Will form part of the 2017/18 Annual Report for the Shire – therefore will receive significant local coverage.

WORKFORCE IMPLICATIONS:

Defining Shire role in MOU will establish for the first time definitive detail of what the Shire commits to KBR each year and therefore the true impact on Shire workforce and will assist with the accurate recording of the Shires community contributions.

RECOMMENDATION:

The Shire of Kulin cease the operations of the Kulin Bush Races Committee as at 30 June 2018 and Shire staff assist and support KBR Inc. in the establishment of the newly formed incorporated body. The Shire prepare an MOU, effective from 1 July 2018, establishing and outlining the Shire commitment to KBR on an annual basis.

VOTING REQUIREMENTS:

Simple majority required.

9/0418

Moved Cr Taylor Seconded Cr Smoker that the Shire of Kulin cease the operations of the Kulin Bush Races Committee as at 30 June 2018 and Shire staff assist and support KBR Inc. in the establishment of the newly formed incorporated body. The Shire prepare an MOU, effective from 1 July 2018, establishing and outlining the Shire commitment to KBR on an annual basis.

Carried 8/0

7 COMPLIANCE

7.1 Compliance Reporting – General & Financial Compliance March 2018

NAME OF APPLICANT: CEO
RESPONSIBLE OFFICER: CEO
FILE REFERENCE: 12.05 Compliance 12.06 – Accounting Compliance
STRATEGIC REFERENCE/S: CBP 4.1 Civic Leadership, 4.1.8 Compliance methods
AUTHOR: CEO/DCEO
DISCLOSURE OF INTEREST: Nil

SUMMARY:

This report addresses General and Financial Compliance matters for March 2018. This process is not definitive, each month additional items and/or actions may be identified that are then added to the monthly checklist. Items not completed each month e.g. quarterly action - will be notations.

The report provides a guide to the compliance requirements being addressed as part of staff workloads and demonstrates the degree of internal audit being completed.

BACKGROUND & COMMENT:

The Compliance team and works staff commence the monthly compliance effort immediately after the Shire meeting each month. At that time, the executive support officer will email the assigned staff member their compliance requirements for the coming month.

As the month progresses, staff in conjunction with their manager, the CEO or DCEO will determine the extent of work/action needed to complete items. During Agenda week, the Compliance Team again meets to ensure the monthly report/list is reviewed and that compliance items are completed. In preparing the Agenda report, the CEO or DCEO will sign off on completed items.

Prior month items not completed previously will be reported in the following month so Council remains aware of what items are still outstanding. (*Refer to Table attached*)

Items outstanding for February 2018.

Fair Value Calculations and Inclusion in reporting- Roads – In-house reporting this year – to be ready for annual statements in October - underway

Budget Review - required 1 January to 31 April – in April Agenda

Review Agreement with Kulin DHS – Completed

Budget Plant Replacement Program – Price check equotes WALGA by May 2018

Items outstanding for March 2018.

FBT Return – Due Mid May 2018

Invite Budget Submissions from Public – next Update

Hazardous Chemical Check – PSS to advise and complete

EHO Fees and Charges – May 2018 Agenda

FINANCIAL IMPLICATIONS:

In terms of meeting compliance - normal administration expense. There may be items that require additional administrative effort to complete or require external assistance to resolve. In those cases, individual financial implications will be reported.

STATUTORY AND PLANNING IMPLICATIONS:

Nil

POLICY IMPLICATIONS:

Identified as necessary – this report Nil

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

OFFICER'S RECOMMENDATION:

That Council receive the General & Financial Compliance Report for March 2018 and note the matters of non-compliance.

VOTING REQUIREMENTS:

Simple majority required.

10/0418

Moved Cr Robins Seconded Cr Lucchesi that Council receive the General & Financial Compliance Report for March 2018 and note the matters of non-compliance.

Carried 8/0

7.2 Compliance Reporting – Delegations Exercised – March 2018

NAME OF APPLICANT: CEO
RESPONSIBLE OFFICER: CEO
FILE REFERENCE: 12.05 - Compliance
STRATEGIC REFERENCE/S: CBP 4.1 Civic Leadership, 4.1.8 Compliance methods
AUTHOR: CEO
DISCLOSURE OF INTEREST: Nil
SUMMARY:

To report back to Council actions performed under delegated authority for the period ending 31 March 2018.

To provide a comprehensive report listing of the delegations able to be exercised following adoption of a more substantial array of delegations in June 2017.

BACKGROUND & COMMENT:

This report is prepared for Council detailing actions performed under delegated authority by the respective officers under each of the delegation headings:

ADMINISTRATION

Policy	Delegation	Officers
A1	Acting Chief Executive Officer	(CEO)
A2	Agreements for Payments of Debts to Council	(CEO/DCEO)
A3	Casual Hirer's Liability	(CEO)
A4	Complaint Handling	(CEO)
A5	Fees & Charges – Discounts	(CEO/DCEO/MW/MLS/CRC)
A6	Investment of Surplus Funds	(CEO/DCEO)
A7	IT & Social Media – Use Of	(CEO)
A8	Legal Advice, Representation & Cost Reimbursement	(CEO)
A9	Payments from Municipal and Trust Funds	(CEO – to numerous staff orders)
A10	Use of Common Seal	(CEO)
A11	Writing Off Debts	(CEO)
A12	Housing	(CEO)
A13	Procedure for Unpaid Rates Finance	(CEO)

GOVERNANCE

G1	Applications for Planning Consent	(CEO)
G2	Building Licences and Swimming Pools	(EHO/Building Surveyor)
G3	Cemeteries Act 1986	(CEO)
G4	Health Act 1911 Provisions	(EHO)

HUMAN RESOURCES

H1	Grievance Procedures	(CEO)
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COMMUNITY SERVICES

C1	Bushfire Control – Shire Plant for Use of	(CEO)
C2	Bushfire Control – Plant Use for Adjoining Shires	(CEO)
C3	Bushfire Prohibited / Restricted Burning Periods – Changes	(Shire President/CEO)
C4	Bushfire Training Administration	(CEO)
C5	Cat Ownership Limit – Cat Control	(CEO)
C6	Dog Control – Attacks	(CEO)
C7	Dog Ownership Limit – Dog Control	(CEO)
C8	Sea Containers Use of – Town Planning	(CEO)
C9	Second Hand Dwellings	(CEO)
C10	Temporary Accommodation	(CEO)
C11	Unauthorised Structures – Building Control	(CEO)
C12	Kulin Bush Races	(Kulin Bush Races Committee)
C13	Freebairn Recreation Club Committee	(FRC Club Committee)
C14	Kulin Child Care Centre Management Committee	(KCCC Mngt Committee)
C15	General – Community Services Practices	(CEO)

WORKS

W1	Gravel Supplies	(MW)
W2	Roads – Clearing	(CEO)
W3	Roads – Damage to	(MW)

W4	Roads – Roadside Markers – Management of	(MW)
W5	Stormwater Drainage	(MW)
W6	Street Trees	(CEO)
W7	Streetscape – Improvements	(CEO)
W8	Roadside Burning	(MW)
W9	Temporary Road Closures	(MW)
W10	General – Works Practices Approvals	

COMMENT:

The following details the delegations exercised within the Shire relative to the delegated authority for the months of March 2018 and are submitted to Council for information (excluding delegations under A9, Payments – refer to individual order and payment listed in Accounts paid).

A6 Investment of Surplus Funds (DCEO) – Local Government Act 1995, section 6.14

Municipal funds

Type	Rate	Deposit/(Withdrawal)
At Call	1.5%	(150,000)
Term Deposit	1.65%	250,000
Term Deposit	2.0%	400,000

STATUTORY ENVIRONMENT:

Building Act 2011
Bushfires Act 1954
Cemeteries Act 1986
Health (Asbestos) Regulations 1992;
Health (Miscellaneous Provisions) Act 1911;
Local Government Act 1995
Public Health Act 2016
Shire of Kulin TPS2
Town Planning Development Act
Town Planning Scheme
Trustees Act, Part III,
Criminal Procedure Act 2004;

FINANCIAL IMPLICATIONS:

Nil in terms of exercising delegation and reporting to Council though there may be financial implications in the case of each delegation exercised.

STATUTORY AND PLANNING IMPLICATIONS:

Nil

POLICY IMPLICATIONS:

There are no known policy implications relating to this report.

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

OFFICER’S RECOMMENDATION:

That Council receive the Delegation Exercised Report for March 2018.

VOTING REQUIREMENTS:

Simple majority required.

11/0418
Moved Cr Smoker Seconded Cr McInnes that Council receive the Delegation Exercised Report for March 2018.

Carried 8/0

8 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

9 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

10 MATTERS FOR WHICH THE MEETING IS CLOSED TO THE PUBLIC

10.1 Staff Matter – CEO

There being no further business the President declared the meeting closed at 7pm.