



Murray Darling Association Inc.

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**Ordinary Meeting of the Board
Friday 20th November, 12noon (AEST)
Melbourne – Qantas Meeting Rooms
Domestic Terminal 1, opposite Gate Lounge 1**

MINUTES - MEETING No. 353

1. ATTENDANCE

1.1 Present

Cr Greg Toll	National President, Chair- R2	Skype*
Ms Emma Bradbury	Chief Executive Officer	Melbourne
Cr David Thurley	Region 1 Chair	Melbourne
Cr Kevin Myers	Region 5 Chair	Skype
Cr Barry Featherston	Region 6 Chair	Skype
Cr Peter Jamieson	Region 7 Chair	Skype
Mr Rodney Button	Region 8 Chair	Skype
Cr Paul Maytom	Region 9 Chair	Skype*
Mr Murray Wood	Region 10 Chair	Melbourne

At the opening of the meeting, it was proposed that as there is no minute taker present, that the meeting be digitally recorded for later transcription. This was agreed.

1.2 Apologies

Cr Oscar Aertssen	Region 3 Chair
Cr Glenn Milne	Region 4 Chair
Stan Gibney	Finance Manager

Motion: *That the apologies be accepted*

Cr Thurley/Mr Wood

Carried

1.3 Declaration of Interests and Conflicts

None declared

2. PREVIOUS MINUTES

2.1 Extra-ordinary Meeting 352 held Friday 6th November, via skype

It was noted that the email threads which formed part of the discussion of the meeting were akin to the verbatim dialogue of a meeting and need not be posted as part of the minutes.

Motion: *That the minutes of the previous meeting be accepted as true and accurate record, and posted on-line in accordance with usual procedure.*

Mr Wood/Cr Myers

Carried

3. BUSINESS ARISING

3.1 Confirmation of Election – Tocumwal

Murray proposed that, given that the item relates to an issue in which Greg has an interest, that it be more appropriate for him to vacate the chair for the item to be heard – enabling him to speak to it. VP David Thurley took the chair.

Emma introduced the item: At board meeting 348 it was resolved as policy that all nominations of Councillors must be accompanied by a resolution from the member council for which the nominee is a delegate. This foundations of this policy arose out of Board Resolutions 347-7.2(c) and 348-3.7(b).

The election of the national executive at board meeting 350 was not conducted consistent with that policy, giving rise to a number of subsequent issues.

A number of board members noted that they had accepted Greg's nomination for the position of National President on the understanding that Greg had sought endorsement of Campaspe Shire – consistent with the new rules, but that this had simply not yet occurred.

Greg noted that while he had advised the board that he anticipated that he would get endorsement from council, that he did not agree that his nomination had been accepted on that basis.

...

David noted that the basis upon which Greg's nomination was accepted was not at issue, but whether the board sticks by its previous resolution that requires all councillors standing for a position on the executive to be endorsed by their council.

Barry noted that Greg had been in attendance at the last AGM of Region 6. Barry had sought Greg's understanding at that time of what the [then] new rule was about, and that Greg had confirmed that it meant that to stand for Region Chair, a councillor needed to have the endorsement of his council.

Barry asked for clarification from those present who had been board members at the time, of the intent behind the policy arising out of resolutions 347-7.2(c) and 348-3.7(b).

Murray related his experience wherein he had had an issue with a councillor of a member council who was also a private member of the MDA. That councillor had lost a resolution at council and then tried to use the MDA as an alternate forum to get traction or a platform for that issue. That highlighted the clear conflict that can arise when a councillor stands as a private member, and councils who members and are being represented by their councilors in a manner other than the position of council. Murray emphasized that councils are our bread and butter members, and that must be confident that they are properly represented.

Rodney noted that he was not a councillor, and thereby did not have the support of his council. Rodney felt that the decision made in Tocumwal should stand, and that Greg should be entitled to serve out the balance of the term as a private member.

Greg questioned whether any consultation had been undertaken at the regions in relation to the development of the policy.

David noted that it certainly has been taken to R1 in August and was fully supported by the members; **Murray** noted that it has been before R10, **Emma** advised that Region 6 considered it in May, and that the issue had arisen out of a motion moved through then Chair Cr Frank Tuckwell by the membership

in response to a similar issue there. Region 5 was the first region to adopt and implement the process, at their meeting in Swan Reach.

Murray noted that this is a rule, and not a constitutional issue. It is a rule (or a policy) without which it is clear that the MDA runs a very real risk of losing member councils. If there is no mechanism to effectively mitigate against or manage conflicts of interest, then the MDA is not providing value to its member councils, and they will depart. This has been a risk with a R10 council, and has in fact occurred in Campaspe. It is a risk that must be managed, and the policy is the effective means by which to manage it.

Peter sought clarification on how the rule affects the eligibility of independent members to stand for the chair.

Emma confirmed that feedback received from region 7, when the issue was discussed there at a meeting at which both Greg and Emma were in attendance and that Peter had chaired, had helped to ensure that the policy was developed in order not to exclude private/individual members from nominating. The rule only requires that nominees who are councillors must have the endorsement of their council.

The intention behind the rule was to encourage local government members to delegate councillors (and officers) to the MDA, confident that their positions of council would be accurately and appropriately represented, and to still enable private members who are adequately capable and properly resourced to also stand for election to the regional executive.

Murray also noted that there is no problem being an independent member, but the intent behind the resolution was to ensure that you can't be an independent member *and* a councillor. If you are, then by definition you are instantly conflicted, and that is neither fair, nor demonstrating value nor good process to our member councils.

David stated his understanding of the intent behind the policy being that a private member can stand, but a private member who is a councillor requires the endorsement of his council.

Rodney noted that it can be difficult to represent the position of a council if you feel strongly that their views are not consistent with the MDA.

Emma noted that the provisions in the nomination pack are further supported by the Duty Statement and the Code of Conduct, to assist board members to meet that challenge. It was also noted that one of the benefits of attracting councillors to the role is that this is an issue that experienced councillors will have developed some skills in.

Paul noted that, with the intention of the policy now established he was concerned that at the election of the president at the AGM, he had voted for Greg on the understanding that Greg would get endorsement from his council. That did not happen – and unfortunately that has now resulted in the MDA having been seen as “a bit sloppy” on how the process was handled. He was also concerned that the board had been asked leave to allow sufficient time for Campaspe to make their resolution, and that now they have been lost as a member for 12 months. The Board needs to make a decision right now on whether Greg remain in the position based on the information provided at Tocumwal.

...

Barry stated that all councils in Region 6 recognize that they need to show respect for the Murray Darling Association, and were very concerned to ensure that anyone standing to Chair region 6 had the endorsement of their respective Councils.

Barry reminded Greg that he was at the last meeting of Region 6, and that he agreed with that principal, and that he was the Chair of the organisation that had adopted resolutions 347-7.2(c) and 348-3.7(b). Whether he agreed with them or not, the board has a duty of care/professional obligation to ensure that they are upheld and applied, and not to set them aside because they don't suit a particular purpose.

Barry ...[noted that]... he had certainly voted for Greg on the clear understanding that Greg would get the endorsement of his council.

...

Barry emphasised that it is imperative that we operate – as an organisation – consistent with the rules, just as any council or any other organisation is expected to do: by the rules. Not to do so is very risky. This board must recognize that councils have put a lot of money into this organisation and should reasonably be able to expect a standard of professional conduct.

Kevin expressed a concern that if this issue is not clearly resolved by way of a decision of the board – ...[it may do significant damage]... to the organisation. Kevin noted that if that occurred, he held doubts as to the continued existence of R5.

General discussion on the topic then being concluded, David called for a motion on the item

Motion: That the Board

- a) affirm the Board's Resolutions 347-7.2(c) and 348-3.7(b), and
- b) review the decision taken at Board Meeting 350, in relation to the election to the Chair of Greg Toll to the position of National President.
- c) conduct a fresh election on a date yet to be determined following the Region 2 AGM of 27/11/2015.

Mr Wood/Cr Myers

....

Greg sought clarification on whether this decision would see him remain in the Chair until the R2 meeting. It was determined that items a) and b) would have the effect of invalidating the outcome at Tocumwal, and as such the position of National President would be vacant until a fresh election is held.

Peter proposed an amendment to the motion

Amendment: That the board

- a) affirm the Board's Resolutions 347-7.2(c) and 348-3.7(b), and
- b) review the decision taken at Board Meeting 350, in relation to the election to the Chair of Greg Toll to the position of National President.
- c) conduct a fresh election on a date yet to be determined following the Region 2 AGM of 27/11/2015.
- d) Allow Greg Toll to remain the National President of the MDA until after the AGM in Region 2, and the fresh election is conducted.

Cr Jamieson/Mr Button.

The amended motion was **lost**.

The original motion was put.

The motion **carried**.

The meeting confirmed Cr David Thurley, Deputy Vice President to remain in the Chair for the balance of the meeting, and until a fresh election is held.

3.2 Response to Campaspe Shire's request for clarification

Peter proposed that the information in the preceding item be provided to the Shire of Campaspe by way of clarification.

Motion: That the information provided in the preceding item be provided to the Shire of Campaspe in response to their request for clarification of the intention behind resolutions 347-7.2(c) and 348-3.7(b).

Cr Jamieson/Mr Wood

Carried

Greg abstained from voting ...

3.3 Code of Conduct and Duty Statement

Motion: That the board require

- a. That the executive maintain on file a personally signed copy of the Code of Conduct and Duty Statement for all current and future board members/regional chairs of the MDA.
- b. That board members provide to the executive a personally signed copy of the Code of Conduct and a Duty Statement, no later than the next board meeting of the MDA.

Cr Jamieson/Cr Myers

Carried

Greg did not articulate a vote. When asked, Greg's connection dropped out. Tried several times to re-establish the connection, and also telephoned to leave a message and instructions for re-connecting.

4. REPORTS

4.1 Chairman's Report

Motion: That the Chairman's report be taken as read and accepted

Cr Jamieson/Mr Wood

Carried

4.2 Chief Executive Officer's report

Chief Executive Officer provided a verbal report, highlighting the following items

- Instability at board level having an impact. Looking forward seeing the current issues resolved.
- Regions are powering on
- Region meetings need to become more regular in some regions, to ensure greater engagement and compliance.
- New standing item on the Board agenda for region reports
- Special note for Region 7's team incl Cr Lynda Yates and Peter Jamieson, for such active and regular contributions to the basin community.
- Noted that in relation to a (Paul noted this to be a splinter) project emerging in Region 9, emphasized the importance of directing all local issues through the regions to determine local priorities.
- Murray Darling Basin Economic Regional Diversification funding opportunities are under consideration within a number of regions.

Motion: That the Chief Executive Officer's report be accepted

Mr Wood/Cr Myers

Carried

4.3 Finance Report

David noted that based on the figures shown, the MDA is in quite a precarious position. Modeling on the debtor recovery shows that on current trend, available cash flow will dry up in about February, without further funding being secured. This absolutely underscores the need for good governance and certainty in seeking support from federal and state bodies.

Peter noted that we should look at costs, specifically targeting wages.

Emma noted that staffing levels have already been cut to the bone, and that current staffing is running 2.2FTE.

- The office manager's position has been cut to 2 days per week.
- Stan has tendered his resignation - for two reasons. The first reason being to cut costs. He has noted that he will continue to provide occasional support on a casual basis as required. The second reason is that Stan has concerns in relation to the current issues, and although he remains hopeful that with sound decisions and good process, these will be resolved, he has decided to tender his resignation.
- Alice's performance in the role as Marketing and Communications Officer has continued to demonstrate she has the skills and capacity to be the next generation of management for this organisation if she can be retained. It is imperative for the organisation to take an active approach to succession planning, skills development and talent management if it is to endure.
- Any further cuts to staffing would represent a potential move to wind-up, or restructure mode for the organisation.

Peter noted that all positions must demonstrate that they are contributing to the growth in revenues of the organisation, and that 'the only fat left to trim' is the Marketing and Comms role.

David noted that while the Marketing and Comms role may not be contributing immediately, within the first month, or even three months, to the revenues, it remains important that the MDA has the resources and information available to go out and market our organisation to our members and communicate effectively and consistently with state and federal governments. David presented the membership prospectus that has been developed, and noted the importance of our web based communications. Noted that without this material, what does any region chair have to present to new members like Wangaratta or Benalla to provide them with the information they need to join?

Paul noted the importance of KPI's to ensure that each role is achieving its targets.

Emma noted that the while the issue had been raised with the board previously, to date there has been no action taken to develop a strategy for the organisation. Emma further highlighted - and pointed to the note to this effect also contained in the finance report – that it is the role of the board to set the strategy for the organisation, and it is the role of the Chief Executive Officer to deliver on that strategy.

Emma noted that there is currently no strategic plan for the organisation, and that it is not the role of the Chief Executive Officer to determine the strategy, but that management should certainly play a role in its development. Emma further noted that in the absence of an articulated and agreed strategy and purpose for the organisation, she can set KPI's but not targets for the staff. Staff must be given the opportunity to deliver against strategy, and for that to occur there must be an agreed strategy.

Rodney noted that this is not the first time the MDA has found itself in a challenging financial position, and that to set the course for closure is poor form and not an option. Recommended that 'we get in and damned well fight for the thing'. *The organisation is over 70 years old and now is not the time to throw the towel in, but to stand up, band together and start working for the future of the MDA.*

This was agreed unanimously.

Motion: That the Finance report be taken as read and accepted

Mr Wood/Mr Button

Carried

4.3 Marketing and Communications Report

Emma noted that the marketing and communications report clearly demonstrates the 'value-add' Peter was referring to earlier.

Motion: That the Marketing and Communications Report be taken as read and accepted

Mr Wood/Cr Myers

Carried

5. GENERAL BUSINESS

5.1 Change of Name of Murray Darling Foundation

Some discussion regarding the desire to keep the word 'Foundation' in the name, while still seeking to be compliant with the recommendations and requirements of the REO.

Motion: That the Murray Darling Foundation be renamed the 'The MDA Foundation'.

Cr Myers/Cr Featherston

Carried

** Cr Paul Maytom left the meeting at 1.50pm to attend a funeral.

5.2 MDF Bursary Report – Ruth Golden

The report has been received from bursary recipient Ruth Golden who undertook a study into waste management options in remote areas. The report is to be distributed to regions, and placed on the Foundation's web page.

Motion: That the Murray Darling notes the report received from the 2014 MDA Foundation Bursary recipient Ruth Golden titled *7 Dumps in 7 Days*.

Mr Wood/Mr Button

Carried

5.3 Request for reinstatement of membership – Peter Smith

Region 6 individual member Peter Smith's application for reinstatement of membership considered.

Motion: That the MDA write to Peter

- a. endorsing the actions taken by the Chief Executive Officer in response to inappropriate communications of May 2015.
- b. Re-instating his membership
- c. Reminding Peter of his responsibilities and obligations as laid out in the MDA Code of Conduct.

Cr Featherston/Cr Jamieson

Carried

5.4 MDA/MDF websites – Discovering the Darling; Save the Murray

The information contained on these websites is valuable and worthy, but being managed under distinct domains is costly and out of date.

Motion: That the MDA

- a. Delete the Discovering the Darling website and use the information on the site to enhance similar pages on www.mda.asn.au and create new pages where necessary (egg. Cultural heritage of the basin).
- b. Delete the Save the Murray site and transfer useful information and documents to www.mda.asn.au under the 'Projects' tab.

Mr Wood/Cr Myers

Carried

5.5 Immediate future of the MDA

Need for immediate commencement/arrangement of a strategy planning workshop.

Rodney proposed a weekend workshop – a Saturday, and Sunday. Kevin suggested that the workshop weekend could be combined with undertaking the fresh election. This was agreed to a good plan, as the election of the new chair should be face to face.

Emma recommended that the MDA initiate discussions with the MDBA seeking support in the way of financial resources, consistent with the principals outlined in the MOU, to support the organisation to develop a strategic plan. This suggestion was approved and endorsed.

Barry noted that the resolution for a fresh election was silent on the matter of the date, and that with a good and competent interim chair in place there was no need to rush either process. A strategic plan should have input from the grass roots up, so recommended that the exec prepare an issues paper to facilitate initial discussions at the regional level in preparation, in order to better inform board members in considering the plan prior to meeting.

Murray proposed a date in late Feb. Emma to co-ordinate an appropriate date. Emma to also canvass the options for a good facilitator. Invite facilitators, or for a council to provide a suitably skilled and qualified facilitation team.

5.6 Late item

Emma noted that the Region 2 AGM will be a contested election, with a nomination received from Des Bilske, GM of Deniliquin Shire. Emma sought clarification on whether Greg's nomination can be accepted if he is a private member at the time of the election, notwithstanding that he was a councillor when nominations closed. Board noted that the rules were to be applied as written.

6. MEETING CLOSED 2.14 pm.

Merry Christmas – well wishes shared by all