



Murray Darling Association Inc.

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Ordinary Meeting of the Board
Time 10.30am AEST on Friday 19th August
Location: Skype

AGENDA BRIEFING NOTES - MEETING No. 359

1. ATTENDANCE

1.1 Present

Region	Chair	Council	
1	Cr David Thurley	Albury City Council	Chair
2	Des Bilske	Edward River Council	
4	Peter Kozlowski	Wentworth Shire Council	
6	Cr Barry Featherston	Alexandrina Shire Council	Vice Chair
7	Cr Peter Jamieson	Port Adelaide Enfield Council	Treasurer
9	Cr Paul Maytom	Leeton Shire Council	

1.2 Apologies

Region	Chair	Council	
3	Cr Leigh Byron	Balranald Shire Council	
4	Gerard José	Mildura RRC	
10	Murray Wood	Western Plains Regional Council	

Motion: That the apologies be accepted.

P Maytom/P Jamieson

Carried

1.3 Declaration of Interests and Conflicts

None declared

2. PREVIOUS MINUTES

Motion: That the minutes of the meeting held Tuesday 21 June 2016, Canberra be adopted as an accurate record of that meeting.

P Jamieson/P Maytom

Carried

3. BUSINESS ARISING

3.1 Annual Conference Workshop

General discussion around the challenges emerging in the planning of the conference.

Challenges to Dubbo Conference 2016 were noted, including

- Region 10 chair currently vacant (in transition).
- As in region 3 – new chair will not be appointed unless and until resolved by council,

anticipated after September election. (will elaborate on this in CEO's report)

- Dubbo has been subject to merger process, consuming all available energy within the council. Murray is no longer in the role.
- Both NSW and Victoria have their local government elections in September and October respectively.
- Costs to councils of old style conference
- Transition within the regions
- Focus has been on strengthening the regions to ensure balanced representation

It was noted that the meeting needs to achieve two key requirements

- a) AGM, (requiring a quorum of 50) to pass the financials in order to be compliant with our regulatory obligations
- b) Passage of resolutions (including the resolution to change the Constitution) in order for the membership to inform the board of their direction for the year ahead.

Region chairs will need to

- Ensure at least 10 registrations per region
- Forward motions to national executive in the next week, that reflect the discussions/aspirations of the regions, and will set the direction of the MDA for the year ahead.

Objective is to get a quorum of 50 to the conference in Dubbo. Alternatives to boost the participation numbers may be to consider attendance via remote location – for instance utilizing the live-streaming and skype facilities of state based LGAs for member groups.

Motion: That planning continue for the AGM and conference be reduced to a 1 day event in Dubbo on 26th October, and invite Western Plains Regional Council to host Civic Reception on the 26th October and Study Tour 27th October.

P Jamieson/Des Bilske

Carried

3.2 **Regional Strategies (Strat Plan 16-19, Item 2.6 – p13)**

The board noted that projects for the regions 2017/18 include

- development by and within the regions of the region strategies, and
- review of regional boundaries.

3.3 **Basin Plan Impacts Evaluation Framework – project adoption and funding strategy**

The need to progress the application for funding is becoming urgent.

Trip to Canberra planned 3rd week September, then November.

September: Meet with key stakeholders seeking funding for the project
Meet with MDBA re: local government participation in consideration of regional placement of local engagement officers.

November: Presentation to the board of the MDBA on current activities and future direction of the MDA, and a re-affirmation of the MOU between our two organizations.

Board representation will be by David and Barry, subject to the outcome of the NSW local government elections, to be held 10 September.

Action item: Copies of the Project proposal to be posted to all board members.

3.4 Staff increase

Welcome Dianne Ross. Dianne is settling in well, and developing a good understanding of our membership base and key stakeholders.

4. REPORTS

4.1 Region Reports

Chairs to provide a monthly/bi-monthly region report outlining key issues and events in their region for distribution with the meeting papers.

4.2 Chief Executive Officer's report

- 04/07/16 Western Research Inst - Wendy Mason/Danielle Renshaw –collaboration
- 07/07/16 Charles Sturt Uni – Max Finlayson and Peter Waterman: project partnerships
- 08/07/16 Jackie Kruger – R9, Constitution briefing and review
- 11/07/16 Adelaide – Presentation to LGASA Forum
- 12/07/16 Adelaide - Meeting with Neil Andrew, Chief Executive Officer MDBA
- 19/07/16 Narrandera Shire – presentation with Cr Paul Maytom and Jackie Kruger to Narrandera Shire Council
- 20/07/16 BP Impacts Evaluation Framework – Project 'committee' meeting review and funding strategy: WRI, B Featherston and D Thurley – skype

- 25/07/16 Bourke Shire Council, R10 – presentation and liaison re Murray Darling Freshwater Research Centre: incl Chair R3 Cr Leigh Byron
Bourke State School: incl Chair R3 Cr Leigh Byron
- 25/07/16 Narromine - meeting Mayor Cr Billy MacAnally and GM Greg Lamont – presentation and discussion on Chairing Region 10
- 27/07/16 Moama -Goulburn Murray Water Board of Management - Presentation on 'The New MDA'.
- 29/07/16 Deniliquin - Adrian Piccoli MP, NSW Member for Murray, Minister for Education. Introduction and discussions re strengthening relationship between local and state govt on Basin issues.
- 01/08/16 EMFM Radio Interview. MDA to have regular program
- 01/08/16 Appointed to the GMW Strategic Advisory Committee
- 02/08/16 Dianne Ross commenced – Office Manager .5
- 04/08/16 Finalize marketing piece for BP Impacts Evaluation Framework – WRI
- 09/08/16 Co-ordination of R3 Meeting Swan Hill, reschedule to Sept 6
- 10/08/16 Shepparton – Presentation to Susannah Sheed MP, Vic State Member for Shepparton and the GMID Water Leadership Forum
- 11/08/16 LGNSW - Donna Rygate Chief Executive Officer
- 16/08/16 Shire of Campaspe – Presentation on 'The New MDA': incl National President, D Thurley
- 18/08/16 Nathan Gillies – Thriving in the role. Loves his job, looking forward to NatCon.

4.3 Finance Reports

Finance Report – As read

The Finance Report for July 2016 comprises the following attached reports

- Balance Sheet, as at 31 July 2016
- Profit & Loss Account, for the month of July 2016
- Summary Business Overview, forecasting through to 30 June 2017
- Bank register, showing all deposits and withdrawals for all bank accounts, July 2016
- Receivables Reconciliation, outstanding debtors as at 31 July 2016

Finance Manager, Peter Gray submitted the following notes to the financial reports.

(i) Balance Sheet

Total cash balances on hand were \$176,259 as at 31 July, following early receipt of a sizeable proportion of billed memberships. The Sundry Creditors figure of \$37,027 largely relates to the accrued 2015/16 audit fee of \$6,500 and an accrual of \$30,000 for rent owing to Parks Victoria – we have not yet received an invoice since the current lease commenced in January 2015.

(ii) Profit & Loss Account

The profit for the month is \$209,613 due to the bulk of membership invoices billed during July. As each month progresses, that initial surplus will be diminished by our underlying expense structure.

Total membership income is some \$17,900 higher than budget. Expenses for the month were broadly in line with budget. The expense of \$706 noted as 'Premises Rent – Albury' refers to the cost for final cleanup of the Albury office, which we no longer lease, and the transfer of a printer/copier to Echuca.

(iii) Summary Business Overview

This document is a new addition to the finance report. Although not meaning so much in these early days of the financial year, it will enable us to compare actual performance against budget, and allow us to forecast through to year-end, taking into account any significant income and expenditure variances that might arise.

(iv) Bank Register

A copy of the Register is attached.

(v) Receivables Reconciliation

We retained 2015/2016 membership balances owing by Parkes Shire Council and Western Downs Regional Council in the hope of still receiving these monies following a personal approach. However, at the time of writing these are still outstanding, and they are not included in the forecast bank position.

Receivables were \$121,003 at 31 July, and we will endeavour to clear all these accounts by 31 December. At this time, Indigo Shire Council is the only LGA which has indicated that it is reconsidering membership. Again, this receivable is not included in the forecast bank position.

Motion: That the reports be accepted.

D Bilske/B Featherston

Carried

5. GENERAL BUSINESS

5.1 Correspondence – Elliott Group

David tabled correspondence between Elliott Group and the MDA in which Elliott Group, a past donor to the Murray Darling Foundation is seeking further clarification on the calculation and reporting of funds remaining in the MDF Honours Student Program.

The board requested an explanation from Emma as to why there remains ongoing issues from donors to the Murray Darling Foundation.

Emma noted the following points:

- The past chair, Mr Grogan has expressed frustration over the changes in reporting arrangements for the Foundation introduced in 2014 – specifically the removal from the financial statements of a table that until 2013 noted individualized projects fund balances.

- In 2014, the executive, and subsequently the MDA's auditors MGR identified a number of non-compliances and irregularities in the operations and the record keeping of the Foundation, including (but not limited to) gaps in the financial records, the allocation of MDA finances to MDF project balances, and projects operated by the Foundation outside the rules of the organisation.
- In 2014, using available primary source data (bank statements) and information provided by Mr Grogan; Mr Wells and previous accounting firms engaged by the MDA, the table of project funds (among other things) was reviewed by the Chief Executive, the Finance Manager, the current accountants MGR; and the Auditor.
- Differences between the reported fund balances and the funds received and held by the MDF was identified.
- Emma reminded the board that in the 2012/13 Financial year, 3 separate accountants were engaged to prepare the organizations financial reports. Two withdrew their services. All expressed frustration with the organization's record keeping arrangements.
- In preparing the 2015 financial statements, the MDA accounting team journaled an adjustment to the tabled project balances, and reported on the financial accounts according to bank records. The notes to Audited financial statement 2013/14 reflect this adjustment at Note 18.
- The 2015 financial statements were prepared with consultation and input from the then Chair of the Foundation committee Mr Grogan, who was informed of and aware of these adjustments, and signed off on the financial reports, with a request that the tables be re-instated in future reports.
- Significant time and effort has been invested in seeking to understand and reconcile the reported project balances to those detailed in the table. However, two successive finance managers, the Chief Executive Officer, and our accountants have been unable to do so from the records available.
- Emma noted that the MDA has worked hard to maintain the confidence of the Foundation's generous donors by providing as much information as has been available, and assurances that their funds, and more had been spent for the intended purposes.

Peter Jamieson sought an assurance that the funds that Mr Lanyon refers to in his letter had been received by the recipients noted. Emma confirmed that available records appear to support this.

Further discussion about the continuing purpose or relevance of the MDF, and it's role with the MDA under the current strategic plan.

Motion: That the Board

- a) notes the correspondence from Mr Lanyon, and will respond by acknowledging the commitment and generosity of the Elliott Group to the objectives of the Foundation, and the MDA's intention to work with all donors of the Foundation to resolve any residual concerns.
- b) task the National President, Mr David Thurley to contact Mr Lanyon directly to discuss some of the more challenging issues that lead to the cessation of Foundation operations and projects in 2014.

- c) Request the Chief Executive Officer to prepare a report for the next meeting to consider the ongoing purpose and relevance of the Foundation

D Bilske/B Featherston

Carried

5.2 Annual Report – regional submissions

Action Item: Request for board members to prepare a brief regional perspective (paragraph and a photo) for the Annual Report.

5.3 Region meetings

The strength of the regions relies on delivering value to our members through regular regional meetings. Need to arrange some training and templates for Chairs and secretariats to ensure planning, process, and communication of regional meetings.

Action Item: Emma to arrange a workshop of regional chairs.

Note: At Peter Jamieson's request, trial a later meeting time for this event.

5.4 Conduct complaint – Peter Smith, Region 6

Item laid on the table pending Barry's return to the region to gain a better understanding of the substance of the complaint.

5.4 Regional Memberships

Correspondence tabled from Indigo Shire, Wagga Wagga, and Gannawarra advising of the decision to withdraw membership.

These decisions appear to have been made under delegation, by the Chief Executive Officer/GM.

Discussion about the appropriateness of decisions by the executive staff in relation to membership to community representative groups such as the MDA.

Councillor board members noted they would be disappointed with their GM/Chief Executive Officer if they failed to refer such a decision to the council.

Des noted, that as a GM he felt that decisions on membership to community representative organizations should be a decision made by resolution of council. Peter Kozlowski – Wentworth GM endorsed that view.

It was noted that in order to achieve this, stronger communication and engagement between councils including regular meetings, and networking communication within the regions will be important.

Motion: That the MDA

- a) write to the Indigo, Wagga and Gannawarra councils, acknowledging their correspondence and request an opportunity for the region chair and Chief Executive Officer to address the council to outline the current activities, the future direction and the benefits to their communities of active participation in Basin related decisions through the MDA.
- b) Expects that decisions on continuing membership, as with new memberships, should be made by resolution of council based on current information and engagement provided by the MDA.
- c) Notes that Item 12.7 of the constitution states *No rebate, refund or dividend shall be given to any member.*

D Bilske/P Maytom

Carried

5.5 **Constitution Review workshop**

The board noted the feedback received. Feedback has been forwarded to RK Lawyers, and Emma will work with Andrew next week to review and incorporate as appropriate, to prepare the final draft.

Motion: That the board

- a) Notes all submissions received
- b) Will be guided by legal advice as provided by RK Lawyers
- c) Will consider submissions in the context of consistency with the MDA's stated purpose and strategic plan.

5.6 **Book Collection**

Albury City Council Information and Library Collections Coordinator Michelle Head has advised they have completed their initial sort of the collection and have a range of boxes of reports and publications that they do not require. Have requested some direction on what the MDA would like done with this material.

Has also advised they will involve Cr Thurley and Darryl Jacobs in when we start the more detailed process o the retained items.

Motion: That surplus material be made available, through consultation with Adrian Wells and Darryl Jacob of Burrumbuttock, to the historical society of the Murray Valley, or to interested individuals for their use.

D Bilske/P Kozlowski

Carried

6. **NEXT MEETING** : Friday 23rd September 2016

7. **CLOSE** 12.05pm