



Shire of Northam
Heritage, Commerce and Lifestyle

Shire of Northam

Agenda

Special Council Meeting

27 July 2022



NOTICE PAPER
Special Council Meeting
27 July 2022

President and Councillors

I inform you that a Special Council meeting will be held in the Council Chambers, located at 395 Fitzgerald Street, Northam on 27 July 2022 at 5:30pm.

Yours faithfully



Jason Whiteaker
Chief Executive Officer

DISCLAIMER

This agenda has yet to be dealt with by the Council. The Recommendations shown at the foot of each item have yet to be considered by the Council and are not to be interpreted as being the position of the Council. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Council.

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1. DECLARATION OF OPENING

2. ACKNOWLEDGEMENT TO COUNTRY

The Shire of Northam would like to acknowledge the Traditional Owners of the land on which we meet, the Ballardong and Whadjuk people of the Nyoongar nation and pay our respects to Elders, past present and emerging.

3. ATTENDANCE

Council:

Shire President

Deputy Shire President

Councillors

C R Antonio

M P Ryan

D Galloway

R W Tinetti

A J Mencshelyi

M I Girak

J E G Williams

D A Hughes

H Appleton

P Curtis

Staff:

Chief Executive Officer

Executive Manager Engineering Services

Executive Manager Development Services

Executive Manager Community Services

Executive Manager Corporate Services

Acting Governance Coordinator

J B Whiteaker

S Patterson

C B Hunt

J Metcalf

C Young

A C McCall

3.1 APOLOGIES

Nil.

3.2 APPROVED LEAVE OF ABSENCE

Nil.

3.3 ABSENT

Nil.

4. DISCLOSURE OF INTERESTS

Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.

As defined in section 5.60A of the Local Government Act 1995, a **financial interest** occurs where a Councillor / Committee Member, or a person with whom the Councillor / Committee Member is closely associated, has a direct or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.

As defined in section 5.61 of the Local Government Act 1995, an **indirect financial interest** includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

As defined in section 5.60B of the Local Government Act 1995, a person has a **proximity interest** in a matter if the matter concerns a proposed change to a planning scheme affecting land that adjoins the person's land; or a proposed change to the zoning or use of land that adjoins the person's land; or a proposed development (as defined in section 5.63(5)) of land that adjoins the person's land.

As defined in 34C of the Local Government (Administration) Regulations 1996, an **impartiality interest** means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.

Item Name	Item No.	Name	Type of Interest	Nature of Interest

5. ANNOUNCEMENT BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

Nil.

6. PUBLIC QUESTION TIME

6.1 PUBLIC QUESTIONS

7. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

8. RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS

8.1 PETITIONS

Local Government Act 1995 s6.10
Shire of Northam Standing Orders Amendment Local Law 2018

(1) A petition is to –

- (a) be addressed to the President;
- (b) be made by electors of the district;
- (c) state the request on each page of the petition;
- (d) contain the name, address and signature of each elector making the request, and the date each elector signed;
- (e) contain a summary of the reasons for the request; and Page 13
- (f) state the name of the person to whom, and an address at which, notice to the petitioners can be given.

(2) Upon receiving a petition, the Local Government is to submit the petition to the relevant officer to be included in his or her deliberations and report on the matter that is the subject of the petition, subject to subclause(3).

(3) At any meeting, the Council is not to vote on any matter that is the subject of a petition presented to that meeting, unless:

- (a) the matter is the subject of a report included in the agenda; and
- (b) the Council has considered the issues raised in the petition.

8.2 PRESENTATIONS

Local Government Act 1995 s6.11
Shire of Northam Standing Orders Amendment Local Law 2018

(1) In this clause, a "presentation" means the acceptance of a gift or an award by the Council on behalf of the Local Government or the community.

(2) A presentation may be made to the Council at a meeting only with the prior approval of the CEO.

8.3 DEPUTATIONS

Local Government Act 1995 s6.9
Shire of Northam Standing Orders Amendment Local Law 2018

- (1) Any person or group wishing to be received as a deputation by the Council is to either-
 - (a) apply, before the meeting, to the CEO for approval; or
 - (b) with the approval of the Presiding Member, at the meeting, address the Council.
- (2) The CEO may either-
 - (a) approve the request and invite the deputation to attend a meeting of the Council; or
 - (b) refer the request to the Council to decide by simple majority whether or not to receive the deputation.
- (3) Any matter which is the subject of a deputation to the Council is not to be decided by the Council until the deputation has completed its presentation.

9. APPLICATION FOR LEAVE OF ABSENCE

Nil.

10. CONFIRMATION OF MINUTES

11. ITEMS BROUGHT FORWARD FOR THE CONVENIENCE OF THOSE IN THE PUBLIC GALLERY

Nil.

12. REPORTS OF COMMITTEE MEETINGS

Nil.

13. SPECIAL ITEMS

13.1 ANNUAL BUDGET OVERVIEW

File Reference:	8.2.8.1
Reporting Officer:	Colin Young Executive Manager Corporate Service
Responsible Officer:	Colin Young Executive Manager Corporate Service
Officer Declaration of Interest:	Nil.
Voting Requirement:	Simple Majority
Press release to be issued:	No

BRIEF

To provide information to Elected Members in relation to the budget process and influencing factors.

ATTACHMENTS

Nil.

A. BACKGROUND / DETAILS

The development of the draft budget as presented is the culmination of many months preparatory work undertaken by each individual department, under the guidance of the Executive Manager Corporate Services, Mr Colin Young.

The budget process to date has included the following key elements.

- Endorsement of draft building maintenance program 18 May 2022
- Adoption of the 2021/22 fees and charges 15 June 2022
- Endorsement of footpath program 15 June 2022
- Endorsement of Strategic Community Plan & Corporate Business Plan 15 June 2022
- Endorsement of draft 1 year road program to occur on 27 July 2022
- Endorsement of the draft plant program to occur on 27 July 2022

Staff have been through a rigorous assessment process to ensure that the departmental and individual item draft budget allocations reflect both the intent of the Council's planning documents and ensure sufficient resources to meet the established objectives. Finance staff shortages have affected the budget timeframes, however these issues have now been rectified.

As Elected Members would be aware, the current adopted Long Term Financial Plan reports on a number of key performance indicators, which are reflective of the Local Government Act 1995 requirements. The following information provides an indication as to how the Council is performing against a number of the key indicators (the advance payment of federal assistance grants has been included in the calculations).

2022/23		
Ratio	LTFP	Draft Budget
Debt Service	5.82%	6.64%
Operating Surplus	-2.03%	-5.00%
Own Source Revenue	73%	72.1%

The draft budget as presented includes additional debt of \$1.7m associated with the Depot Redevelopment. Cash-flow is projected to remain strong in early 22/23, however with the current pressure on interest rates it is intended to take the additional debt in the first quarter of the 2022/23 financial year.

The operating surplus ratio will be impacted by the operational carry forwards of an estimated \$600,000 that will be added back to the budget. It is expected to weaken to -8.07%. The LTFP modelling shows this ratio returning to positive territory in the 2024/25 financial year.

Debt Service

Measures the Council's ability to service debt out of its uncommitted or general-purpose funds available for its operations. Councils with a higher proportion of revenue from rates can also effectively operate at lower debt service ratios as they are more able to generate income (through rate increases) to cope with the debt burden.

If Ratio > 10: Accepted as reasonable.
 If Ratio > 5 and <10: Exercise caution around debt management.
 If Ratio <5: Debt management may be an issue and needs to be considered in context of overall financial position.

The Shire is currently in the mid-range of this ratio where caution should be taken when proposing additional debt. At present the Shires debt is very manageable and remains in a stronger position than that modelled in the LTFP, with increasing interest rates any future debt should be considered taking into account the long-term impacts on the Shire.

Operating Surplus

Effectively highlights the scale/extent of any operating surplus or deficit in relation to the overall size of the Local Government. A sustained period of



deficits will erode that Local Government's ability to maintain both its operational service level and asset base.

If Ratio > 0.15:	Strong operating surplus which gives flexibility in relation to future operational service levels and asset base.
If Ratio > 0.00 and < 0.15:	Should closely monitor with improvements made where possible to increase capacity to give flexibility in relation to future operational service levels and asset base.
If Ratio <= 0.00:	Experiencing an operating deficit.

Own Source Revenue Ratio

Measures the Local Government's ability to cover operating expenses from own source revenue. The higher the ratio, the more self-reliant the Local Government is. This allows greater flexibility as fewer external funds are required for operational purposes.

If Ratio > 0.9:	Satisfactory.
If Ratio > 0.6 and < 0.9:	Will need to improve if it hopes to maintain and improve the current service levels of its asset base.
If Ratio < 0.6:	Needs to examine the level of its own source revenue given current levels of operating expenses.

B. CONSIDERATIONS

B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

B.2 Financial / Resource Implications

The budget document has been guided by several key planning documents including:

- Council Plan (Strategic Community Plan and Corporate Business Plan).
- Long Term Financial Plan modelling; and
- Various asset management and delivery plans

B.3 Legislative Compliance

Nil.

B.4 Policy Implications

Nil.

B.5 Stakeholder Engagement / Consultation

Consultation has occurred with Councillors and staff.

B.6 Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Council not provided with longer term financial implications	Medium (3) * Unlikely (2) = Moderate (6)	Ensure modelling is carried out and presented to Council though development of a Long Term Financial Plan.
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	Budget not adopted in a timely manner, impacting ability to commence significant projects/programs	Medium (4) * Unlikely (2) = Moderate (8)	Special Council meeting held in July 2021 to adopt budget
Compliance	Budget not adopted by August 31, failing to meet statutory requirements	Medium (3) * Unlikely (2) = Moderate (6)	Special Council meeting held in July 2021
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

B.7 Natural Environment Considerations

Nil.

C. OFFICER'S COMMENT

The following changes have been carried out to the draft budget since the budget workshops and is presented in the table below;

Account/Job	Description	Reason	Amount	C/FWD, Grants etc.
Surplus			0	
1244	Wundowie Depot	CCTV expenditure removed	\$3,000	
11342122	Progress Association Allowance	Reduced to Agree with Council motion C.4472	\$12,009	
Budget surplus / (deficit) @ 5% increase			\$15,009	

Debt

This draft budget has been developed with the inclusion of debt funding of \$1.7M that will be utilised for the redevelopment of the Northam Works Depot. Incorporated into this amount is the \$500,000 of debt budgeted in the 2021/22 financial year this will be carried forward into the current financial year.

The additional debt referenced above will not result in the Shire of Northam exceeding any recommended debt limits or indicators, with debt still lower than projected during the Covid-19 response period. Forming part of the initial stimulus packaged adopted by Council when COVID-19 emerged in 2019 the following financial structure was put in place.

- Economic support package of \$4,497,000
- Community support package of \$ 561,586
- Economic stimulus package of \$1,000,000

Funded from

- 2020/21 Annual Budget \$1,061,586
- Reserve Funds \$1,090,000
- Debt Finance \$3,464,020
- 2019/20 untied Surplus \$ 442,980

Due to additional grants from the federal government and the directing of general revenue to the projects Council has avoided additional debt except for the currently proposed debt of \$1.7m. Increasing debt servicing costs has had an impact with a current quoted fixed interest rate of 4.91% plus the State governments guarantee fee of .07%. Total interest over the life of the loan will be \$721,000. The following table represents Council's 2022/23 debt commitments.

Loans Draft budget 2022/23						
Particulars		Principal	New	Principal	Principal	Interest
		1-Jul-22	Loans	Repayments	Outstanding	Repayments
			2022/23	2022/23	2022/23	2022/23
			Budget	Budget	Budget	Budget
			\$	\$	\$	\$
Recreation & Culture						
Loan 219A - Northam Bowling Club **	3.18%	102,413	0	21,518	80,895	3,877
Loan 224 - Recreation Facilities	6.48%	666,660	0	56,625	610,035	46,964
Loan 227 - Youth Space	2.26%	361,611	0	48,242	313,369	10,432
Loan 228 - Swimming Pool	1.88%	4,025,187	0	196,233	3,828,954	102,932
Depot Redevelopment	5.61%	0	1,700,000	39,010	1,660,990	50,436
Economic Services						
Loan 225 - Victoria Oval Purchase	6.48%	545,449	0	46,329	499,120	38,424
		5,701,320	1,700,000	407,957	6,993,363	253,065

Rates

The draft budget as presented to Council incorporates an increase in rates of 5%, however due to the major realigning of General and Other Council Waste Charges over a 2-year period the 'real' increase to individual ratepayers will be less. If Council adopts the holding of waste charges, the total actual increase of Council Rates and Fees and Charges as presented will be 4.23%. The below table represents the last 5 years rate increases along with the proposed and the average over a 6 year period.

Rate Increases 5 Years							
	Budget	Budget	Budget	Budget	Budget	Proposed	Average
Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2022/23
Percentage	3.51%	2.50%	2.25%	0.00%	2.56%	5.00%	2.64%

Investment Interest

Interest on investments rate of return has increased significantly, in the recent 12 month's term deposit rates received where returning 0.1% - 0.5%, however in the past month rates have risen sharply with one institution paying 3.45% for a 9 month term deposit. Taking this into account interest revenue has increased by \$121k over the 2021/22 financial year.

Federal Assistance Grants

During March Council received prepayment of 75% of the General Assistance Grant that was transferred to the unspent grants reserve. Due to changes to the equalization formula and recent unconfirmed advice from the Grants Commission the General Purpose Grant has been held steady, the Roads Grant is estimated to increase by 3.49% from \$879,311 to \$910,000.

Utilities

The State government has announced that general utility charges will increase by 2.5%, these have been offset with expected savings to Councils NBN connections as contracts due to expire are estimated to reduce by 24k due to more favorable conditions.

Emergency Services Levy

The State government have advised that the emergency services levy will increase by 5.00% over the 2020/21 financial year.

Projected end of year 2021/22 Surplus

A provision for the end of year tied surplus will be added to the budget before the adoption. All these items will be clearly identified within the budget, and as the funds will be carried forward, they will not impact the

financial position of the draft budget. It is expected that the 2021/22 financial year will finish with an untied surplus in the vicinity \$200,000. Final calculations are still being carried out; allocations will be dealt with at budget adoptions as per the end of year surplus policy.

“The use of any identified untied surplus at the end of a financial year will be limited to one (or more) of the following transactions, at the discretion of Council:

1. *Transferred to a Reserve Account to be nominated by the Council;*
2. *Allocated to a "one-off" capital project nominated by the Council;*
3. *Retirement of debt (where possible).”*

Grant Revenue

Capital Grant revenue has declined significantly from the 2021/22 financial year, \$3.6m excluding carried forward funds. The difference being Commodity Route Funding \$1.6m, Local Roads and Community Infrastructure Program \$1.7m and \$150,000 for BKB Stage 2 & \$120,000 for Railway Platform Works, both from the Wheatbelt Development Commission.

Wages and Salaries

There has been a provision included within the budget for a general 3.00% increase in salaries across the organisation, plus the statutory 0.5% increase to superannuation bringing the total increase to 3.5%. The table below shows the last 5 years percentage increase plus the 6-year average increase. It excludes individual level increases and the additional increases that occurred to the works department during the 2021/22 financial year. It also excludes the 1% increase in Superannuation over that period.

Staff Salary CPI increases other the last five years							
Year	17/18	18/19	19/20	20/21	21/22	Proposed 22/23	Average
Increase	2.00%	2.00%	2.00%	0.00%	1.75%	3.00%	1.79%

Reserves

The following table represents draft budget movements in reserve accounts.

Draft Reserves Budget 2022/23					
	Opening Bal	Interest	Tfr To Reserve	Tfr From Reserve	Total
Employee Liability Reserve	827,518	18,704		(47,278)	798,944
Office Equipment Reserve	101,329	2,290			103,619
Plant & Equipment Reserve	119,474	2,700			122,174
Road Drainage & Bridgeworks Reserve	200,886	4,541			205,427
Refuse Site Reserve	326,271	7,375	161,000		494,646
Speedway Reserve	150,907	3,411			154,318
Community Bus Replacement Reserve	100,000	2,260			102,260
Septage Pond Reserve	283,619	6,411	21,794		311,824
Killara Reserve	445,967	10,080	-	(54,384)	401,663
Recreation and Community Facilities Reserve	141,222	3,192	82,260		226,674
Council Buildings & Amenities Reserve	281,135	6,354		(200,000)	87,489
Parking Facilities Construction Reserve	100,000	2,260			102,260
Reticulation Scheme Reserve	237,346	5,365			242,711
Revaluation Reserve	2,502	57			2,559
Unspent Grants Reserve	2,557,758	-		(2,557,758)	-
Total Cash Backed Reserves	5,875,934	75,000	265,054	(2,859,420)	3,356,568

RECOMMENDATION

That Council receives the budget overview as presented.

13.2 ENDORSEMENT OF THE DRAFT BUDGET

File Reference:	8.2.8.1
Reporting Officer:	Colin Young Executive Manager Corporate Service
Responsible Officer:	Colin Young Executive Manager Corporate Service
Officer Declaration of Interest:	Nil.
Voting Requirement:	Simple Majority
Press release to be issued:	No

BRIEF

For Council to consider matters raised by Elected Members and the presented considerations for incorporation into the 2022/23 Annual Budget. Endorsement will also be sought for the road and plant programs.

ATTACHMENTS

Attachment 1: Considerations List (provided as a separate document attachment to the agenda/minutes)

A. BACKGROUND / DETAILS

All Elected Members were provided with the opportunity to attend workshops to allow the Council finance team to provide an outline of the budget document as presented, answer questions, and provide clarifications. These workshops were well attended, and the feedback received from Elected Members has been positive.

Elected Members were provided the opportunity to raise/identify issues they felt warranted further detailed discussion or debate at the budget meeting.

Workshops were also held for the road and footpaths programs.

B. CONSIDERATIONS

B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

B.2 Financial / Resource Implications

The budget has been developed in accordance with the broad parameters established in the range of Council planning documents.

B.3 Legislative Compliance

The budget is required to be adopted by Council, on or before August 31.

B.4 Policy Implications

Nil.

B.5 Stakeholder Engagement / Consultation

Consultation has occurred with Councillors and Staff.

B.6 Risk Implications

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Council not provided with longer term financial implications	Medium (3) * Unlikely (2) = Moderate (6)	Ensure modelling is carried out and presented to Council through development of a Long Term Financial Plan.
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	Budget not adopted in a timely manner, impacting ability to commence significant projects/programs	Medium (4) * Unlikely (2) = Moderate (8)	Special Council meeting held in July 2021 to adopt budget
	Inability to deliver project outcomes because of adding to draft budget workloads	Medium (4) * Unlikely (2) = Moderate (8)	Staff recommending to not add additional projects to budget
Compliance	Budget not adopted by August 31, failing to meet statutory requirements	Medium (3) * Unlikely (2) = Moderate (6)	Special Council meeting held in July 2021
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

C. OFFICER'S COMMENT

As a result of the workshops held with Elected Members the following information is provided for discussion:

Items raised for Discussion by Elected Members

Community Sponsorship and Progress Association Payments.

These two budget allocations have been requested to be discussed in the context of are they relevant to the current structure of the Shire and would community benefit be greater if they were allocated elsewhere. The following table is a list of Community Grants, I note the Community Grants and the Quick Response grants are unallocated to specific community groups at present.

Community Sponsorship	
Northam Farmers Show	\$5,000
Northam Heritage & Multicultural Festival	\$20,000
Carols on Fitzgerald	\$10,000
Anzac Day RSL	\$3,000
Wundowie Iron Festival	\$18,000
AVVVA, Swap Meet	\$3,300
Hurricane Go Kart, King of the Hill	\$5,000
Community Grants	\$80,000
Quick Response Grants	\$20,000
Total	\$164,300

The following was adopted by Council (C.4472) for inclusion in the draft budget for various Progress Associations.

Progress Association Allocations		
Progress Association	Request	Amount
Bakers Hill Progress & Recreation Association	Bakers Hill Community Christmas Fair	\$5,000
Bakers Hill Progress & Recreation Association	Bakers Hill Australia Day Breakfast	\$1,080
Bakers Hill Progress & Recreation Association	New Seating Bakers Hill Oval	\$8,110
Spencers Brook Progress Association	Three Community Engagement Events	\$3,000
Wundowie Progress Association	Australia Day Evening	\$5,000
Wundowie Progress Association	Donation Box, Visitors Information, Feedback	\$5,801
Total		\$27,991

Request to look at options for funding items on the considerations list.

The following options have been explored by staff to assist Council in its deliberations. The provided options are not exhaustive, merely the options identified by staff as being appropriate and sustainable. Of course, Council always has the option of funding through further rate increases, however this is not recommended by staff.

Consideration	Amount	Funding Options	Recommended Option ^{if} Council wish to fund
1. Increase Elected Members Sitting Fees	\$6,440	Can be funded from other areas identified by staff as part of the final budget tidy up.	Y
2. Upgrade Stock Pound to include water troughs, repair/mend fences and install toilet shower.	\$38,500	Project could be funded from revised budget surplus of \$15,000. The \$4,000 gap can be funded from other areas identified by staff as part of the final budget tidy up. Other 50% would be sought through grant funding	Y
		Could be funded from reserve or end of year untied surplus as per policy F4.5	N
3. Northam Swimming Pool (open May)	\$30,000	Could be funded through reduction of community grants / sponsorships	N
		Could be left to staff to assess aquatic facility net costs to March 2023 and if savings in the pool operating costs to determine if the additional opening period can be accommodated	Y
4. Bernard Park Irrigation	\$150,000	Could be funded from reserve or end of year	N

		untied surplus as per policy F4.5	
		Could be funded by removing a capital project currently included in budget which Council does not consider to be as much a priority as this project	Y
5. Train Station Upgrades (Peel/Minson/Duke) Deferred 2021/22	\$80,000	Could be funded from reserve or end of year untied surplus as per policy F4.5	N
		Could be funded by removing a capital project currently included in budget which Council does not consider to be as much a priority as this project	Y
6. Northam Hockey Club request	\$140,000	Could be funded from reserve or end of year untied surplus as per policy F4.5	N
		Could be partially funded from the existing \$50,000 budget allocation for Bert Hawke Oval Improvements (budget document page 100)	Y
		Could be funded through reduction of community grants / sponsorships	N
7. Wundowie Museum	\$60,000	Could be funded from reserve or end of year untied surplus as per policy F4.5	N
		Could be funded by removing a capital project currently included in budget	N

		which Council does not consider to be as much a priority as this project	
		Could be funded through reduction of community grants / sponsorships	Y
8. Chamber of Commerce – Gather in the grain festival	\$40,000	Could be funded from reserve or end of year untied surplus as per policy F4.5	N
		Could be funded by increasing the levy on local businesses	N
		Could be funded through reduction of community grants / sponsorships	Y

Roads Program

The proposed roads program is presented below, the program was discussed during the recent budget workshops.

2022/23 ROAD PROGRAM						
ROAD	SLK (finish)	SLK (finish)	Length (m)	Work Category	Scope (brief)	Expenditure
Jennapullin Road	2.58	3.19	610	Upgrade/reseal	Widen & reseal, culvert extension	\$222,220
Jennapullin Road	5.05	6.19	1140	Upgrade/reseal	Widen & reseal, culvert extension	\$378,276
Grass Valley North Road	9.80	10.52	720	Upgrade/reseal	Widen & reseal, culvert extension	\$322,510
Grass Valley South Road	0.00	0.50	500	Reseal	Shoulder works & reseal (widen & reseal)	\$280,000
Leader Road	0.00	1.52	1520	Reseal	Shoulder works & reseal	\$140,800
Mokine Road	0.00	1.92	1920	Reseal	Shoulder works & reseal	\$209,000
Fitzgerald Street	2.00	2.74	740	Rehab	Isolated rehab, asphalt resurface	\$307,400
Linley Valley Road	0.00	0.81	810	Rehab	Rehabilitate and asphalt resurface	\$335,500
NEW PROJECTS						
Beavis Pl	0.00	0.09	90	Rehab		\$90,000
Forrest St	0.00	1.03	1030	Resurface (asp.)	profile, primer seal, asphalt, kerbs	\$390,000
Centrelink ACROD Bay	N/a	N/a	N/a	Upgrade	Construct Disabled Parking Bay	\$22,500
Eadine Road Bridge/culvert	N/a	N/a	N/a	Upgrade	Replace Bridge with Culvert	\$216,000
Tamma Road	2.70	4.00	1300	Resheet	gravel resheet 7m wide @ 100mm	\$150,000
TOTAL						\$3,064,206

It is estimated roads to the value of \$3.0m will be carried forward from the 2021/22 financial year.

Plant Program

The plant program is included in the draft budget as presented, and is in line with the 500k net cost to Council identified within the LTFP.

Description	Replacement	Trade	Changeover
Heavy Plant			
N.002 volvo G930 2014 Grader	\$382,000	\$80,000	\$302,000
John Deere Tractor 2015 (N11063)	\$77,818	\$40,000	\$37,818
Traffic Light Bartco 2 OF 2 1TRA501	\$14,750	\$1,000	\$13,750
Traffic Light Bartco 2 OF 2 1TRA502	\$14,750	\$1,000	\$13,750
John Deere Z-track Ride on Mower-Z997	\$42,264	\$1,500	\$40,764
EWP -Haulotte HTA 13P BILJAX Trailer Mount 2016		\$10,000	-\$10,000
Hino Dual Cab Truck 300 Series 921 Crew Diesel (N.003)	\$60,000	\$50,000	\$10,000
Instant Weighing Compuload 4000 Digital Scales		\$3,000	-\$3,000
Light Vehicles			
Mitsubishi Triton Single Cab ute N11469 Manual	\$34,000	\$15,000	\$19,000
Nissan Navara Ute N11164 T/TOP 2015	\$34,000	\$12,000	\$22,000
Hyundai VF2 I40 2.O Auto Wagon	\$33,500	\$12,000	\$21,500
Hyundai VF2 I40 2.O Auto Wagon	\$33,500	\$0	\$33,500
Holden Colorado Crew Cab 4X4 LT2 Auto 2.8L	\$45,000	\$23,000	\$22,000
Toyota Hilux Duel Cab Ute CBFBO	\$40,000	\$12,000	\$28,000
Total	\$811,582	\$260,500	\$551,082
Transfer from the Killara Reserve			-\$43,000
Net cost to Council			\$508,082

RECOMMENDATION

That Council suspends Standing Orders 8.5 and 8.9 to allow further discussion pertaining to the Budget content.

RECOMMENDATION

That Council resumes Standing Orders 8.5 and 8.9 to allow formal debate pertaining to the Budget content.

Part 1 – Roads Program

RECOMMENDATION

That Council endorse the roads program as presented for inclusion in the 2022/23 draft budget;

2022/23 ROAD PROGRAM					
ROAD	SLK (finish)	SLK (finish)	Length (m)	Category	Expenditure
Jennapullin Road	2.58	3.19	610	Upgrade/reseal	\$222,220
Jennapullin Road	5.05	6.19	1140	Upgrade/reseal	\$378,276
Grass Valley North Road	9.80	10.52	720	Upgrade/reseal	\$322,510
Grass Valley South Road	0.00	0.50	500	Reseal	\$280,000
Leader Road	0.00	1.52	1520	Reseal	\$140,800
Mokine Road	0.00	1.92	1920	Reseal	\$209,000
Fitzgerald Street	2.00	2.74	740	Rehab	\$307,400
Linley Valley Road	0.00	0.81	810	Rehab	\$335,500
NEW PROJECTS					
Beavis Pl	0.00	0.09	90	Rehab	\$90,000
Forrest St	0.00	1.03	1030	Resurface (asp.)	\$390,000
Centrelink ACROD Bay	N/a	N/a	N/a	Upgrade	\$22,500
Eadine Road Bridge/culvert	N/a	N/a	N/a	Upgrade	\$216,000
Tamma Road	2.70	4.00	1300	Resheet	\$150,000
TOTAL					\$3,064,206

Part 2 - Plant Program

RECOMMENDATION

That Council endorse the following listed plant and equipment program as presented for inclusion in the 2022/23 draft budget;

Description	Replacement	Trade	Changeover
Heavy Plant			
N.002 Volvo G930 2014 Grader	\$382,000	\$80,000	\$302,000
John Deere Tractor 2015 (N11063)	\$77,818	\$40,000	\$37,818
Traffic Light Bartco 2 OF 2 1TRA501	\$14,750	\$1,000	\$13,750
Traffic Light Bartco 2 OF 2 1TRA502	\$14,750	\$1,000	\$13,750
John Deere Z-track Ride on Mower-Z997	\$42,264	\$1,500	\$40,764
EWP -Haulotte HTA 13P BILJAX Trailer Mount 2016		\$10,000	-\$10,000
Hino Dual Cab Truck 300 Series 921 Crew Diesel (N.003)	\$60,000	\$50,000	\$10,000
Instant Weighing Compuload 4000 Digital Scales		\$3,000	-\$3,000
Light Vehicles			
Mitsubishi Triton Single Cab Ute N11469 Manual	\$34,000	\$15,000	\$19,000
Nissan Navara Ute N11164 T/TOP 2015	\$34,000	\$12,000	\$22,000
Hyundai VF2 I40 2.0 Auto Wagon	\$33,500	\$12,000	\$21,500
Hyundai VF2 I40 2.0 Auto Wagon	\$33,500	\$0	\$33,500
Holden Colorado Crew Cab 4X4 LT2 Auto 2.8L	\$45,000	\$23,000	\$22,000
Toyota Hilux Dual Cab Ute CBFBO	\$40,000	\$12,000	\$28,000
Total	\$811,582	\$260,500	\$551,082
Transfer from the Killara Reserve			-\$43,000
Net cost to Council			\$508,082

Part 3 – Endorsement of Draft 2022/23 Budget

RECOMMENDATION

That Council endorse the 2022/23 Draft Budget as presented with the following adjustments:

- 1. Including/excluding the following items from the budget & consideration list presented.**
 - a. (to be determined by Council at this meeting)**

- 3. Authorise the Chief Executive Officer to advertise the proposed differential rating based on an estimated total rate yield of approximately _____%.**

14. MATTERS BEHIND CLOSED DOORS

Nil.

15. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

16. URGENT BUSINESS APPROVED BY DECISION

Nil.

17. DECLARATION OF CLOSURE