



SHIRE OF KONDININ SPECIAL MEETING MINUTES

held on **Wednesday 24th August 2022** in the **Bill Smoker Room** at the
Kondinin Aquatic Centre

Order of Business

1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISITORS

The Shire President Cr Mouritz welcomed those present and declared the meeting open at 0:00pm.

2. RECORD OF ATTENDANCE/ APOLOGIES/ LEAVE OF ABSENCE

Councillors:	Cr Kent Mouritz (President) Cr Thomas Mulcahy Cr Brett Smith	Cr Paul Green Cr Beverley Gangell	Cr Kerrie Green Cr Murray James
Staff:	David Burton (CEO) Tory Young (MPA)	Vince Bugna (MCS) Leandré Genis (ESO)	Mark Burgess (Mow)
Apologies:	Cr Bruce Browning	Cr Darren Pool	

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

NIL

4. PUBLIC QUESTION TIME

NIL

5. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

NIL

6. MATTERS FOR CONSIDERATION

*Cr Brett Smith left the meeting at 3:11pm and returned at 3:12pm.
Mrs Leandré Genis left the meeting at 3:27pm and returned at 3:30pm.
Mr Mark Burgess left the meeting at 3:34pm and returned at 4:01pm.
Mr Mark Burgess left the meeting at 4:37pm and returned at 4:38pm.
Cr Murray James left the meeting at 4:47pm and returned at 4:49pm.
Cr Tom Mulcahy left the meeting at 4:50pm and returned at 4:51pm.
Mrs Tory Young left the meeting at 4:54pm and did not return.
Cr Brett Smith left the meeting at 5:04pm and returned at 5:06pm.
Mr Mark Burgess left the meeting at 5:14pm and did not return.*

6.1 2022/2023 Annual Budget Adoption

NAME OF APPLICANT: Shire of Kondinin
AUTHOR: Manager Corporate Services – V Bugna
AUTHORISING OFFICER: Chief Executive Officer – D Burton
DECLARATION OF INTEREST: Nil
DATE: 18th August 2022
ATTACHMENTS:
1. Statutory Budget 2022/2023
2. Ministerial Approval Letter - Differential Rates 2022/23

SUMMARY

To present to Council the Shire of Kondinin's 2022/2023 Annual Budget for formal adoption.

BACKGROUND

The draft 2022/2023 budget has been compiled based on the principles contained in the Integrated Plans and in accordance with presentations made to Council in May and June Council meetings and the last budget workshop held on the 20th July 2022.

In accordance with the Local Government Act, 1995, Section 6.33(3) the Shire of Kondinin advertised its intention to levy a differential rate on mining tenement Unimproved Value (UV) properties which is more than double the general UV Rate that applies to farm land. Subsequently, application for Ministerial approval to impose for differential rates was sought for and received on 17th August 2022.

DETAILS

The budget has been prepared to include information required by the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The main features of the draft budget include:

- ✓ Total capital works program of \$10.2M for 2022/2023 which include the construction and acquisition of (but not limited to) the following:
 - Upgrade to Hyden Norseman Road (80% Federal funded) – \$2.5m or 50% of the total project cost is included in this year's budget.
 - Local Roads and Community Infrastructure program (LRCI) phase 3 (Federal funded) – \$1.086M of which \$695,000 has been allocated to the re-roofing of Hyden Swimming Pool building and the construction of Hyden Swimming Pool car park.
 - Construction of four (4) aged care units - \$1.63m to be funded by the Department of Communities through SHERP and facilitated by West Court.
 - Construction of Kondinin-Narembene Road – \$1.7m of which 93% is funded by Main Roads through Wheatbelt Secondary Road Freight (WSFN).
 - Gravel resheeting and construction of Karlgarin-Nth Lake Grace and Hyden Norseman roads - \$506,417 (Federal funded) through Roads to Recovery (R2R) 4th year of 5-year allocation.
 - Construction, shoulders and resealing of Lovering Road - \$586,211 – 2/3 funded by Main Roads through Regional Road Group (RRG).
 - Roads construction plant and service vehicles replacement of \$760,000 less \$160,000 estimated trade-in.
- ✓ Principal grant funding for the year is expected as follows:

- Remote Road Upgrade Pilot Program (RRUPP) Federal - \$2m
- Local Roads and Community Infrastructure (LRCI) Phase 3 - \$1.086m
- Department of Communities - SHERP- Aged Housing - \$1.63m
- Wheatbelt Secondary Road Freight Network Funding (WSFN) - \$1.6m
- Roads to Recovery (R2R) Funding - \$506,417
- Regional Road Group (RRG) Funding - \$390,807
- Department of Transport (shared pathways) - \$100,000

Details of capital expenditure and sources of funding is on page 29 of the 2022/2023 budget document.

- ✓ An estimated surplus of about \$3.1M is anticipated to be brought forward from 30 June 2022 comprising of Advanced Financial Assistance Grants (FAGS) allocation and non-operating grants for capital (LRCI) projects carried forward. However this amount is unaudited and may change. Any changes will be addressed as part of the mid-year budget review.
- ✓ \$3.4m of rates is expected to be raised to cover the budget deficiency and to bring the budget to balance.

CONSULTATION

Extensive internal consultation has occurred between Executive Management and through discussions with elected members at budget workshops.

STATUTORY ENVIRONMENT

Section 6.2 of the *Local Government Act 1995* requires that no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

Division 5 and 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The draft 2022/2023 budget as presented is considered to meet the statutory requirements.

POLICY IMPLICATIONS

The budget is based on the principles contained in the Integrated Plans such as: Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan, Asset Management Plan and Workforce Plan.

FINANCIAL IMPLICATIONS

Specific financial implications are as outlined in the detailed section of this report and as itemised in the draft 2022/2023 budget for adoption.

STRATEGIC IMPLICATIONS

Supports the following section of the Shire's Strategic Community Plan 2022 – 2032

4. Civic Leadership

4.2 We are a compliant and resourced Local Government

VOTING REQUIREMENT

Absolute Majority required: Yes for some of the parts of the recommendations.

RESOLUTION:

Moved Cr Beverley Gangell

Seconded Cr Murray James

THAT Council adopt the tabled 2022/2023 budget

PART A – MUNICIPAL FUND BUDGET FOR 2022/2023

Pursuant to the provisions of section 6.2 of the *Local Government Act 1995* and Part 3 of the *Local Government (Financial Management) Regulations 1996*, the council adopt the Municipal Fund Budget as contained in Attachment of this agenda, for the Shire of Kondinin for the 2022/2023 financial year which includes the following:

1. Statement of comprehensive Income by Nature and Type on page 2 showing a net result for the year of \$4,179,481.
2. Statement of Cash Flows on page 3.
3. Rate Setting Statement on page 4 showing an amount required to be raised from general rates of \$3,402,540.
4. Index to Notes as Forming Part of the Statutory Budget on pages 5 to 28.
5. Budget Capital Expenditure (itemised) as detailed in page 29.
6. Budget Summary and Program Schedules (detailed) on pages 30 to 50.

CARRIED: 7/0

ABSOLUTE MAJORITY REQUIRED

PART B – GENERAL AND MINIMUM RATES, INSTALMENT PAYMENT ARRANGEMENTS

Moved Cr Tom Mulcahy

Seconded Cr Brett Smith

1. For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, council pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995* impose the following differential general and minimum rates on Gross Rental and Unimproved Values.

1.1 Differential General Rates

- Residential (GRV)	12.2684 cents in the dollar
- Mining (GRV)	24.5350 cents in the dollar
- Rural (UV)	1.3409 cents in the dollar
- Mining (UV)	28.9846 cents in the dollar

1.2 Minimum Rates

- Residential (GRV)	\$450
- Mining (GRV)	\$450
- Rural (UV)	\$450
- Mining (UV)	\$450

2. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, council nominates the following due dates for the payment in full by instalments:

- Full payment and 1 st instalment due date	30 th September 2022
- 2 nd half instalment due date	30 th January 2023
- 2 nd quarterly instalment due date	30 th November 2022

- 3rd quarterly instalment due date 30th January 2023
- 4th and final quarterly payment due date 31st March 2023

3. Pursuant to section 6.46 of the *Local Government Act 1995*, council offers a discount of 3% to ratepayers who have paid their rates in full, including arrears on or before 30 September 2022 or 35 days after the date the service appearing on the rate notice, whichever is the later.

4. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, council adopts an instalment administration charge where the owner has to pay rates through an instalment option of \$10 for each instalment after the initial instalment is paid.

5. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, council adopts an interest rate of 5% where the owner has elected to pay rates through an instalment option.

6. Pursuant to section 6.47 of the *Local Government Act 1995*, council grants full rating concession to the following:

Assessment

Number

7037	Kondinin Community Resource Centre	3-5 Gordon Street, Kondinin
7039	Kondinin Golf Club Inc.	Avon Location 28325, Kondinin
7042	Kondinin Arts Centre	Lot 11 Rankin Street, Kondinin
7517	Hyden Golf Club	Roe Location 2936, Hyden
7017	Kondinin Country Club	Lot 263-1 Gordon Street, Kondinin
7018	Kondinin Tennis Club	Lot 263-2 Gordon Street, Kondinin
7508	Hyden Tennis Club	Lot 151/3 Marshall Street, Hyden
7514	Hyden Community Resource Centre	Lot 151 Naughton Street, Hyden
7027	Kondinin Lions Club & Seniors Centre	Lot 22 Jones Street, Kondinin
515	Karlgarin Country Club	Lot 19,22,23 & 24 Karlgarin
210	Kondinin Men's Shed	Lot 277 Nicholls Street, Kondinin
7513	Regional Early Education & Development	Lot 70 McPherson Street, Hyden

CARRIED: 7/0

ABSOLUTE MAJORITY REQUIRED

PART C – OTHER STATUTORY FEES FOR 2022/2023

Moved Cr Brett Smith

Seconded Cr Paul Green

Pursuant to Section 67 of the *Waste Avoidance and Resource Recovery Act 2007*, Council adopts the following charges for the removal and deposit of domestic and commercial waste:

-	240ltr bin	\$430 pa
-	140ltr bin	\$320 pa
-	Rural Waste	\$90 pa
-	Kondinin Golf Club	\$160 pa
-	Hyden Golf Club	\$160 pa
-	Karlgarin Bowling Club	\$160 pa

CARRIED: 7/0

ABSOLUTE MAJORITY REQUIRED

PART D – MATERIAL VARIANCE REPORTING FOR 2022/2023

Moved Cr Beverley Gangell

Seconded Cr Tom Mulcahy

In accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, and *AASB 1031 Materiality*, the level to be used in statements of financial activity in 2022/2023 for reporting material variances shall be 10% or \$10,000 whichever is the greater.

CARRIED: 7/0

7. BUSINESS OF AN URGENT NATURE

NIL

8. CLOSURE

Being no further business the Shire President thanked Councillors and Staff for their attendance and declared the meeting closed at 5:24pm.