



MINUTES

SPECIAL COUNCIL MEETING

26 April 2023

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1 DECLARATION OF OPENING

The Chairperson, Shire President Cr. D Hickey opened the meeting at 4:31pm and acknowledged that this meeting is being held on the traditional lands of the Noongar people and paid his respects to their elders past, present, and emerging.

2 ATTENDANCE

Shire President
Deputy Shire President

Cr. D L Hickey
Cr. S C Coppen
Cr. S L Jacobs
Cr. M B Dickinson
Cr. B Fare (Via Teams)
N A Manton
K A Caley
T D Barron
J M Filinski

Chief Executive Officer
Deputy Chief Executive Officer
Manager Works and Services
Executive Support Officer

APOLOGIES

Cr. M Weguelin

3 DECLATIONS OF INTEREST

Cr. Dickinson declared an Impartial Financial interest in item 4.2 Tender Purchase and Disposal of New Wheel Loader as a quote was supplied by his employer.

4 MATTERS REQUIRING A COUNCIL DECISION

4.1 2022/2023 BUDGET REVIEW

Applicant:	Shire of Corrigin
Date:	13/04/2023
Reporting Officer:	Kylie Caley, Deputy Chief Executive Officer
Disclosure of Interest:	NIL
File Ref:	FM.0306
Attachment Ref:	Attachment 4.1– 2022/2023 Budget Review

SUMMARY

The purpose of this report is to consider the Shire's financial position as at 31 March 2023 and performance for the period 1 July 2022 to 31 March 2023 in relation to the adopted annual budget and projections estimated for the remainder of the financial year.

BACKGROUND

The budget review has been prepared to include information required by the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The report for the period 1 July 2022 to 31 March 2023 shown in the attachment has been prepared incorporating year to date budget variations and forecasts to 30 June 2023 and is presented for council's consideration.

Consideration of the status of various projects and programs was undertaken to ensure any anticipated variances were captured within the review document where possible.

The material variance levels which have been reported for the budget review, are based on a materiality level of 10% and a \$10,000 minimum as adopted by Council and are based upon management judgement where explanations are considered appropriate.

COMMENT

The budget review report includes at Note 4 a summary of predicted variances by nature and type/program activities contained within the rate setting statement, including whether variances are considered to be permanent (where a difference is likely between the current budget and the expected outcome to 30 June) or due to timing (e.g., where a project is likely to be delayed).

Following completion of the budget review and to properly consider the impact of estimated projections at 30 June 2023, some items have been identified as requiring a budget amendment to properly account for these variances where appropriate. Required budget amendments have been included in Note 5 of the attached budget review document for information, and presented as a separate recommendation to the budget review for council consideration.

An updated report will be provided to Council prior to the Council meeting.

STATUTORY ENVIRONMENT

Regulation 33A of the Local Government (Financial Management) Regulations 1996 requires:

- (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.*
- (2A) (a) *Consideration and review is to be given to a local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year.*
- (b) *Consideration and review is to be given to the local government's financial position as at the review date.*

- (c) *Review of the outcomes for the end of the financial year that are forecast in the budget is to be undertaken.*
- (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.*
**Absolute majority required.*
- (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.*

Section 6.8(1) (b) of the Local Government Act 1995 provides that expenditure can be incurred when not included in the annual budget provided it is authorised in advance by resolution (absolute majority required).

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Authorisation of expenditure through budget amendments recommended. Other specific financial implications are as outlined in the body of this report.

COMMUNITY AND STRATEGIC OBJECTIVES

Shire of Corrigin Strategic Community Plan 2021-2031 and Corporate Business Plan 2021-2025:

Objective: Governance and Leadership
 Strong Governance and Leadership

Strategic Community Plan		Corporate Business Plan	
Outcome	Strategies	Action No.	Actions
4.4	Provide informed and transparent decision making that, meets our legal obligations, and the needs of our diverse community	4.4.3	Regular reviews of Council's Long Term Financial Plan to ensure the long term financial stability of the Shire
		4.4.4	Provide Council adequate and appropriate financial information on a timely basis
4.5	Implement systems and processes that meet legislative and audit obligations	4.5.1	Continual improvement in governance and operational policies, processes and implementation.

VOTING REQUIREMENT

Absolute Majority

COUNCIL RESOLUTION

(43/2023) Moved: Cr. Dickinson

Seconded: Cr. Jacobs

That Council

1. *adopt the 2022/2023 Budget Review in accordance with Regulation 33a of the Local Government (Financial Management) Regulations 1996 (Attachment 7.3).*

2. *adopt the following budget amendments to the 2022/2023 adopted annual budget:*

<i>Operating Revenue</i>	<i>Operating grants, subsidies and contributions</i>	<i>Decrease by</i>	<i>(469,549)</i>
	<i>Fees and charges</i>	<i>Increase by</i>	<i>13,761</i>
	<i>Interest earnings</i>	<i>Increase by</i>	<i>39,000</i>
	<i>Other revenue</i>	<i>Increase by</i>	<i>474,873</i>
	<i>Profit on asset disposals</i>	<i>Increase by</i>	<i>8,454</i>
	<i>Non-operating grants, subsidies and contributions</i>	<i>Decrease by</i>	<i>(194,981)</i>
<i>Operating Expenditure</i>	<i>Employee costs</i>	<i>Increase by</i>	<i>(142,909)</i>
	<i>Materials and contracts</i>	<i>Increase by</i>	<i>(482,935)</i>
	<i>Utility charges</i>	<i>Increase by</i>	<i>(6,665)</i>
	<i>Insurance expenses</i>	<i>Increase by</i>	<i>(5,922)</i>
	<i>Other expenditure</i>	<i>Increase by</i>	<i>(66,729)</i>
	<i>Loss on asset disposals</i>	<i>Decrease by</i>	<i>16,822</i>
<i>Capital Expense</i>	<i>Purchase land and buildings</i>	<i>Increase by</i>	<i>(81,134)</i>
	<i>Purchase plant and equipment</i>	<i>Increase by</i>	<i>(214,201)</i>
	<i>Purchase furniture and equipment</i>	<i>Increase by</i>	<i>(1,114)</i>
	<i>Purchase and construction of infrastructure-roads</i>	<i>Decrease by</i>	<i>177,352</i>
	<i>Purchase and construction of infrastructure-other</i>	<i>Increase by</i>	<i>(47,500)</i>
	<i>Transfers to cash backed reserves (restricted assets)</i>	<i>Increase by</i>	<i>(696,873)</i>
<i>Capital Revenue</i>	<i>Proceeds from disposal of assets</i>	<i>Decrease by</i>	<i>(16,911)</i>
	<i>Transfers from cash backed reserves (restricted assets)</i>	<i>Increase by</i>	<i>2,064,372</i>
<i>Non Cash Items</i>	<i>Non-cash amounts excluded from operating activities</i>	<i>Decrease by</i>	<i>(33,679)</i>
<i>Opening Surplus (Deficit)</i>	<i>Net current assets at start of financial year surplus/(deficit)</i>	<i>Decrease by</i>	<i>(333,532)</i>

3. *forward the adopted 2022/2023 Budget Review to the Department of Local Government in accordance with the Local Government (Financial Management) Regulations 1996.*

Carried: 5/0

4.2 TENDER PURCHASE AND DISPOSAL OF ONE NEW WHEEL LOADER

Applicant:	Shire of Corrigin
Date:	13/04/2023
Reporting Officer:	Kylie Caley, Deputy Chief Executive Officer
Disclosure of Interest:	NIL
File Ref:	FM.0329
Attachment Ref:	Attachment 4.2 – E-Quote Documents and Evaluation Matrix

SUMMARY

Council is requested to consider the recommended successful quote to supply and deliver one new wheel loader.

BACKGROUND

Council has made provision in the 2022/23 annual budget to replace the 2014 Volvo L90F wheel loader.

The cost of purchasing heavy plant is expected to exceed \$150,000 requiring tenders to be called. Under Council's Purchasing policy 2.9, section 4.5, the tender was deemed to be a regulatory exemption and could be submitted to WALGA's preferred suppliers through the E-Quote process.

This provided the most efficient and effective method of mitigating risk, determining value for money, and ensuring openness, fairness, transparency, and equity among suppliers of heavy construction machinery.

E-Quotes were sought from WALGA's preferred supplier panel on 14 March 2023 and closed on 6 April 2023. Detailed specifications were provided to 11 suppliers on the WALGA Preferred Supplier Panel, and 6 responses were received

The tender responses were evaluated by a panel comprising Natalie Manton, Chief Executive Officer, Terry Barron, Manager of Works and Services, and Nick Darke, Acting Leading Hand Roads and Civil against the following predetermined selection criteria:

Criteria	Weighting
Quoted price	75%
Availability/Timeliness	20%
Regional Price Preference	5%

E-Quotes were received as follows:

Supplier	Description	New Machine Price (Ex GST)	Trade Offer (Ex GST)	Change over
AFGRI Equipment	John Deere 624-II	\$328500	No Trade	
ASV Sales & Service	XCMG XC948	\$231100	\$175,000	56,100
CJD Equipment (No Trade Discount)	Volvo L90F	\$371,700	No Trade	
CJD Equipment	Volvo L90F	\$381,700	\$118,000	263,700
Hitachi Construction Equipment	Hitachi ZW180-5	\$289,780	\$100,000	189,780
Komatsu Australia	Komatsu WA320_8	\$368,130	\$131,000	237,130
WesTrac	Caterpillar 938K IT	\$403,000	\$140,000	263,000

COMMENT

The Shire of Corrigin Purchasing Policy sets out the requirements for using the WALGA Preferred Supplier E-Quote process. This provided the most efficient and effective method of mitigating risk, determining value for money, and ensuring openness, fairness, transparency, and equity among suppliers of heavy construction machinery.

STATUTORY ENVIRONMENT

Local Government Act 1995 section 3.57 – Tenders for providing goods or services
Local Government (Functions and General) Regulations 1996 section 3.57 Part 4 – Provisions of Goods and Services, Division 2 – Tenders for Providing Goods and Services.

POLICY IMPLICATIONS

Policy 2.9 Purchasing Policy

FINANCIAL IMPLICATIONS

The cost of purchasing a new wheel loader was included in the 2022/23 annual budget of \$250,000 ex GST with the funds to purchase the loader being sourced from the Municipal funds (\$130,000) and sale proceeds from the trade of the existing Volvo L90F Loader of \$120,000.

COMMUNITY AND STRATEGIC OBJECTIVES

Shire of Corrigin Strategic Community Plan 2021-2031 and Corporate Business Plan 2021-2025:

Objective: Leadership
Strong Governance and leadership

Strategic Community Plan		Corporate Business Plan	
Outcome	Strategies	Action No.	Actions
4.4	Provide informed and transparent decision making that, meets our legal obligations, and the needs of our diverse community	4.4.4	Provide Council adequate and appropriate financial information on a timely basis.

VOTING REQUIREMENT

Absolute Majority

Cr. Dickinson declared an Indirect Financial Interest and left the room at 4:46pm

COUNCIL RESOLUTION

(44/2023) Moved: Cr. Coppen

Seconded: Cr. Jacobs

That Council:

1. *Accepts the e-quote submitted by CJD as the best option to purchase for our Shire.*
2. *Authorises the Chief Executive Officer to accept the E-quote and proceed to purchase the Volvo L90F for \$371,700 inclusive of GST subject to minor ammendment.*
3. *Authorises the Chief Executive Officer to reject the offer of trade for the 2014 Volvo L90F Loader and proceed to auction the existing machine.*

Carried: 4/0

Cr. Dickinson re-entered the room at 5:02pm

5 MEETING CLOSURE

The President, Cr Des Hickey closed the meeting at 5:03pm.