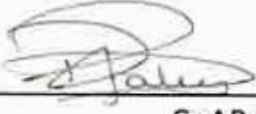




Norseman Woodlands to Eucla Coast

## Minutes Certification

I certify that the Minutes of the 31<sup>st</sup> January 2023 Special Council Meeting were presented to the Council and confirmed at the 23<sup>rd</sup> March 2023 Ordinary Council Meeting.

  
\_\_\_\_\_  
Cr AR Patupis  
Deputy Shire President  
  
23 03 23  
\_\_\_\_\_  
Date



Norseman Woodlands to Eucla Coast

Confirmed Minutes  
Special Council Meeting  
31<sup>st</sup> January 2023

**NOTICE OF MEETING**

The Special Meeting of the Council will be held on 31<sup>st</sup> January 2023 in the Council Chambers at the Shire Administration office – Prinsep Street Norseman commencing at 6:00 pm AWST to consider and resolve on the matters set out in the attached agenda.

All meetings are open to the public, except for matters raised by Council under "Confidential Items".

Members of the public may ask a question at an Ordinary Council meeting under "Public Question Time".

A handwritten signature in black ink, appearing to read "Peter Fitchat", is written over a light blue horizontal line.

Peter Fitchat  
Chief Executive Officer  
24<sup>th</sup> January 2023

CONFIRMED MINUTES for the SPECIAL Meeting of Council  
held in the Council Chambers at the Shire Administration Office –  
Prinsep Street Norseman on the  
31<sup>st</sup> January 2023 commencing at 6:00pm AWST

### Notes to Minutes

**PLEASE READ THE FOLLOWING IMPORTANT DISCLAIMER BEFORE PROCEEDING:**

Any plans or documents in agendas and minutes may be subject to copyright. The express permission of the copyright owner must be obtained before copying any copyright material.

Any statement, comment or decision made at a Council or Committee meeting regarding any application for an approval, consent, or licence, including a resolution of approval, is not effective as an approval of any application and must not be relied upon as such.

Any person or entity who has an application before the Shire must obtain, and should only rely on, written notice of the Shires decision and any conditions attaching to the decision and cannot treat as an approval anything said or done at a Council or Committee meeting.

Any advice provided by an employee of the Shire on the operation of written law, or the performance of a function by the Shire, is provided in the capacity of an employee, and to the best of that person's knowledge and ability. It does not constitute, and should not be relied upon, as a legal advice or representation by the Shire. Any advice on a matter of law, or anything sought to be relied upon as representation by the Shire should be sought in writing and should make clear the purpose of the request.

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## 1. Declaration of Opening and Announcement of Visitors.

The Shire President welcomed all in attendance and declared the meeting open at: 6:00pm

This Special Council Meeting will be video recorded to assist in the preparation of the minutes of the meeting.

### 1.1 Acknowledgment of Country

The Shire of Dundas recognises the Ngadju and Mirning as First Nations People in the Shire of Dundas, acknowledging them as traditional custodians and pay our respects to their Elders, past, present, and emerging.

### 1.2 Attendance at meetings by electronic means

The Shire President has been advised that Cr Patupis will be in Esperance, Western Australia when the meeting is held and have requested attendance by video conference, using Teams Meeting software, with other Councillors present at the meeting in accordance with Administration Regulation 14C and 14CA.

Cr Patupis will be at 58 Dempster Rd, Myrup 6450

The Council must approve of the place that Cr Patupis is located as a “suitable place” that must be in a town site or other residential area at least 150 kilometres from where the meeting is being held.

### Recommendation

**That Cr Patupis be permitted to attend this meeting by video conference from Esperance, Western Australia, on the basis that she is in a “suitable place” for the purpose of Administration Regulation 14C and 14CA.**

Moved: Cr

Seconded: Cr

### Resolution

Carried by: Absolute Majority

For:

Against:

Due to the Administration Regulation 14C and 14CA the voting is not required as Cr. Patupis has previously requested by email, and the Shire President has authorised the member to attend the current meeting by electronic means.

## 2. Declarations of Financial, Proximity, Impartiality Interests & Gifts Received.

### Financial Interests:

Cr. Hogan, item 8.1

Cr. Wyatt, item 8.1

Proximity Interests: Nil

Impartiality Interests: Nil

Gifts Received by Councillors: Nil

As per the Shire of Dundas Code of Conduct section 3.4 Gifts, adopted by the Council on 21 October 2014 and reference to Regulation 34B of the Local Government (Administration) 1996.

### **3. Record of Attendance of Councillors / Officers and Apologies.**

Cr LG Bonza	Shire President
Cr AR Patupis	Deputy Shire President
Cr JEP Hogan	
Cr SM Warner	
Cr VL Wyatt	
Cr J Maloney	
Peter Fitchat	Chief Executive Officer
Pania Turner	Manager of Corporate and Community Services
Clara Viola	Executive Assistant

#### **Apologies**

Barry Hemopo                      Manager of Works and Services

#### **Public Gallery**

**4. Applications for Leave of Absence.** Nil

**5. Response to Previous Public Questions Taken on Notice.** Nil

**6. Public Question Time.** Nil

In accordance with the Local Government Act 1995 and the Local Government (Administration) Regulations 1996, any person may during Public Question Time ask any question.

#### **7. Recommendation**

**That the minutes of the Special Council Meeting held on the 17<sup>th</sup> January 2023 be confirmed as true and accurate record.**

Moved: Cr Warner  
Seconded: Cr Hogan

#### **Resolution**

**That the minutes of the Special Council Meeting held on the 17<sup>th</sup> January 2023 be confirmed as true and accurate record.**

Carried by: Simple Majority For: 6 Against: 0

## 8. Announcements by Presiding Member without Discussion.

Nil

## 9. Reports.

Nil

## 10 Procedural Motion

### Summary

A Special Council Meeting was held on the 17th January 2023 to address item 8.1. Proposed New Reserve Account and Reserve Transfers. During the meeting standing orders were removed to all for more robust discussion. During the discussion Council proposed to lay the item on the table, requesting further information and understanding of Item 8.1.

A council workshop was held on the 24th January to review all the information requested by Council. Council have confirmed they have all the information to consider the item fully.

### Councillor Procedural Motion:

**That Item 8.1 from the Special Council Meeting held on 17<sup>th</sup> January 2023 be raised from the table.**

Moved: Cr Warner

Seconded: Cr Patupis

### Resolution

**That Item 8.1 from the Special Council Meeting held on 17<sup>th</sup> January 2023 be raised from the table.**

Carried by: Simple Majority For: 6 Against: 0  
Cr. Hogan and Cr. Wyatt exited the meeting at 6:02pm.

## Report

<b>Agenda Reference and Subject</b>	
<b>8.1. Proposed New Reserve Account and Reserve Transfers</b>	
Location / Address	88-92 Prinsep Street
File Reference	LP.PL.1
Author	Chief Executive Officer – Peter Fitchat Manager of Corporate and Community Services – Pania Turner Finance Assistant- Katherine Wiles
Date of Report	25th January 2023
Disclosure of Interest	Nil

### Summary

For the Council to consider adding a new reserve to the current 2022/23 Financially Backed Reserves and for funds to be transferred from existing reserves to fund the new reserve.

## Background

The Shire has recently endorsed a draft business plan for the consideration of the purchase of the Norseman IGA and the Norseman Post Office Agency.

A valuation of the Business was recently prepared which involved:

- Assessment of the historical unaudited financial statements of the Business for the years ended 30 June 2019 to 30 June 2022
- The most recent management accounts available (for the period ended 31 October 2022)
- Assessment of appropriate valuation methodologies
- Calculation and determination of applicable valuation multiples and discount rates to apply to the respective valuation methodologies adopted
- Illustration of values assess based on the most appropriate valuation methodologies adopted.

Based on this valuation report, the Shire won't be able to meet the loan repayments based on a 10-year term and an interest rate of 6%, if it borrows \$1.75 million. However, should the funding be secured by withdrawing from the Shire's Financially Backed Reserves, the Shire should expect to receive a suitable return for the risk exposed through the acquisition of the Business.

## Statutory Environment

As per Section 6.11. of the Local Government Act 1995 –

### **Reserve accounts**

(1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose

(2) Subject to subsection (3), before a local government — (a) changes\* the purpose of a reserve account; or (b) uses\* the money in a reserve account for another purpose, it must give one month's local public notice of the proposed change of purpose or proposed use.

## Policy Implications

There are no policy implications resulting from the recommendation of this report.

## Financial Implications

The Financially Backed Reserves contained in the 2022/23 budget will be amended should Council accept the recommendation of this report.



### Strategic Implications

<p>Goal 1: Community  <i>A healthy, safe, resilient and engaged Community. A place where people thrive. A Community where diversity is celebrated, a place of belonging. A place where economic growth and business opportunity is encouraged and supported.</i></p>	
1.3.1	A place where people thrive
1.3.2	Provide and support family facilities, events and activities.
1.3.3	Support community groups through the Community Grants Program.
1.3.4	Provide and support seniors' facilities, events and activities.
1.3.5	Provide support and facilities to improve inclusion and accessibility, and to achieve excellent outcomes for people living with disability.
1.3.6	Advocate for the needs of people living in rural and remote communities.
<p>Goal 3: Built Environment  <i>Planning and development of infrastructure supports liveable, sustainable and connected communities.</i></p>	
3.1.1	Shire infrastructure and services meet the Community's needs.
3.1.4	Revitalise the Norseman and Eucla Town Centres.
3.2	Liveable, sustainable and connected communities.
<p>Goal 4: Economic Development and Financial Sustainability  <i>A thriving local economy &amp; economic base supports economic growth and business opportunity.</i></p>	
4.1	A financially responsible Local Government
4.1.1	Financial accountability and informed decision-making by Council.
4.1.2	Compliance with the Local Government Act 1995 and all relevant legislation and regulations.
4.1.3	Continual improvement in financial planning and asset management.
4.1.4	Risk is managed through planning, internal and external reviews, and reporting to Council.
4.1.5	The community is engaged in planning for the future and other matters that affect them.
4.2	Opportunity for Economic Diversification and Growth
4.2.1	A vibrant economy that supports opportunities for mining, industry, creative and cultural industries, tourism, shopping and business.
4.2.2	Attracting new businesses, and supporting existing businesses, is encouraged through promotion of the area as an attractive and viable place to work and live.
4.2.3	Assist in the provision of infrastructure that encourages business development and opportunity.
4.3	A place where economic growth and business opportunity is encouraged and supported.

Consultation

- Elected Members
- Chief Executive Officer
- Manager of Corporate and Community Services
- Moore Australia
- Finance Assistant

Comment

The current Financially Backed Reserves and Movements for the 2022/23 Budget are as follows:

	Reserve Name	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance
a	Leave Reserve	380,527.00	380.00		380,907.00
b	Plant Reserve	356,072.00	356.00		356,428.00
c	Airport Reserve	152,608.00	153.00		152,761.00
d	IT Reserve	100,150.00	100.00		100,250.00
e	Transport Reserve	1,500,588.00	1,500.00		1,502,088.00
f	Land Development	1,260,500.00	1,260.00		1,261,760.00
g	Asset Replacement/Renewal Reserve	1,364,524.00	1,364.00	- 717,486.00	648,402.00
	<b>Total</b>	<b>5,114,969.00</b>	<b>5,113.00</b>	<b>- 717,486.00</b>	<b>4,402,596.00</b>

These reserve purposes are as follows:

	Reserve Name	Anticipated date of use	Purpose
a	Leave Reserve	Ongoing	To be used to fund annual, sick and long service leave requirements and payments to staff.
b	Plant Reserve	Ongoing	To be used for the purchase of major plant.
c	Airport Reserve	Ongoing	To be used for the construction and/or maintenance of the airstrip at Norseman and Eucla.
d	IT Reserve	Ongoing	To be used to fund the replacement of IT Equipment
e	Transport Reserve	Ongoing	To be used for the construction, maintenance and resealing of the Shire's transport network
f	Land Development	Ongoing	To be used for building construction and maintenance of Shire infrastructure.
g	Asset Replacement/Renewal Reserve	Ongoing	To be used for building construction and maintenance of Shire infrastructure.

It is proposed to establish a new reserve in the 2022/23 budget as follows:

<b>Name of Reserve:</b>	Norseman IGA and Norseman Post Office Agency
<b>Purpose of Reserve:</b>	To be used to purchase the Norseman IGA and Norseman Post Office Agency and upgrades and renew its assets.
<b>Balance:</b>	\$1,723,287.00

The following transfers (from) reserves will make up the balance:

	Reserve Name	2022/23 Budget Transfer (from)	
b	Plant Reserve	-	56,428.00
c	Airport Reserve	-	52,761.00
d	IT Reserve	-	50,250.00
e	Transport Reserve	-	802,088.00
f	Land Development	-	761,760.00

After the reserve amendment, the shire is anticipating repaying the withdrawn amounts over the next 10 years at approx. \$175,000 per year.

#### Voting Requirements

Absolute Majority

#### Officer Recommendation

That Council: -

**a) Establish a new reserve account as follows:**

<b>Name of Reserve:</b>	Norseman IGA and Norseman Post Office Agency
<b>Purpose of Reserve:</b>	To be used to purchase the Norseman IGA and Norseman Post Office Agency and upgrades and renewal its assets.
<b>Balance:</b>	\$1,723,287

**b) Change the use of the money in various reserve accounts by approving the following transfers from the reserves to the Norseman IGA and Norseman Post Office Agency Reserve:**

	Reserve Name	2022/23 Budget Transfer (from)	
b	Plant Reserve	-	56,428.00
c	Airport Reserve	-	52,761.00
d	IT Reserve	-	50,250.00
e	Transport Reserve	-	802,088.00
f	Land Development	-	761,760.00

**c) That the Chief Executive Officer be authorised to give local public notice of points a) and b) for one month**

**d) and that the following Financially Backed Reserves for the 2022/23 Budget be accepted:**

	Reserve Name	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance
a	Leave Reserve	380,527.00	380.00	0.00	380,907.00
b	Plant Reserve	356,072.00	356.00	- 56,428.00	300,000.00
c	Airport Reserve	152,608.00	153.00	- 52,761.00	100,000.00
d	IT Reserve	100,150.00	100.00	- 50,250.00	50,000.00
e	Transport Reserve	1,500,588.00	1,500.00	- 802,088.00	700,000.00
f	Land Development	1,260,500.00	1,260.00	- 761,760.00	500,000.00
g	Asset Replacement/Renewal Reserve	1,364,524.00	1,364.00	- 717,486.00	648,402.00
h	Norseman IGA and Norseman Post Office Agency	-	1,723,287.00	- 1,723,287.00	-
	<b>Total</b>	<b>5,114,969.00</b>	<b>1,728,400.00</b>	<b>- 4,164,060.00</b>	<b>2,679,309.00</b>

	Reserve Name	Anticipated date of use	Purpose
a	Leave Reserve	Ongoing	To be used to fund annual, sick and long service leave requirements and payments to staff.
b	Plant Reserve	Ongoing	To be used for the purchase of major plant.
c	Airport Reserve	Ongoing	To be used for the construction and/or maintenance of the airstrip at Norseman and Eucla.
d	IT Reserve	Ongoing	To be used to fund the replacement of IT Equipment
e	Transport Reserve	Ongoing	To be used for the construction, maintenance and resealing of the Shire's transport network
f	Land Development	Ongoing	To be used for building construction and maintenance of Shire infrastructure.
g	Asset Replacement/Renewal Reserve	Ongoing	To be used for building construction and maintenance of Shire infrastructure.
h	Norseman IGA and Norseman Post Office Agency	Ongoing	To be used to purchase the Norseman IGA and Norseman Post Office Agency and upgrades and renewal its assets.

Moved: Cr Patupis  
Seconded: Cr Warner

### Resolution

That Council: -

**a) Establish a new reserve account as follows:**

<b>Name of Reserve:</b>	Norseman IGA and Norseman Post Office Agency
<b>Purpose of Reserve:</b>	To be used to purchase the Norseman IGA and Norseman Post Office Agency and upgrades and renewal its assets.
<b>Balance:</b>	\$1,723,287

**b) Change the use of the money in various reserve accounts by approving the following transfers from the reserves to the Norseman IGA and Norseman Post Office Agency Reserve:**

	Reserve Name	2022/23 Budget Transfer (from)
b	Plant Reserve	- 56,428.00
c	Airport Reserve	- 52,761.00
d	IT Reserve	- 50,250.00
e	Transport Reserve	- 802,088.00
f	Land Development	- 761,760.00

**c) That the Chief Executive Officer be authorised to give local public notice of points a) and b) for one month**

**d) and that the following Financially Backed Reserves for the 2022/23 Budget be accepted:**

	Reserve Name	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance
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g	Asset Replacement/Renewal Reserve	1,364,524.00	1,364.00	- 717,486.00	648,402.00

h	Norseman IGA and Norseman Post Office Agency	-	1,723,287.00	-	-
				1,723,287.00	
<b>Total</b>		<b>5,114,969.00</b>	<b>1,728,400.00</b>	<b>-</b>	<b>2,679,309.00</b>
				<b>4,164,060.00</b>	

	Reserve Name	Anticipated date of use	Purpose
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d	IT Reserve	Ongoing	To be used to fund the replacement of IT Equipment
e	Transport Reserve	Ongoing	To be used for the construction, maintenance and resealing of the Shire's transport network
f	Land Development	Ongoing	To be used for building construction and maintenance of Shire infrastructure.
g	Asset Replacement/Renewal Reserve	Ongoing	To be used for building construction and maintenance of Shire infrastructure.
h	Norseman IGA and Norseman Post Office Agency	Ongoing	To be used to purchase the Norseman IGA and Norseman Post Office Agency and upgrades and renewal its assets.

Carried by: Absolute Majority

For: 4

Against: 0

Cr. Hogan and Cr. Wyatt returned the meeting at 6:05pm.

### 11. Next Meeting

The next Special Meeting of the Council will be on the 16<sup>th</sup> of February 2023.

### 12. Closure of Meeting

There being no further business the Shire President will declare the meeting closed at: 6:06pm.