



NEW ENGLAND COUNTY COUNCIL

ABN 35 514 070 354

2/129 RUSDEN STREET, ARMIDALE NSW 2350 • PO BOX 881, ARMIDALE NSW 2350

Telephone: (02) 5775 9700 | Email. newa@newa.nsw.gov.au

20 June 2023

Dear Councillors,

You are requested to attend an Ordinary Meeting of the New England County Council, to be held in the offices of the New England Weeds Authority, 2/129 Rusden Street, Armidale NSW 2350 on,

Tuesday 27 June 2023 at 1:00pm

Yours sincerely

A handwritten signature in black ink, appearing to read "Tim Weeks".

Tim Weeks
GENERAL MANAGER

AGENDA

Ordinary Meeting of Council commencing at 01:00pm on Tuesday 27 June 2023

Statement in relation to Video Recording of Council Meetings

1.0	PRESENT	3
2.0	APOLOGIES	3
3.0	DECLARATION OF INTEREST	3
4.0	MINUTES OF THE ORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 7 MARCH 2023	3
5.0	MATTERS ARISING FROM MINUTES OF THE ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 7 MARCH 2023	7
6.0	MINUTES OF THE EXTRAORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 17 APRIL 2023	7
7.0	MATTERS ARISING FROM MINUTES OF THE EXTRAORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 17 APRIL 2023	9
8.0	MINUTES OF THE ORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 2 MAY 2023	9
9.0	MATTERS ARISING FROM MINUTES OF THE ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 2 MAY 2023	11
10.0	ADOPTION OF OPERATIONAL PLAN AND ANNUAL BUDGET FOR 2023-2024	11
11.0	DETERMINATION OF COUNCILOR FEES AND CHARGES FOR 2023-2024	12
12.0	CONFIRMATION OF EMPLOYEE WAGE INCREASE FOR 2023-2024	14

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

13.0	SUGGESTED MEETING DATES FOR THE PERIOD 1 JULY 2023 to 30 JUNE 2024	16
14.0	REPORT ON CASH POSITION (TERM DEPOSITS) AND CONSTRUCTION CASH FLOW (T-CORP).	18
15.0	UPDATE ON PROGRESS OF OFFICE AND DEPOT CONSTRUCTION	20
16.0	MATTERS OF URGENCY	21
17.0	NEXT MEETING - TUESDAY 15 AUGUST 2023 at 1:00pm	21
18.0	ATTACHMENTS	21

BUSINESS PAPER

Ordinary Meeting of Council commencing at 01:00pm on Tuesday 27 June 2023

Statement in relation to Video Recording of Council Meetings

The Council and Public are to be advised that the Meeting is not being live streamed, however, a video recording of the meeting will be available on the Council's website.

1.0 PRESENT

2.0 APOLOGIES

3.0 DECLARATION OF INTEREST

4.0 MINUTES OF THE ORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 7 MARCH 2023

Cr. Scott Kermode advised that the Meeting was *not* being live streamed, however, a video recording of the meeting will be available on the County Council's website.

PRESENT: Councillor Scott Kermode (Chair), Councillor Tim Bower (Deputy Chair), Councillor Lara Gresham, Councillor Margaret O'Connor, Councillor Paul Packham and Councillor Dorothy Robinson

IN ATTENDANCE: General Manager – Tim Weeks,
Chief Financial Officer – Laurie Knight
Finance and Administration Officer – Emma Dunne

APOLOGIES: Nil

DECLARATION OF INTEREST: NIL

MINUTES OF THE EXTRAORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 7 FEBRUARY 2023

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

Cr. Bower advised that the Meeting was *not* being live streamed, however, a video recording of the meeting will be available on the County Council's website.

PRESENT: Councillor Tim Bower (Chair), Councillor Lara Gresham, Councillor Margaret O'Connor, Councillor Paul Packham and Councillor Dorothy Robinson

IN ATTENDANCE:
General Manager – Tim Weeks,
Chief Financial Officer – Laurie Knight, and
Finance & Administration Officer – Emma Dunne

APOLOGIES: Councillor Kermode was absent without leave

DECLARATION OF INTEREST: NIL

5/23 Resolved:

That the Minutes of the Ordinary Meeting of the New England County Council held on Tuesday 7 February, having been distributed to the Members, be adopted as a true and correct record of events.

Moved: Councillor Robinson **Seconded:** Councillor O'Connor

The motion being put to the **Vote** was passed 5 votes to 1 vote.

Councillor Scott Kermode voted against the motion.

**MATTERS ARISING FROM MINUTES OF THE ORDINARY
MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON
TUESDAY 7 FEBRUARY 2023**

There were no matters arising.

**ANNUAL FINANCIAL ACCOUNTS AND AUDIT REPORT FOR
YEAR ENDED 30 JUNE 2022**

6/23 Resolved:

1. That in accordance with Section 413 (2c) of the *Local Government Act 1993*, and Clause 215 of the *Local Government (General) Regulation 2005*, that Council adopt the 2021/22 Audited Financial Reports and “Statement by Councillors and Management” for both the General-Purpose Financial Reports and the Special Purpose Financial Reports, signed by the Acting Chair and Deputy Chair as delegated by Council.
2. That Council note that a Public Notice, for the presentation of the Audited 2021-2022 Financial Reports was issued on Monday 27 February 2022 to invite both inspection and comment on the nominated date.
3. That Council note that a copy of the 2021-2022 Financial Reports (attached) have been forwarded to the Office of Local Government.

Moved: Councillor O’Connor **Seconded:** Councillor Robinson

The motion being put to the **Vote** was passed 5 votes to 1 vote.

Councillor Scott Kermode voted against the motion.

GENERAL MANAGERS REPORTS

**REVIEW OF SUBMISSIONS RECEIVED IN RESPONSE TO
TENDER NUMBER 2022/1**

7/23 Resolved:

That this item be moved to be the last item of the meeting.

Moved: Councillor Robinson **Seconded:** Councillor O’Conner

The motion being put to the **Vote** was passed UNANIMOUSLY.

WEED CONTROL MATTERS (WEED ACTION PROGRAM 2020-2035)

The February Weed Action Program results were noted by Council.
The Chair requested that future, Inspection Charts be available in PDF format so as to enable the charts to be read/viewed more easily.

MATTERS OF URGENCY

There were no matters of urgency raised.

MOVED ITEM

GENERAL MANAGERS REPORTS

**REVIEW OF SUBMISSIONS RECEIVED IN RESPONSE TO TENDER
NUMBER 2022/1**

Because the review of submissions in response to Tender 2022/1 contains commercial information of a confidential nature that would, if disclosed:

- (i) prejudice the commercial position of the person who supplied it, or
- (ii) confer a commercial advantage on a competitor of the council, or
- (iii) reveal a trade secret,

This item is to be heard in **Closed Session**.

8/23 Resolved:

That Council should move into CLOSED SESSION for the discussion of the tender responses.

Moved: Councillor Gresham **Seconded:** Councillor Packham

The motion being put to the **Vote** was passed UNANIMOUSLY.

9/23 Resolved:

That Council should exit the CLOSED SESSION and return to the Ordinary Meeting.

Moved: Councillor Gresham **Seconded:** Councillor Packham

The motion being put to the **Vote** was passed UNANIMOUSLY.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

The Chairman advised that whilst in Closed Session, Council passed the following resolution:

10/23 Resolved:

1. That the General Manager be authorised to negotiate a non-binding Contract with the Rice Group in accordance with the Tender Document 2022/1 and their Tender Submission received.
2. That the Chief Financial Officer be requested to prepare a report setting out financing options for the proposed construction project, including a Long-Term Financial Plan (LTFP) and in compliance with the Expenditure Guidelines of the Office of Local Government (OLG).

Moved: Councillor Kermode **Seconded:** Councillor Gresham

The motion being put to the **Vote** was passed UNANIMOUSLY.

NEXT MEETING:TUESDAY 2nd May 2023 at 01:00pm

MEETING CLOSED: Meeting Closed at 03:15pm

5.0 **MATTERS ARISING FROM MINUTES OF THE ORDINARY MEETING
OF NEW ENGLAND COUNTY COUNCIL HELD ON 7 MARCH 2023**

6.0 **MINUTES OF THE EXTRAORDINARY MEETING OF THE NEW
ENGLAND COUNTY COUNCIL HELD ON TUESDAY 17 APRIL 2023**

Cr. Scott Kermode advised that the Meeting was being live streamed, however, a video recording of the meeting will be available on the County Council's website.

PRESENT: Councillor Scott Kermode (Chair), Councillor Tim Bower (Deputy Chair), Councillor Lara Gresham, Councillor Margaret O'Connor, Councillor Paul Packham and Councillor Dorothy Robinson

IN ATTENDANCE: General Manager – Tim Weeks,
Chief Financial Officer – Laurie Knight
Finance and Administration Officer – Emma Dunne

APOLOGIES: Nil

DECLARATION OF INTEREST: NIL

**AUTHORISATION OF THE CONTRACT FOR THE CONSTRUCTION OF
NEW OFFICES AND DEPOT IN ACCORDANCE WITH THE ADOPTED
TENDER.**

11/23 Resolved:

1. That the General Manager be authorised to sign the Construction Contract with the successful Tenderer, Rice Construction Group, at the price set-out in their Tender Submission.
2. That a 5% contingency be authorised to meet any necessary Contract Variations, in accordance with the General Manager's established delegations.
3. That Armidale Regional Council (ARC) be appointed as certifier of the construction process and the issuing of a Construction Certificate.

Moved: Councillor Kermode **Seconded:** Councillor Packham

The motion being put to the **Vote** was passed UNANIMOUSLY.

**AUTHORISATION OF FINANCING PLAN FOR CONSTRUCTION OF
NEW OFFICES AND DEPOT**

12/23 Resolved:

1. That Council proceed with the raising of loan funds as provided in the 2022-23 Operational Plan and Budget, for the financing of the construction of NEWA's new offices and depot.
2. That the Chief Financial Officer (CFO) be authorised to negotiate arrangements with an approved lender, in accordance with the recommendations of the Financial Options Report.
3. That the land purchased by Council and located at 21 Waller Avenue, Armidale be confirmed as *Operational Land*.

Moved: Councillor Gresham **Seconded:** Councillor Robinson

The motion being put to the **Vote** was passed UNANIMOUSLY.

NEXT MEETING: TUESDAY 2nd May 2023 at 01:00pm

MEETING CLOSED: **Meeting Closed at 02:30pm**

7.0 MATTERS ARISING FROM MINUTES OF THE EXTRAORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 17 APRIL 2023

8.0 MINUTES OF THE ORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 2 MAY 2023

Cr. Scott Kermode advised that the Meeting was being live streamed, however, a video recording of the meeting will be available on the County Council's website.

PRESENT: Councillor Scott Kermode (Chair), Councillor Tim Bower (Deputy Chair), Councillor Lara Gresham, Councillor Margaret O'Connor, Councillor Paul Packham and Councillor Dorothy Robinson

IN ATTENDANCE: General Manager – Tim Weeks,
Chief Financial Officer – Laurie Knight
Edna Mendes – By invitation
Finance and Administration Officer – Emma Dunne

APOLOGIES: Nil

DECLARATION OF INTEREST: NIL

ADOPTION OF OPERATIONAL PLAN AND ANNUAL BUDGET FOR 2023-2024 FOR PUBLIC EXHIBITION

It was proposed by Cr. Paul Packham that two amendments be made to the recommended resolution as set out in the Business Paper, as follows:

1. That the sequencing of the three paragraphs making-up the resolution be revised, and
2. That the word 'adopted' be changed and not used.

Moved: Councillor Packham **Seconded:** Councillor Robinson

Cr. Margaret O'Connor proposed that while she had no objection to the order in which the resolution was presented, she did feel use of the word 'adopted' should be retained as it reflected the wording of the Act.

Moved: Councillor O'Connor **Seconded:** Councillor Gresham

The motion being put to the **Vote** was passed in the MAJORITY.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

The final resolution reads as follows:

13/23 Resolved:

1. That the draft New England Weeds Authority Annual Operational Plan and Annual Budget for 2023-2024 be adopted for exhibition for a minimum period of 28 days in accordance with the provisions of the Local Government Act 1993.
2. That the constituent member councils of Armidale Regional, Glenn Innes Severn, Walcha and Uralla Shire be provided with a copy of the Draft New England Weeds Authority Annual Operational Plan 2023-2024 for their comment.
3. That following the conclusion of the public exhibition period, should public submissions have been received that require amendment of the Plan, a further report shall be presented to Council of the submissions and the Draft Operational Plan and Annual Budget amended accordingly.

QUARTERLY BUDGET REVIEW – MARCH 2023

14/23 Resolved:

1. That Council endorse the changes detailed in the [QBR] reports, and
2. That Council adopt the March 2023 Quarterly Budget Review.

Moved: Councillor O'Connor **Seconded:** Councillor Bower

The motion being put to the **Vote** was passed UNANIMOUSLY.

WEEDS ACTION PROGRAM [WAP]

15/23 Resolved:

That the Weeds Action Plan summarising outcomes and activities to date, including the 2022-2023 Weeds Action Program, be received, and noted.

Moved: Councillor Gresham **Seconded:** Councillor Robinson

The motion being put to the **Vote** was passed UNANIMOUSLY.

NEXT MEETING – Tuesday 27 June 2023

**9.0 MATTERS ARISING FROM MINUTES OF THE ORDINARY MEETING
OF NEW ENGLAND COUNTY COUNCIL HELD ON 2 MAY 2023**

**10.0 ADOPTION OF OPERATIONAL PLAN AND ANNUAL BUDGET FOR
2023-2024**

RECOMDATION:

1. That the Annual Operational Plan, Budget, 10-year Financial Plan and Revenue Policy for the financial year 2023-24, as previously advertised for public exhibition, be now formally adopted.

PURPOSE

Council received the draft Annual Operational Plan, Annual Budget, 10 year Financial Plan and Revenue Policy for the financial year 2023-24, at its meeting held on 2 May 2023, and resolved to place the relevant documents on public exhibition, in accordance with sections 405 and 532 of the Local Government Act, 1993.

REPORT

The draft documents were placed on exhibition inviting public comments, for a period of more than 28 days, as required by the Act. Council received no submissions on the draft documents during that period.

Consequently, the documents are now submitted for formal adoption, in order that these can be enacted, effective from 1 July 2023.

FINANCIAL AND RESOURCE IMPLICATIONS

Adoption of the Operational Plan, Budget and Revenue Policy for the financial year 2023-24 will enable the General Manager to carry out the various works and services and to levy the appropriate charges, as approved therein.

LEGAL IMPLICATIONS

Adoption of the relevant documents ensures Council's compliance with the provisions of the Local Government Act and associated Regulations and provides protection to authorised officers in the conduct of their duties on behalf of Council.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

RISK IMPLICATIONS

There are no risk implications identified.

OPTIONS

No alternative options exist.

CONCLUSION

Adoption of the Operational Plan, Budget, 10 year Financial Plan and Revenue Policy for the 2023-24 financial year is now required to ensure that works and services commencing 1 July 2023 are appropriately authorised.

LINK TO POLICY AND/OR COMMUNITY STRATEGIC PLAN

The Operational Plan, Budget, 10 year Financial Plan and Revenue Policy forms part of the New England Weeds Authority Community Strategic Plan, as adopted by Council for the period 2017 to 2027.

SUPPORTING INFORMATION

Attached for Council's information are copies of the relevant documents proposed for adoption, as previously exhibited for public comment.

11.0 SETTING OF REVISED COUNCILLOR FEES AND CHARGES FOR THE 2023-24 FINANCIAL YEAR.

RECOMDATION:

1. That Councillors note the contents of the Office of Local Government Circular No 23-03 in relation to the setting of fees for elected members, as determined by the Remuneration Tribunal for 2023-24 financial year, and
2. That in accordance with Sections 248 and 249 of the Local Government Act. 1993, the annual fees payable to the Chair and Councillors for the 2023-24 financial year, be increased by 3% with effect from 1 July 2023.

PURPOSE

In accordance with the provisions of the Local Government Act, 1993, and the determination of the Local Government Remuneration Tribunal, as outlined in OLG Circular 23-03, to set the required fees to be paid to members for the coming financial year.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

REPORT

The Local Government Act, 1993, requires the Local Government Remuneration Tribunal to report to the Minister for Local Government by 1 May in each year, on its determination of categories of councils, and the minimum and maximum amounts of fees to be paid to mayors and councillors, and chairs and members of county councils.

The determinations of the Tribunal are outlined in the attached Circular. Of note for this year is the creation of two additional categories: 'Metropolitan Major' and 'Rural Large'. The Tribunal has also varied the criteria for a number of existing categories. None of these changes have any impact on the existing category for County Councils.

A copy of the full Tribunal Report is attached for Councillors' information.

In accordance with Sec 241 of the Local Government Act, 1993, the Tribunal has determined a maximum increase of 3% for member fees for the 2023-24 financial year, with effect from 1 July 2023.

Council is now required to set the fees paid to members subject to the maximum increase as determined by the Tribunal.

FINANCIAL AND RESOURCE IMPLICATIONS

The 2023-24 Annual Budget, as presented for adoption at this meeting, has made allowance for the maximum increase as determined by the Tribunal. Adoption of the maximum 3% increase will therefore have no impact on the Budget for 2023-24 financial year.

LEGAL IMPLICATIONS

Members' remuneration is fixed in accordance with the provisions of the Local Government Act and the determination of the Local Government Remuneration Tribunal.

RISK IMPLICATIONS

There are no risk implications identified.

OPTIONS

While the % increase recommended in this report is the maximum increase permissible, Council could determine amounts less than the maximum in setting its members fees for the period.

CONCLUSION

Council is required to fix its members fees in accordance with the provisions of the Act and the determination of the Tribunal.

LINK TO POLICY AND/OR COMMUNITY STRATEGIC PLAN

Nil.

SUPPORTING INFORMATION

OLG Circular 23-03 and report of the Tribunal are provided for information [Attachments].

12.0 CONFIRMATION OF EMPLOYEE WAGE INCREASE FOR THE 2023-2024 to 2025-2026 FINANCIAL YEARS.

RECOMDATION:

1. That Councillors note the details of the Local Government State Award increases as determined for financial years 2023-2024 to 2025-2026 inclusive, noting that increases are generally in line with forecast wage increases outlined in Council's 10 year Financial Plan.

PURPOSE

To inform Council of agreed increases to the NSW Local Government (State) Award for all employees effective from 1 July 2023.

REPORT

Council has been advised of a pending determination of the NSW Industrial Relations Commission, relating to increases agreed by all parties to the NSW Local Government (State) Award to take effect from 1 July 2023.

The Commission will meet on 26 June to formally ratify the Award increase, and this is expected to be a formality.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

Wage increases for the periods shown are outlined in the following table:

Details & Year	Year 1 FFPP on or after 01/07/23	Year 2 FFPP on or after 01/07/24	Year 3 FFPP on or after 01/07/25
Increase to Award rates of pay:	4.5%	3.5%	3%
PLUS, payment of a lump sum to permanent full-time employees with at least 12 months continuous service (part-time employees to receive the payment on a pro-rate basis).	-	0.5% of employees' annual salary system rate of pay (as at 30 June 2024) or \$1000, whichever is the greater	0.5% of the employees' annual salary system rate of pay (as at 30 June 2025) or \$1000, whichever is the greater

In presenting the 10 Year Financial Plan and Annual Budget for 2023-24, Council's wage growth forecast provided for increases of 4.25%, 3.5% and 3% respectively for the corresponding periods.

The slight variance for 2023-24 of 0.25% will have minimal impact on Council's budget for the coming year and this will be monitored throughout the year as part of the quarterly budget review process. The Annual Budget has therefore been left as exhibited.

FINANCIAL AND RESOURCE IMPLICATIONS

A minor variance to the proposed wage growth forecast of 0.25% for 2023-24 financial year is expected to have only a minimal impact on Council's anticipated Operating Result for the year.

LEGAL IMPLICATIONS

Award determinations are not discretionary and will be implemented as required effective from 1 July 2023, to ensure legal obligations are met.

RISK IMPLICATIONS

There are no risk implications identified.

OPTIONS

There are no available options.

CONCLUSION

Council is required to implement notified Award increases and this will be implemented in accordance with the Award.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

LINK TO POLICY AND/OR COMMUNITY STRATEGIC PLAN

Nil.

SUPPORTING INFORMATION

A copy of advice from Local Government NSW is provided for information [Attachments].

13.0 PROPOSED MEETING DATES FOR THE 2023-24 FINANCIAL YEAR.

RECOMDATION:

1. That the schedule of proposed meeting dates for the 2023-24 financial year, be endorsed and advertised for public information.

PURPOSE

This report provides a schedule of proposed meeting dates for Council's Ordinary meetings for the coming financial year.

REPORT

The following schedule of meeting dates is suggested for consideration. In keeping with the current practice of conducting meetings on the third Tuesday of the month, generally for each quarter of the year, the proposed dates will enable Council to conduct its ordinary business with sufficient regularity to meet its statutory requirements and to provide other regular operational updates and ordinary business as required, for the benefit of all stakeholders and the public.

While minimum quarterly Ordinary meetings have been the normal practice for Council, the schedule proposes a minimum of 5 regular Ordinary meetings, to ensure Council can comply with the timing of adoption of various financial reporting matters, as required by the Local Government Act.

Proposed meeting dates for the 2023-24 financial year are as follows, including statutory items which are required to be submitted at the proposed meetings, in addition to any other standing agenda items:

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm**

Month	Specific Items for Council Determination (in addition to normal standing agenda items and other ordinary business)	Proposed Date
August	<ul style="list-style-type: none"> • Receive and note draft Financial Statements for referral to audit 	15 Aug 2023
November	<ul style="list-style-type: none"> • Public presentation of audited Financial Statements, • Receive and adopt September Quarterly Budget Review, • Receive and adopt Annual Report for 2022/23 FY 	21 Nov 2023
February	<ul style="list-style-type: none"> • Receive and adopt December Quarterly Budget Review 	20 Feb 2024
April	<ul style="list-style-type: none"> • Endorse draft Operational Plan, Budget & Revenue Policy for 2024/25 FY for public exhibition, • Receive and adopt March Quarterly Budget Review 	16 Apr 2024
June	<ul style="list-style-type: none"> • Adopt Operational Plan, Budget & Revenue Policy for 2024/25 FY 	18 Jun 2024

FINANCIAL AND RESOURCE IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Council is required to advertise and conduct Ordinary meetings on a regular basis in accordance with the provisions of the Local Government Act, 1993, and Council's Code of Meeting Practice.

RISK IMPLICATIONS

There are no risk implications identified.

OPTIONS

The report presents the option for conducting Ordinary meetings on the third Tuesday of each month, generally on a quarterly basis, in line with past practice. Council could consider alternate options if the proposed dates were not suitable for any reason.

CONCLUSION

Council is requested to endorse the schedule of proposed meeting dates and give public notice in accordance with requirements outlined in this report.

LINK TO POLICY AND/OR COMMUNITY STRATEGIC PLAN

Nil.

SUPPORTING INFORMATION

Nil.

14.0 REPORT ON CASH POSITION (TERM DEPOSITS) AND CONSTRUCTION CASH FLOW (T-CORP)

RECOMDATION:

1. That the report on current cash position and projected cash flow for building construction be noted.

PURPOSE

This report provides details of expected cash flow position over the course of the construction of the new office and depot facilities, and demonstrates the expected net change in cash position at 30 June 2024.

REPORT

To assist with the analysis of Council's loan application by T-Corp, a cash flow forecast has been prepared and is presented for the information of Councillors.

A summary table of cash movements over the 12 months to 30 June 2024 is provided as an attachment.

This exercise has provided the opportunity to forecast likely cash movements between Council's operating account and accounts held for longer term investment, which assist in generating interest income.

At this point, the timing of cash flow is a 'best guess' scenario but reflects anticipated timing of the major cash movements expected for the year, which include the draw down of the proposed \$1Million loan, the outgoings for the construction contract, and of course, the timing of cashflow from normal business operations.

An overriding principle of the forecast is to ensure that Council maintains sufficient working capital to meet its normal business operations, and to that end, a floor of \$500,000 is assumed throughout the cash flow model.

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

The model anticipates that the draw down of the loan will enable an additional investment of \$750,000 for a term of 4 months, reducing to \$500,000 for the remainder of the year as cashflow for construction increases.

The net impact of this short-term advantage, invested at 3.5%, would potentially generate an additional \$8,750 or 35% of the total annual budget for interest.

As the loan funds and existing cash reserves are consumed during construction, and normal operations continue, including commencing repayments of the loan, Council's overall cash position at the end of the financial year, reduces by approximately \$500,000, which is in line with original budget expectations.

FINANCIAL AND RESOURCE IMPLICATIONS

This report is prepared to assist with Council's application to T-Corp for loan funds to support the construction of the new office and depot facilities. Based on the analysis and other supporting information, it is anticipated that Council will be able to adequately meet T-Corp's application requirements.

LEGAL IMPLICATIONS

There are no specific legal implications.

RISK IMPLICATIONS

The risk of not being able to meet T-Corp's loan approval requirements is considered to be minimal. The usual fluctuations with regard to cash inflow and outflow throughout the year may impact the assumptions made from this analysis.

OPTIONS

This report is presented for information only and options are not required to be considered.

CONCLUSION

Council is requested to note the information and assumptions outlined in this report for the purpose of finalising the application to T-Corp for loan approval, as previously authorised by Council.

The draft loan application details, which require the signature of the Chair or nominated delegate and the General Manager will be available at the meeting for sign-off, so as to enable submission of the application prior to 30 June.

LINK TO POLICY AND/OR COMMUNITY STRATEGIC PLAN

Nil.

SUPPORTING INFORMATION

Nil.

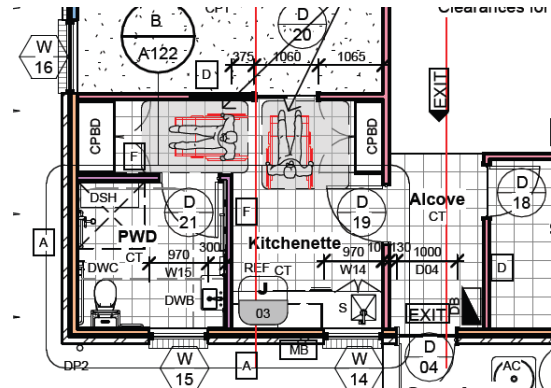
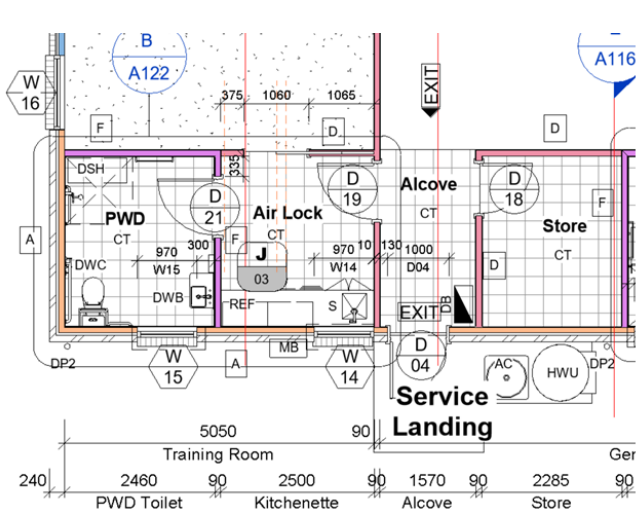
15.0 UPDATE ON PROGRESS OF OFFICE, WASH-DOWN BAY AND DEPOT CONSTRUCTION

Following execution of the Construction Contract with Rice Construction, works have commenced on site at Waller Avenue.

Physically, the site security fence has been installed/erected and site buildings (site office, meeting room and toilets) have been moved onto site. A temporary electrical service has been provided for site buildings and a water connection is available.

Two variations have been approved as part of the initial Construction Contract. These include provision of a 1 tonne hoist to lift spray-units on and off NEWA's vehicles, the construction of the Depot building using galvanised (HDG) steel beams – which are stronger and more durable than rolled sheet metal, and the removal of aconite panels in the roof (subject to UV degradation and hail damage).

A key approval required to enable construction to commence, is the issuing of our Construction Certificate. Last week, an issue was found with the design of the PWD bathroom and kitchenette (shown on the left). Planning rules do not permit a bathroom to adjoin a food preparation area – kitchenette. We were required to 'redesign' this section of the offices, as shown on the right. We have received confirmation from ARC that this redesign is acceptable.



Rice staff will be on-site this week (26-6-2023) and earthworks are expected to also be commenced.

Behind the scenes, the specification and procurement of all construction materials has been ongoing including the Depot building etc,

ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL
TUESDAY 27 JUNE 2023 IN NEWA OFFICES AT 01:00pm

16.0 MATTERS OF URGENCY

17.0 NEXT MEETING - TUESDAY 15 AUGUST 2023 at 1:00pm

18.0 ATTACHMENTS:

- Councillor Fees:
 - [OLG Circular 23-03](#)
 - [2023 Annual Determination](#)
- Staff Wages:
 - [Local Government Award Increase 1 July 2023](#)
- Annual Budget & LTFP:
 - [NEWA Operational Plan 2023-24 FINAL FOR ADOPTION 27 JUNE 2023](#)
 - [NEWA Annual Budget 2023-2024 & 10 Yr Plan FINAL FOR ADOPTION 27 JUNE 2023](#)
 - [NEWA 10 Yr. Plan 2023 - 2033 - Balance Sheet](#)
 - [NEWA 10 Yr. Plan 2023 - 2033 - Cashflow Forecast](#)
- Term [CDA] Deposits:
 - [NEWA CDA Deposit Forecast](#)