

WARRUMBUNGLE SHIRE COUNCIL

Ordinary Meeting – 17 March 2022

Item 26 Notice of Motion – Accessible Residential Housing

Notice of Motion – Accessible Residential Housing

I hereby advise that I propose to move the following Notice of Motion at the Council meeting:

That:

1. Council recognises the need for greater amounts of accessible residential housing in the Warrumbungle Shire for our aging and disabled residents. To help remedy this situation council commits to a pilot project of investment within the Warrumbungle Shire, using up to \$1 million from funds that are currently held in term deposit to purchase suitable property(ies) that can be leased to disability housing service providers as a form of portfolio diversification at a higher cash return with low risk.
2. The Mayor and GM be authorised to negotiate on behalf of Council and report any dealings to next Council meeting.

**KODI BRADY
COUNCILLOR**

General Manager's comment:

The Code of Meeting Practice provides:

- 3.12 A notice of motion for the expenditure of funds on works and/or services other than those already provided for in the council's current adopted operational plan must identify the source of funding for the expenditure that is the subject of the notice of motion. If the notice of motion does not identify a funding source, the general manager must either:
 - a) prepare a report on the availability of funds for implementing the motion if adopted for inclusion in the business papers for the meeting at which the notice of motion is to be considered by the council, or
 - b) by written notice sent to all councillors with the business papers for the meeting for which the notice of motion has been submitted, defer consideration of the matter by the council to such a date specified in the notice, pending the preparation of such a report.

In relation to the Notice of Motion Council has funds set aside for many purposes, some of which may be accessible while other funds are restricted and cannot be accessed for such purposes or any other similar purposes.

At 30 June 2021 Council held the following cash equivalent funds:

External restrictions \$7,735,000
Internal restrictions \$10,092,000

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Unrestricted \$4,060,000

Hence the External restrictions cannot be used for the purposes outlined in the Notice of Motion, they are completely quarantined for their intended purpose. Internally restricted funds can be reassigned and Council has funds set aside, 'restricted', for the following purposes:

- Plant and vehicle replacement (fleet fund)
- Employees leave entitlement
- Carry over works (excl fleet carry overs)
- FAG's 1st and 2nd qtr. prepayment
- Information technology (Software upgrade/telephone system)
- Quarry remediation fund 1.012
- Other - Infrastructure

Unrestricted funds are exactly that they have not been earmarked for any purpose, having said that the Council still needs to have money set aside to deal with unanticipated issues, e.g. budget overruns, emergency works, cashflow problems etc. Council's level of unrestricted funds currently appears to be good, especially when comparing to previous years as at 30 June:

2021	\$4.060M
2020	\$0.969M
2019	\$2.068M
2018	\$1.012M
2017	\$1.342M
2016	\$1.486M
2015	\$0.716M
2014	\$1.897M
2013	\$1.899M

Given the peculiarities around local government finances it is expected that there will be a deterioration (subject to the Natural Disaster claim) in the 30 June 2021 figure when we complete the financial statements as at 2022, hence the above figure should not be relied upon.

Please also keep in mind that 2020-21 was one of only two financial surpluses made by this Council in a very long time and then the only other surplus was made when two quarters of the Financial Assistance Grant was paid in advance.

Further to the above Council should also consider its position in relation to a number of other matters where unrestricted funds may be needed, e.g. the Boulus court case and possible adverse result; funding to support grant applications such as the current application for the Coonabarabran Industrial Estate; future funding applications and major projects e.g. Council's ability to provide supporting funding for the Coonabarabran Pool upgrade or even upgrades to other pools etc; funding for expansion projects such as the proposal to provide further residential blocks in Reservoir St, Coonabarabran; or aerodrome upgrades.

In addition to the above Council, only at the February 2022 meeting, adopted the Financial Planning and Sustainability Policy. In that Policy Council adopted some principles, including:

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- Future lifecycle costs will be reported and considered in all decisions relating to new services, upgrading of existing services, asset renewal and new capital works.
- Council must achieve a fully funded operating position reflecting that Council collects enough revenue to fund operational expenditure, the repayment of debt and depreciation.

Considering a proposal as outlined in the Notice of Motion in isolation will potentially impact on the other services provided by Council and a business plan should be provided to support comments of 'higher cash return' and for Council to fully understand the proposal before it.