



MINUTES
SPECIAL MEETING OF COUNCIL

held on

Wednesday, 25 August 2021

in

Council Chambers



WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

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Item 1 Opening of Meeting

The President declared the meeting open at 5.33pm.

Item 2 Acknowledgement of Traditional Owners and Dignitaries

The President acknowledges the traditional custodians, the Yamatji people, and recognises the contribution of Yamatji elders past, present and future, in working together for the future of Morawa.

Item 3 Recording of Attendance**3.1 Attendance****Council**

President (Presiding Member) Councillor Karen Chappel (via video conference)
Councillor Jane Coaker (via video conference)
Councillor Debbie Collins (via video conference)
Councillor Yvette Harris (via video conference)
Councillor Shirley Katona (via video conference)
Councillor Ken Stokes (via video conference)

Staff

Chief Executive Officer Scott Wildgoose
Executive Manager Corporate and Community Services Jackie Hawkins

Members of the Public

Nil

3.2 Attendance by Telephone / Instantaneous Communications

In accordance with section 14 of the *Local Government (Administration) Regulations 1996* "Meetings held by electronic means in public health emergency or state of emergency (Act s. 5.25(1)(ba))", the President to declare that this Meeting may take place via instantaneous communication. All Councillors and staff are to be available either via telephone (teleconference) or in person.

3.3 Apologies

Deputy President Councillor Dean Carslake
Executive Manager Works and Assets, Paul Buist

3.4 Approved Leave of Absence

Nil

3.5 Disclosure of Interests

Nil

Item 4 Applications for Leave of Absence

Nil

Item 5 Response to Previous Questions

Nil

Item 6 Public Question Time**6.1 Public Question Time**

Nil

6.2 Public Statement Time

Nil

6.3 Petitions/Deputations/Presentations/Submissions

Nil

Item 7 Questions from Members without Notice

Nil

Item 8 Announcements by Presiding Member without Discussion

Nil

Item 9 Declarations of All Members to have Given Due Consideration to All Matters Contained in the Business Paper before the Meeting

The Elected Members to declare that they had given due consideration to all matters contained in the agenda.

- President Councillor Karen Chappel
- Councillor Jane Coaker
- Councillor Debbie Collins
- Councillor Yvette Harris
- Councillor Shirley Katona
- Councillor Ken Stokes

Item 10 Confirmation of Minutes of Previous Meeting

Nil

Disclaimer

Members of the public are cautioned against taking any action on Council decisions, on items in this agenda in which they may have an interest, until formal notification in writing from the Shire has been received. Decisions made at this meeting can be revoked pursuant to the Local Government Act 1995.

Item 11 Reports of Officers

11.1 Chief Executive Officer

Nil

11.2 Executive Manager Corporate & Community Services

11.2.1 Adoption of the 2021/2022 Budget
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Author: Executive Manager Corporate & Community Services**Authorising Officer:** Chief Executive Officer**Disclosure of Interest:** The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.**OFFICER'S RECOMMENDATION/RESOLUTION****210810 Moved: Cr Stokes****Seconded: Cr Coaker**

That Council with respect to the adoption of the 2021/2022 Budget, Council considers the following:

1. Budget Adoption

That Council adopts the 2021/2022 Budget as presented in Attachment 1 and in accordance with Section 6.2(1) of the *Local Government Act 1995* and associated *Financial Management Regulation 1997*, with the following decision on specific elements of the budget:

a) Rates

Adopt a 3% increase to the Rate in the \$ for the following rates and charges excluding UV Mining which had a 0% increase to the rate in the \$ for the 2021/2022 year in accordance with Section 6.32 of the *Local Government Act 1995*:

General Rates

▪ GRV Residential/Commercial	0.081287
▪ UV Rural	0.023499
▪ UV Mining	0.301974

Minimum Rates

▪ GRV Residential Commercial Rural	\$312
▪ UV Rural	\$312
▪ UV Mining	\$683

Discount for Payment by Due Date

That in accordance with section 6.46 of the *Local Government Act 1995*, a discount of 1.5% is to be offered if rates are paid in full by 4.30pm (Western Australian time) on the 1 October 2021.

b) Rates Instalments, Payment Options and Penalty Interest

Apply an interest rate of 5.5% per annum to Rates and/or Charges that remain unpaid after becoming due and payable.

Impose an administration charge of \$5.00 per instalment and 5.5% simple interest to the amount on the rate notice where payment of the rates are made via the instalment option.

In accordance with Sections 6.50(2) and 6.50(3) the *Local Government Act 1995*, offer the following payment options:

Option 1

Pay the total amount of rates and charges included in the rate notice in full by the 1 October 2021 or the 35th day after the date of issue, whichever is the latter; or

Option 2

Pay by four instalments as detailed on the rates notices with the following instalment dates:

- 4.30pm, Friday 1 October 2021 – Payment in full less discount or first instalment
- 4.30pm, Friday 3 December 2021 – Second instalment
- 4.30pm, Friday 11 February 2022 – Third instalment
- 4.30pm, Friday 15 April 2022 – Final instalment

c) Reserve Funds

That Council allocate funds to and from the Reserve Accounts for the Financial Year Ending 30 June 2022 as specified in the Reserve Statement and the 2021/2022 Budget.

Adopt the change to the purpose for the COVID-19 Emergency Response Reserve as; To invest in activities that promote community wellbeing, aid to residents and businesses in financial hardship and general COVID recovery projects.

d) CEO Authorisations

That Council authorise the Chief Executive Officer to undertake the necessary and prescribed activities relating to the publication of the budget to members of the community, businesses and statutory government bodies.

2. Material Variances

That Council in accordance with the *Local Government (Financial Management) Regulations 1996* 34(5) adopt a variance percentage of plus or minus 10% or with a minimum value of \$10,000 for reporting on material variances for the 2021/2022 financial year.

3. Fees and Charges

That Council resolves to adopt the Schedule of Fees and Charges for the financial year 2021/2022 as included in *Attachment 1* pages 35-53.

CARRIED BY ABSOLUTE MAJORITY 6/0

PURPOSE

The purpose of this report is for Council to adopt the Shire of Morawa 2021/2022 Annual Budget and Fees and Charges as detailed in the presented format (*Attachment 1*).

DETAIL

It is a requirement of the Local Government Act and the LG Financial Management Regulations that a Budget be adopted in the Australian Accounting Standards (AAS) format prior to 31 August each year. A copy must be submitted to the Executive Director of the Department of Local Government, Sport and Cultural Industries within 30 days of its adoption.

The 2021/2022 Budget proposes a rate in the \$ increase to rates of 3% (prior to discount) on all categories other than UV Mining where there has been a 0% increase.

There are several components to the Budget to be adopted by Council and these are detailed below:

Reporting Material Variances

In accordance with the *Local Government (Financial Management) Regulations 1996*, regulation 34(5), Council is required to adopt a percentage or value calculated in accordance with AAS5 to be used in statements of financial activity for reporting material variances.

The percentage or value that is adopted will require any variances over this figure to be reported in the Monthly Statement of Financial Activity.

It is proposed that Council adopt the percentage of 10% with a minimum value of \$10,000 for reporting material variances.

Rate Modelling

The revaluations of land and the proposed 3% rate in the \$ increase for GRV and UV Rural properties will see the overall yield from rates increase by \$144,426 as shown in the table below which was provided to Council at a Special Council Meeting held 8 July 2021.

SHIRE OF MORAWA								
Proposed Rate Categories for 2021/2022								
	Actuals for 2020/2021				Budget for 2021/2022			
	Rate in the \$	Number of Properties	Rateable Value \$	Actual Income 2020/2021	Rate in the \$	Number of Properties	Rateable Value \$	Projected Income 2021/2022
General Rates								
GRV Residential/Commercial	0.078919	267	2,790,743	220,243	0.081287	267	2,790,744	226,851
UV Rural	0.022815	205	69,308,000	1,581,262	0.023499	205	71,375,000	1,677,241
UV Mining	0.301974	27	561,434	169,538	0.301974	27	705,024	212,899
Sub Total General Rates		499	72,660,177	1,971,043		499	74,870,768	2,116,991
Minimum Rates								
GRV Residential/Commercial	303	44	27,054	13,332	312	42	27,054	13,104
UV Rural	303	8	71,800	2,424	312	8	76,100	2,496
UV Mining	683	9	7,752	6,147	683	7	5,428	4,781
Sub Total Minimum Rates		61	106,606	21,903		57	108,582	20,381
Income Before Discounts				1,992,946				2,137,372
Total Own Source Revenue (Rates)				1,992,946				2,137,372
Increase to revenue from 2020/2021								144,426

Differential Rates – Rural Rates, Mining Rates

The Shire advertised the intention to impose a differential rate of 0.301974 cents in the \$ of Unimproved Value (UV) for Mining. No submissions were received and accordingly, Council submitted a request to the Minister seeking approval for the 0.081287 cents in the \$ of Unimproved Value (UV) for Rural Rates and the 0.301974 cents in the \$ of Unimproved Value (UV) for Mining.

Ministerial approval was subsequently received on Thursday 19 August 2021.

Other Rates Items

The following interest rates and administration charges be considered:

- The full payment discount be reduced from 2.5% to \$1.5%.
- The interest rate on all rates and charges that are overdue be set at 5.5%.
- Instalment plans to comprise of interest charged at 5.5% pa, calculated from the due date the first instalment is due, together with and administration fee of \$5.00 for each instalment notice.

Due Dates

The due date for payment of rates needs to be set at 35 days after the date of issue in accordance with Section 6.5(2) of the *Local Government Act 1995*. The instalment due dates are then at intervals of 2 months with the first falling due 35 days after the date of issue of the rates notice in accordance with Section 62(2) of the *Financial Management Regulations 1996*.

Due dates for instalment options:

- 4.30pm, Friday 1 October 2021 – Payment in full less discount or first instalment
- 4.30pm, Friday 3 December 2021 – Second instalment
- 4.30pm, Friday 11 February 2022 – Third instalment
- 4.30pm, Friday 15 April 2022 – Final instalment

Fees and Charges

Annually, a review of the fees and charges should be undertaken by Council as part of the Budget Process. At the Special Council meeting on 8 July 2021 council discussed the proposed fees and charges for 2021/2022. Overall, the fees and charges have increased by 3% with some slightly lower or higher on specific items as requested by Council.

In accordance with Section 67 of the *Waste Avoidance and Resource Recovery Act 2007 (WARR Act)* the refuse collection service Council provides to ratepayers has increased by 3% from \$403.30 to \$407.00 per annum for residential services, based on a once a week pick-up and \$815.00 per annum for commercial properties based on twice weekly pick-up.

All sewerage levies have increased by 3% for 2021/2022 and are as follows:

Class 1 Properties

- 1st Major fixture \$990.00
- Each Additional Fixture \$427.00

Class 2 Properties

Class 2 Properties	\$1,190.00
Vacant Land	\$265.20 per assessment
GRV Residential	7.7726 cents in the dollar
GRV Commercial	7.7726 cents in the dollar
Minimum Charges – residential	\$374.60
Minimum Charge – Commercial	\$881.52

Loan Fund/Debt Servicing

Loan 136 – 24 Harley Street – is currently active and being repaid as scheduled. The budgeted repayments for the 2021/2022 year are \$26,607.00 with the principal repayment of \$14,607.00 and a \$12,000.00 interest payment.

Loan 139 – Netball Court Redevelopment – This loan was taken out during 2020/2021. The budgeted repayments for the 2021/2022 year are \$15,078 with the principal repayment of \$11,973.00 and a \$3,105.00 interest payment.

Elected Members Meeting Fees and Allowances

Elected members allowances have been kept at the same level as previous years and is in accordance with the directions of the Salaries and Allowances Tribunal. The annual sitting fees for elected members remain at \$8,000 with the President's annual sitting fee set at \$16,000. Full details can be found on page 28 of the Budget document.

Reserves

The full list of reserve balances and budgeted movements can be found on page 23 of the Budget document. The budget allows for spending of \$507,652 from the reserve with transfers in of \$622,952 which will increase the total reserve balance to \$5,525,799.

Changes to the purpose of the COVID-19 Emergency Response Reserve have been made with the purpose now being: To invest in activities that promote community wellbeing, aid residents and businesses in financial hardship, and general COVID recovery projects.

Capital Works and Major Projects

Council have been conservative with the amount of capital works to be carried out this year, ensuring that council staff can complete the expected projects allocated with the balance being completed by contractors. Below is a list of some of the major projects with a full list available on page 172 of the Budget document.

Project	Cost	Grant Funding	Council Funding
Buildings & Recreation			
CCTV Renewal & Upgrades	\$ 25,000		\$ 25,000
Childcare Centre Renewals	\$ 16,000		\$ 16,000
Cemetery Noticeboard (carried forward from 20/21)	\$ 10,500		\$ 10,500
Old Roads Board Building - Upgrades	\$ 171,669	\$ 141,669	\$ 30,000
Solar Initiatives	\$ 40,000	\$ 10,000	\$ 30,000
Golf/Bowling Club Building - Kitchen/Airconditioning & Renewal	\$ 142,000	\$ 142,000	\$ -
Netball Courts Redevelopment - Rectification of Drainage Issues	\$ 164,000	\$ 30,250	\$ 133,750
Playground Equipment - Wildflower Park	\$ 90,000	\$ 45,000	\$ 45,000
Caravan Park - Renewal of Ablutions	\$ 70,000	\$ 50,000	\$ 20,000
	\$ 729,169	\$ 418,919	\$ 310,250
Roads, Footpaths, Aerodrome & Sewerage			
Sewerage - Renewals	\$ 30,000		\$ 30,000
Morawa-Yalgoo Road	\$ 360,500	\$ 240,334	\$ 120,166
Nanekine Road - Carry Forward project	\$ 75,953	\$ 50,635	\$ 25,318
Koolanooka South Road	\$ 100,000	\$ 100,000	\$ -
Canna North East Road	\$ 150,000	\$ 150,000	\$ -
West Gutha Road	\$ 112,110	\$ 112,110	\$ -
Street Lighting - Completion of 2020/21 pro	\$ 57,180	\$ 57,180	\$ -
Manning Road Footpath	\$ 128,084	\$ 32,792	\$ 95,292
Sealing of Aerodrome Apron	\$ 112,000	\$ 28,000	\$ 84,000
General Rural Road Maintenance	\$ 653,981		\$ 653,981
	\$ 1,779,808	\$ 771,051	\$ 1,008,757

The Shire of Morawa would like to acknowledge the Federal Government for its ongoing support through the Financial Assistance Grants (FAG), the Roads to Recovery Grants (R2R), and the Local Roads and Community Infrastructure Program (LRCIP). Without these funding opportunities supporting our budget each year, the Shire would not be able to meet the aspirations of our community, as set out in the Shire of Morawa's Strategic Community Plan.

The Shire would also like to thank the Western Australia Government which annually provides support through its Regional Roads Group (RRG) contributions which support Council in providing essential roads infrastructure for the Shire residents and businesses and also makes other Ad Hoc grants available throughout the year for Shire applications.

LEVEL OF SIGNIFICANCE

Very High – Adoption of the budget will enable Council to provide the necessary services and facilities to ratepayers and residents.

CONSULTATION

This year has seen several workshops and consultation to ensure adequate endorsement by Council. The following engagement has taken place in the development of the 2021/2022 financial year budget:

- Various management team meetings in May, June and July 2021;
- Council workshops in May, June and July 2021;
- Draft cash budget presented to Council in August 2021 for UV Mining and increased rates for GRV and UV Rural;
- The adoption of a 3% Increase in the rate in the \$ for all categories excluding Mining which had a 0% increase to the rate in the \$ during a Special Council Meeting held in July 2021; and
- Consultation with the Shire President.

Based on the extensive level of consultation undertaken, Council is comfortable to commit to the projects and services delivery as presented in the statutory budget.

LEGISLATION AND POLICY CONSIDERATIONS

Local Government Act 1995:

- s 6.2(1), 6.12(1), 6.16, 6.32, 6.45(3), 6.50 & 6.51

Local Government (Financial Management) Regulations 1996:

- Regulations 68 and 70

FINANCIAL AND RESOURCES IMPLICATIONS

The statutory budget contains the expected expenditure, revenue, capital projects and services delivery by Shire staff to the community. The details can be found in the attached Budget document and forms the basis of the operations for the 2021/2022 financial year.

RISK MANAGEMENT CONSIDERATIONS

The ability for the Shire to undertake the work identified in this budget will rely on effective and successful collection of rates and revenue levied and identified; and the allocation of suitable resources with which to achieve the programs outlined in both the Operational and Capital sections of the Budget document.

CONCLUSION

That after due consideration to all areas of Council's operations and services, that the statutory budget (**Attachment 1**) suitably reflects Council's financial commitments for the financial year 2021/2022 for the Shire of Morawa.

ATTACHMENTS

Attachment 1 – 11.2.1 Shire of Morawa Annual Budget 2021/2022

11.3 Executive Manager Works & Assets

Nil

Item 12 Reports of Committees

Nil

Item 13 Motions of Which Previous Notice Has Been Given

Nil

Item 14 New Business of an Urgent Notice

Nil

Item 15 Matters for Which the Meeting May Be Closed (Confidential Items)

Nil

Item 16 Closure

16.1 Date of Next Meeting

The next ordinary meeting of Council will be held on Thursday, 16 September 2021 commencing at 5.30pm.

16.2 Closure

There being no further business, the President declared the meeting closed at 5.42pm.