



AGENDA

SPECIAL MEETING OF COUNCIL

to be held on

Monday, 26 August 2024 at 3:00pm

at the

**Shire of Morawa Council Chambers,
26 Winfield Street, Morawa**



WESTERN AUSTRALIA'S
WILDFLOWER COUNTRY

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DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

Local Government Act 1995 – Section 5.65, 5.70 and 5.71 Local Government (Administration) Regulation 34C

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Administration) Regulation 34C</i>			
Name of person declaring the interest			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____ **Date:** _____

Important Note:

Should you declare a **Financial** or **Proximity** Interest, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

“With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”

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Item 1 Opening of Meeting

The President to declare the meeting open at 3:00pm.

Item 2 Acknowledgement of Traditional Owners and Dignitaries

The President acknowledges the traditional custodians, the Yamatji people, and recognises the contribution of Yamatji Elder's 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

Deputy President Councillor Ken Stokes

Councillor Grant Chadwick

Councillor Dean Clemson

Councillor Mark Coaker

Councillor Debbie Collins

Councillor Diana North

Staff

Chief Executive Officer

Scott Wildgoose

Executive Manager Corporate & Community Services

Jackie Hawkins

Members of the Public**3.2 Apologies****3.4 Approved Leave of Absence****3.5 Disclosure of Interests****Item 4 Applications for Leave of Absence****Item 5 Declaration by 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.

Item 6 Reports from Officers

6.1 Adoption of the 2024-2025 Budget

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

That Council with respect to the adoption of the 2024-2025 Budget, Council considers the following:

1. Budget Adoption

That Council adopts the 2024-2025 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) Setting of Rates

Pursuant to sections 6.32, 6.33 and 6.35 of the *Local Government Act 1995*, adopt the proposed rates tabled below:

<i>Rate Type</i>	<i>Rate in the Dollar (Cents)</i>	<i>Minimum Payment</i>
GRV Residential / Commercial	8.8342	\$355
UV Rural	1.8932	\$355
UV Mining	30.1974	\$683

b) 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 4 October 2024.

c) 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 \$10.00 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, less a 1.5% on time payment discount, by 4 October 2024.

Option 2

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

- 4.30pm, Friday 4 October 2024 – First instalment
- 4.30pm, Friday 13 December 2024 – Second instalment
- 4.30pm, Friday 21 February 2025 – Third instalment
- 4.30pm, Friday 2 May 2025 – Final instalment

d) Concession – Assessment A315 – Morawa CWA

That Council allow a concession to be applied for the Sewerage fees on Assessment A315 – Dreghorn Street Morawa for the amount of \$1,125.00.

e) Concession – Assessment A185 – Morawa Craft Group

That Council allow a concession to be applied for the Sewerage fees on Assessment A185 – Valentine Street Morawa for the amount of \$1,125.00.

f) Reserve Funds

That Council allocate funds to and from the Reserve Accounts for the Financial Year Ending 30 June 2025 as specified in Note 8 Reserve Accounts on page 23 of the 2024-2025 Budget.

All reserve transfers have been allocated in accordance with the adopted Cash Reserves Management Policy – FIN10.

g) 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.

h) Elected Members Remuneration

In accordance with sections 5.98, 5.98A, and 5.99 of the *Local Government Act 1995* Council endorse the provision of the 2024-2025 Elected Member Meeting Attendance allowance at \$8,528 per annum, the Shire President Meeting Attendance allowance at \$17,056 per annum, the Shire President Office holder

Allowance at \$18,126 per annum, and the Deputy President Office holder Allowance at \$4,532 per annum. Noting all allowances remain within thresholds prescribed under Salaries and Allowances Tribunal Determinations, and that the Shire has increased the allowances from those implemented in the 2023-2024 financial year by 4%.

i) Schedule of Fees of Charges

That Council Adopts the Schedule of Fees and Charges as presented with the 2024-2025 Annual Budget.

Noting nil or minor increases to most charges, Plant Hire and Material Sales charges have been increased to reflect the increased cost of service provision.

Sewerage and Rubbish Removal Charges are to be included on Rates Notices as an annual charge for the provision of a core Shire service. Council acknowledge the significant increase in Rubbish Removal Charges, however charge rates are aligned to costs attributed to service provisions in this area, which have seen increases.

That Council directs the CEO to allow a transition and notice period relating to the new fees and charges, with new 2024-2025 fees and charges coming into effect from 27 August 2024.

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 \$20,000 for reporting on material variances for the 2024-2025 financial year.

ABSOLUTE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to adopt the Shire of Morawa 2024-2025 Annual Budget and Schedule of 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.

Council adopted its Rates Model in June 2024 with a 4.7% increase to the minimum rates for GRV and UV, a nil rate in the \$ increase for the rates and charges for GRV properties, a 16.7%

decrease to the rate in the \$ to UV Rural properties and 0% increase to UV Mining for the 2024-2025 year. Subsequent to this the UV Mining Differential Rate has been advertised and accepted by the Minister.

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 \$20,000 for reporting material variances an increase on previous years but reflecting actual variance substance throughout the year for major accounts.

Rate Modelling

The overall yield from rates is expected to increase from the 2023-2024 budgeted figure by \$195,976 as shown in the table below.

2 RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2024-25 Budgeted total revenue	2023-24 Actual total revenue	2023-24 Budget total revenue
		\$		\$	\$	\$	\$
(i) General rates							
GRV - Residential/Commercial	Gross Rental Valuations	0.088342	267	3,722,566	328,859	247,293	247,293
UV Rural	Unimproved Valuations	0.018932	202	130,942,500	2,479,003	2,389,835	2,387,338
UV Mining	Unimproved Valuations	0.301974	31	944,681	285,269	263,643	263,643
Total general rates			500	135,609,747	3,093,131	2,900,771	2,898,274
(ii) Minimum payment							
		\$					
GRV - Residential/Commercial	Gross Rental Valuations	355	44	26,840	15,620	15,594	15,594
UV Rural	Unimproved Valuations	355	11	112,300	3,905	2,373	2,373
UV Mining	Unimproved Valuations	683	13	14,972	8,879	8,196	8,196
Total minimum payments			68	154,112	28,404	26,163	26,163
Total general rates and minimum payments			568	135,763,859	3,121,535	2,926,934	2,924,437
Total ex-gratia rates			0	0	10,665	10,206	10,206
					3,132,200	2,937,140	2,934,643
Discounts (Refer note 2(g))					(37,000)	(34,878)	(35,000)
Waivers or Concessions (Refer note 2(h))					(1,500)	(19,113)	(1,500)
Total rates					3,093,700	2,883,149	2,898,143

The Shire of Morawa did not raise specified area rates for the year ended 30th June

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV).

The general rates detailed for the 2024-25 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

Differential 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 Differential rate to be applied to the UV Mining Category.

Ministerial approval was subsequently received on Thursday 15 August 2024 (**Attachment 2**).

Other Rates Items

The following interest rates and administration charges be considered:

- The full payment discount of 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 an administration fee of \$10.00 for each instalment notice.

Due Dates

The due date for payment of rates needs to be set at a minimum of 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 at least 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 4 October 2024 – Payment in full less discount or first instalment
- 4.30pm, Friday 13 December 2024 – Second instalment
- 4.30pm, Friday 21 February 2025 – Third instalment
- 4.30pm, Friday 2 May 2025 – Final instalment

Annual Charges

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 10.5% from \$516.00 to \$570.00 per annum for residential services, based on a once a week pick-up and \$1,140.00 per annum for commercial properties based on twice weekly pick-up.

All sewerage levies have increased by 4.5% for 2024-2025 and are as follows:

Class 1 Properties

- 1st Major fixture \$1,125.00
- Each Additional Fixture \$485.00

Vacant Land	\$300.00 per assessment
GRV Residential	8.8274 cents in the dollar
GRV Commercial	8.8274 cents in the dollar
Minimum Charges – residential	\$407.11
Minimum Charge – Commercial	\$958.03

Loan Fund/Debt Servicing

Loan 136 – 24 Harley Street – is currently active and being repaid as scheduled. The budgeted repayments for the 2024-2025 year are \$25,433 with the principal repayment of \$16,416.00 and a \$9,017.00 interest payment.

Loan 139 – Netball Court Redevelopment – is currently active and being repaid as scheduled. The budgeted repayments for the 2024-2025 year are \$15,577 with the principal repayment of \$12,569.00 and a \$3,008.00 interest payment.

Elected Members Meeting Fees and Allowances

As per the Shire's historical practice, it has once again been proposed that Council adopt an annual fee for Council Members in lieu of fees for attending meetings as per 5.99 of the Local Government Act.

The annual fee for Council Members has been set at \$8,528, with the Shire President annual fee in lieu of fees for attending meetings set at \$17,056, these payments have been increased by 4% in accordance with the parameters of the Salaries and Allowances Tribunal.

Under sections 5.98(5) and 5.98A, Council pays an annual allowance for Councillors who hold the office of Shire President and Deputy President. The Shire President office holder allowance is \$18,126, and the Shire Deputy President office holder allowance is \$4,532 – set at 25% of the President allowance as per the State Administrative Tribunal Determination aligned to section 5.98A of the Local Government Act 1995. The Shire President office holder allowance and the Deputy President Office Holder allowance have also increased by 4%.

Full details can be found on page 26 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 \$415,000 from the reserve with transfers in of \$674,512 which will increase the total reserve balance to \$7,326,679.

Capital Works and Major Projects

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.

Below is a list of some of the major projects and works for the 2024-2025 financial year.

Projects	Budget 2024-2025	Grants/ Contributions	Municipal Funds
<u>Buildings & Recreation</u>			
CCTV Upgrade	\$ 30,000		\$ 30,000
Fence around Old Hospital	\$ 25,000		\$ 25,000
Allocation for all Staff Housing Renewals	\$ 200,000		\$ 200,000
Fence Behind Main Street Toilets	\$ 20,000		\$ 20,000
Recreation Centre Roof Repair	\$ 700,000	\$ 500,000	\$ 200,000
Solomon Terrace Stage 1	\$ 386,469	\$ 386,469	\$ -
	\$ 1,361,469	\$ 886,469	\$ 475,000
<u>Infrastructure</u>			
Morawa-Yalgoo Road	\$ 450,000	\$ 300,000	\$ 150,000
RRG Nanekine Rd - Widen and Seal	\$ 450,000	\$ 300,000	\$ 150,000
Norton Road	\$ 150,000	\$ 150,000	\$ -
Koolanooka South Road	\$ 100,000	\$ 100,000	\$ -
White Road	\$ 100,000	\$ 100,000	\$ -
Collins Road	\$ 150,000	\$ 150,000	\$ -
Morawa South Road	\$ 64,000		\$ 64,000
Evaside Road	\$ 550,000	\$ 330,000	\$ 220,000
Signage Renewals	\$ 20,000		\$ 20,000
Townsite Construction	\$ 50,000		\$ 50,000
Kerbing Construction - Townsite Roads	\$ 50,000		\$ 50,000
Drainage Construction - Winfield Street	\$ 405,850	\$ 405,850	\$ -
Broad and Gill Street Footpath	\$ 125,000	\$ 62,500	\$ 62,500
General Road Maintenance	\$ 700,000		\$ 700,000
	\$ 3,364,850	\$ 1,898,350	\$ 766,500

LEVEL OF SIGNIFICANCE

Very High – Adoption of the budget will enable Council to provide the necessary services and facilities to ratepayers and residents, delaying adoption may cause regulatory non-compliance.

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 2024-2025 financial year budget:

- Various management team meetings in May, June and July 2024;
- Council workshops;
- Presentation of the Statement of Objective and Reasons and Budget Efficiency and setting of the Differential Rates presented to Council in a Special Council Meeting in June 2024.

Based on the extensive level of consultation undertaken, the administration hopes 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 2024-2025 financial year.

The Shire administration undertakes three budget reviews each year to review the accuracy of budgeting and account for known changes, this practice works to ensure financial information remains current as the financial year progresses.

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. A significant risk to the Shire achieving the budget expectations in the current economic climate is the ongoing availability of contractors and workforce to deliver both operational and capital outputs within planned timeframes at a reasonable cost. At this stage, this is a risk to most organisations when adopting their budgets under current economic and labour market constraints.

CONCLUSION

That after due consideration to all areas of Council's operations and services, that the Annual Budget including statutory statements and schedule of fees and charges (***Attachment 1***) suitably reflects Council's financial commitments for the financial year 2024-2025 for the Shire of Morawa.

ATTACHMENTS

Attachment 1 – 6.1a Statutory Annual Budget 2024-2025 including Fees and Charges

Attachment 2 – 6.1b Ministerial Approval Letter for Differential Rates

Item 7 New Business of an Urgent Nature

Item 8 Matters for Which the Meeting May Be Closed (Confidential Items)

Item 16 Closure

There being no further business, the President to declare the meeting closed.