AGENDA

SPECIAL E- MEETING OF COUNCIL

to be held on

Thursday, 13 August 2026 at 5:30 pm

at the

Shire of Morawa Council Chambers,
26 Winfield Street, Morawa

'This meeting is being recorded on audio tape and to assist with minute taking purposes. The public is reminded that in accordance with Section 6.16 of the Shire of Morawa Meeting Procedures Local Law 2012 that nobody shall use any visual or vocal recording device or instrument to record the proceedings of Council without the written permission of the presiding member.'

DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

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

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			
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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Contents

Item 1 Opening of Meeting

The President to declare the meeting open at 5.30pm.

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 AM
Deputy President Councillor Ken Stokes
Councillor Grant Chadwick
Councillor Dean Clemson
Councillor Mark Coaker
Councillor Diana North
Councillor Naomi Francis

Staff

Chief Executive Officer	Marty Symmons
EMCCS	Kristy Van Kuyl
EMWS	Graeme Hedditch

Members of the Public

3.2 Apologies

3.3 Approved Leave of Absence

3.4 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.

- President (Presiding Member) Councillor Karen Chappel AM
- Deputy President Councillor Stokes
- Councillor Mark Coaker
- Councillor Grant Chadwick
- Councillor Diana North
- Councillor Dean Clemson
- Councillor Naomi Francis

CARRIED BY

Item 6 Reports from Officers

6.1 Adoption of the 2026-2027 Budget

Author: Executive Manager Corporate & Community Services

Authorising Officer: Acting 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 considers and adopts the Annual Budget for the 2026/2027 Financial Year, including the Budget Schedules, as attached and detailed below:

1. **2026/2027 General Rates, Minimum Payments, Instalment Payment Arrangements, Discount and Interest**

    a. **General Rates**

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

Rate Category	*Rate in the Dollar (Cents)*	*Minimum Payment*
GRV Residential / Commercial	9.5865	$386
UV Rural	1.4570	$386
UV Mining	31.7030	$742

    b. **Rates Instalments, Payment Options, Discount and Penalty Interest**

Pursuant to Section 6.45 and 6.46 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, the following due dates be nominated for the payment in full, discount, or by instalments:

Issue date : Friday, 11 September 2026
Payment in full : Friday, 16 October 2026

Discount for payment by due date

A discount of 1.5% is to be offered if rates are paid in full by Friday, 16 October 2026 at 4.30pm Australia Western Standard Time (AWST).

Payment Options and Interest

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

First instalment	**4.30pm, Friday, 16 October 2026**
Second instalment	**4.30pm, Wednesday, 16 December 2026**
Third instalment	**4.30pm, Monday, 15 February 2027**
Final instalment	**4.30pm, Monday, 19 April 2027**

Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 67 and 68 of the *Local Government (Financial Management) Regulations 1996,* an administration charge of $10.00 per instalment and 5.5% interest be adopted where the owner has elected to pay rates through an instalment option for each instalment after the initial instalment payment.

Pursuant to Section 6.45 of the *Local Government Act 1995* and regulation 70 of the *Local Government (Financial Management) Regulations 1996,* an interest rate of 5.5% per annum to Rates and/or Charges that remain unpaid after becoming due and payable.

c. 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 $1,223.00.

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 $1,223.00.

2. 2026/2027 Annual Budget

Pursuant to the provision of section 6.2 of the Local Government Act 1995 and part 3 of the Local Government (Financial Management) Regulations 1996, the Budget as attached for the 2026/2027 financial year which includes the following:

- **Statement of Comprehensive Income**
- **Statement of Cash Flows**
- **Statement of Financial Activity**
- **Notes to and forming part of the Budget**

3. 2026/2027 Reserve Funds

- **Pursuant to Section 6.11 of the Local Government Act 1995, establishes the Information Technology Reserve Account for the purpose of funding the future renewal, replacement, upgrade and acquisition of the Shire's information technology assets, systems and infrastructure, including hardware, software,**

network infrastructure, cybersecurity enhancements and communications technology to support the efficient and effective delivery of Council services.

- **Endorses the funding sources for the Information Technology Reserve Account as annual budget allocations, operating surpluses, proceeds from the disposal of information technology assets, grant funding and interest earnings credited to the reserve.**

- **Reserve Accounts for the financial year ending 30 June 2027, as detailed in Note 8 – Reserve Accounts of the 2026/2027 Annual Budget, be approved.**

4. 2026/2027 Borrowing

The inclusion of new borrowings of $900,000 in the 2026/2027 Annual Budget to provide an additional source of funding for the completion of the Early Childhood and Family Centre, be approved.

5. 2026/2027 Schedule of Fees of Charges

- **The Shire of Morawa Fees and Charges for the 2026/2027 financial year as presented in attachment 6.1a, be adopted.**

- **The Chief Executive Officer be authorised to implement a transition period and provide public notice of the adopted Shire of Morawa Fees and Charges for 2026/2027 financial year, effective from 1 September 2026, except for Sewerage levies, which will take effect from 1 July 2026.**

6. 2026/2027 Elected Members' Fees and Allowances

In accordance with sections 5.98, 5.98A, 5.99 and 5.99A of the *Local Government Act 1995*, regulation 30 and 31 of the Local Government (Administration) Regulation 1996, Council endorses the provision of the 2026/2027 Council Member Remuneration as follow:

Shire President	
Annual Meeting Attendance Fee	**$18,271.00 per annum**
Annual Office Holder Allowance	**$19,417.00 per annum**
Deputy President	
Annual Meeting Attendance Fee	**$9,137.00 per annum**
Annual Office Holder Allowance	**$4,855.00 per annum**
All other Councillors	
Annual Meeting Attendance Fee	**$9,137.00 per annum**
All other Councillors	
Other Expenses	**$857.00 per annum**

In accordance with section 5.100 of the *Local Government Act 1995*, regulation 30 of the *Local Government (Administration) Regulations 1996*, and Part 6.5 of the *Determination for Local Government Chief Executive Officers and Elected Members*, meeting attendance fees for Independent Audit, Risk and Improvement Committee (ARIC) members be set as follows:

- **Independent Chair $110.00 per meeting**
- **Independent Deputy Chair $300.00 per meeting**

7. 2026/2027 Material Variances Reporting

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 $40,000 for reporting on material variances for the 2026/2027 financial year.

ABSOLUTE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is to present the Shire of Morawa Annual Budget and Schedule of Fees and Charges for the 2026/2027 financial year for Council's consideration and adoption.

DETAIL

Several workshops have been conducted involving Council members and Executive Officers, focusing on the review of Capital and Operational programs. The 2026/2027 Annual Budget has been prepared in alignment with current service levels and deliver on the objectives of the Strategic Community Plan 2022–2032 (SCP) and Corporate Business Plan 2024–2034 (CBP), which was adopted at the Ordinary Council Meeting held on Thursday, 18 August 2022. A desktop review of Corporate Business Plan 2024–2034 was adopted at the Ordinary Council Meeting held on Tuesday, 28 July 2026.

The 2026/2027 Annual Budget has been prepared to support the continued delivery of outcomes aligned with the community's vision. The key features of the 2026/2027 Draft Annual Budget include the following highlights:

Rates and Service Charges

The proposed differential rates were adopted at the Ordinary Council Meeting held on Tuesday, 26 May 2026. In accordance with Section 6.36 of the Local Government Act 1995, local public notice was given, inviting submissions over a 21-day period. The public submission period closed on 23 June 2026, with no submissions received.

The following table outlines the rates in the dollar and minimum payments applied for the 2026/2027 financial year:

Rate Category	Rates in the Dollar (Cents)	Minimum Payment
GRV Residential / Commercial	9.5865	$386
UV Rural	1.4570	$386
UV Mining	31.7030	$742

Pursuant Section 6.33 of the Local Government Act 1995, a formal application to the Minister for Local Government has been sought being for the Unimproved Value (UV) Mining category more than twice the lowest Unimproved Value (UV) differential rate. Subsequently to this the approval for the Unimproved Value (UV) Mining received on 28 July 2026 for the purpose of Annual Budget 2026/2027 financial year.

The 2026/2027 revenue yield is derived from the above rating categories as detailed in the table below:

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value* $	2026/27 Budgeted rate revenue $	2026/27 Budgeted interim rates $	2026/27 Budgeted total revenue $	2025/26 Actual total revenue $	2025/26 Budget total revenue $
(i) General rates									
GRV - Residential/Commercial	Gross Rental Valuations	0.095865	265	3,705,874	355,264	0	355,264	339,774	340,480
UV Rural	Unimproved Valuations	0.014570	201	184,982,000	2,695,188	0	2,695,188	2,578,627	2,579,231
UV Mining	Unimproved Valuations	0.317030	26	914,723	289,995	0	289,995	281,406	297,127
Non Rateable	Gross rental valuation	0.000000	134	513,305	0	0	0	0	0
Total general rates			626	190,115,902	3,340,447	0	3,340,447	3,199,807	3,216,838
(ii) Minimum payment		Minimum $							
GRV - Residential/Commercial	Gross Rental Valuations	386.00	52	30,512	20,072	0	20,072	18,081	16,236
UV Rural	Unimproved Valuations	386.00	12	162,730	4,632	0	4,632	4,428	4,059
UV Mining	Unimproved Valuations	742.00	13	16,357	9,646	0	9,646	7,810	9,230
Total minimum payments			77	209,599	34,350	0	34,350	30,319	29,525
Total general rates and minimum payments			703	190,325,501	3,374,797	0	3,374,797	3,230,126	3,246,363
(iii) Ex-gratia rates									
CBH	Tonnage	0.051711		247,150	12,780	0	12,780	12,230	12,230
Total ex-gratia rates			0	247,150	12,780	0	12,780	12,230	12,230
					3,387,577	0	3,387,577	3,242,356	3,258,593
Discounts (Refer note 2(g))							(37,000)	(27,566)	(37,000)
Rate write-offs							(10,000)	(59,870)	(10,000)
Total rates					3,387,577	0	3,340,577	3,154,920	3,211,593
Instalment plan charges							1,500	2,670	1,500
Instalment plan interest							6,500	0	0
Late payment of rate or service charge interest							12,000	26,463	12,000
							20,000	29,133	13,500

The Shire did not raise specified area rates for the year ended 30th June 2027.

*Rateable Value at time of adopting budget.

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 2026/27 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 payments have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

Payment Options and Interest

The following interest rates and administration charges be recommended:

- The full payment discount of 1.5%.
- The interest rate on all rates and charges that are overdue be set at 5.5% per annum.
- Instalment plans to comprise of interest charged at 5.5% per annum, calculated from the due date the first instalment is due, together with and administration fee of $10.00 for each instalment notice.

In accordance with Section 6.50 of the *Local Government Act 1995* the due date for payment of rates needs to be set at a minimum of 35 days after the date of issue, and 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.

Payment in four instalments after the date of issue of rates notice to be applied:

First instalment	4.30pm, Friday, 16 October 2026
Second instalment	4.30pm, Wednesday, 16 December 2026
Third instalment	4.30pm, Monday, 15 February 2027
Final instalment	4.30pm, Monday, 19 April 2027

Fees and Charges

The Shire of Morawa Fees and Charges 2026/2027 financial year have been reviewed, with consideration given to a 4.75% increase for charges associated with labour costs, reflecting the increase to Western Australia Awards effective from 1 July 2026. However, a general increase of 4.5% has been applied to most fees and charges, excluding those considered community focused and those prescribed by legislation. Private works, plant hire and material sales charges have also been adjusted to reflect the increased cost of service delivery.

As part of the Shire's commitment to supporting the community, free swimming pool entry for children has been introduced for both season passes and casual admissions. Fees and charges will continue to apply for non-Shire schools.

Sewerage levies and rubbish removal charges are included on the annual rates notice as charges for the provision of core Shire services. For the 2026/2027 financial year, rubbish removal charges have increased by 4.5% to reflect the rising costs of service delivery. In accordance with Section 67 of the *Waste Avoidance and Resource Recovery Act 2007*, the annual refuse collection charge has been set as follows:

- Residential properties $593.00 per annum based on a weekly collection service
- Commercial properties $1,242.00 per annum based on twice weekly collection service

Sewerage levy Rate in the Dollar for 2026/2027 financial year has been set as follow:

- 1st Major fixture $1,223.00
- Each Additional Fixture $ 527.00

Vacant Land	$300.00 per assessment
GRV Residential	5.8760 cents in the dollar
GRV Commercial	5.8760 cents in the dollar
Minimum Charges – residential	$407.11
Minimum Charge – Commercial	$958.03

During 2024/2025, the Shire of Morawa engaged an engineering consultant to review and update the Shire of Morawa Sewerage Asset Management Plan. Prior to this review, there was a degree of uncertainty regarding the condition of the Shire's sewerage assets and the estimated costs required for their ongoing maintenance and renewal.

The updated Sewerage Asset Management Plan has provided greater clarity on future asset management requirements and has enabled the Shire to reduce the Sewerage Levy for all properties. The resulting surplus funds will continue to be transferred to the Sewerage Reserve for the purpose of funding future maintenance, renewal and upgrade works associated with the sewerage system.

2026/2027 Statutory Budget

The 2026/2027 Annual Budget continues to deliver a broad range of services and facilities across all operational programs, with a particular focus on road renewals, building maintenance, and improvement of community assets.

Operating Revenue

The operating revenue for 2026/2027 is primarily driven to the following:

- A 4.5% increase in rates revenue, this has been achieved while increasing the minimum payment and adjustment rate in the dollar across categories.
- The Financial Assistance Grant 80% advance payment received prior to 30 June 2026, which has impacted the current year cash flow position.

Borrowing

The Shire's principal and interest repayments on borrowings have been incorporated into the 2026/2027 Annual Budget, as detailed in Note 7 below.

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

7. BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2026	2026/27 Budget New Loans	2026/27 Budget Principal Repayments	Budget Principal outstanding 30 June 2027	2026/27 Budget Interest Repayments
				$	$	$	$	$
24 Harley Street	136	WATC	3.9300%	200,014	0	(17,744)	182,270	(9,052)
Netball Courts Redevelopment	139	WATC	1.6242%	132,234	0	(12,982)	119,252	(2,968)
Tennis Court Renewal	142	WATC	5.0663%	220,000	0	(17,385)	202,615	(12,381)
Early Childhhod and Family Centre	143	WATC	5.4899%	0	900,000	(34,372)	865,628	(30,888)
				552,248	900,000	(82,483)	1,369,765	(55,289)
Self Supporting Loans								
Tennis Court Renewal	141	WATC	5.1509%	115,000	0	(9,079)	105,921	(6,699)
				115,000	0	(9,079)	105,921	(6,699)
				667,248	900,000	(91,562)	1,475,686	(61,988)

New borrowings are proposed to provide an additional source of funding for the completion of the Early Childhood and Family Centre, with total borrowings of $900,000, as outlined below.

7. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	$	$	$	$
Early Childhhod and Family Centre	WATC	Debenture	10	5.4899%	900,000	281,533	900,000	0
					900,000	281,533	900,000	0

Reserves

Pursuant to Section 6.11 of the Local Government Act 1995, Council proposes to establish the following new Reserve Account for a specified purpose:

Information Technology Reserve Account

The purpose of the Information Technology Reserve Account is to provide funding for the future renewal, replacement, upgrade and acquisition of the Shire's information technology assets, systems and infrastructure. This includes hardware, software, network infrastructure, cybersecurity improvements, and other communications technology to ensure the efficient and effective delivery of Council services.

Source of Funds: Annual budget allocations, operating surpluses, proceeds from the disposal of information technology assets, grant funding and interest earnings credited to the reserve.

The 2026/2027 reserve movements have been structured to support major capital works, funded project commitments and the allocation of budget surpluses towards future priorities. These transfers are summarised below:

- $2,956,705.00 transferred from reserves to fund capital and carry-forward projects,
- $1,604,362.00 transferred to reserves to support future financial sustainability and planned infrastructure investment

Details of all reserve account movements are provided in Note 8 – Reserve Accounts, with the total closing reserve balance projected to be $6,255,955.00 as at 30 June 2027.

SHIRE OF MORAWA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget Opening Balance	2026/27 Budget Transfer to	2026/27 Budget Transfer (from)	2026/27 Budget Closing Balance	2025/26 Actual Opening Balance	2025/26 Actual Transfer to	2025/26 Actual Transfer (from)	2025/26 Actual Closing Balance	2025/26 Budget Opening Balance	2025/26 Budget Transfer to	2025/26 Budget Transfer (from)	2025/26 Budget Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave reserve	267,202	8,684	(20,000)	255,886	258,017	9,185	0	267,202	258,017	8,386	0	266,403
(b) Plant Replacement Reserve	666,423	560,798	(911,601)	315,620	639,091	445,332	(418,000)	666,423	639,091	443,351	(418,000)	664,442
(c) Capital Works Reserve	391,578	512,726	(483,982)	420,322	679,231	124,180	(411,833)	391,578	679,230	122,075	0	801,305
(d) Sewerage Reserve	742,132	84,119	(75,000)	751,251	731,105	86,027	(75,000)	742,132	731,105	83,761	(75,000)	739,866
(e) Community & Economic Development Rese	1,477,178	48,008	(1,022,792)	502,394	1,421,847	55,331	0	1,477,178	1,421,847	46,210	(367,612)	1,100,445
(f) Future Funds (Principal) Reserve	2,129,608	69,212	(58,830)	2,139,990	2,099,728	87,885	(58,005)	2,129,608	2,099,729	68,241	(58,005)	2,109,965
(g) Future Funds (Interest) Reserve	342,611	69,965	(40,000)	372,576	311,565	71,046	(40,000)	342,611	311,565	68,131	(40,000)	339,696
(h) Emergency Response Reserve	343,606	11,167	0	354,773	331,794	11,812	0	343,606	331,794	10,783	0	342,577
(i) Aged Care Units 1-4 (JVA) Reserve	80,631	2,621	0	83,252	59,963	20,668	0	80,631	77,516	2,519	0	80,035
(j) Swimming Pool Reserve	198,957	26,466	0	225,423	172,805	26,152	0	198,957	172,806	25,616	0	198,422
(k) Legal Fees Reserve	71,980	12,339	(10,000)	74,319	59,849	12,131	0	71,980	59,849	11,945	0	71,794
(l) Jones Lake Road Rehab Reserve	231,429	27,521	0	258,950	204,161	27,268	0	231,429	204,161	26,635	0	230,796
(m) Morawa-Yalgoo Road Maintenance Reserve	299,964	50,000	(299,500)	50,464	249,964	50,000	0	299,964	249,964	50,000	0	299,964
(n) Insurance Works Reserve	34,660	0	0	34,660	194,452	0	(159,792)	34,660	194,452	0	(159,792)	34,660
(o) Aged Care Units (Excl 1-4) Reserve	330,339	20,736	(35,000)	316,075	327,224	3,115	0	330,339	309,671	20,064	0	329,735
(p) Information technology	0	100,000	0	100,000	0	0	0	0	0	0	0	0
	7,608,298	1,604,362	(2,956,705)	6,255,955	7,740,796	1,030,132	(1,162,630)	7,608,298	7,740,797	987,717	(1,118,409)	7,610,105

(b) Reserve Accounts - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by council		
(a) Leave reserve	In Perpetuity	To be used to fund leave requirements.
(b) Plant Replacement Reserve	In Perpetuity	To be used to upgrade, replace, or purchase of new plant and equipment.
(c) Capital Works Reserve	In Perpetuity	To be used for the Shire to allocate towards expenditure on capital works, specifically the renewal or creation of Shire assets.
(d) Sewerage Reserve	In Perpetuity	To be used to repair, replace, or extend the sewerage facility.
(e) Community & Economic Development Rese	Until used in full	To fund significant community or economic development projects within the shire.
(f) Future Funds (Principal) Reserve	In Perpetuity	To provide an ongoing conduit for benefits to the people and environment of Morawa in line with Sinosteel Midwest Corporation Future Fund Foundation Memorandum.
(g) Future Funds (Interest) Reserve	Until used in full	To allocate funding to community based projects financed from the interest received on the Future Fund (Principal) Reserve.
(h) Emergency Response Reserve	In Perpetuity	To be used to fund insurance excesses and emergency response activities in relation to unbudgeted events impacting the community or Shire assets outside of Council control.
(i) Aged Care Units 1-4 (JVA) Reserve	In Perpetuity	To fund future repair and maintenance costs associated with the Joint Venture Agreement (JVA) Aged Care Units.
(j) Swimming Pool Reserve	In Perpetuity	Funds to be used for any renewal/upgrade or maintenance of the Morawa Swimming Pool.
(k) Legal Fees Reserve	In Perpetuity	To be used to fund any unforseen legal action against the Shire of Morawa.
(l) Jones Lake Road Rehab Reserve	In Perpetuity	To fund future closure and rehabilitation of the landfill site at Jones Lake Road.
(m) Morawa-Yalgoo Road Maintenance Reserve	In Perpetuity	To be used to fund any future maintenance works on the Morawa Yalgoo Road.
(n) Insurance Works Reserve	In Perpetuity	To be used to repair assets that have received an insurance payout but workd ere not completed by year end.
(o) Aged Care Units (Excl 1-4) Reserve	In Perpetuity	To fund capital works expenditure realting to existing or new Aged Care Units.
(p) Information technology	In Perpetuity	To fund future information technology upgrade and replacement requirements.

Capital Works and Major Projects

The Shire of Morawa acknowledges the ongoing support provided by the Commonwealth and Western Australian Governments through funding programs including Financial Assistance Grants (FAG), Roads to Recovery (R2R), the Growing Regions Program, Lotterywest, Regional Economic Development (RED) funding, and Regional Road Group (RRG) contributions.

These funding programs are critical to the delivery of infrastructure, services and community projects and assist the Shire in achieving the objectives of the Strategic Community Plan.

Some of the major projects and works planned for the 2026/2027 financial year are outlined below.

		Source of Funds				
Major Projects	**Budget 2026/27**	**Borrowings**	**Grants/ Conributions**	**Reserves**	**Proceeds on Sale of Assets**	**Municipal Funds**
Buildings and Infrastructure						
Building Capital Works - Early Childhood Education Centre	$ 4,200,000	$ 900,000	$ 2,946,775	$ 353,225		
CCTV Project	$ 160,000					$ 160,000
Regional Key Worker Housing Construction X 6	$ 2,717,603		$ 1,498,036	$ 669,567	$ 550,000	
New Depot Construction	$ 483,982			$ 483,982		
Admin Renewal & Building Works	$ 400,000					$ 400,000
Youth Centre Building	$ 15,000					$ 15,000
Caravan Park Works	$ 50,000					$ 50,000
Town Hall & Old Roads Board Renewal	$ 355,000					$ 355,000
Sewerage Upgrade	$ 50,000			$ 50,000		
	$ 8,431,585	$ 900,000	$ 4,444,811	$ 1,556,774	$ 550,000	$ 980,000
Roads and Footpaths						
Pintharuka West Road 2026/27 Gravel Resheet 6km	$ 586,880		$ 586,880			
Nanekine Road 2024/25 Section	$ 483,033		$ 210,990			$ 272,043
Nanekine Road 2025/26 Reconstruct	$ 450,000		$ 300,000			$ 150,000
Morawa Yalgoo Road 2025/26 Reconstruction Section 1	$ 450,000		$ 300,000	$ 299,500		-$ 149,500
Nanekine Road 2026/27 Reconstruct SLK 1.72 to 2.79	$ 450,000		$ 300,000			$ 150,000
Black Spot Evaside Rd Stage 2 Expenditure	$ 537,000		$ 358,000			$ 179,000
Prater Street Dual Use Path	$ 78,540		$ 39,370			39,170
Road Maintenance Schedule	$ 884,087					$ 884,087
	$ 3,919,540	$ -	$ 2,095,240	$ 299,500	$ -	$ 1,524,800
Plant & Equipment						
Purchase of New Tri Axle Trailer (Old P154)	$ 120,000				$ 25,000	$ 95,000
Purchase of New Truck	$ 334,601			$ 301,601	$ 33,000	
Purchase of New Roadserve 3000 Series Semi Water Cart P220	$ 140,000			$ 115,000	$ 25,000	
Purchase of New Caterpillar CT630B Truck P221	$ 380,000			$ 340,000	$ 40,000	
Purchase of Team Leader Roads Ute	$ 75,000			$ 60,000	$ 15,000	
Purchase of CEO Vehicle	$ 80,000			$ 50,000	$ 30,000	
Purchase of Doctor's Vehicle	$ 80,000			$ 45,000	$ 35,000	
Purchase Plant & Equipment - Sewerage	$ 25,000			$ 25,000		
	$ 1,234,601	$ -	$ -	$ 936,601	$ 203,000	$ 95,000
Total Major Projects	**$ 13,585,726**	**$ 900,000**	**$ 6,540,051**	**$ 2,792,875**	**$ 753,000**	**$ 2,599,800**

The above negative balance of $149,500 in Municipal Funds reflects a reallocation of funding from Municipal Funds to the Road Reserve to support the completion of the Morawa Yalgoo Road 2025/26 Reconstruction Section 1 project. Accordingly, the $149,500 does not represent an operating deficit, rather, it is an internal transfer of funds to the Road Reserve from Municipal to maintain an appropriate reserve balance and support the any future maintenance works at Morawa Yalgoo Road.

Elected Members Meeting Fees and Allowances

Pursuant to Section 7B(2) of the Salaries and Allowances Act 1975, the Tribunal must inquire into and determine to be issued at intervals of not more than 12 Months:

- The amount of fees to be paid to Council members;
- The amount of expenses to be reimbursed to Council members; and
- The amount of allowances to be paid to Council members.

For the 2026/2027 financial year, the tribunal has determined elected council member attendance fees, an annual allowance ranges be increased by 3.5% from those determined for the 2025/2026 financial year. Shire of Morawa falling under Band 4.

As per the Shire's historical practice, pursuant to Section 5.99 of the Local Government Act 1995 that the Council proposed to set the annual fees for council members in lieu of attending meetings.

Table 8: Annual attendance fees in lieu of council, committee and prescribed per meeting fees

Annual attendance fees				
	Elected council member		Mayor, President or Chair	
Band	Minimum	Maximum	Minimum	Maximum
1	$28,525	$36,722	$28,525	$55,078
2	$17,238	$26,931	$17,238	$36,112
3	$8,917	$18,977	$8,917	$29,379
4	$4,161	$11,023	$4,161	$22,646
Regional LG Council	$2,086	$12,245	$2,293	$18,361

Pursuant to Section 5.98(5) of the Local Government Act 1995, Council pays an annual allowance for Elected Members who hold the officer of Shire President.

Table 9: Annual allowance for a Mayor, President or Chair

Mayor, President or Chair Annual Allowance		
Band	**Minimum**	**Maximum**
1	$59,414	$104,032
2	$17,825	$73,435
3	$1,193	$42,837
4	$596	$23,257
Regional LG Council	$596	$23,257

Pursuant to Section 5.98A(1) of the Local Government Act 1995, the annual allowance for a Deputy President is determined to be up to 25% of the President's Allowance.

It is proposed that the Council Members Remuneration for 2026/2027 financial year be set as follow:

Shire President
Annual Meeting Attendance Fee $18,271.00 per annum
Annual Office Holder Allowance $19,417.00 per annum

Deputy President
Annual Meeting Attendance Fee $9,137.00 per annum
Annual Office Holder Allowance $4,855.00 per annum

All other Councillors
Annual Meeting Attendance Fee $9,137.00 per annum

All other Councillors
Other Expenses $857.00 per annum

In accordance with sections 5.100 of the *Local Government Act 1995*, regulation 30 of the Local Government (Administration) Regulation 1996, and Part 6.5 of the Determination for Local Government Chief Executive Officers and Elected Members, meeting attendance fees for Independent Audit, Risk and Improvement Committee (ARIC) Members.

Table 7: Independent ARIC members – per meeting fees

Independent Audit, Risk and Improvement Committee Member		
Bands	**Minimum**	**Maximum**
1 – 4	$110	$1,215

Formal request has been sought from the Independent Presiding members of the Audit, Risk and Improvement Committee (ARIC), it is proposed that the meeting fees for the 2026/2027 financial year be set as follow:

- Independent Chair meeting attendance fee of $110.00 per meeting is to be payable to Nil Hays, Mid West Development Commission.

- Independent Deputy Chair to the Chair meeting attendance fee of $300.00 per meeting is to be payable to Michael Cole.

Reporting Material Variances

In accordance with regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, Council is required to adopt a percentage or value, calculated in accordance with Australian Accounting Standard AASB 1031, for the reporting of material variances in the Monthly Statement of Financial Activity.

Any variance exceeding the adopted threshold must be reported and explained in the Monthly Statement of Financial Activity.

It is proposed that Council adopt a material variance threshold of 10% with a minimum value of $40,000. This represents an increase from previous years and reflects the updated requirements contained within the Delegations Register.

LEVEL OF SIGNIFICANCE

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

Workshops and consultation have been undertaken to ensure adequate endorsement by Council. The following engagement has taken place in the development of the 2026/2027 financial year budget:
- Various management team meetings in May, June and July 2026;
- Council workshops;
- Presentation of the Statement of Objective and Reasons and Budget Efficiency and setting of the Differential Rates presented to Council in a Ordinary Council Meeting in June 2026.

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 outlines the Shire's anticipated revenue, expenditure, capital works program and service delivery activities for the 2026/2027 financial year. Detailed information is provided in the attached Budget document, which will serve as the financial and operational framework for the Shire's activities during the year.

RISK MANAGEMENT CONSIDERATIONS

The delivery of the initiatives and projects identified in this Budget is dependent on the effective collection of rates and other revenue sources, together with the allocation of appropriate resources to implement the operational and capital works programs.

A key risk to achieving the Budget outcomes is the ongoing availability of contractors, specialised services and skilled workforce resources. Current economic conditions and labour market constraints continue to place pressure on project delivery timeframes and costs, which may impact the Shire's ability to deliver all planned operational and capital works within budget and on schedule. This remains a common challenge for local governments and other organisations in the current operating environment.

CONCLUSION

The purpose of the adoption of the Annual Budget will establish the financial framework necessary to deliver the Shire's operational and capital works programs for the 2026/2027 financial year and enable Council to continue meeting the needs and expectations of the Morawa community. Accordingly, it is recommended that Council adopt the 2026/2027 Annual Budget, Schedule of Fees and Charges, reserve transfers and associated budget resolutions as presented.

ATTACHMENTS

Attachment 1 – 6.1a Statutory Annual Budget 2026-2027 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)

Author: Chief Executive Officer

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:

> **That Council closes the meeting to the public under section 5.23 (2)(c) of the *Local Government Act 1995* and the *Shire of Morawa Meeting Procedures Local Law 2012* s 6.2 so that it can consider the following Items:**
>
> - **CEO Annual Performance Review 2026**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

This item seeks Council's approval under s5.23 (2) of the Local Government Act 1995 to move into camera or closed session to consider confidential matters.

DETAIL

Under s5.23 (2) of the *Local Government Act 1995,* Council must resolve to move into camera or closed session. The following Items are 'confidential matters' as addressed below:

- Item 8.1 CEO Annual Performance Review

LEVEL OF SIGNIFICANCE
High – Confidential Items

CONSULTATION
Nil

LEGISLATION AND POLICY CONSIDERATIONS

Local Government Act 1995

Under section 5.23 (2) of the *Local Government Act 1995*, part of a council meeting may be closed, if the meeting deals with any of the following:

(a) a matter affecting an employee or employees;
(b) the personal affairs of any person;
(c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;
(d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting;
(e) a matter that if disclosed, would reveal —
  (i) a trade secret;
  (ii) information that has a commercial value to a person;
  (iii) information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government;
(f) a matter that if disclosed, could be reasonably expected to —
  (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;
  (ii) endanger the security of the local government's property;
  (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety;
(g) information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1971; and
(h) such other matters as may be prescribed.

Shire of Morawa Meeting Procedures Local Law 2012

The key parts include:

6.2 Meetings not open to the public;

(1) The CEO may, at any time, recommend that a meeting or part of a meeting be closed to members of the public.

(2) The Council or a committee, in one or more of the circumstances dealt with in the Act, may at any time, by resolution, decide to close a meeting or part of a meeting.

(3) If a resolution under subclause (2) is carried— (a) the presiding member is to direct everyone to leave the meeting except— (i) the members; (ii) the CEO; and (iii) any officer specified by the presiding member; and (b) the meeting is to be closed to the public until, at the conclusion of the matter justifying the closure of the meeting to the public, the Council or the committee, by resolution, decides otherwise.

(4) A person who fails to comply with a direction under subclause (3)(a) may, by order of the presiding member, be removed from the meeting.

(5) While the resolution under subclause (2) remains in force, the operation of clause 8.9 is to be suspended until the Council or the committee, by resolution, decides otherwise.

(6) A resolution under this clause may be made without notice.

(7) Unless the Council resolves otherwise, once the meeting is reopened to members of the public, the presiding member is to ensure that any resolution of the Council made while the meeting was closed is to be read out including a vote of a member to be included in the minutes.

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Strategic Community Plan 2022 to 2032

Be future focused in all we do:
Ensure the Shire and its assets are well resourced and sustainable.

FINANCIAL AND RESOURCES IMPLICATIONS

Any known financial implications are addressed in the respective reports.

RISK MANAGEMENT CONSIDERATIONS

There are no known risk management implications in relation to this item.

CONCLUSION

That Council closes the meeting to the public under section 5.23 (2) of the *Local Government Act 1995* and the *Shire of Morawa Meeting Procedures Local Law 2012* s 6.2 so that it can consider the reports as addressed.

ATTACHMENTS

Nil

8.1 CEO Annual Performance Review 2026

This is a Confidential Item

8.2 Reopening of the Meeting to the Public

OFFICER'S RECOMMENDATION/RESOLUTION

That Council reopens the meeting to the public.

SIMPLE MAJORITY VOTE REQUIRED

8.3 Presiding Member Publicly Confirms Confidential Item Resolutions

The Presiding Member publicly confirms the Confidential Item Resolutions.

- *Item 8.1 CEO Annual Performance Review*

Item 9 Closure

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