



# AGENDA

## SPECIAL MEETING OF COUNCIL

to be held on

**Monday 15 August 2022 at 5:00pm**

at the

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



WESTERN AUSTRALIA'S  
WILDFLOWER COUNTRY

*'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.'*

**DISCLAIMER**

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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 5:00pm.

**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 Yvette Harris  
Councillor Shirley Katona  
Councillor Mark Coaker

**Staff**

Chief Executive Officer	Scott Wildgoose
Executive Manager Corporate & Community Services	Jackie Hawkins
Executive Manager Works and Assets	Paul Devcic

**Members of the Public****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**

Councillor Jane Coaker  
Councillor Debbie Collins

**3.4 Approved Leave of Absence****3.5 Disclosure of Interests**

<b>Item 4</b>	<b>Declaration by all Members to have given due consideration to All Matters Contained in the Business Paper before the Meeting</b>
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<b>Item 5 Reports from Officers</b>
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<b>5.1 Adoption of the 2022-2023 Budget</b>
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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

That Council with respect to the adoption of the 2022-2023 Budget, Council considers the following:

#### 1. Budget Adoption

That Council adopts the 2022-2023 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 decisions on specific elements of the budget:

##### a) Setting of Rates

Adopt a 4% 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 2022-2023 year in accordance with Section 6.32 of the *Local Government Act 1995*:

##### General Rates

▪ GRV Residential/Commercial	0.084538
▪ UV Rural	0.024439
▪ UV Mining	0.301974

##### Minimum Rates

▪ GRV Residential Commercial Rural	\$324.50
▪ UV Rural	\$324.50
▪ UV Mining	\$683.00

##### 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 the 30 September 2022.



**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 \$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 4:30pm the 30 September 2022 or the 35<sup>th</sup> day after the date of issue, whichever is the latter (less discount applicable); or

**Option 2**

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

4.30pm, Friday 30 September 2022 – Payment in full less discount or first instalment

4.30pm, Friday 2 December 2022 – Second instalment

4.30pm, Friday 3 February 2023 – Third instalment

4.30pm, Friday 14 April 2023 – 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 \$1,029.50.

**e) Reserve Funds**

That Council allocate funds to and from the Reserve Accounts for the Financial Year Ending 30 June 2023 as specified in Note 9(a) Reserve Accounts on page 28 of the 2022-2023 Budget.

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

**f) 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 2022-2023 financial year.

**ABSOLUTE MAJORITY VOTE REQUIRED**

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### PURPOSE

The purpose of this report is for Council to adopt the Shire of Morawa 2022-2023 Annual Budget 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 2022-2023 Budget proposes a rate in the \$ increase to rates of 4% (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 proposed 4% rate in the \$ increase and subsequent valuer general property valuations result in an overall rate yield of \$2,551,128 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	2022/23 Budgeted rate revenue	2022/23 Budgeted total revenue	2021/22 Actual total revenue	2021/22 Budget total revenue
		\$		\$	\$	\$	\$	\$
<b>(i) Differential general rates or general rates</b>								
GRV - Residential/Commercial	Gross Rental Valuations	0.084538	268	2,799,272	236,645	236,645	227,544	226,851
UV Rural	Unimproved Valuations	0.024439	207	85,450,000	2,088,313	2,088,313	1,691,122	1,677,241
UV Mining	Unimproved Valuations	0.301974	31	766,212	231,376	231,376	212,899	212,899
<b>Sub-Total</b>			<b>506</b>	<b>89,015,484</b>	<b>2,556,334</b>	<b>2,556,334</b>	<b>2,131,565</b>	<b>2,116,991</b>
<b>Minimum payment</b>		<b>\$</b>						
GRV - Residential/Commercial	Gross Rental Valuations	324.50	46	27,992	14,927	14,927	13,108	13,104
UV Rural	Unimproved Valuations	324.50	9	54,006	2,920	2,920	2,497	2,496
UV Mining	Unimproved Valuations	683.00	9	8,428	6,147	6,147	4,781	4,781
<b>Sub-Total</b>			<b>64</b>	<b>90,426</b>	<b>23,994</b>	<b>23,994</b>	<b>20,386</b>	<b>20,381</b>
			<b>570</b>	<b>89,105,910</b>	<b>2,580,328</b>	<b>2,580,328</b>	<b>2,151,951</b>	<b>2,137,372</b>
Discounts on general rates (Refer note 2(e))						(29,200)	(24,208)	(24,366)
<b>Total amount raised from general rates</b>						<b>2,551,128</b>	<b>2,127,743</b>	<b>2,113,006</b>
<b>Total ex gratia rates</b>						<b>6,668</b>	<b>6,412</b>	<b>6,412</b>
<b>Total Rates written Off</b>						<b>(1,000)</b>	<b>(14,249)</b>	<b>(2,000)</b>
<b>Total rates</b>						<b>2,556,796</b>	<b>2,119,906</b>	<b>2,117,418</b>
All land (other than exempt land) in the Shire of Morawa is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Morawa.								
The general rates detailed for the 2022/23 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than 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 – 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 0.084538 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 Monday 8 August 2022 (**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 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 30 September 2022 – Payment in full less discount or first instalment
- 4.30pm, Friday 2 December 2022 – Second instalment
- 4.30pm, Friday 3 February 2023 – Third instalment
- 4.30pm, Friday 14 April 2023 – 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 4% from \$407.00 to \$423.00 per annum for residential services, based on a once a week pick-up and \$847.50 per annum for commercial properties based on twice weekly pick-up.

All sewerage levies have increased by 4% for 2022-2023 and are as follows:

#### Class 1 Properties

- 1<sup>st</sup> Major fixture \$1,029.50
- Each Additional Fixture \$443.50

#### Class 2 Properties

Vacant Land	\$1,238.00
GRV Residential	\$275.80 per assessment
GRV Commercial	8.0835 cents in the dollar
Minimum Charges – residential	8.0835 cents in the dollar
Minimum Charge – Commercial	\$389.58
	\$916.78

### **Loan Fund/Debt Servicing**

Loan 136 – 24 Harley Street – is currently active and being repaid as scheduled. The budgeted repayments for the 2022-2023 year are \$27,232 with the principal repayment of \$15,186.00 and a \$12,046.00 interest payment.

Loan 139 – Netball Court Redevelopment – This loan was taken out during 2020-2021 and still has an unspent balance of \$101,640, which will be spent on the replacement of the shed this year. The budgeted repayments for the 2022-2023 year are \$16,678 with the principal repayment of \$12,169.00 and a \$4,509.00 interest payment.

### **Elected Members Meeting Fees and Allowances**

Elected members allowances have been increased by 2.5% and is in accordance with the directions of the Salaries and Allowances Tribunal. The annual sitting fees for elected members will increase to \$8,200 with the Shire President's annual sitting fee increasing to \$17,428 and the

Deputy Shire President fee to \$4,360. Full details can be found on page 33 of the Budget document.

**Reserves**

The full list of reserve balances and budgeted movements can be found on page 28 of the Budget document. The budget allows for spending of \$441,640 from the reserve with transfers in to reserve of \$656,564 which will increase the total reserve balance to \$6,343,152 by 30 June 2023.

The changes to the purposes of the Reserves have been changed to reflect the adopted Cash Reserves Management Policy – FIN 10 and funds reallocated accordingly.

**Capital Works and Major Projects**

Below is a list of some of the major projects with a full list available on page 38 of the Budget document.

Projects	Budget 2022-2023	Grants/ Contributions	Municipal Funds
<b>Buildings &amp; Recreation</b>			
Allocation for all Staff Housing Renewals	\$ 70,000		\$ 70,000
Caravan Park Chalets Renewals	\$ 60,000		\$ 60,000
Old Roads Board Building	\$ 200,000	\$ 200,000	\$ -
Infrastructure Other - Solar Initiatives	\$ 20,000		\$ 20,000
Old Roads Board Building	\$ 200,000	\$ 200,000	\$ -
Infrastructure Other - Solar Initiatives	\$ 20,000		\$ 20,000
Recreation Centre Roof Repair	\$ 500,000	\$ 422,000	\$ 78,000
Electric Vehicle Charging Station	\$ 30,000		\$ 30,000
Netball Courts - Shed Replacement	\$ 101,640		\$ 101,640
Playground Equipment - Wildflower Park	\$ 90,000		\$ 90,000
	<b>\$ 1,291,640</b>	<b>\$ 822,000</b>	<b>\$ 469,640</b>
<b>Infrastructure</b>			
Morawa-Yalgoo Road	\$ 450,000	\$ 300,000	\$ 150,000
RRG Nanekine Rd - Widen and Seal	\$ 450,000	\$ 300,000	\$ 150,000
Canna North East Road	\$ 300,000	\$ 287,971	\$ 12,029
Gutha West Rd	\$ 100,000	\$ 100,000	\$ -
White Road - Gravel Resheeting	\$ 112,000	\$ 112,000	\$ -
Townsite Construction	\$ 60,000		\$ 60,000
Kerbing Construction - Townsite Roads	\$ 50,000		\$ 50,000
Main Street Lighting Upgrade	\$ 110,000		\$ 110,000
Drainage Construction	\$ 50,000		\$ 50,000
Sewerage Upgrade	\$ 60,000		\$ 60,000
Granville Street Footpath	\$ 65,584	\$ 32,792	\$ 32,792
Dreghorn Street Footpath	\$ 60,936	\$ 30,468	\$ 30,468
Airport Vermin Fencing	\$ 163,356	\$ 122,517	\$ 40,839
Other Infrastructure - Standpipe Swipe Access	\$ 80,000		\$ 80,000
Cemetery Entrance & Landscaping	\$ 175,854	\$ 175,854	\$ -
General Road Maintenance	\$ 665,000		\$ 665,000
	<b>\$ 2,287,730</b>	<b>\$ 1,461,602</b>	<b>\$ 826,128</b>

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 2022-2023 financial year budget:

- Various management team meetings in May, June and July 2022;
- Council workshops;
- Adoption of the Schedule of Fees and Charges on 19 May 2022, so that the required public notice could be carried out prior to implementation from 1 July.
- Presentation of the Statement of Objective and Reasons and Budget Efficiency and setting of the Differential Rates presented to Council in June 2022 for UV Mining and increased rates for GRV and UV Rural;
- The adoption of a 4% 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 June 2022; 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 2022-2023 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 Annual Budget including statutory statements and schedules (**Attachment 1**) suitably reflects Council's financial commitments for the financial year 2022-2023 for the Shire of Morawa.

## ATTACHMENTS

*Attachment 1* – Annual Budget 2022-23

*Attachment 2* – Ministerial Approval Letter for Differential Rates

**Item 6 New Business of an Urgent Nature**

**Item 7 Closure**

**7.1 Closure**

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