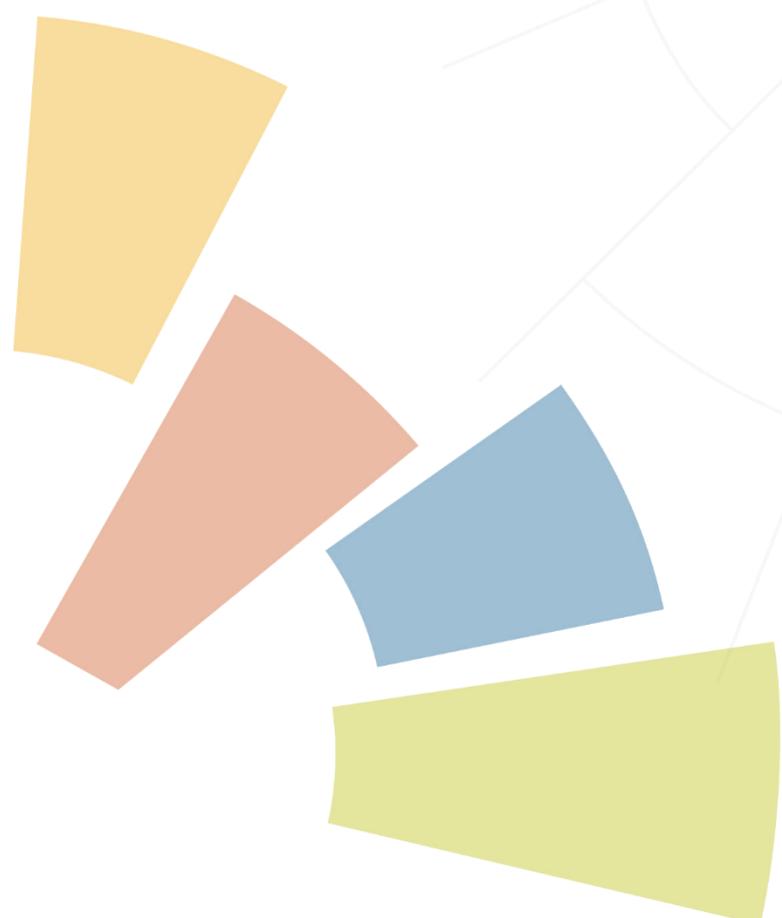


SHIRE OF
MERREDIN
INNOVATING THE WHEATBELT

AGENDA

Special Council Meeting

To be held in Council Chambers
Corner King & Barrack Street's, Merredin
Tuesday, 1 August 2023
Commencing 6.00pm



Notice of Meeting



Dear President and Councillors,

A Special Meeting of the Council will be held on Tuesday, 1 August 2023 at 6.00pm in Council Chambers, Corner of King & Barrack Streets, Merredin. The purpose of the meeting is to address the following item:

- a) 2023/24 Annual Budget Adoption

5.30pm	Briefing Session
6.00pm	Special Council Meeting

Lisa Clack
CHIEF EXECUTIVE OFFICER
28 July 2023

DISCLAIMER

PLEASE READ THE FOLLOWING IMPORTANT DISCLAIMER BEFORE PROCEEDING:

Statements or decisions made at this meeting should not be relied or acted on by an applicant or any other person until they have received written notification from the Shire. Notice of all approvals, including planning and building approvals, will be given to applicants in writing. The Shire of Merredin expressly disclaims liability for any loss or damages suffered by a person who relies or acts on statements or decisions made at a Council or Committee meeting before receiving written notification from the Shire.

The advice and information contained herein is given by and to Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

Common Acronyms Used in this Document	
CBP	Corporate Business Plan
CEACA	Central East Accommodation & Care Alliance Inc
CEO	Chief Executive Officer
CSP	Community Strategic Plan
CWVC	Central Wheatbelt Visitors Centre
DCEO	Deputy Chief Executive Officer
EA	Executive Assistant to CEO
EMCS	Executive Manager of Corporate Services
EMDS	Executive Manager of Development Services
EMES	Executive Manager of Engineering Services
ES	Executive Support Officer
GECZ	Great Eastern Country Zone
GO	Governance Officer
LGIS	Local Government Insurance Services
LPS	Local Planning Scheme
MCO	Media and Communications Officer
MoU	Memorandum of Understanding
MP	Manager of Projects
MRCLC	Merredin Regional Community and Leisure Centre
SRP	Strategic Resource Plan



Shire of Merredin Special Council Meeting

1. Official Opening.....	5
2. Record of Attendance / Apologies and Leave of Absence.....	5
3. Public Question Time.....	5
4. Disclosure of Interest.....	5
5. Applications of Leave of Absence.....	5
6. Petitions and Presentations.....	6
7. Announcements by the Person Presiding without Discussion.....	6
8. Matters for Which the Meeting may be Closed to the Public.....	6
9. Urgent Business Approved by the Person Presiding or by Decision.....	6
10. Officers' Report – Engineering Services.....	7
10.1 2023/24 Annual Budget Adoption.....	7
11. Motions of which Previous Notice has been given.....	13
12. Questions by Members of which Due Notice has been given.....	13
13. Matters Behind Closed Doors.....	13
14. Closure.....	13

Shire of Merredin
Special Council Meeting
6:00pm Tuesday, 1 August 2023



1. Official Opening

2. Record of Attendance / Apologies and Leave of Absence

Councillors:

Cr M McKenzie	President
Cr D Crook	Deputy President
Cr R Billing	
Cr J Flockart	
Cr R Manning	
Cr P Patroni	
Cr M Simmonds	
Cr P Van Der Merwe	

Staff:

L Clack	CEO
C Brindley-Mullen	EMS&C
L Boehme	EMCS
A Tawfik	EMES
P Zenni	EMDS
M Wyatt	EO

Members of the Public:

Apologies:

Approved Leave of Absence:

3. Public Question Time

Members of the public may submit questions up to 2pm on the day of the meeting by emailing ea@merredin.wa.gov.au.

4. Disclosure of Interest

5. Applications of Leave of Absence

6. Petitions and Presentations

Nil

7. Announcements by the Person Presiding without Discussion

8. Matters for Which the Meeting may be Closed to the Public

Nil

9. Urgent Business Approved by the Person Presiding or by Decision

Nil

10. Officers' Report – Engineering Services

10.1 2023/24 Annual Budget Adoption

<h2>Corporate Services</h2> 	
Responsible Officer:	Leah Boehme, EMCS
Author:	As above
Legislation:	<i>Local Government Act 1995</i> <i>Local Government (Financial Management) Regulations 1996</i>
File Reference:	Nil
Disclosure of Interest:	Nil
Attachments:	Attachment 10.1A – Draft 2023/24 Statutory Budget Attachment 10.1B – Draft 2023/24 Capital Budget Attachment 10.1C – Shire of Merredin 2023/24 Schedule of Fees & Charges

Purpose of Report



Executive Decision



Legislative Requirement

For Council to consider and adopt the 2023/24 Annual Budget.

Background

The Draft 2023/24 Annual Budget has been compiled based on the objectives contained in the Strategic Community Plan (SCP) and Corporate Business Plan (CBP), and to reflect Council's priorities in the coming year. The Statutory Budget is attached for consideration, and adoption by Council (Attachment 10.1A). Supporting documentation with information on the Capital Budget has also been included as Attachment 10.1B.

The proposed fees and charges (Attachment 14.1C) were approved in principle by Council at the April Ordinary Council Meeting held on 18 April 2023 (CMRef 83142). These are included for formal adoption.

The proposed differential general and minimum rates were approved by Council at the Special Council Meeting held on 11 May 2023 and advertised for public comment, which closed on 5 June 2023. There were no public comments received. However, since then, a change to the advertised Rate in the Dollar (RID) has been required due to the UV Revaluation by Landgate seeing a significant increase to UVs. The change allows the Shire to remain compliant with legislative requirements and achieve Council's rates objectives.

This means the final rate in the dollar for some properties is lower than the rate which was proposed by Council for 23/24 earlier in the year. This change is the result of new valuations for UV land provided by the Office of the Valuer General.

Adjusting the rate in the dollar down, allows for changes in land values to be compensated for, that would otherwise see the Shire collecting more revenue than planned, and to remain compliant with legislative requirements.

Council attendance fees were endorsed by Council at the May Ordinary Council Meeting held on 23 May 2023 (CMRef 83162 & 83164) and have been included in the 2023/24 Annual Budget provisions.

Comment

Two confidential briefing sessions were conducted with Council to discuss the budget in detail, answer questions that arose and address any concerns. These sessions were held on 4 July and 11 July 2023.

Considerations during deliberations and discussions included the pre-existing priority capital works program commitments which are co-funded by the Shire, the current economic environment and a proposal to increase the service levels at the Merredin Regional Community and Leisure Centre (MRCLC).

The main features of the 2023/24 Annual Budget are outlined below.

Revenue:

- The budget has been prepared based on a total 9% increase in the rates yield. This increased yield has been applied across all differential rate categories utilising the Gross Rental Valuation (GRV) and the Unimproved Valuation (UV) provided by Landgate. It should be noted that in some cases, the rate in the dollar charges are lower than previous years due to the UV revaluation
- Fees and charges have been reviewed and generally increased by 4%, with rounding to the nearest 50c. A review of fees and charges at Cummins Theatre and the Landfill Site saw a number of changes in these areas. Charges set under Local Laws and where statutory regulations apply, were only changed where this met the requirements.

Operational Expenditure:

- A consideration has been included for the increase to service levels at the Merredin Regional Community and Leisure Centre (MRCLC).

Capital works:

- A capital works budget totalling \$12.83m has been included for investment in infrastructure, land and buildings, plant and equipment.
- This includes expenditure on road infrastructure totalling \$5.35m, including commitment to substantial road upgrades as part of the Wheatbelt Secondary Freight Network; and,
- A total of \$5.52m towards the CBD and Apex Park Upgrade projects (\$3.24m is to be funded from grants which have been already secured). Of note, in addition to the grants already secured, further grant funding has been sought for the CBD projects, with applications to various entities under consideration. As these are not confirmed,

they have not been included in the budget either as income or expenditure. Should these grant applications be successful, this will be brought to Council to approve as a budget amendment later in the year.

The estimated brought forward balance at the end of year is \$3,597,900.

However, this is an unaudited figure, and may change once the annual 2022/23 accounts are finalised.

The major influences on the brought forward balance are the receipt in advance of the Financial Assistance Grants payments for 2023/24 of \$2,813,600. These were received on 30 June 2023.

The following is a summary of budgeted reserve movements for 2023/24:

Opening Balance 2023/24	Transfers to Reserve	Transfers from Reserve	Closing Balance 2023/24
\$6,879,727	\$110,000	(\$1,182,100)	\$5,807,627

Policy Implications

The draft 2023/24 Annual Budget is based on the objectives contained in the Strategic Community Plan.

Policy 3.18 - Financial Reserves has also been considered.

Statutory Implications

Section 6.2 of the Local Government Act 1995 requires that no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt (by Absolute Majority), in the form and manner prescribed, a budget for its Municipal fund for the financial year ending on the next following 30 June.

Division 5 and 6 of Part 6 of the Local Government Act 1995 refers to the setting of budgets and raising of rates and charges. The Local Government (Financial Management) Regulations 1996 details the form and content of the budget. The draft budget has been prepared to include information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards.

Strategic Implications

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Strategic Community Plan

Theme:

4. Communication and Leadership

Service Area

4.2 Decision Making

Objective:

4.2.2 The Shire is progressive while exercising responsible stewardship of its built, natural and financial resources.

Priorities and

Strategies for Change:

Nil

Risk Implications

Council would be contravening the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 if this item was not presented to Council for adoption.

Financial Implications

FINANCIAL IMPLICATIONS

The Draft 2023/24 Annual Budget provides for the following income and expenditure:

Operating Revenue	\$16.4m
Operating Expenditure	(\$9.6m) excluding depreciation
Capital Revenue	\$2.3m
Capital Expenditure	(\$12.9m)
Surplus	NIL

Specific financial implications are as outlined in the 'Comment' section of this report and as itemised in the 2023/24 Annual Budget, compiled as Attachment 10.1A.

Voting Requirements

- Simple Majority Absolute Majority

Officers Recommendation

That Council;

1. **ADOPTS** for the Shire of Merredin, the Annual Budget for the 2023/24 financial year, pursuant to the provisions of section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996, as outlined in Attachment 10.1A which includes the following:
 - a. Budget Statement of Comprehensive Income (by Nature or Type);
 - b. Budget Statement of Cash Flows;
 - c. Budget Rate Setting Statement;
 - d. Notes to the Annual Budget including statement of Rating Information;
 - e. Schedule of Fees and Charges for 2023-24;
2. **IMPOSES** the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget in the Rate Setting Statement, pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995:

General Rates

Gross Rental Values	Minimum	Rate in \$
GRV	\$910	0.125774

General Differential Rates

Unimproved Value	Minimum Rate	Rate in \$
UV1 – Rural	\$1,130.00	0.015758
UV2 – Urban Rural	\$1,130.00	0.031480
UV3 – Mining	\$200.00	0.023000
UV4 – Power Generation	\$1,130.00	0.028900
UV5 – Special Use Airstrip	\$1,130.00	0.028900

3. **ADOPTS** the following due dates for the payment in full by instalments, pursuant to section 6.45 of the Local Government Act 1995 and Regulation 64(2) of the Local Government (Financial Management) Regulations 1996:

Full payment or 1 st Instalment due date	15 September 2023
2 nd Instalment due date	17 November 2023
3 rd Instalment due date	19 January 2024
4 th Instalment due date	22 March 2024

4. **ADOPTS** an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$13 for each instalment after the initial instalment is paid, pursuant to section 6.45 of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996;
5. **ADOPTS** an interest rate of 5.5% where the owner has elected to pay rates (and service charges) through an instalment option, pursuant to section 6.45 of the Local Government Act 1995 and Regulation 68 of the Local Government (Financial Management) Regulations 1996;
6. **ADOPTS** an interest rate of 6.0% for rates (and service charges) and costs of proceedings to recover such charges that remain unpaid after becoming due and payable, pursuant to section 6.51(1) and subject to section 6.51(4) of the Local Government Act 1995 and Regulation 70 of the Local Government (Financial Management) Regulations 1996;
7. **ADOPTS** the 2023/24 Schedule of Fees and Charges for the Shire of Merredin removal and/or deposit of domestic and commercial waste included in Attachment 10.1C, pursuant to section 67 of the Waste Avoidance and Resources Recovery Act 2007;
8. **ADOPTS** the following annual fees for payment of Elected Members in lieu of individual meeting attendance fees, pursuant to section 5.99 of the Local Government Act 1995 and Regulation 34 of the Local Government (Administration) Regulations 1996;

Shire President	\$8,170
Deputy Shire President	\$8,170
Councillors	\$8,170

9. **ADOPTS** the following annual local government allowances to be paid in addition to the annual meeting allowance, pursuant to section 5.98A of the Local Government Act 1995 and Regulation 33 and 33A of the Local Government (Administration) Regulations 1996; and

Shire President	\$13,610
Deputy Shire President	\$3,400

10. **ENDORSES** that the level to be used in the Statement of Financial Activity in 2023/24 for the reporting of material variance shall be whichever is greater of 10% and \$10,000, in accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996 and AASB 1031 Materiality.

11. Motions of which Previous Notice has been given

Nil

12. Questions by Members of which Due Notice has been given

Nil

13. Matters Behind Closed Doors

Nil

14. Closure

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