



Agenda

**Special Council Meeting to be held Thursday 29 August 2024
4.30pm in Council Chambers, Nannup**

The purpose of the Special Council meeting is for the Adoption of the 2024/2025 Annual

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Contents

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS/ACKNOWLEDGMENT OF COUNTRY:	2
2. ATTENDANCE/APOLOGIES:	2
3. PUBLIC QUESTION TIME:	2
4. MEMBERS ON LEAVE OF ABSENCE AND APPLICATIONS FOR LEAVE OF ABSENCE:	2
5. CONFIRMATION OF MINUTES:	2
6. ANNOUNCEMENTS FROM PRESIDING MEMBER:	2
7. DISCLOSURE OF INTEREST:	2
8. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN:	3
9. PRESENTATIONS/DEPUTATIONS/PETITIONS:	3
10. REPORTS OF OFFICERS:	3
10.1 – Adoption 2024/2025 Annual Budget	3
11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:	12
12. MEETING MAY BE CLOSED:	12
13. CLOSURE OF MEETING:	12

A G E N D A

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS/ACKNOWLEDGMENT OF COUNTRY:

Shire President to declare the meeting open and welcome the public gallery.

Shire President to acknowledge the traditional custodians of the land, the Wardandi and Bibbulmun people, paying respects to Elders past, present, and emerging.

2. ATTENDANCE/APOLOGIES:

3. PUBLIC QUESTION TIME:

4. MEMBERS ON LEAVE OF ABSENCE AND APPLICATIONS FOR LEAVE OF ABSENCE:

5. CONFIRMATION OF MINUTES:

Nil.

6. ANNOUNCEMENTS FROM PRESIDING MEMBER:

7. DISCLOSURE OF INTEREST:

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Councillors to ensure that a financial/impartiality interest is declared and that they refrain from voting on any matter, which is considered to come within the ambit of the Act.

Where a member has disclosed a financial or proximity interest in an item, they must leave the Chamber for consideration of that item.

Where a member has disclosed an impartiality interest in an item, they may remain in the Chamber. The member is required to bring an independent mind to the item and decide impartially on behalf of the Shire of Nannup and its community.

The Shire of Nannup Disclosure of Interest Register is on our website [here](#).

8. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN:

Nil.

9. PRESENTATIONS/DEPUTATIONS/PETITIONS:

Nil.

10. REPORTS OF OFFICERS:

AGENDA NUMBER & SUBJECT:	10.1 – Adoption 2024/2025 Annual Budget
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	N/A
FILE REFERENCE:	ADM 2
AUTHOR:	Kim Dolzadelli – Executive Manager Corporate Services
REPORTING OFFICER:	Kim Dolzadelli – Executive Manager Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	26 August 24
ATTACHMENT:	10.1.1 – 2024/25 Statutory Annual Budget 10.1.2 – Appendix 1 Detailed Statement of Comprehensive Income 2024/25 10.1.3 – Appendix 2 Detailed Capital Works 2024/25 10.1.4 – Appendix 3 Detailed Plant Replacement 2024/25 10.1.5 – 2024/25 Schedule of Fees and Charges

BACKGROUND:

Pursuant to section 6.2 of the Local Government Act 1995 (the Act), a local government is to prepare and adopt an annual budget between 1 June and 31 August each year, or such extended time as the Minister allows.

Officers commenced preparation of the Budget in March 2024 informed by the Council's strategic planning documents. Input from across the organisation was gathered and verified through the Executive Leadership Team. A total of 6 Budget Workshops were held with Elected Members and guidance provided to staff.

These workshops were held as follows:

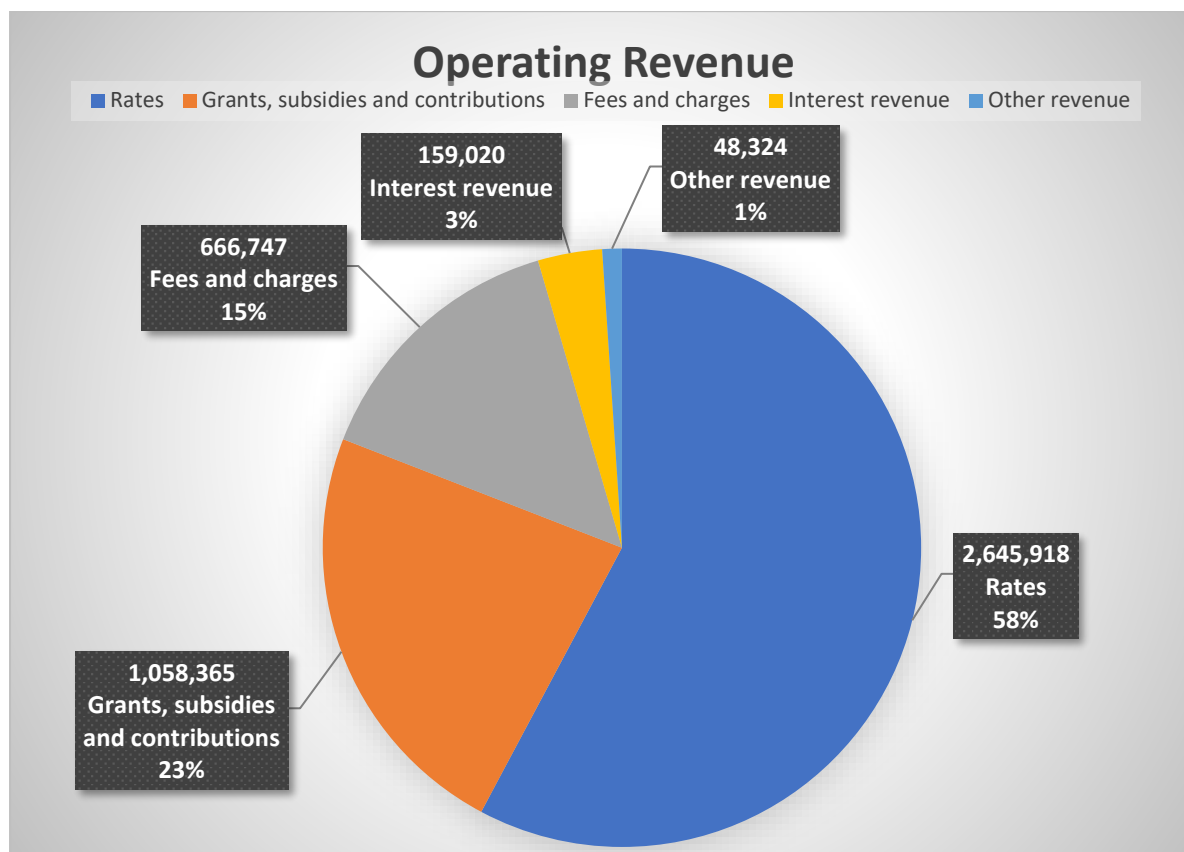
- Workshop 1 – 9 April 2024
- Workshop 2 – 19 April 2024
- Workshop 3 – 23 April 2024
- Workshop 4 – 8 July 2024
- Workshop 5 – 1 August 2024
- Workshop 6 – 9 August 2024

COMMENT:

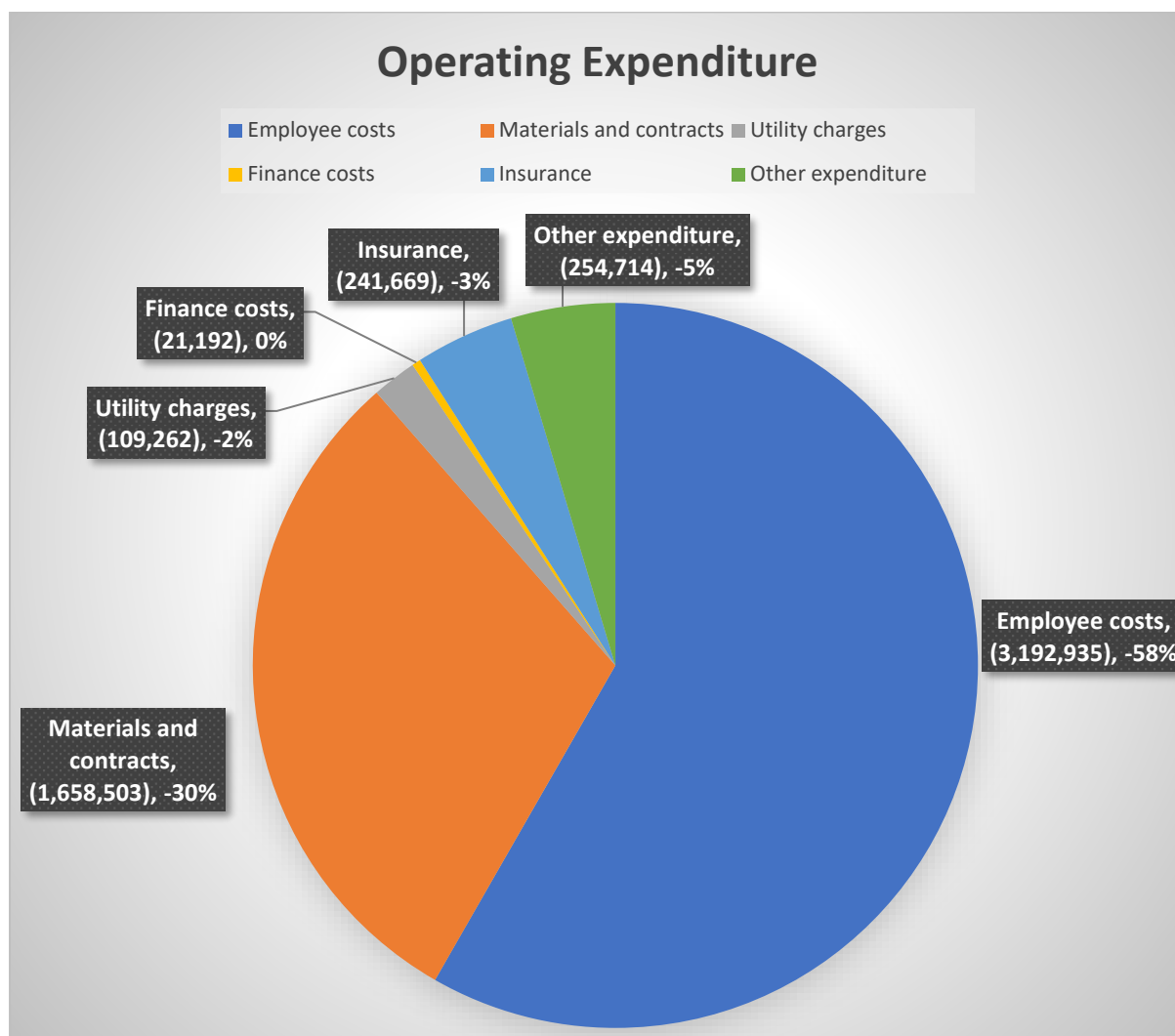
The Budget is reflective of the documents workshopped with Elected Members and incorporates any amendments determined during that process.

The estimated Surplus brought forward from the 2023/2024 Financial Year is \$1,244,564, this figure has been impacted by the advanced payment of Financial Assistance Grants attributable to the 2024/25 financial year of operation hence decreasing the amount of revenue contained within the draft budget.

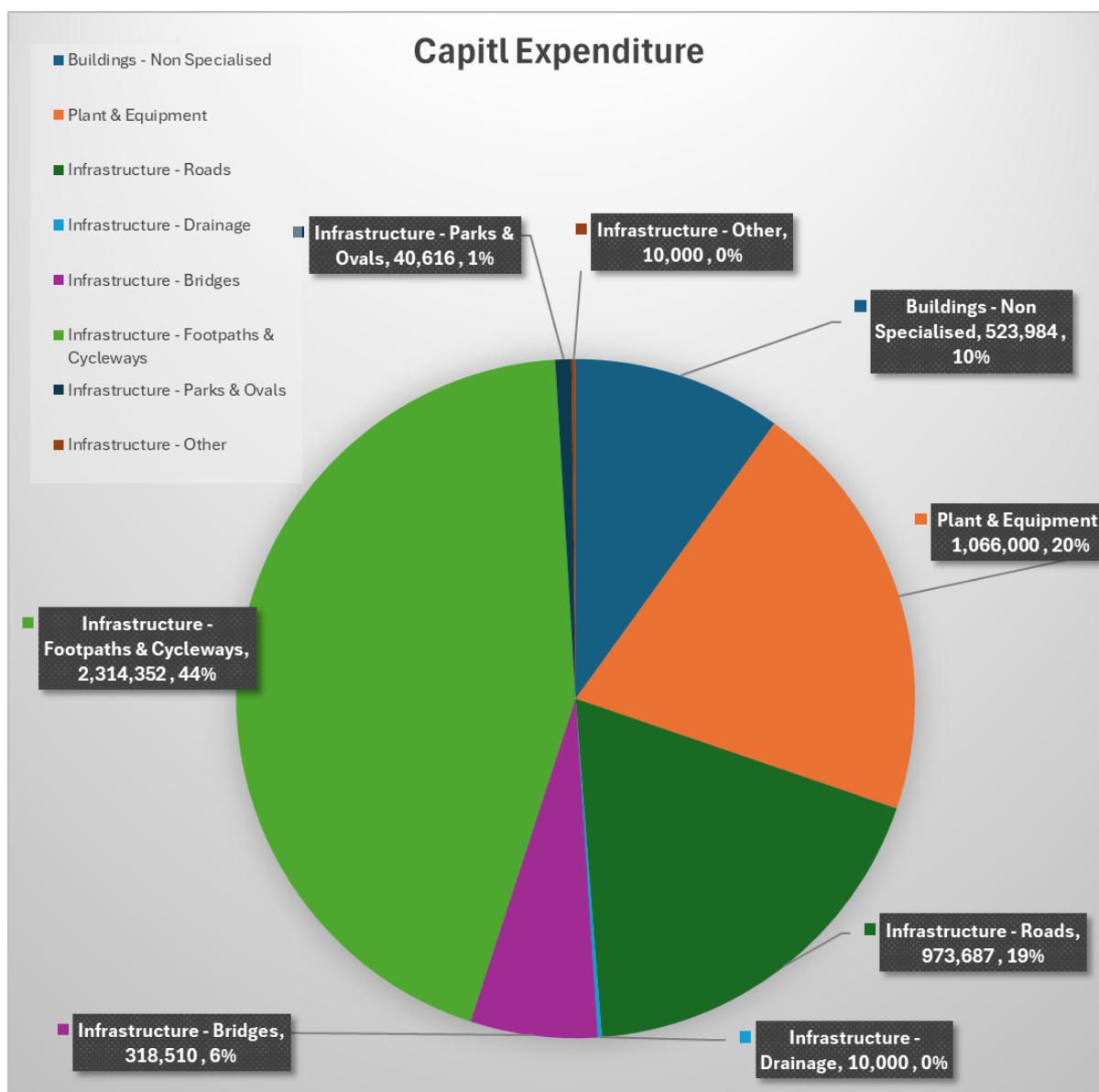
In essence the amount of funding/revenue available for operations in the 2024/25 Financial year is \$5.823 million. Total revenues attributable to operations (Excludes Capital Funding) of \$4.578 million are contained within the Draft Budget represented as follows, more detail can be found in Attachment 10.1.2 Appendix 1 Detailed Statement of Comprehensive Income 2024/25:



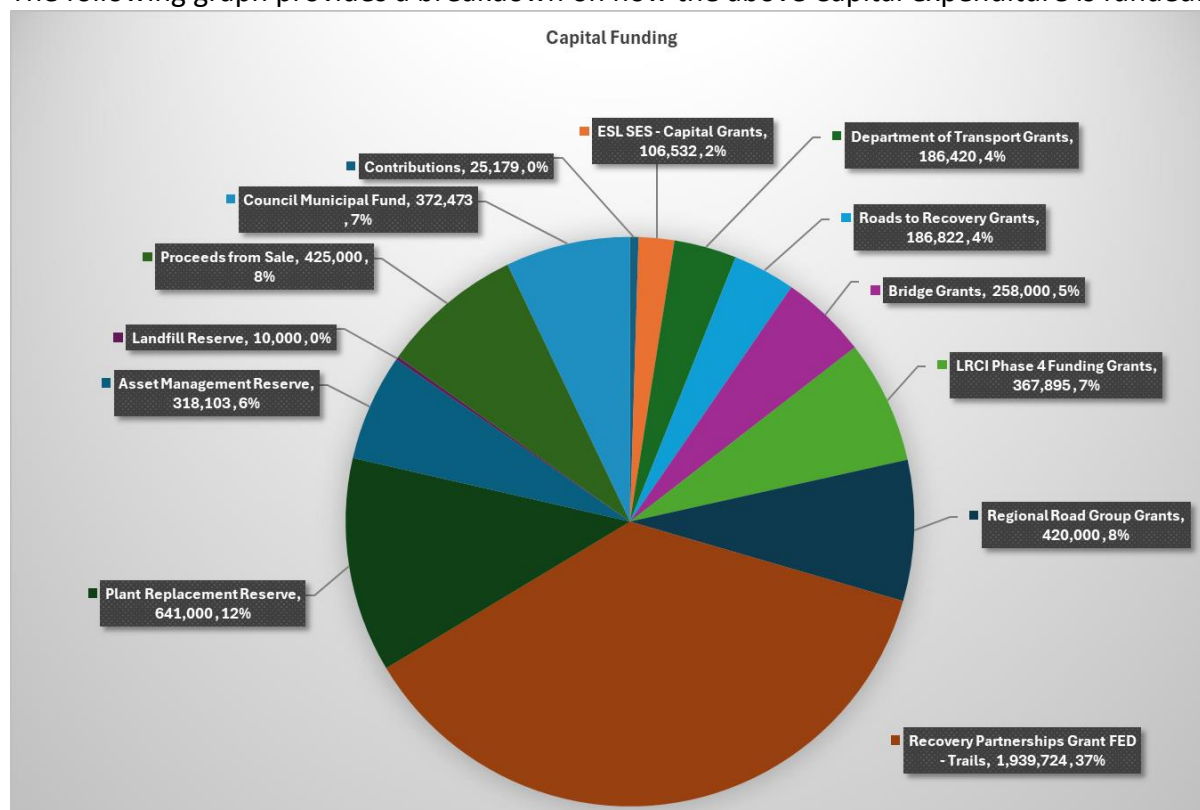
Total expenditure attributable to operation of \$5.478 million are contained within the Draft Budget represented as follows, more detail can be found in Attachment 10.1.2 Appendix 1 Detailed Statement of Comprehensive Income 2024/25:



Total Capital expenditure of \$5.257 million is contained within the Draft Budget represented as follows, more detail on specific items can be found in Attachments 10.1.3 Appendix 2 Detailed Capital Works 2024/25 and 10.1.4 Appendix 3 Detailed Plant Replacement 2024/25:



The following graph provides a breakdown on how the above Capital expenditure is funded:



STATUTORY ENVIRONMENT:

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996

As part of the annual budget development process, a local government must have regard for numerous requirements under the Act and associated Regulations. These include, but are not limited to, the following provisions:

- Adoption of Annual Budget Section 6.2 of the Act and Part 3 of the Local Government (Financial Management) Regulations detail the form and way an annual budget is to be presented to the Council for formal consideration.
- Reserve Accounts Section 6.11 of the Act provides guidance in respect of reserve accounts and outlines the processes to amend a reserve's purpose.
- Power to Borrow Sections 6.20 and 6.21 of the Act refer to a local government's power to borrow and the administrative requirements associated therewith.
- Notice of Imposing Differential Rates Section 6.36 of the Act details the requirement for a local government to give local public notice of its intention to impose differential rates in the dollar and associated minimum payments in any year. The local public notice is to provide details of each differential rate in the dollar and associated minimum payment and must also invite public submissions to the proposal, for at least 21 days.

- Limit on revenue and income from general rates Section 6.34 prescribes the limits on which the Council can yield in relation to its annual rates income. The Budget falls within the threshold.
- Regulation 34(5) of the Local Government (Financial Management) Regulations requires that in each year, a local government adopts a percentage or value, calculated in accordance with Accounting Standard AASB 1031 - Materiality, to be used for reporting material variances.

POLICY IMPLICATIONS:

Nil.

FINANCIAL IMPLICATIONS:

The Budget adopted by the Council will determine the financial operations of the Shire of Nannup for the 2024/2025 financial year.

RISK MANAGEMENT MATRIX:

The Shire, through its adopted Risk Management Framework, has identified a number of risk areas that need to be assessed and where necessary treated, like, but not limited to:

Audit risks	Financial and credit risks
Operational risks	Technological and IT risks
Compliance and regulatory risks	Environmental risks
Legal risks	Strategic risks
Political risks	Sustainability and security risks

Officers have undertaken a Risk Assessment with respect to the item before Council and concludes that Budget supports the delivery of the Shire's Strategic Community Plan and provides the financial capacity to deliver the programs, projects and ongoing services as identified in the budget papers aligned to the strategic goals and objectives set by Council.

The Budget has been prepared in accordance with the Local Government Act 1995 and associated Regulations as well as the Australian Account Standards Board standards. Furthermore, the Annual Budget is a balanced Budget being presented for adoption within the statutory timeframes.

No risks have been identified.

STRATEGIC IMPLICATIONS:

Our Shire:

We listen to our community, are transparent, and act with integrity.

6.4 We are One:

We will strive to make decisions and deliver outcomes that are in the best interest of the majority of the community.

Provide a stable, consistent, and honest government.

VOTING REQUIREMENTS:

Absolute Majority

OFFICER RECOMMENDATION 1

1. That Council, 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, adopts the following components of the 2024/25 Annual Budget included within Attachment 10.1.1 for the Shire of Nannup:
 - a) Statement of Comprehensive Income by Nature or Type
 - b) Statement of Financial Position
 - c) Statement of Changes in Equity
 - d) Statement of Cash Flows
 - e) Statement of Financial Activity (Rate Setting Statement by Nature or Type)
 - f) Notes to and Forming Part of the Budget

2. That Council, 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, adopts the following 2024/25 Annual Budget supporting notes as contained in the following attachments:
 - a) 10.1.2 – Appendix 1 Detailed Statement of Comprehensive Income 2024/25,
 - b) 10.1.3 – Appendix 2 Detailed Capital Works 2024/25, and
 - c) 10.1.4 – Appendix 3 Detailed Plant Replacement 2024/25.

That Council, pursuant to the provisions of section 6.16 to- 619 of the Local Government Act 1995 adopt the 2024/25 Schedule of Fees and Charges as contained in attachment 10.1.5 – 2024/25 Schedule of Fees and Charges.

OFFICER RECOMMENDATION 2

That Council:

- For the purpose of yielding the rates revenue in the 2024/25 Annual Budget per the Memorandum of Imposing Rates contained within Attachment 10.1.1 note 2(e), pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995, impose the following differential, specified area, general and minimum rates on Gross Rental and Unimproved Values.

2024/25 "Budget"	Rate-in-the-Dollar	Minimum Rate
Gross Rental Values (GRV)		
GRV General	0.102533	\$1,305
GRV Industrial	0.114543	\$1,420
GRV Short Term	0.140576	\$1,880
Unimproved Values (UV)		
UV General	0.004239	\$1,420
UV Mining	0.004239	\$1,420
UV Plantation	0.005799	\$2,790

- Acknowledges in accordance with Regulation 23(b) of the Local Government (Financial Management) Regulations 1996, having reviewed submissions to proposed differential rating Council felt the following changes would allow for a more equitable spread of the total Rate burden. the variation in Budgeted Differential Rates to Local Public Notice as follows:

Differential general rate	Advertised Proposed Rate in \$	Budgeted Rate in \$
GRV General	0.102047	0.102533
GRV Industrial	0.114543	0.114543
GRV Short Term	0.194643	0.140576
UV General	0.004192	0.004239
UV Plantations	0.005955	0.005799

Minimum payment	Advertised Proposed Minimum \$	Budgeted Minimum \$
GRV Industrial	1,370	1,420
GRV Short Term	2,460	1,880
UV General	1,420	1,420
UV Plantations	2,040	2,790

3. Adopt the rate payment instalment options and associated annual fees in accordance with section 6.45 (3) of the Local Government Act 1995, as follows: a) 4 Instalments \$24.00.
4. Adopts a per annum interest rate on rates paid by instalments in accordance with section 6.45 (3) of the Local Government Act 1995: a) 4 Instalments 5.5%.
5. Adopts an interest rate of 11.0% per annum on all outstanding rating balances (excluding Emergency Services Levy) in accordance with section 6.51 (1) of the Local Government Act 1995.
6. In accordance with regulation 64 (2) of the Local Government (Financial Management) Regulations 1996, adopts the following instalment options to be available:

Instalment options	Date due
Option one	
Single full payment	Friday, 18 October 2024
Option Two	
First instalment	Friday, 18 October 2024
Second instalment	Wednesday, 18 December 2024
Third instalment	Monday, 17 February 2025
Fourth instalment	Monday, 21 April 2025

7. Adopts the following annual Refuse Collection and Recycling charges for the Shire of Nannup for the 2024/2025 financial year:
 - a) General Waste Collection Charge \$340.00,
 - b) Kerbside Recycling Collection Charge \$250.00.
8. In accordance with section 66 (1) and section 66 (3) of the Waste Avoidance and Resource Recovery Act 2007, applies the minimum payment provisions of section 6.35 of the Local Government Act 1995, and adopts a Waste Infrastructure Rate:
 - a) GRV General Properties – Rate in the dollar: 0.000040, minimum \$155.00
 - b) UV General Properties – Rate in the dollar: 0.000010, minimum \$155.00

OFFICER RECOMMENDATION 3

That Council:

1. Adopts the Councillors fees and allowances as contained in note 11 “Elected Members Remuneration”, Attachment 10.1.1 and as follows:
 - a) Councillor Annual Meeting Attendance Fee \$7,000,
 - b) Shire President Annual Meeting Attendance Fee \$14,000,
 - c) President’s Annual Allowance \$16,000,
 - d) Deputy President’s Annual Allowance \$4,000,
 - e) Annual Telecommunications and Information Technology Allowance \$1,500 per member, and
 - f) Travel and accommodation expenses \$380.
2. Pursuant to section 6.11 of the Local Government Act 1995, adopts the reserves and reserve fund budget as contained at note 9 “Reserve Accounts”, Attachment 10.1.1.
3. Pursuant to regulation 34 (5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2024/2025 financial year as follows:
 - a) Variances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variances due to timing differences and/or seasonal adjustments are to be reported only if not to do so would present an incomplete picture of the financial performance for a particular period; and
 - b) Reporting of variances only applies for amounts greater than \$30,000.

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN:

12. MEETING MAY BE CLOSED:

13. CLOSURE OF MEETING:

Attachment

Item #	Attach	Title
10.1.1	1	2024/25 Statutory Annual Budget
10.1.2	2	Appendix 1 Detailed Statement of Comprehensive Income 2024/25
10.1.3	3	Appendix 2 Detailed Capital Works 2024/25
10.1.4	4	Appendix 3 Detailed Plant Replacement 2024/25
10.1.5	5	2024/25 Schedule of Fees and Charges