



Shire of
Plantagenet

Mount Barker • Kendenup • Narrikup
Porongurup • Rocky Gully

AGENDA

**A Special Meeting of Council will be held at the
Shire of Plantagenet Council Chambers, Mount Barker
at 5:00pm on Tuesday 5 August 2025**



Julian Murphy
CHIEF EXECUTIVE OFFICER

SPECIAL BUSINESS

**The purpose of this meeting is to consider the
adoption of the 2025/2026 Annual Budget.**

DISCLAIMER

This agenda has yet to be dealt with by the Council. The Recommendations shown at the foot of each Item have yet to be considered by the Council and are not to be interpreted as being the position of the Council. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Council.

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Presiding Member will declare the meeting open.

Welcome to this Special Meeting of Council, of Tuesday the 5 August 2025, commencing at 5:00pm. This meeting is being audio-recorded, in accordance with Regulation 14I of the Local Government Regulations 1996.

I also point you to the Disclaimer and Emergency Procedures on the lead in pages of this document for this building.

The Shire of Plantagenet acknowledges the traditional custodians of our area and their continuing connection to the land and community. We pay our respects to all members of the Menang Noongar community and their culture; and to Elders past, present and emerging.

2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Members Present:

In Attendance:

Apologies:

Members of the Public Present:

Previously Approved Leave of Absence:

3 PUBLIC QUESTION TIME

Section 5.24 Local Government Act 1995

4 PETITIONS / DEPUTATIONS / PRESENTATIONS

5 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

6 REPORTS OF COMMITTEES AND OFFICERS

6.1.1 BUDGET ADOPTION – ELECTED MEMBER ATTENDANCE FEES AND ALLOWANCES

File Ref: N66473

Responsible Officer: Julian Murphy
Chief Executive Officer

Author: Anthony Middleton
Executive Manager – Corporate & Community

Proposed Meeting Date: 5 August 2025

PURPOSE

The purpose of this report is to consider the Elected Members attendance fees and allowances for 2025/2026.

BACKGROUND

Local Government Elected Member fees and allowances are set in accordance with sections 5.98, 5.98A, 5.99 and 5.99A of the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996* and within the following determinations for Band 3 as per the Salaries and Allowances Tribunal determination of 5 April 2024.

For a council member other than the mayor or president

Band	Minimum	Maximum
3	\$8,615	\$18,335

For a council member who holds the office of mayor or president

Band	Minimum	Maximum
3	\$8,615	\$28,385

Annual allowance for a mayor or president of a local government

Band	Minimum	Maximum
3	\$1,152	\$41,388

Annual allowance for a deputy mayor, deputy president or deputy chair

The percentage determined for the purposes of section 5.98A(1) of the LG Act is 25 per cent.

ICT (information and communications technology) expenses

For the purposes of section 5.99A(b) of the LG Act, the minimum annual allowance for ICT expenses is \$500 and the maximum annual allowance for ICT expenses is \$3,500.

EXTERNAL CONSULTATION

No external consultation has occurred in relation to this report.

STATUTORY ENVIRONMENT

- *Local Government Act 1995 sections 5.98, 5.98A, 5.99 and 5.99A*
- *Local Government (Administration) Regulations 1996*
- *Western Australia Salaries and Allowances Act 1975 - Determination 2025 – 006 (The Salaries and Allowances Tribunal for Local Government Chief Executive Officers and Elected Members)*

FINANCIAL IMPLICATIONS

The adoption of the Elected Members attendance fees and allowances for 2025/2026 enable the decision-making function of the Council to continue effectively in accordance with the *Local Government Act 1995*.

BUDGET IMPLICATIONS

The following budget provisions are made for Elected Members attendance fees and allowances for 2025/2026:

- For a council member other than the mayor or president \$15,584.75
- For a council member who holds the office of mayor or president \$24,127.25
- Annual allowance for a mayor or president of a local government \$35,179.80
- Annual allowance for a deputy mayor or deputy president \$8,794.95
- Annual allowance for ICT expenses \$2,000.00

POLICY IMPLICATIONS

The *Shire of Plantagenet Elected Member Expenses to Be Reimbursed Policy* provides for the reimbursement of expenses for Councillors attending meetings, conferences and training opportunities ensuring that individuals are not financially disadvantaged in doing so.

LEGAL IMPLICATIONS

There are no legal implications for this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications as no assets are being created or acquired.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Corporate Business Plan 2022/23 – 2025/26 provides:

At Outcome 4 Performance & Leadership the following Strategies:

Strategy 4.1.1:

‘A Shire that listens and considers the needs of each community.’

Strategy 4.1.3:

‘A Shire that is open and transparent with its community.’

Accordingly, the recommended outcome for this report aligns with the Corporate Business Plan.

STRATEGIC RISK IMPLICATIONSLow Risk

This item has been evaluated against the Shire of Plantagenet’s Risk Assessment and Acceptance Criteria. The level of risk is considered to be “Low” risk and can be managed by routine procedures and with currently available resources.

REGIONAL IMPLICATIONS

There are no regional implications for this report.

OFFICER COMMENT

The recommendation includes the setting of meeting attendance fees and allowances for Elected Members at 85% of the maximum Salary and Allowances Tribunal determination amount.

The annual allowance for ICT expenses is proposed to be set at \$2,000.00.

Claims such as travel may be submitted as required.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council adopts:

1. Pursuant to section 5.99 of the *Local Government Act 1995* and regulation 34 of the *Local Government (Administration) Regulations 1996*, that elected members be paid 85% of the maximum Salaries and Allowances Tribunal allowance in lieu of individual meeting attendance fees.
2. Pursuant to section 5.99A of the *Local Government Act 1995* and regulations 34A and 34AA of the *Local Government (Administration) Regulations 1996*, an ICT Allowance of \$2,000.00 for elected members.
3. Pursuant to section 5.98(5) of the *Local Government Act 1995* and regulation 33 of the *Local Government (Administration) Regulations 1996*, that an annual local government allowance of 85% of the maximum Salaries and Allowances Tribunal allowance be paid to the Shire President in addition to the annual meeting allowance.
4. Pursuant to section 5.98A of the *Local Government Act 1995* and regulations 33A of the *Local Government (Administration) Regulations 1996*, that an annual local government allowance of 85% of the maximum Salaries and Allowances Tribunal allowance be paid to the Deputy Shire President in addition of the annual meeting allowance.

6.1.2 BUDGET ADOPTION – LIST OF FEES & CHARGES & WASTE RATE 2025/2026

File Ref:	N66475
Attachment:	<u>Schedule of Fees and Charges 2025/2026</u>
Responsible Officer:	Julian Murphy Chief Executive Officer
Author:	Anthony Middleton Executive Manager – Corporate & Community
Proposed Meeting Date:	5 August 2025

PURPOSE

The purpose of this report is to adopt the list of fees and charges for the 2025/2026 financial year.

BACKGROUND

The Council is required by the Local Government Act 1995 to adopt a list of fees and charges annually. The draft list of fees and charges has undergone a review from all staff and a Council Forum.

EXTERNAL CONSULTATION

No external consultation has occurred in relation to this report.

STATUTORY ENVIRONMENT

Section 6.15 to 6.19 of the *Local Government Act 1995* legislates the imposition of fees and charges for a local government. Section 6.19 of this Act requires a local government to advertise the imposition of fees and charges that are not included in the annual budget. This item is being completed in conjunction with the adoption of the annual budget and therefore advertising is not required.

Some fees are adopted under, or provided by, other legislation, such as:

- *Dog Act 1976*
- *Public Health Act 2016*
- *Cemeteries Act 1986*
- *Waste Avoidance and Resources Recovery Act 2007*
- *Building Act 2011*

FINANCIAL IMPLICATIONS

The list of fees and charges, when adopted, sets the level of many revenue items contained within the budget. Significant consideration needs to be given when setting each fee and charge and the effect that it will have on the usage of that facility and therefore the total revenue level obtained. For example, simply doubling

a fee may not double the revenue, as the number of 'sales' may be affected by increased prices.

BUDGET IMPLICATIONS

This item is integral in the adoption of the 2025/2026 Annual Budget.

POLICY IMPLICATIONS

There are no policy implications for this report.

LEGAL IMPLICATIONS

There are no legal implications for this report.

ASSET MANAGEMENT IMPLICATIONS

Inadequate income from Fees and Charges and Rent affects the budget position regarding building maintenance and renewal as costs are continually increasing. This will in turn affect the Shire's ability to continue with any planned maintenance or upgrades to the facilities the income would have supported.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Corporate Business Plan 2022/23 – 2025/26 provides:

At Outcome 4 Performance & Leadership the following Strategies:

Strategy 4.1.3:

'A Shire that is open and transparent with its community.'

Accordingly, the recommended outcome for this report aligns with the Corporate Business Plan.

STRATEGIC RISK IMPLICATIONS

Low Risk

This item has been evaluated against the Shire of Plantagenet's Risk Assessment and Acceptance Criteria. The level of risk is considered to be "Low" risk and can be managed by routine procedures and with currently available resources.

A thorough and complete list of fees and charges assists with legislative compliance and ensures the generation of adequate revenue.

REGIONAL IMPLICATIONS

There are no regional implications for this report.

OFFICER COMMENT

Comparative figures are shown in the list of fees and charges with the previous financial year to enable changes to be easily highlighted.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council:

1. Adopts the List of Fees and Charges, as presented.
2. Pursuant to section 66 of the Waste Avoidance and Resources Recovery Act 2007, adopts the following waste rate for the provision of waste services for 2025/2026:

General Rate

a) Rural Townsites (GRV)	0.01 cents in the dollar
b) Rural (GRV)	0.01 cents in the dollar
c) Mount Barker Townsite (GRV)	0.01 cents in the dollar
d) Strata Titles (GRV)	0.01 cents in the dollar
e) Rural (UV)	0.00001 cents in the dollar

Minimum Rate

a) Rural Townsites (GRV)	\$68.00
b) Rural (GRV)	\$68.00
c) Mount Barker Townsite (GRV)	\$68.00
d) Strata Titles (GRV)	\$68.00
e) Rural (UV)	\$68.00

6.1.3 BUDGET ADOPTION – PROPERTY RATES 2025/2026

File Ref:	N66483
Responsible Officer:	Anthony Middleton Executive Manager – Corporate & Community
Author:	Kylie Caley Manager of Finance
Proposed Meeting Date:	5 August 2025

PURPOSE

The purpose of this report is to set the property rates and associated conditions for the 2025/2026 financial year.

BACKGROUND

Property rates are the primary income source for most local governments in WA. This agenda item sets the rating levels and associated parameters based on the *Local Government Act 1995* ('the Act') and the Shire's previous practices. All recommendations contained within this report are consistent with previous year's practices.

EXTERNAL CONSULTATION

No external consultation has occurred in relation to this report.

STATUTORY ENVIRONMENT

Section 6.25 to 6.82 of the *Local Government Act 1995* and Regulations 52 to 78 of the *Local Government (Financial Management) Regulations 1996* relate to property rating requirements and procedures.

FINANCIAL IMPLICATIONS

The property rates proposed have been established on the basis of delivering a balanced budget with a 4.8% increase on 2024/2025 rate revenue raised.

BUDGET IMPLICATIONS

This item is integral in the adoption of the 2025/2026 Annual Budget.

POLICY IMPLICATIONS

Policy CCS Rating – Rate Incentive Prize Policy

LEGAL IMPLICATIONS

There are no legal implications for this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications as no assets are being created or acquired.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Corporate Business Plan 2022/23 – 2025/26 provides:

At Outcome 4 Performance & Leadership the following Strategies:

Strategy 4.1.3:

‘A Shire that is open and transparent with its community.’

Accordingly, the recommended outcome for this report aligns with the Corporate Business Plan.

STRATEGIC RISK IMPLICATIONS

Low Risk

This item has been evaluated against the Shire of Plantagenet’s Risk Assessment and Acceptance Criteria. The level of risk is considered to be “Low” risk and can be managed by routine procedures and with currently available resources.

REGIONAL IMPLICATIONS

There are no regional implications for this report.

OFFICER COMMENT

Level of Rates/Calculation

There are several different methods available for rating within local government in WA. These include:

- General – based on valuation type;
- Differential - based on different land uses or zoning;
- Specified Area rates – definable area for facilities such as sewerage rates;
- Service Charges – As defined by the Act; or
- Voluntary levies – such as a land care levy

The Shire of Plantagenet rates are based on the first dot point, general rates, and a rate in the dollar is set for both valuation types. In the 2024/2025 financial year, 29% of rates raised were from properties on a gross rental valuation (GRV) (predominately within townsites), and 71% unimproved valuation (UV)(rural).

WALGA’s economic briefing states that *‘The Local Government Cost Index (LGCI) increased 1.3% in the March quarter to take the annual figure to 3.6%, up from 3.2% in the December quarter’. ‘The primary driver behind the LGCI increase was a sharp 2.7% increase in public sector wages during the March quarter, fuelled by new state based enterprise agreements. This is the highest quarterly rise in public sector wages since records began in 1997’.*

Given the current levels of Consumer Price Index (CPI)(2.8% for Perth for the 12 month period up until the March quarter) and the LGCI, in order to keep pace with the provision of modern local government services, a property rate increase of 4.8% is recommended. This is the level as recommended by the draft Long Term Financial Plan.

The minimum rates are recommended to increase to \$1,117 (for GRV properties) and \$1,200 (UV properties). The 2023/2024 financial year was the first time the Council adopted a different minimum for the two rating types, to address the anomaly between the two methods of valuing land with similar land uses, being small acreages and townsite lots.

Discount

Section 6.12 (1)(a) of the Act permits a local government to grant a discount or incentive for the early payment of money which is owed to the Council. As in previous years, it is recommended that no discount be offered, and no allowance has been made for any early payment discount to reflect this.

Incentive

The Council has previously offered incentive prizes to encourage the early payment of rates. Only ratepayers who have paid their rates in full and by 22 September 2025 will be entered into the draw. Prizes will be offered in line with Council Policy CCS Rating – Rate Incentive Prize.

Instalments

It is recommended that the following three payment options be offered as in previous years:

- (1) To pay the total rates and charges included on the rate notice in full by the 35th day after the date of issue of the rates notice; or
- (2) Two equal instalments. The first instalment will be due on the 35th day after the date of issue of the rates notice and the second instalment four calendar months after this date.
- (3) Four equal instalments. The first instalment will be due on the 35th day after the date of issue of the rates notice and the remainder at two calendar month intervals after this date.

Instalment Fee

It is recommended that an instalment fee of \$7.50 be charged for each instalment reminder issued after the first instalment is paid. It is recommended that a special payment arrangement administration charge of \$30.00 (excluding pensioners) will again apply, for those people who wish to pay rates through an instalment plan, but do not qualify for a standard instalment plan, due to late payment or other circumstances.

Interest on Instalments

It is recommended that the maximum interest rate of 5.5% per annum be applied to instalment payments. This is consistent with the previous year's charge and statutory requirements.

Late Payment Penalty Interest

It is recommended that late payment penalty interest be charged at 7% per annum, consistent with the previous years. It is proposed that late payment penalty interest will apply to rates that remain unpaid where no election was made to pay

the rate by instalments and on overdue instalment payments where an election was made to pay by instalments.

Revaluation of Properties

A revaluation of unimproved value properties is undertaken every financial year. The movement this year is as follows.

	2024/2025	2025/2026	Increase
Total UV Valuation	\$1,100,497,529	\$1,283,194,407	16.6%

As always, individual UV properties are likely to receive a greater variance (both increased and decreased) than the 16.6% average shown above, creating unavoidable inequities between properties. This is beyond the Shire's control and anyone in this situation is encouraged by Shire staff to contact the Valuer General's Office.

A Gross Rental Valuation revaluation is undertaken every five (5) years. The current revaluation was undertaken by the Valuer General's Office in 2024/2025 financial year with values being effective from 1 July 2025.

The movement is as follows:

	2024/2025	2025/2026	Increase
Total GRV Valuation	\$16,728,065	\$25,151,197	50.35%

It is important to note that the above revaluations do not directly translate to an increase in rates. The Shire adjusts the rate in the dollar to achieve the level of rates it wishes to raise. For example, if valuations double, the rate in the dollar is halved to raise the same total amount of rates.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council:

1. Adopts the following rate levels for the 2025/2026 financial year:
 - a) For all rateable properties where Gross Rental Valuations are applied, a rate of 8.3731 cents in the dollar with a Minimum Rate of \$1,117;
 - b) For all rateable properties where Unimproved Valuations are applied, a rate of 0.4439 cents in the dollar with a Minimum Rate of \$1,200 is to apply.
2. Offers the following rate instalment payment options:

Option 1 - Payment in full - Total amount of rates and charges included on the rate notice to be paid in full by 22 September 2025.

Option 2 - Payments to be made by two (2) instalments as detailed on the rates notice, with the following due dates:

- First Instalment 22 September 2025
- Second Instalment 27 January 2026

Option 3 - Payments to be made by four (4) instalments, as detailed on the rate notice, with the following due dates:

- First Instalment 22 September 2025
- Second Instalment 24 November 2025
- Third Instalment 27 January 2026
- Fourth Instalment 30 March 2026.

3. Imposes an administration charge of \$7.50 for each instalment (after the first instalment) where payments are elected to be made by instalments.
4. Imposes interest on instalments at 5.5% p.a. calculated daily from the date the first instalment is due until the date each subsequent instalment is due, where payments are elected to be made by instalments.
5. Not offer a discount for the early payment of property rates;
6. Adopts, pursuant to section 6.16(2) of the *Local Government Act 1995*, a special payment arrangement administration charge of \$30.00 (excluding pensioners) where the owner wishes to pay rates through an instalment plan, but does not qualify for a standard instalment plan, as detailed in point 2 above.
7. Imposes penalty interest at a rate of seven percent (7%) per annum, 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*, on outstanding general rates, Waste Rate, rubbish charges, instalment administration charge and costs of proceedings to recover such charges. Outstanding interest will commence accruing daily (simple interest calculation) from the due date on the rate notice, which will be not less than 35 days after the rate notice issue date. Pensioners who are registered in accordance with the *Rates Rebates and Deferrals Act 1993* are to be exempt from this provision.
8. Imposes penalty interest at a rate of seven percent (7%) per annum, pursuant to section 6.13 of the *Local Government Act 1995*, for rubbish collection charges that remain unpaid after becoming due and payable. Outstanding interest to be calculated on a daily basis (simple interest calculation).

6.1.4 BUDGET ADOPTION – 2025/2026 ANNUAL BUDGET

File Ref:	N66465
Attachment:	<u>Annual Budget 2025/2026</u>
Responsible Officer:	Julian Murphy Chief Executive Officer
Author:	Anthony Middleton Executive Manager – Corporate & Community
Proposed Meeting Date:	5 August 2025

PURPOSE

The purpose of this report is to consider adopting the 2025/2026 Annual Budget, with or without modification.

BACKGROUND

The *Local Government Act 1995*, requires each Local Government to prepare a budget each financial year. The form, manner and content of the budget are prescribed in the Act and the *Local Government (Financial Management) Regulations 1996*. The Council must adopt its budget by an Absolute Majority no later than 31 August in the budget year unless the Minister for Local Government has granted an extension.

The Council and its staff have been working on the components of the 2025/2026 Annual Budget since March, including the consideration of the plant replacement program, road construction program, rating parameters and fees and charges. The Council budget briefing sessions on 1 July and 22 July enabled a detailed analysis of the draft budget by staff and elected members.

The previous items in this agenda have dealt with the major items in the budget and have been adopted individually to simplify the requirements of the Local Government Act 1995. These included the Elected Members Allowances, Property Rates and List of Fees & Charges.

STATUTORY ENVIRONMENT

Section 6.2 of the Local Government Act 1995 requires a local government to prepare and adopt, by absolute majority, an annual budget prior to 31 August in each year.

FINANCIAL IMPLICATIONS

The adopted budget of the Shire sets the financial direction for the proceeding financial year and is prepared following consideration of the Corporate Business Plan, Long Term Financial Plan and all other informing documents and strategies. The adoption of the budget enables the operations of the Council to continue effectively and issue rates in a timely manner to assist with income generation and cash flow.

BUDGET IMPLICATIONS

This report enables the adoption of the budget for 2025/2026.

POLICY IMPLICATIONS

There are no policy implications for this report.

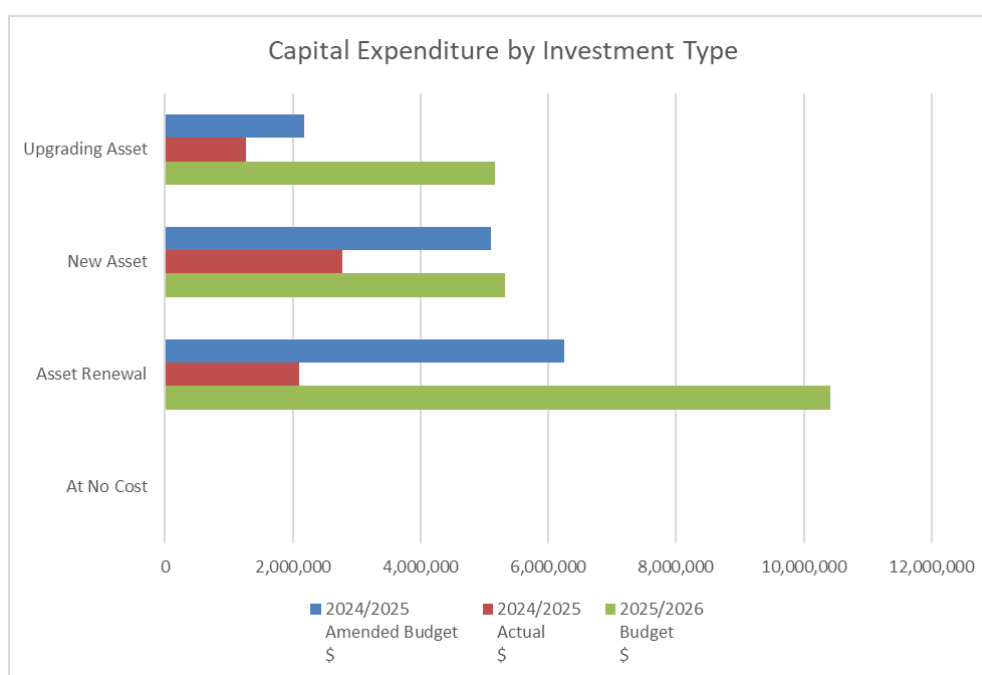
LEGAL IMPLICATIONS

There are no legal implications for this report.

ASSET MANAGEMENT IMPLICATIONS

The 2025/2026 budget makes provision for numerous new asset purchases, asset renewal and upgrades and major maintenance items for the coming financial year.

The depreciation of assets for the year is estimated to be \$16.4m while \$10.4m is being spent on asset renewal. The breakdown between asset acquisition by investment type is as follows:



STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

STRATEGIC RISK IMPLICATIONS

There are no risk management implications for the adoption of the budget, apart from minimizing exposure to risks (particularly financial) through a thoroughly prepared and legislative compliant annual budget process.

REGIONAL IMPLICATIONS

There are no regional implications for this report.

OFFICER COMMENT

The attached annual budget comprises total cash expenditure (net of depreciation) of \$37.3m, an increase of nearly \$10m from the previous years budget, including a very healthy investment in capital expenditure of \$20.9m (up from \$12.7m). This increase is predominately due to the inclusion of the following exciting projects:

- Mount Barker Swimming Pool reconstruction - \$8.4m
- Wilson Park stage 1 construction - \$1.6m
- Road construction program of \$5.5m, including \$1.3m on the Eulup-Manurup Bridge.

To give additional context to the 2025/2026 Annual Budget, a budget overview for the previous three financial years is listed below:

BUDGET OVERVIEW	2023/2024 Budget	2024/2025 Budget	2025/2026 Budget
Operating Revenue	\$12.5m	\$13.3m	\$17.3m
New Loans	\$3.5m	\$3.2m	\$5.1m
Capital Grants	\$3.2m	\$4.4m	\$9.4m
Sale of Assets	\$0.2m	\$0.35m	\$0.3m
Transfers from Reserves	\$1.8m	\$2.35m	\$2.9m
Opening Balance	\$4.3m	\$4.3m	\$2.3m
	\$25.5m	\$27.9m	\$37.3m
Operating Expenditure	\$20.7m	\$29.7m	\$31.4m
Non-Cash Added Back	(\$6.8m)	(\$16.1m)	(\$16.3m)
Capital Expenditure	\$9.9m	\$12.7m	\$20.9m
Transfers to Reserves	\$1.3m	\$1.2m	\$1.1m
Loan Repayments	\$0.4m	\$0.4m	\$0.2m
	\$25.5m	\$27.9m	\$37.3m

Further details on the content of the budget is as follows:

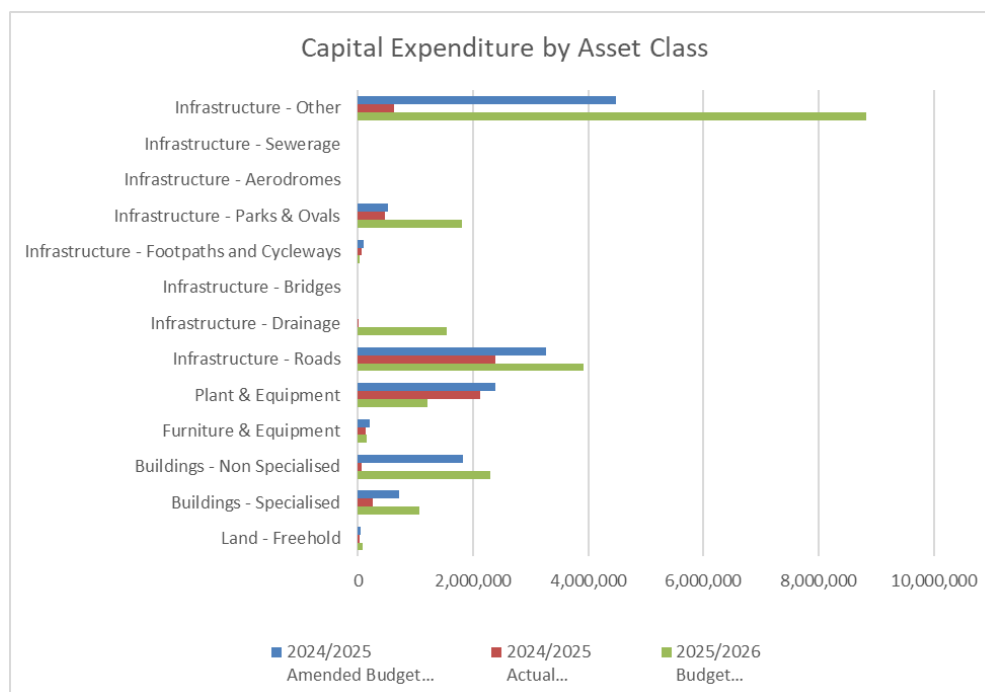
Capital Expenditure

This substantial capital expenditure program includes the following major components:

- Mount Barker Swimming Pool redevelopment - \$8.4m
- Road Construction Program – \$5.5m
- Wilson Park (Stage 1) construction – \$1.6m
- Two new Fire Sheds (Rocky Gully & Woogenellup) – \$1.53m
- Annual Plant Replacement Program - \$1.2m

- Porongurup Hall Extension - \$500,000
- SES Building - \$286,350
- New Toilets at the Narrikup Hall - \$229,986

When broken down into the different classes of assets, this investment in capital can be shown as follows:



Specifically, this \$20.9m capital expenditure includes the following items:

Law, Order & Public Safety :

- New Rocky Gully Bush Fire Brigade Shed - \$767,985
- New Woogenellup Bush Fire Brigade Shed - \$766,286
- State Emergency Service Building - \$286,350
- Water Tank at Rocky Gully - \$55,425

Community Amenities:

- Waste Facility Upgrades - \$75,000
 - Kendenup – Shed
 - Kendenup - Security Fencing
- Cemetery Improvements (all three Cemeteries) - \$121,776
- Bus Shelter – Albany Highway, Kendenup - \$12,550
- Narrikup & Rocky Gully Place Plan Implementation - \$10,000 each
- Kendenup Men's Shed allocation to progress new shed - \$10,000

Recreation & Culture:

- Mount Barker Swimming Pool redevelopment - \$8.4m
- Wilson Park (Stage 1) construction – \$1.6m
- Kendenup Hall:
 - Major Maintenance - \$67,600
 - Retic & Landscaping - \$42,994
 - Picket Fencing - \$25,000

- Plantagenet Hall:
 - Address Rising Damp - \$57,471
 - Major Maintenance - \$47,554
- Narrikup Hall:
 - New Public Toilets - \$229,986
 - Safety Upgrades - \$28,900
- Woogenellup Hall – Roof Replacement - \$55,286
- Porongurup Hall – Toilets & Community Room Extension - \$500,000
- Souness Park:
 - Changeroom Lock Upgrade - \$30,000
 - Entry Road Upgrade - \$79,985
 - Water Tank & Shed - \$120,000
- Mount Barker Police & Folk Museum – Roof over building - \$15,000
- Mount Barker Community Centre:
 - Power Upgrade - \$35,000
 - \$65,000 Building Amendments
- Mitchell House – New Windows & Repoint bricks - \$40,000
- Pwackenbak – New Public Toilets & Yarning Circle - \$172,693
- Memorial Park - New Memorials (RSL Project) - \$40,614

Transport

- Road Construction Program \$5.5m (last year \$2.95m)
 - Eulup-Manurup Road – Drainage - \$1,300,000
 - Takalarup Rd - Floodway - \$500,000
 - Nornalup Road - Reseal - \$452,691
 - Carbarup Road - Widen & Reseal - \$308,038
 - Mallawillup Rd - Reseal - \$319,500
 - Yellanup Rd - Upgrade - \$364,000
 - Woodlands Road - Reseal - \$271,083
 - Settlement Rd - Reseal - \$210,995
 - Ormond Road - Traffic Calming - \$199,861
 - Turpin Road - Resheet - \$193,092
 - Boyup Road - Resheet - \$154,700
 - Takalarup Road - Reseal - \$140,799
 - Carbarup Rd - upgrade - \$112,812
 - Lowood Road - Stabilisation - \$112,500
 - Woogenellup Road - \$88,390
 - Sanders Road - Drainage Construction & Seal - \$83,850
 - Newman Road - Widen, Sheet & Construct - \$68,131
 - Beech Road - Reconstruct & Widen - \$76,482
 - Thomas Street - Construct & Seal - \$74,444
 - Osborne St - Sub-Surface Drainage - \$60,000
 - Spencer Road - Drainage Capital - \$54,238
 - Sixth Avenue - Construct & Seal - \$49,993
 - Elliott Road - Gravel Construction - \$47,095

- O'Neill Road - Gravel Resheet - \$44,108
- Sanders Road - Drainage Culvert Installation - \$40,000
- Ross Road - Resheet - \$37,540
- Jackson Street - Reseal - \$37,423
- Seventh Avenue - Construct & Seal - \$29,520
- Plant Replacement Program - \$1.2m
 - New 5T excavator;
 - Water Cart;
 - Skidsteer;
 - Passenger Vehicles; and
 - Plant trailer for maintenance crew.

Economic Services:

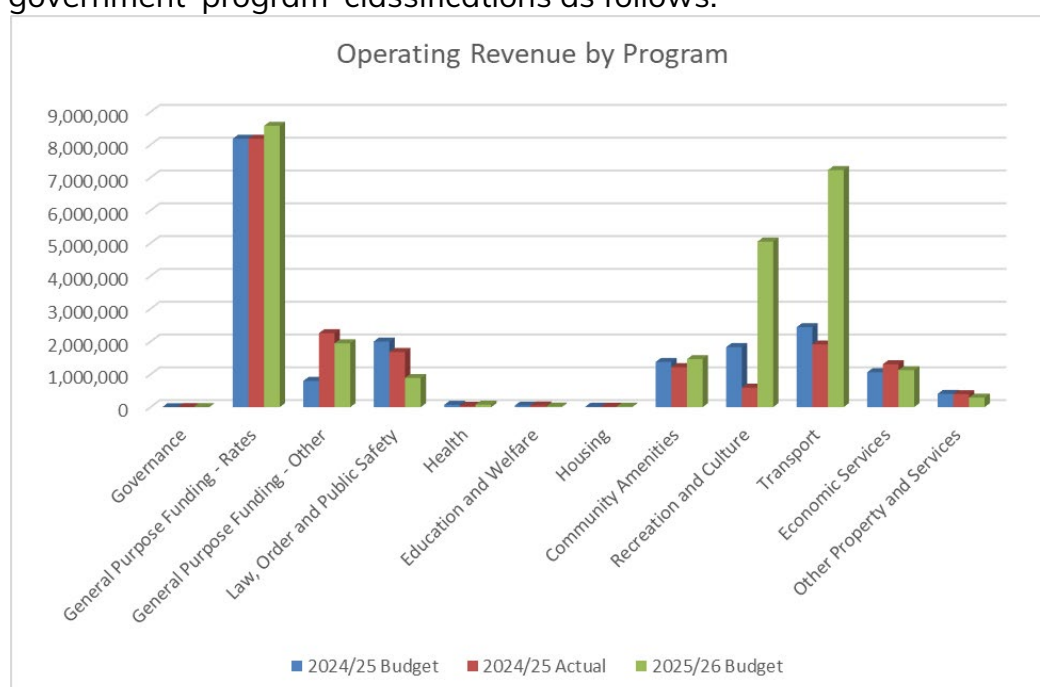
- Subdivision and Land Development - \$80,000
- Saleyards:
 - Bitumen Repairs - \$50,000
 - Roof Extension (Between Buildings) - \$21,395
 - New Hay Storage Shed - \$15,105

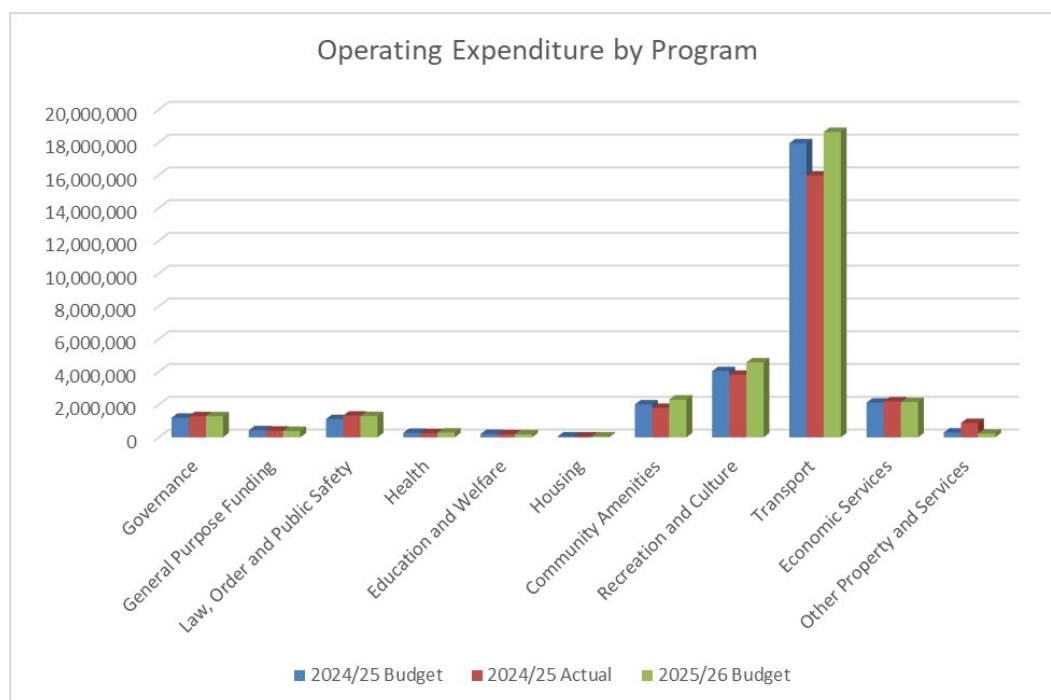
Other Property & Services:

- Admin Building:
 - Refit main office space - \$150,000
 - Lighting Upgrade - \$11,500
 - Vinyl in Committee Room & Kitchen - \$21,600
- Replacement Building Store (Depot) - \$90,000

Operating Expenditure & Revenue

The day-to-day revenue and expenses of the Shire can be shown according to local government 'program' classifications as follows:





These graphs clearly show the large portion of our operating revenue that comes from the imposition of property rates and grants for the new swimming pool and road construction, while expenditure is focused on roads and recreation and culture (please note: the expenditure graph above includes depreciation).

While it is not possible to outline every day-to-day operating expense in this budget summary, the following new and/or abnormal items are highlighted:

- Community Grant Program - \$155,000 allocated, up from \$138,734 last year;
- Property rates budgeted to increase by 4.8%. A one percent rate increase is equal to \$81,843;
- A 50% prepayment of Federal Government Financial Assistance Grants occurred in June 2025 - \$1.4m paid last financial year
- Local Government Election to be held 18 October 2025 - \$35,000
- Development of a Place Plan for Kendenup - \$12,000
- Refuse Collection Charges – 4.8% increase
- Waste Management Fee – 3.0% increase
- Planning Housing Grant of \$175,000 has been received to expedite development approvals and land releases associated with the housing shortage;
- Mount Barker Community Resource Centre operations incorporated into the Mount Barker Library Sub-Program (approximately an additional \$250,000 in revenue & expenditure)
- Mount Barker Recreation Centre:
 - Provision for the leasing of new gym equipment (required to go to tender due to the total contract value)
 - Duress Alarm system - \$12,000

- Allocation for Termite Damage - \$20,000
- Finalisation of the new master plan for Sounness & Frost Park - \$45,060
- Revegetation offsets for Pwakkenbak Trails Clearing Permit - \$30,000
- Promotion of O'Neill Trails & Signage Improvements - \$11,500
- Allocation – New Christmas Lights - \$30,000
- Art Valuation & Storage Improvements (continuation) - \$6,000
- Arts & Culture Strategy - \$30,000
- Road Maintenance - \$4.42m (including \$2m Flood Damage Repairs from the March rainfall event)

Reserve Accounts:

Reserve accounts are established when a local government sets aside money for use in a future financial year. The summary of movement in reserve accounts in the attached draft budget is as follows:

- \$1.7m reduction in total reserve account balances for 2025/2026, predominately due to a \$1.55m transfer from the Mount Barker Swimming Pool reserve account for the construction of the new pools;
- \$2.86m total transfers out of reserve, \$1.16m transfers to reserves (net reduction of \$1.7m);
- Opening Balance 1 July 2025 - \$6.56m, budgeted Closing Balance 30 June 2026 - \$4.86m

Loans:

Three new loans, totalling \$5.1m, are proposed in the attached draft 2025/2026 Annual Budget. Details are as follows:

- \$1.5m – Two new Bush Fire Brigade Sheds at Rocky Gully and Woogenellup. This loan is a self-supporting loan on behalf of DFES (they reimburse the Shire when each repayment is made);
- \$2.9m – Mount Barker Swimming Pool Redevelopment; and
- \$700,000 Wilson Park - Stage 1 construction.

Loan debt levels are currently very low, with an opening balance on 1 July 2025 of \$878,549 (of which \$265,393 are self-supporting loans). This budget estimates, following this year's loan repayments and the three new loans taken out, that the closing balance of loans at 30 June 2026 will be \$5.8m (of which \$1.7m will be self-supporting loans).

Loan 90, taken out for the construction of the Shire Administration Centre, was fully repaid in the previous financial year and loan 95, taken out to fund the Saleyards Roof, will be repaid in full in this coming (2025/2026) financial year.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION

That Council adopts the 2025/2026 Annual Budget, as proposed.

7 CLOSURE OF MEETING