



Confirmed Minutes

Special Council Meeting

Tuesday, 30 July 2024

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NOTICE OF MEETING

Notice is hereby given that the

Shire of Ravensthorpe
Special Meeting of Council

will be held on
Tuesday, 30 July 2024
commencing at 6.00pm

Council Chambers,
Ravensthorpe Cultural Precinct
Ravensthorpe

Matthew Bird
Chief Executive Officer

Disclaimer

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

Please note this agenda contains recommendations which have not yet been adopted by Council.

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In particular and without derogating in any way from the broader disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Ravensthorpe during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Ravensthorpe. The Shire of Ravensthorpe warns that anyone who has an application lodged with the Shire of Ravensthorpe must obtain and should only rely on written confirmation of the outcome of the application, and any conditions attached to the decision made by the Shire of Ravensthorpe in respect of the application.

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AGENDA

Mission Statement *To grow our community through the provision of leadership, services and infrastructure.*

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Shire President declared the meeting open at 6.02pm.

The Shire President to acknowledged the Traditional Owners of the land on which we meet, and pay respect to Elders past, present, and emerging.

2. RECORD OF ATTENDANCE, APOLOGIES AND APPROVED LEAVE OF ABSENCE

Elected Members:

Cr Thomas Major	(Shire President)
Cr Mark Mudie	(Deputy Shire President)
Cr Sue Leighton	
Cr Graham Richardson	
Cr Robert Miloseski	
Cr Roger Mansell	

Staff:

Matthew Bird	(Chief Executive Officer)
Les Mainwaring	(Executive Manager Corporate Services)
Paul Spencer	(Executive Manager Infrastructure Services)

MEMBERS OF THE PUBLIC

Nil

APOLOGIES

Cr Rachel Gibson	
Natalie Bell	(Executive Manager Development and Community Services)

LEAVE OF ABSENCE

Nil

ABSENT

Nil

VISITORS

Nil

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

4. PUBLIC QUESTIONS TIME

Nil.

5. DECLARATIONS OF INTEREST

Nil.

6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Nil.

8. ANNOUNCEMENTS / REPORTS BY ELECTED MEMBERS

Nil.

9. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

Nil.

10. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil.

11. MATTERS ARISING FROM COMMITTEES OF COUNCIL

Nil.

12. REPORTS OF OFFICERS

12.1 CORPORATE SERVICES

12.1.1 ADOPTION OF 2024-2025 BUDGET AND SCHEDULES

File Reference:	FM.BU.1
Location:	Nil
Applicant:	Nil
Author:	Executive Manager Corporate Services
Authorising Officer	Chief Executive Officer
Date:	26 July 2024
Disclosure of Interest:	Nil
Attachments:	1. Draft Statutory Budget 2024-25 and Schedules 2. Revised Fees & Charges 2024-25
Previous Reference:	Nil

PURPOSE

1. To adopt the Annual Budget for the 2024/2025 financial year in accordance with the requirements of the *Local Government Act 1995* and other relevant legislation together with supporting schedules, including imposition of rates and minimum payments, adoption of fees and charges, setting of elected members fees for the year and other consequential matters arising from the budget papers.

BACKGROUND

2. The Local Government Act requires Council's by 31 August each financial year to prepare and adopt, in the form and manner prescribed, a financial budget for its municipal fund for the financial year ending the next following June. The 2023/24 budget was adopted 29 August 2023, so we are effectively a month early for adoption compared to last year and two months earlier than 2022.
3. The draft 2024/25 Annual Budget has been compiled based on the principles contained within the Strategic Community Plan and prepared in accordance with the presentations made to councillors through Budget Workshop briefings on 7 May and 2 July 2024.
4. The differential general rates strategy was adopted by council 4 June 2024 in reference to the existing Long Term Financial Plan 2023-2033 as adopted, and the suite of Strategic Community Plan documents adopted by Council 18 May 2021.
5. At the Special Council Meeting 4 June 2024, Council resolved to:

Endorse the following differential rates across all categories to form the basis of the proposed rate setting for the 2024/2025 budget.

	<i>Cost in \$</i>	<i>Minimum</i>
<i>GRV Residential</i>	<i>0.123276</i>	<i>\$1,026.00</i>
<i>GRV Commercial</i>	<i>0.151340</i>	<i>\$1,026.00</i>

<i>GRV Industrial</i>	<i>0.151340</i>	<i>\$1,026.00</i>
<i>GRV – Transient Workforce Camps / Short Stay Accommodation</i>	<i>0.316389</i>	<i>\$1,026.00</i>
<i>UV - Rural</i>	<i>0.003869</i>	<i>\$1,026.00</i>
<i>UV – Mining</i>	<i>0.240386</i>	<i>\$1,026.00</i>

Adopt the Objectives and Reasons for the Proposed Differential rates for 2024/2025.

Authorise the Chief Executive Officer to advertise the differential rates and call for public submissions in accordance with Section 6.36 of the Local Government Act 1995 for a minimum of 21 days.

Authorise the Chief Executive Officer to make application to seek Ministerial approval under Section 6.33 of the Local Government Act 1995 to impose differential rates that are more than twice the lowest differential rate being imposed.

6. Proposed rates were advertised on the 6 June 2024 and at the end of the 21 day statutory advertising period there were no submissions for Council to consider.

COMMENT

7. The overall strategy for the 2024/25 budget is an immediate response to the impacts of closure of the Ravensthorpe Nickel Operations with the loss of almost 500 jobs in a community of just over 2000 people. The economic flow on effects to the community will be significant during the next twelve months, whilst the shire has noticed the immediate effects of revenues from the airport passenger numbers and childcare places with draft budget revenue down \$1,340,000 from these two activities alone. Whilst this fall represents a drop of 12% based on last year's operating revenue budget, or 22% of rates, there has been the consideration of cost of living pressures and retaining the rating strategy from last year where 2024/2025 rates were forecast to increase by 4.5% (a decrease of 0.25% from last year's 4.75%). To maintain this steady rates position amid falling revenues, projects and spending have been driven down where possible whilst trying to maintain existing service levels. In a lot of respects this is an interim budget position that will allow time until all of the financial impacts can be measured accurately and the resulting financial trends assessed in a revision of the long term financial plan (LTFP). At this point of revising the LTFP, Council will be in a better position to consider longer term financial strategies that align available revenue with the cost demands of the community.
8. This budget can be viewed as an interim budget on the basis that it appears that the current constraint of revenue within the financial system will not allow longer term sustainability at current service levels.
9. Whilst revenue has fallen the shire has also observed increasing cost trends over the last 2 years that have coincided with the upsurge in inflation and the activation of labour market forces.
10. The main focus of cost revisions for 2024/25 were decreases in;
- Lower staff resources at the airport -\$113,000 to cater for reduced flights and passenger numbers and completion of the master plan -\$80,000

- Lower staff resources at Little Barrens childcares -\$41,000 as numbers have fallen.
 - In this budget, Shire has reduced its previous transfer to build-up of strategic asset reserves by \$1,109,000 back to the levels that have been adopted in the LTFP 2022-2023. The previous build up of the plant replacement reserve through supply chain delays is now being utilised to catch up on much needed replacement of aging plant and this is currently manageable within the current financial system.
 - The total capital works program has been reduced by \$2,609,000 or 32%.
11. This budget has been prepared to include information required by the *Local Government Act 1995, Local Government (Financial Management) Regulations 1996* and the Australian Accounting Standards.
12. The main features of the draft budget include:
- Rates have been set with an overall increase of 4.50% (Last Year 4.75%) across general categories with a focus on cost of living notwithstanding the financial pressures from loss of revenue.
 - This year's Capital Works Program is \$5,418,000.
 - Significant Capital Works Projects and Plant Replacement \$100K or over
 - \$150K Waste Trailer
 - \$809K Jerdacuttup Road Re-Construction
 - \$138K Fitzgerald Road 5kms
 - \$245K Birdwood Street Hopetoun Re-Construction
 - \$165K Springdale Road Re-Sheet
 - \$169K West River Road Re-Sheet
 - \$210K Southern Ocean Road Re-Seal
 - \$235K Concrete Footpath Construction Programme
 - \$100K Parks & Gardens Light Truck Replacement
 - \$210K Bulldozer Replacement
 - \$280K Loader Replacement
 - \$300K Prime Mover Replacement
 - \$250K Tip Truck Replacement
 - \$120K Street Sweeper Replacement
 - Building maintenance allocation of \$986K (LY \$836K).
 - Debt Servicing costs of \$170K (LY\$175K) Principle and Interest for existing loan debt, with no new borrowings.
 - Decrease in Plant Replacement Reserve \$659K (LY increase \$805K).
 - Increase in Building Reserve \$41K (LY increase \$163K).
 - Decrease in Road Reserve \$3K (LY increase \$150K)
 - Increase in Airport Reserve \$40K (LY increase \$345K)
 - Decrease in Waste Reserve & Sewerage Reserve \$95K (LY increase \$103K)
 - Community Development fund \$71K (LY \$57K) and other Presidential donations of \$10K (LY \$5K) provided.
 - Community Groups and event funding recurring allocations:
 - \$ 21,500 Council Annual Events Schedule
 - \$ 5,000 Ravensthorpe Historical Society – Visitor Services

○ \$ 8,000	Fitzgerald Biosphere Support and Promotion
○ \$ 4,000	RAIN Project assistance for declared weeds
○ \$ 20,000	Hopetoun Progress Association
○ \$ 30,000	Ravensthorpe Regional Arts Council
○ \$ 58,855	Hopetoun CRC – Library
○ \$ 58,855	Ravensthorpe CRC – Library
○ <u>\$ 5,000</u>	Hopetoun CRC – Visitor Services
\$212,210	

- \$203K for Bushfire mitigation on-ground services.
- \$293K Medical services and facilities operating investment.
- \$520K Childcare Services net operating and facility costs.
- \$813K Waste Refuse management net operating and facility cost.
- \$558K Public Halls net operating and facility costs.
- \$1,871K Recreation and Sporting net operations and facilities.
- \$581K Road Construction net contribution of general funds.
- \$5,240K Road Maintenance net contribution of general funds.
- \$528K Aerodromes net contribution of general funds (LY net revenue of \$210K).

The draft budget has been developed to achieve an \$0K balance at year end 30 June 2025. An estimated surplus of \$3.476m is anticipated to be brought forward from 30 June 2024, however this is unaudited and may change as it has been pre-estimated prior to the completion of all end of year accounting activities in an effort to deliver an earlier budget adoption. Any change will be addressed as part of the half yearly budget review.

The draft 2024/25 budget continues to deliver on strategies derived through community consultation and adopted in May 2021 by council as the Strategic Community Plan maintaining a high level of service across all programs.

The main economic driver for this year's budget has been the associated loss of revenues from the closure of nickel mining in the area and an operational rationalisation for the lithium mine. Whereas nickel appears likely to take a longer term to recover operations, lithium has been buoyed by a slight recovery to market prices which is allowing optimism for continued operations.

13. The Shires Integrated Planning framework and long term strategies have played an integral role in developing the Shire's vision for the future and has allowed for the development of priorities to achieve the consensus of community aims.

CONSULTATION

14. All Councillors and Executive Team

STATUTORY ENVIRONMENT

15. *Local Government Act 1995* - 7.12A. Duties of local government with respect to audits - A local government is to examine the report of the auditor prepared under section 7.9(1), and any report prepared under section 7.9(3) forwarded to it, and is to determine if any matters raised

by the report, or reports, require action to be taken by the local government; and ensure that appropriate action is taken in respect of those matters

16. *Local Government Act 1995 Section 6.2 requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.*
17. *Divisions 5 and 6 of Part 6 of the Local Government Act 1995 refer 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 2021/22 budget as presented is considered to meet statutory requirements.*
18. *Section 67 of the Waste Avoidance and Resource Recovery Act 2007 (Receptacle Charges for Waste Collections)*
19. *Section 41 of the Health Act 1911 for the management and maintenance of community effluent systems.*

POLICY IMPLICATIONS

20. Nil

FINANCIAL IMPLICATIONS

21. A balanced budget for the 2024/25 financial year. Specific financial implications are as outlined in the commentary section of this report and as itemised in the draft 2024/25 budget attached for adoption.

RISK MANAGEMENT

22. The following risks have been identified as a part of this report;

Risk	Likelihood	Consequence	Risk Analysis		Mitigation
Performance (operational) – Council is required to prepare and adopt a budget by 31 August, in the form and manner prescribed, a budget for its municipal fund for the financial year ending 30 th June next, following that 31 August.		Unlikely	Moderate	Medium	Council to adopt the budget before 31 August

ALTERNATE OPTIONS

23. Nil.

STRATEGIC ALIGNMENT

24. This item is relevant to the Councils approved Strategic Community Plan 2021 and Corporate Business Plan 2021-2025

Outcome 5: Governance and Leadership - The Shire of Ravensthorpe partners the community, and is an effective advocate and responsible steward

Item	Objectives and Strategies
5.5	The value of community owned assets is maintained
5.6	Financial systems are effectively managed

VOTING REQUIREMENTS

25. Absolute Majority

COUNCIL DECISION

Moved by Cr Mudie and seconded Cr Richardson

Resolution # 65/24

That Council;

Part A – Municipal Fund Budget for 2024/25

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 the council adopt the Municipal Fund Budget as contained in the attachment to this agenda and the minutes for the Shire of Ravensthorpe for the 2024/25 financial year which includes the following:

- Statement of Comprehensive Income by Nature and Type on page 2 showing a net result for that year of (\$4,895,699).
- Statement of Cash Flows on Page 3 showing Cash and cash equivalents at the end of the year of \$3,928,570.
- Statement of Financial Activity on page 4 showing an end of year budget balance of \$0.
- Notes to and Forming Part of the Budget on pages 6 to 28.

Carried 6/0

Shire President Tom Major thanked Executive Manager Corporate Services Mr Mainwaring and shire team for their efforts in getting the annual budget to Council for consideration in July. This is a really good result.

COUNCIL DECISION

Moved by Cr Leighton and seconded Cr Major

Resolution # 66/24

Part B – General and Minimum Rates, Instalment Payment Arrangements

1. For the purpose of yielding the deficiency disclosed by the Municipal Fund Budget adopted at Part A above, council pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995 impose the following general rates and minimum rates on Gross Rental and Unimproved Values.

1.1 General Rates

Residential (GRV)	12.3276 cents in the dollar
Commercial (GRV)	15.1340 cents in the dollar
Industrial (GRV)	15.1340 cents in the dollar
Transient Workforce/Short Stay Accom. (GRV)	31.6389 cents in the dollar
Rural (UV)	0.003869 cents in the dollar
Mining (UV)	0.240386 cents in the dollar

1.2 Minimum Payments

Residential (GRV)	\$1,026
Commercial (GRV)	\$1,026
Industrial (GRV)	\$1,026
Transient Workforce/Short Stay Accom. (GRV)	\$1,026

Rural (UV)	\$1,026
Mining (UV)	\$1,026

2. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 64(2) of the Local Government (Financial Management) Regulations 1996, council nominates the following due dates for the payment in full by instalments:
 - Full payment and 1st instalment due date 9 September 2024
 - 2nd quarterly instalment due date 11 November 2024
 - 3rd quarterly instalment due date 13 January 2025
 - 4th quarterly instalment due date 17 March 2025
3. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 67 of the Local Government (Financial Management) regulations 1996, council adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$10 for each instalment after the initial instalment is paid.
4. Pursuant to section 6.45 of the Local Government Act 1995 and regulation 68 of the Local Government (Financial Management) Regulations 1996, council adopts an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option.
5. Pursuant to section 6.51 (1) and subject to section 6.51 (4) of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996, council adopts an interest rate of 7% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.

Carried 6/0

COUNCIL DECISION

Moved by Cr Richardson and seconded Cr Leighton

Resolution # 67/24

Part C – General Fees and Charges for 2024/25

Pursuant to section 6.16 of the Local Government Act 1995, council adopts the Fees and charges included with the draft 2024/25 budget.

Carried 6/0

COUNCIL DECISION

Moved by Cr Mudie and seconded Cr Richardson

Resolution # 68/24

Part D – Other Statutory Fees for 2024/25

1. Pursuant to section 53 of the Cemeteries Act 1986 council adopts the fees and charges for cemeteries within Shire boundaries included in the draft 2024/25 budget.
2. Pursuant to regulation 53 of the Building Regulations 2012 the council adopts a swimming pool inspection fee of \$78.00.
3. Pursuant to section 67 of the Waste Avoidance and Resources Recovery act 2007, council

adopt the following charges for the removal of domestic and commercial waste:

3.1 Residential Commercial and Industrial Premises 240L Refuse Bin Collected Weekly
\$387.50 pa

3.2 Residential Commercial and Industrial Premises 240L Recycling Bin Collected Fortnightly
\$137.50 pa

4. Pursuant to Section 41 of the *Health Act 1911* council adopt the following effluent charges for the management and maintenance of community effluent systems within the town sites of Munglinup and Ravensthorpe:

4.1 General Rates

- Ravensthorpe (GRV) 2.7265 cents in the dollar
- Munglinup (GRV) 3.1148 cents in the dollar

4.2 Minimum Payments

- Ravensthorpe (GRV) \$234
- Munglinup (GRV) \$234

4.3 Non Rateable Properties

- First Fixture \$234
- Per Additional Fixture \$146
- Commercial Volume Sewerage (CBH sites) \$1,768

Carried 6/0

COUNCIL DECISION

Moved by Cr Richardson and seconded Cr Mudie

Resolution # 69/24

Part E – Elected Members Fees and Charges

1. Pursuant to section 5.99 of the Local Government Act 1995 and regulation 34 of the Local Government (Administration) Regulations 1996, council adopts the following annual fees for payment of elected members in lieu of individual meeting fees:

President	\$22,800
Councillors	\$15,200

2. Pursuant to section 5.99A of the Local Government Act 1995 and regulations 34A and 34AA of the Local Government (Administration) Regulations 1996, Council adopts the following annual allowances for elected members:

Phone, fax, IT & Telecommunications	\$1,280
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3. Pursuant to section 5.98(5) of the Local Government Act 1995 and regulation 33 of the Local Government (Administration) Regulations 1996, council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:

President	\$15,000
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4. Pursuant to section 5.98A of the Local Government Act 1995 and regulations 33A of the Local Government (Administration) Regulations 1996, council adopts the following annual local government allowance to be paid in addition to the annual meeting allowance:

Deputy President	\$3,750
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Carried 6/0

COUNCIL DECISION

Moved by Cr Major and seconded Cr Richardson

Resolution # 70/24

Part F – Material Variance Reporting

In accordance with regulation 34 (5) of the Local Government (Financial Management) Regulations 1996, and AASB 1031 Materiality, the level to be used in statements of financial activity in 2024/25 for reporting material variances shall be 10% or \$100,000, whichever is the greater.

That pursuant to section 6.47 of the *Local Government Act*, and in keeping with past years, the 2024/25 rates on the following properties be waived as community support and recognition for these organisations.

Carried 6/0

COUNCIL DECISION

Moved by Cr Miloseski and seconded Cr Leighton

Resolution # 71/24

Part G – Rates Exemption

That pursuant to section 6.47 of the *Local Government Act*, and in keeping with past years, the 2024/25 rates on the following properties be waived as community support and recognition for these organisations.

- Assessment A14326 – 62 Esplanade – CWA of Hopetoun
- Assessment A11670 – 75 Spence Street – Baptist Union of WA Inc.
- Assessment A11569 – 23 Dunn Street – Diocesan Trustees of Bunbury Inc.
- Assessment A11697 – 25 Dunn Street – Diocesan Trustees of Bunbury Inc.
- Assessment A430 – 21 Dunn Street – Diocesan Trustees of Bunbury Inc.
- Assessment A611 – 21 Morgans Street – St Johns Ambulance Australia Ravensthorpe Sub Centre
- Assessment A776 – 49 Esplanade – The Roman Catholic Bishop of Bunbury
- Assessment A589 – 38 Kingsmill Street – The Uniting Church in Australia Property Trust WA
- Assessment A636 – 51 Morgans Street – Ravensthorpe Community Centre
- Assessment A13375 – 16 Chambers Street – Hopetoun Progress Association

Subject to eligibility of exemption being reviewed.

Carried 6/0

13. MATTERS BEHIND CLOSED DOORS

Nil.

14. MEETING CLOSURE

The Presiding Member declared the meeting closed at 6.07pm.

CONFIRMATION OF MINUTES



Signed by Shire President Date 20 / 08 /2024