SHIRE OF
WAROONA
SEA TO SCARP

Date: **4 August 2026**

To: **Shire President**
All Councillors

Copy: Directors
Managers
Staff

SPECIAL COUNCIL MEETING
NOTICE AND AGENDA

A Special Council meeting of the Shire of Waroona will be held in the Shire of Waroona Council Chamber at 4.00 pm Friday, 7 August 2026 to consider and resolve the matters set out in the attached Agenda.

MARK GOODLET
CHIEF EXECUTIVE OFFICER

Please note: all Council meetings are audio recorded and made public
in accordance with *r.14J* of the *Local Government (Administration) Regulations 1996.*

If you wish to ask a public question, or provide a deputation or submission, please visit
https://www.waroona.wa.gov.au/council-meetings/
or contact the Shire on (08) 9733 7800 / warshire@waroona.wa.gov.au

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2. ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

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4. PETITIONS, APPROVED DEPUTATIONS & SUBMISSIONS

5. DISCLOSURES OF INTEREST

(Disclosure of interest MUST ALSO be made by the member or officer immediately prior to a matter, for which an interest is being disclosed, is dealt with.)

6. REPORTS OF THE CHIEF EXECUTIVE OFFICER AND OFFICERS

6.1 DIRECTOR CORPORATE & COMMUNITY SERVICES

6.1.1 CGL007 - Corporate Business Plan 2026-2030	
File Ref:	CM.4 – Corporate Management – Planning – Business Plans – Principal Activity Plan
Previous Items:	Nil
Applicant:	Not applicable
Author and Responsible Officer:	Corporate Planning & Governance Officer; Director Corporate & Community Services
Declaration of Interest:	Nil
Voting Requirements:	Absolute Majority
Appendix Numbers:	6.1.1 A – CGL007 - Corporate Business Plan 2026-2030 – with tracked changes 6.1.1 B – CGL007 - Corporate Business Plan 2026-2030 – Proposed

OFFICER RECOMMENDATION

That Council adopts CGL007 - Corporate Business Plan 2026-2030 as per Appendix 6.1.1 B.

IN BRIEF

Council is requested to consider adopting CGL007 - Corporate Business Plan 2026-2030 in accordance with the *Local Government Act 1995* and the *Local Government (Administration) Regulations 1996*.

BACKGROUND

In accordance with section 5.56 of the *Local Government Act 1995*, all local governments in Western Australia are required to effectively plan for the future, with guidance outlined in the September 2016 Department of Local Government and Communities' Integrated Planning & Reporting Framework and Guidelines. The intent of the framework is to ensure that priorities and services provided by the local government are aligned with community needs and aspirations and, in doing so, facilitate a shift from a short-term resource focus to long-term sustainability.

CGL007 - Corporate Business Plan 2026-2030 (Corporate Business Plan) is the Shire of Waroona (Shire)'s four-year planning document and one of the core components of the Shire's integrated planning and reporting framework. It addresses the objectives and strategies set out in a four-year period of the Strategic Community Plan 2024-2034 and is pivotal in ensuring that the short and medium-term commitments are both strategically aligned and affordable.

The Corporate Business Plan sits in the centre of the Shire's corporate planning hierarchy and identifies several prioritised services, operations and projects that the Shire plans to undertake between 2026 and 2030. In doing so, the community's main priorities and expectations as identified in the Strategic Community Plan can be delivered.

In accordance with regulation 19DA(4) of the *Local Government (Administration) Regulations 1996*, the Corporate Business Plan must be reviewed every year. Annual reviews ensure that alignment with the short-term Annual Budget and long-term Strategic Community Plan is maintained.

REPORT DETAIL

The 2026-2030 Corporate Business Plan follows the Shire's vision, mission and values as set in its Strategic Community Plan 2024-2034. The actions and projects identified in the Corporate Business Plan align with the objectives and strategies derived from the five key focus areas and aspirations in the Strategic Community Plan:

1. Our Community

To have a connected and involved community that improves our quality of life through developing quality places and implementing quality town planning.

2. Our Economy

To create a diverse economy base that supports opportunity and employment.

3. Our Environment

To continually care for, protect and enhance our environment for the generations to come.

4. Our Built Assets

To build and effectively manage our assets to continually improve our standard of living.

5. Our Leadership

To embed strong leadership through good governance, effective communication and ensuring value for money.

Significant amendments made since last publication

Since publication of the 2025-2029 Corporate Business Plan in August 2025, significant amendments have been applied to the following projects and actions, to reflect updated priorities and progress made:

Project / Action	**Comments**
Focus Area 1. Our Community	
1.1.6.3 Review Local Emergency Management Arrangements	***Completed in 2025/2026 - Item removed*** The Shire's Local Emergency Management Arrangements were endorsed by the Local Emergency Management Committee, and by Council in September 2025.
1.1.6.3 Implement the Local Emergency Management Arrangements	***New item added*** Reflects the active implementation of the reviewed and updated Local Emergency Management Arrangements.
1.2.2.1 Prepare a Business Plan for the implementation of the Drakesbrook Weir Masterplan Amended to read:	***Project amended*** Preparation of a business plan to implement the major components within the Drakesbrook Weir Masterplan has been deprioritised whilst

1.2.2.1 Review and Update the Drakesbrook Weir Masterplan	grant funding opportunities continue to be explored. Project amended to reflect redirection of focus towards achievable projects and progress.
Focus Area 3. Our Environment	
3.1.1.3 Support not-for-profit organisations to implement regular litter clean ups	***Item removed*** This initiative forms part of the Shire's day-to-day business operations.
3.1.1.5 Contribute toward the refurbishment of the Department of Agriculture building	***Completed in 2025/2026 - Item removed*** Now known as the 'Enviro Centre', the building has been refurbished to an occupiable standard.
3.1.1.6 Support local Environmental Groups through centralisation of services at the Environmental Centre	***Completed in 2025/2026 - Item removed*** The Enviro Centre is now occupied by four local environmental groups under licence agreements.
3.1.1.4 Support collaboration and service delivery by local environmental groups through the Enviro Centre	***New item added*** Following successful occupation of the Enviro Centre, the Shire will work to enable successful collaboration with and between its occupants, through the provision of a maintained and functioning multi-use facility.
3.1.3.2 Develop an Environmental Management Strategy	***Completed - Item removed*** An Environmental Management Strategy was adopted in 2023/24. Scheduled reviews and implementation is incorporated into item 5.2.2.4
Focus Area 4. Our Built Assets	
4.1.1.1 Implement the concept and design plans for Waroona Community Precinct Phase 2 –Big shed.	***Completed in 2025/2026 - Item removed*** Refurbishment and development of the 'Big Shed', a multi-purpose outdoor function facility was officially opened on 25 September 2025.
4.1.1.2 Develop and implement the concept and design plans for Waroona Community Precinct Phase 3 – Irrigation House building.	***Completed in 2025/2026 - Item removed*** The concept and design plans were developed in 2025/26.
4.1.1.1 Implement the concept and design plans for Waroona Community Precinct Phase 3 – Irrigation House building.	***New item added*** Following the successful development of the concept and design plans for Phase 3, above, the Shire will now plan for the implementation of the plans, commencing 2027/28.
4.1.1.3 Seek funding for the construction of a Waroona Recreation & Aquatic Centre gym extension	***New item added*** Recreation Services to explore and apply for applicable grant funding opportunities in 2025/26.

All amendments to the 2026-2030 Corporate Business Plan have been applied to align with the Shire's business planning for the period 2026-2030 and are presented in a 'tracked changes' version of the final plan at Appendix 6.1.1 A.

This Corporate Business Plan activates the objectives of the 2024-2034 Strategic Community Plan and informs the annual budget process to ensure the priorities of the community are strategically aligned and affordable. The actions and projects identified in the Corporate

Business Plan will be reported on quarterly and summarised in the Shire's corresponding Annual Report.

STRATEGIC COMMUNITY PLAN & CORPORATE BUSINESS PLAN

Focus Area	Our Leadership
Aspiration	To embed strong leadership through good governance, effective communication and ensuring value for money
Objective	5.1 A sustainable future through embracing change, applying technological advancement and pursuing efficiencies
Strategy	5.1.1 Establish a strong corporate governance framework to ensure high standards of integrity, ethics and accountability, and pursue professional development opportunities

OTHER STRATEGIC LINKS

- Annual Budget 2026/27
- Resourcing Waroona 2030 – Long Term Financial Plan 2021-2031
- Building Waroona 2030 – Asset Management Strategy 2022-2032

STATUTORY ENVIRONMENT

Local Government Act 1995

s.5.56 Planning for the future

(1) A local government is to plan for the future of the district.

(2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

Local Government (Administration) Regulations 1996

r.19DA Corporate business plans, requirements for (Act s.5.56)

(1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.

(2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.

(3) A corporate business plan for a district is to —

(a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

(b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and

(c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.

(4) A local government is to review the current corporate business plan for its district every year.

(5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.

(6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.

Absolute majority required.

(7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

SUSTAINABILITY & RISK CONSIDERATIONS

Economic *- (Impact on the Economy of the Shire and Region)*
The Corporate Business Plan is the key driver for the Annual Budget and Long Term Financial Plan. This connection ensures that community priorities and projects are adequately funded and that appropriate and endorsed rating strategies are in place to allow careful consideration of potential financial impacts on the community. There are a number of economic initiatives within the Corporate Business Plan which reflect the high priority Council has given to the growth of the Waroona economy.

Social *- (Quality of life to community and/or affected landowners)*
The actions and projects outlined within the Corporate Business Plan will increase alignment with the community's vision and requirements around the provision of services and thereby contribute to quality of life.

Environment *– (Impact on environment's sustainability and climate change)*
The Corporate Business Plan details the level of focus dedicated to environmental outcomes and projects.

Policy Implications
Nil.

Risk Management Implications

Context / Risk Category	Operational - Adverse effects on core business, business continuity, human resource risks, loss of knowledge
Risk	Failing to endorse the review of the Corporate Business Plan would result in non-compliance with legislation and potential consequences from the relevant State Government department.
Consequence	2 - Minor
Likelihood	2 - Unlikely
Risk Rating, prior to treatment	Moderate (4-9)
Key Controls / Treatment	Council's endorsement of the recommendation of this report will mitigate the likelihood of this risk coming into effect.

Risk Acceptance	Accept - Risk acceptable with adequate controls

CONSULTATION

- Projects and actions have been derived from the strategies and objectives outlined in the Strategic Community Plan, following significant engagement with community and key stakeholder in 2024.
- Consultation with staff to review, develop and prioritise actions.
- Public consultation was not required prior to this review.

Aboriginal Consultation
Not applicable for this report.

RESOURCE IMPLICATIONS

Financial
Costs associated with implementing the actions are included within the Long-Term Financial Plan and Annual Budget 2026/27.

Workforce
The strategies outlined within the Corporate Business Plan align with minor amendments to workforce across the four years of the Plan.

CONCLUSION

The Shire of Waroona CGL007 - Corporate Business Plan 2026-2030 forms part of the Shire’s overarching integrated planning and reporting framework and is used to drive the development of the Shire’s Annual Budget, Workforce Plan, Asset Management Strategy, and Long Term Financial Plan.

The Corporate Business Plan will activate the objectives of the Strategic Community Plan to ensure that priorities and services provided by the Shire are aligned with community needs and visions and in doing so, facilitate a shift from a short-term resource focus to long-term sustainability.

6.1.2 Adoption of the Shire of Waroona 2026/2027 Annual Budget	
File Ref:	FM.6 Financial Management – Budget
Previous Items:	Previous Council briefing items
Applicant:	N/A
Author and Responsible Officer:	Director Corporate & Community Services
Declaration of Interest:	Nil
Voting Requirements:	Absolute Majority
Appendix Numbers:	6.1.2 A – 2026/27 Budget Statements 6.1.2 B – 2026/27 Fees & Charges 6.1.2 C – 2026/27 Rating Information 6.1.2 D – 2026/27 Supporting Information

OFFICER RECOMMENDATION

That Council:

1. **Adopts the 2026/27 Municipal Fund Budget**

   Adopts the 2026/27 Municipal Fund Budget as presented in this report and imposes the following rates and charges:

   General rate:

   11.3118 cents in the dollar on Gross Rental Values
   0.5701 cents in the dollar on Unimproved Values

   Differential rate:

   0.8550 cents in the dollar on Unimproved Values – Intensive Agriculture
   1.1400 cents in the dollar on Unimproved Values – Industrial and Mining

   Maximum payment instalment interest: 5.5%
   Maximum interest on overdue rates: 11%

   Payment of rates are to be offered in three (3) options:

   Option 1 – Payment in full;
   Option 2 – Payment by two (2) instalments – Instalment charge $10 on 2nd instalment; and
   Option 3 – Payment by four (4) instalments – Instalment charge $30 on 2nd, 3rd & 4th instalments; and

2. **Adoption of Refuse Removal Charges**

   Adopts the Refuse Removal Charges for the 2026/27 financial year as presented below:

   i. $205 per annum per 240L general waste and recycling service;
   ii. $205 per annum per additional 240L general waste charge weekly;
   iii. $155 per annum per additional 240L recycling charge fortnightly;
   iv. $245 waste service levy;
   v. Refuse removal – Bulk commercial bins per annum

Bulk Bin 1.5m once/week	**$4,050**
Bulk Bin 1.5m twice/week	**$8,102**
Bulk Bin 3.0m once/week	**$4,534**
Bulk Bin 3.0m twice/week	**$9,067**
Bulk Bin 4.5m once/week	**$5,027**
Bulk Bin 4.5m twice/week	**$10,055**
Bulk Bin 3.0m recycling skip/fortnightly	**$4,714**
Bulk Bin 4.5m recycling skip/fortnightly	**$6,062**
Bulk Bin 1.5m recycling skip/fortnightly	**$3,371**
Commercial – 1.5m weekly + 1.5m recycling F/N	**$6,814**
Commercial – 3.0m weekly + 3.0m recycling F/N	**$8,462**
Commercial – 4.5m weekly + 4.5m recycling F/N	**$10,204; and**

3. Adoption of Fees & Charges

Adopts the schedule of Fees & Charges for the 2026/27 financial year as per Appendix 6.1.2 B; and

4. Adoption of the Trust Fund Budget

Adopts the Trust Fund Budget for 2026/27 financial year as presented in this report; and

5. Early payment incentive

Offers a $1,000 cash prize as an incentive for early payment of rates in accordance with Council Policy FP019; and

6. Material Variance Policy

Approves, for the purpose of preparing monthly financial statements and dealing with the Shire of Waroona's Statement of Financial Activity and Statement of Financial Position, the materiality factor for highlighting variances (current budget to actual) to be 10% with a minimum of $30,000. It is acknowledged that the use of this policy is a guide only and that materiality is a matter of professional judgement; and

7. Elected Members' Remuneration

Adopts the Elected Members Remuneration as stated in Note 11 of the Adopted Budget financial statements at Appendix 6.1.2 D, including superannuation payments; and

8. New Reserve Account

Establishes new Reserve Account "Renewable Energy Reserve" for the purpose of "holding funds raised on GRV rating of Renewable Energy Assessments"; and

9. New Loan

Approves the establishment of a new loan #125 Eastcott Street Development for the amount of $612,000 – for the purpose of Land Development.

IN BRIEF

Council is required, in accordance with Section 6.2 of the *Local Government Act 1995 (and Regulations),* to adopt an annual budget.

The 2026/27 budget represents the second year of the Shire's revised Strategic Community Plan 2024-2034 and subsequent Corporate Business Plan 2026-2030.

BACKGROUND

Attached is a comprehensive summary of the 2026/27 draft budget representing outcomes from the draft budget briefing sessions held with Elected Members through the months of June and July 2026.

The document contains statutory financial statements together with supporting information and full rating information.

The 2026/27 budget represents the second year of the revised strategic direction resulting from community consultation associated with the preparation and adoption of an updated Strategic Community Plan 2024-2034.

A brought forward surplus of $2,507,232 has been estimated which includes early payment of $1,539,587 of the Shire's 2026/27 Financial Assistance Grant as well as $91,322 of carried forward loan funds for further development of Railside Park. As a result of the surplus amount being estimated, there may be a requirement for an amendment of the budget at a later date.

Full details of the surplus is provided in Note 3 of the financial statements.

The Shire's Reserve Account balances have been forecast to increase from $3,311,432 to $3,439,477, an increase of $128,045.

REPORT DETAIL

The following chart highlights the budgeted levels of income/expenditure over the past 4 years alongside the proposed 26/27 budget.

	2022/23 $	2023/24 $	2024/25 $	2025/26 $	2026/27 $
Operating expenditure	12,409,737	12,801,121	11,886,452	13,517,347	14,197,586
Operating income	8,350,488	8,595,120	10,588,971	10,191,282	10,682,578
Rate revenue	5,389,248	5,812,751	6,305,567	6,525,928	6,798,655
Capital expenditure	9,497,406	9,713,174	3,415,824	4,997,715	6,587,794
Loans raised	0	0	0	0	612,000
Transfer to reserve	159,395	193,538	868,951	279,655	225,045
Transfer from reserve	626,862	383,000	313,412	25,000	97,000
Non-operating grants	7,060,905	7,253,961	2,593,562	3,315,271	4,297,539

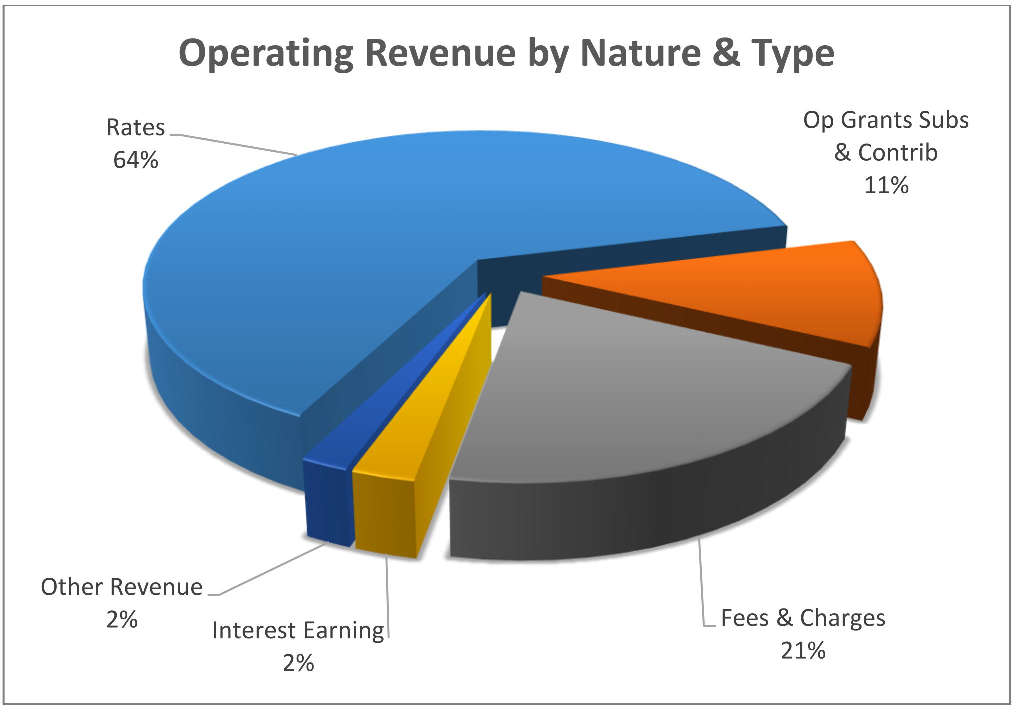
The comprehensive income net result reflects a surplus of $796,469. This figure shows the Shire's ability to cover its operational costs and still have funds available for capital and other funding purposes. The income statement also reflects the level of reliance on grant funding to achieve the forecast capital expenditure.

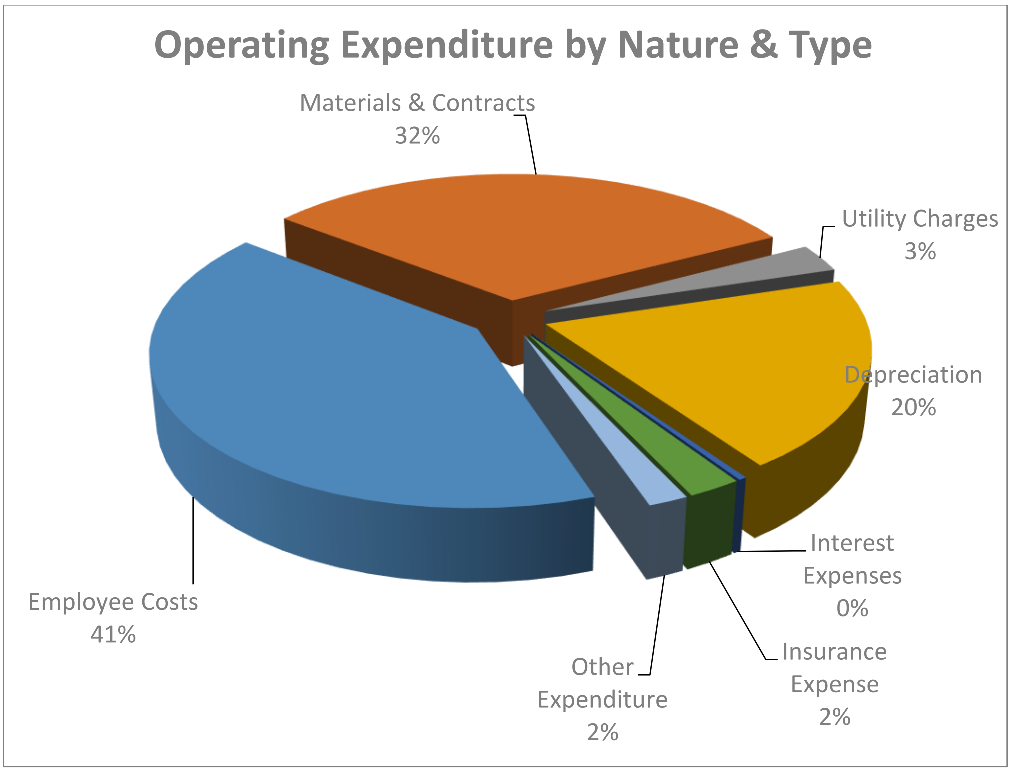
Untied income from Alcoa (effectively an ex-gratia payment) is represented as operating income in the financial statements. This amount (est. $274,515) equates to 4.03% of rate income based on 2026/27 rating levels.

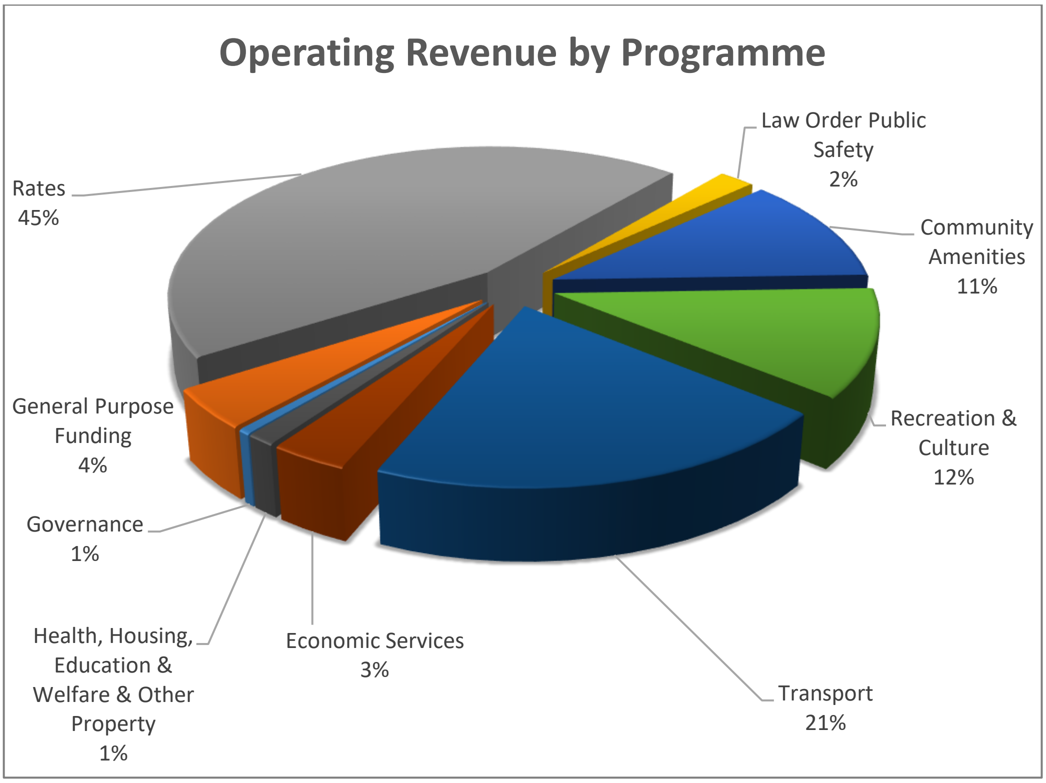
The budget contains a further document that details significant projects together with proposed funding sources. The document is for information purposes only and provides details of grants and other contributions with the balance representing general revenue.
<u>Non-Discretionary Expenditure – Fixed Cost</u>

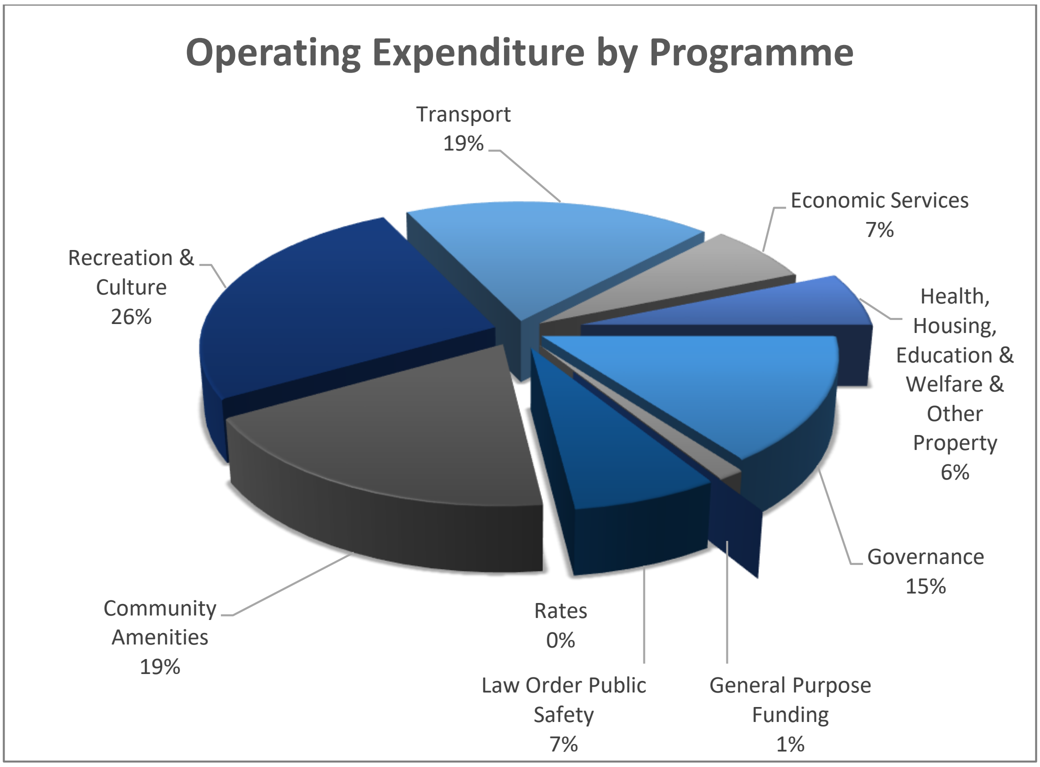
All expenditure of a "fixed" nature has been included within the budget estimates with a summary of the expenses being included within the statutory financial statements. These costs are largely calculated within sub-budgets. Examples include Salaries & Wages, utility costs, insurance, computer support etc.

The following graphs are provided to assist in understanding the budget operational income and expenditure.




Operating Expenditure by Nature & Type
Materials & Contracts 32%
Utility Charges 3%
Depreciation 20%
Interest Expenses 0%
Insurance Expense 2%
Other Expenditure 2%
Employee Costs 41%


Operating Revenue by Programme
Law Order Public Safety 2%
Community Amenities 11%
Recreation & Culture 12%
Transport 21%
Economic Services 3%
Health, Housing, Education & Welfare & Other Property 1%
Governance 1%
General Purpose Funding 4%
Rates 45%



Rating

The 2026/27 draft budget is prepared on a general rate income increase of 3.95%. The general rate increase proposed in the Shire's Long Term Financial Plan was estimated to be 3.25%. The proposed rate increase is considered to be reasonable and fair to the community based on rising costs and inflation rates.

Due to ongoing minimal growth patterns, no allowance has been made in 2026/27 for interim rate income.

UV properties are revalued by Landgate's Valuation Services (Valuer General) every year. UV valuations continue to rise following an 8.86% in 2024/25, a 13.26% in 25/26 and an 11.80% increase in 26/27.

To ensure that rates objectivity and fairness is achieved across the Shire as a whole, and to achieve an equitable level of rating between commercial properties within both the UV and GRV rating categories, in the 2023/24 financial year, Council introduced two new differential rating categories for properties located outside the townsite that are held for light or heavy industry, mining, exploration, extractive industry, renewable energy or intensive agricultural use. Additional funds raised from differential rating provides funding for the maintenance of infrastructure resulting from heavy road use.

GRV revaluations are performed every 5 years. 2021/22 was the most recent GRV revaluation year with an overall increase of approximately 9%. The next GRV revaluation will take place in the 2026/27 financial year with an effective date of 1 July 2027.

Full details of rating methodology are provided as an attachment to the budget document.

Loan Liability

Total loan liability as of 30th June 2027 is forecast at $1,912,607, compared with an actual of $1,368,263 at 30th June 2026. The 2026/27 Budget proposed to take out a new loan for the development of Lot 43 Eastcott Street for the amount of $612,000.

Council Policy FP012 provides guidance to financial decision making in relation to borrowings and will be considered in conjunction with the preparation of future budgets. Total loan repayments (ie. principal and interest) as a percentage of rate income is provided as follows:

Financial Year	Actual/Forecast	Repayments as a % of rates
2016/17	Actual	1.46%
2017/18	Actual	1.14%
2018/19	Actual	1.54%
2019/20	Actual	1.47%
2020/21	Actual	1.91%
2021/22	Actual	2.24%
2022/23	Actual	3.56%
2023/24	Actual	2.30%
2024/25	Actual	2.36%
2025/26	Actual	1.80%
2026/27	**Forecast**	**1.73%**

Further details of the Shire's loan liability by individual loans are contained in Note 8 of the financial statements.

Road Construction

Details of the 2026/27 Road Construction Program are contained in Appendix 6.1.2 D 'Supporting Information". Road grants equate to 79% of the total construction program compared to 67% in 2025/26.

Facility Expenses

Waroona Recreation & Aquatic Centre

The operational deficit for operations at the Waroona Recreation & Aquatic Centre is forecast at $859,557 inclusive of depreciation ($194,791) compared with $889,447 in 2025/26.

Capital expenditure is budgeted at $162,253, representing 83% of the annual depreciation expense. This demonstrates Council's continued commitment to renewing and maintaining the Centre's assets, with the majority of asset consumption being reinvested through capital renewal and replacement works during the 2026/27 financial year.

A comparison of operating income and expenditure for the previous five years can be viewed below:

Financial Year	Actual / Budget	Operating Expenditure	Operating Income	Deficit
2021/22	Actual	$1,034,025	$454,772	($579,253)
2022/23	Actual	$979,852	$444,720	($535,132)
2023/24	Actual	$1,101,206	$481,014	($620,192)
2024/25	Actual	$1,205,731	$515,283	($690,448)
2025/26	Actual	$1,247,740	$562,149	($685,591)
2026/27	**Budget**	**$1,398,587**	**$539,010**	**($859,557)**

Waroona Visitor Centre

The operational deficit for operations at the Waroona Visitor Centre is forecast to be $256,829 inclusive of depreciation ($28,304) compared with $269,380 in 2025/26. Increased costs are attributed to a rise in salary and wages expenditure and planned building maintenance.

A comparison of operating income and expenditure for the previous five years can be viewed below:

Financial Year	Actual / Budget	Operating Expenditure	Operating Income	Deficit
2021/22	Actual	$231,540	$50,015	($181,525)
2022/23	Actual	$235,487	$65,408	($170,079)
2023/24	Actual	$261,558	$59,862	($201,696)
2024/25	Actual	$244,655	$53,731	($190,924)
2025/26	Actual	$317,487	$61,316	($256,171)
2026/27	**Budget**	**$321,879**	**$65,050**	**($256,829)**

Buller Road Refuse Site and Waste Collection

The domestic waste fee is split between a kerbside collection fee of $205 (for ratepayers who are in a bin service collection area) and a waste management levy of $245. All properties within the Shire will be charged the waste management levy to assist with the costs and expenditure associated with the operation of the Buller Road Refuse site.

Funds of $37,000 have been allocated to conduct capital upgrades on the plant items at the Refuse site and an allocation to the Waste Reserve has been calculated at $130,000 to assist in meeting the Shire's long-term obligations at the tip including eventual closure costs.

The Waste Reserve account balance as at 30th June 2026 is $1,446,437.

Expenses for the operation of the Buller Road Refuse Site and waste collection totals $1,242,087 in 2026/27. This is offset by income from the operation of the Buller Road Refuse Site, Waste Levy and Rubbish Collection charges totalling $1,361,956. Estimated funds are committed to reserve for long term planning for the eventual closure of the Buller Road Refuse Site.

Salaries & Wages (including superannuation)

The overall increase to salaries and wages for the upcoming financial year is projected to be approximately 2.12%. This increase encompasses several key factors including award and EBA rate increases, minimal changes to staff hours, and fewer leave entitlements being paid.

A comparison of salaries & wages from the Statement of Comprehensive Income can be viewed below:

Financial Year	Budget	Actual
2020/21	$3,192,294	$3,034,644
2021/22	$3,213,126	$3,363,555
2022/23	$3,944,120	$3,850,676
2023/24	$4,352,940	$4,561,236
2024/25	$5,090,680	$4,937,162

2025/26	$5,538,886	$5,237,335
2026/27	**$5,656,308**	

Statement of Comprehensive Income

This statement represents the 'operating surplus' which is the availability of funds from operations which can be used for asset renewal (capital works) and is a key component of financial performance.

The forecast result for 30th June 2027 of $796,469. This balance can be distorted by abnormal items such as the early receipt of the Financial Assistant Grant and contributions and/or donations towards operations and projects. This early payment of approximately 85% of the financial assistance grants is reflected in the Shire's end of year surplus/deficit for 30th June 2026.

	2022/23 $	**2023/24 $**	**2024/25 $**	**2025/26 $**	**2026/27 $**
General Purpose Funding	$1,037,445	$1,103,335	$1,096,671	$1,212,885	**$1,212,402**
Roads Funding	$458,754	$566,493	$523,195	$562,744	**$776,452**
Total	$1,496,199	$1,669,828	$1,619,866	$1,775,629	**$1,811,278**

Please note that the income budgeted for 2026/27 is based on an early payment of the Financial Assistance Grant being approximately 85% of the total payment. This calculation is estimated each year and is likely to require a budget amendment within the financial year.

Reserve Accounts

The following are the reserve account balances as at 30th June 2026.

Reserve Account	**Balance**
Sporting reserve	$86,375
Council Building Maintenance Reserve	$216,108
Rec Centre Building Maintenance Reserve	$125,181
Preston Beach Volunteer Reserve	$77,523
Emergency Assistance Reserve	$127,384
Works Depot Redevelopment Reserve	$96,493
Council Building Construction Reserve	$77,575
Information Technology Reserve	$162,278
Footpath Construction Reserve	$38,300
Plant Replacement Reserve	$469,987
Staff Leave Reserve	$41,699
Strategic Planning Reserve	$3,148
Waste Management Reserve	$1,446,437
History Book Reprint Reserve	$14,057
Risk & Insurance Reserve	$11,079
Drakesbrook Cemetery Reserve	$69,181
Waroona North Reserve	$248,627
Total	**$3,311,432**

Forecast movements to/from reserve accounts are a key component of preparing and managing the annual budget and can represent a component of funding for future infrastructure projects.

The balance of reserve accounts is expected to increase to $3,439,477 with planned annual transfers to Preston Beach Volunteer Ranger Reserve, Plant Replacement Reserve and Waste Management Reserve.

Cash Surplus Brought Forward

The surplus carried forward to 2026/27 is $2,507,232 with an additional $892,979 of contract liability (carried forward unspent grants) which are committed to specific projects and $91,322 unspent loan funds dedicated to Railside Park.

Please note that the end of year position is subject to adjustment, audit outcomes and may result in a budget amendment at a later date.

STRATEGIC COMMUNITY PLAN & CORPORATE BUSINESS PLAN

Focus Area	Our Leadership
Aspiration	To embed strong leadership through good governance, effective communication and ensuring value for money
Objective	5.1 A sustainable future through embracing change, applying technological advancement and pursuing efficiencies
Strategy	5.1.1 Establish a strong corporate governance framework to ensure high standards of integrity, ethics and accountability, and pursue professional development opportunities

OTHER STRATEGIC LINKS

- Shire of Waroona Strategic Community Plan 2024-2034
- Shire of Waroona Corporate Business Plan 2026-2030 (to be adopted)
- Shire of Waroona Workforce Plan 2026-2030

STATUTORY ENVIRONMENT

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, 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.

Divisions 5 and 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.

SUSTAINABILITY & RISK CONSIDERATIONS

Economic - *(Impact on the Economy of the Shire and Region)*
This draft budget has been developed based on sound financial management and accountability principles and is considered to support activities that drive a sustainable economic outcome for the community.

Social - *(Quality of life to community and/or affected landowners)*
The draft budget contains financial resourcing for a wide range of programs that deliver important community services to the Shire of Waroona residents. It is based on the principle

of maintaining all services that are presently available to the community with an increased focus on efficiency.

Environment – *(Impact on environment's sustainability and climate change)*
The proposed budget recognises the leadership role Council, and the Shire has within the community to actively address the impacts of environmental sustainability and to facilitate other levels of government and the community to act in a similar manner.

Policy Implications
The adoption of an annual budget assists in the sound planning for the prudent allocation of Shire resources and is required to meet legislative requirements.

Risk Management Implications
(Please refer to the Risk Management Strategy & Procedures Manual 2024-2027 when reviewing this section)

Context / Risk Category	Operational - Adverse effects on core business, business continuity, human resource risks, loss of knowledge
Risk	Non-compliance with the requirements stipulated by the Local Government Act 1995 and associated regulations.
Consequence	4 - Major
Likelihood	2 - Unlikely
Risk Rating, prior to treatment	Moderate (4-9)
Key Controls / Treatment	Schedule annual budget review and regular monitoring.
Risk Acceptance	Accept - Risk acceptable

CONSULTATION

Community consultation is an ongoing process that culminates in the adoption of the annual budget each financial year.

This is achieved by strategies and projects contained within the Strategic Community Plan and Corporate Business Plan together with various supporting documents. The 2026/27 Annual Budget is essentially a representation of the second year of the Strategic Community Plan.

Elected members and staff have been instrumental in the formation of the annual budget.

Aboriginal Consultation
N/A

RESOURCE IMPLICATIONS

Financial
The draft 2026/27 budget aligns with the Integrated Planning and Reporting Framework established by Council including the Corporate Business Plan and Long Term Financial Plan. The document lists all matters both of an operational and capital nature, together with income sources and supporting information

Workforce
The Chief Executive Officer has established the Shire of Waroona workforce at the levels required to continue its statutory obligations whilst maintaining service levels and focusing

on increased efficiencies. Objectives stated within the Strategic Community Plan and subsequent Corporate Business Plan are achieved where possible within these levels.

CONCLUSION

The proposed budget forms an integral part of the Shire of Waroona's overall strategic planning framework and endeavours to resource the direction that has been established in the Strategic Community Plan and the Corporate Business Plan.

The 2026/27 budget presented for adoption is seen as responsible given the impacts of raising inflation and increased costs of wages, utilities, insurance, materials, contracts and other expenses. The document must also recognise the requirement to ensure the long-term sustainability of the Shire.

7. CLOSURE OF MEETING