



Shire of
Serpentine
Jarrahdale

Special Council Meeting Agenda

7pm

Monday, 30 June 2025

Purpose: Consideration of the following report:

- 2025-26 Differential General Rates and Minimum Payment Submissions
- 2025-2026 Financial Year Budget

Contact Us

Enquiries

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In Person

Shire of Serpentine Jarrahdale
6 Paterson Street, Mundijong WA 6123
Open Monday to Friday 8.30am-5pm (closed public holidays)



www.sjshire.wa.gov.au



Councillor Attendance Register

In accordance with the 11 April 2022 Ordinary Council Meeting, Council Resolution OCM067/04/22, clause 1 - "That Council requests the Chief Executive Officer maintain a Councillor Attendance Register recording Councillor Attendances at Ordinary Council Meetings, Special Council Meetings, Q & A briefings for Ordinary Council Meetings, Q & A briefings for Special Council Meetings, Councillor Workshops held for Project Briefings, Councillor Workshops held for Budget Preparations and Policy Concept Forums."

In accordance with the 12 December 2022 Ordinary Council Meeting, Council Resolution OCM313/12/22, clause 6 - "That Council requests that the Councillor Attendance Register published in the Agenda and Minutes displays attendances for the calendar year and notes that the full Councillor Attendance Register, including previous calendar years, will continue to be published on the Shire's website."

Date	Type	President Coales	Cr Bishop	Vacant	Cr Duggin	Cr Jerrett	Cr Mack	Cr Mazzini
18/6/25	WORKSHOP	✓	A		✓	✓	✓	✓
16/6/25	OCM	✓	✓		✓	✓	✓	✓
9/6/25	Q&A (OCM)	✓	A		A	A	✓	A
26/5/25	PCF	A	EP		✓	A	✓	✓
19/5/25	OCM	✓	✓		✓	✓	✓	✓
19/5/25	Q&A (OCM)	✓	A		✓	✓	✓	A
12/5/25	Q&A (OCM)	✓	A		✓	✓	✓	✓
8/5/25	WORKSHOP	A	✓		✓	✓	✓	✓
8/5/25	WORKSHOP	A	✓		✓	A	✓	✓
5/5/25	PCF	✓	A		✓	✓	A	✓
1/5/25	PCF	✓	A		✓	✓	✓	✓
1/5/25	WORKSHOP	✓	✓		✓	✓	✓	✓
28/4/25	WORKSHOP	✓	✓		✓	✓	✓	✓
28/4/25	PCF	✓	✓		✓	✓	✓	✓
14/4/25	OCM	✓	✓		✓	✓	✓	✓
14/4/25	Q&A (OCM)	✓				✓	✓	✓
7/4/25	Q&A (OCM)	✓	EP		✓	✓	✓	✓
3/4/25	WORKSHOP	✓	A		✓	A	✓	✓
24/3/25	PCF	✓	A	A	✓	✓	✓	✓



Special Council Meeting Agenda Monday, 30 June 2025

Date	Type	President Coales	Cr Bishop	Vacant	Cr Duggin	Cr Jerrett	Cr Mack	Cr Mazzini
18/6/25	WORKSHOP	✓	A		✓	✓	✓	✓
16/6/25	OCM	✓	✓		✓	✓	✓	✓
17/3/25	OCM	✓	✓	A	✓	✓	✓	✓
10/3/25	Q&A (OCM)	✓	EP	A	✓	✓	✓	✓
5/3/25	SCM	✓	A	LoA	✓	✓	✓	A
4/3/25	Q&A (SCM)	✓	EP	LoA	✓	✓	✓	A
24/2/25	PCF	✓	A	LoA	✓	✓	✓	✓
17/2/25	PCF	EP	EP	LoA	✓	✓	✓	✓
10/2/25	OCM	✓	✓	LoA	✓	✓	✓	✓
3/2/25	Q&A (OCM)	✓	EP	LoA	✓	✓	✓	✓
28/1/25	PCF	✓	EP	A	✓	✓	✓	✓

Key:

✓ - Attended

A - Apology

LoA - Leave of Absence

NA - Non Attendance

EPNG - Electronic Participation Not Granted

EP - Electronic Participation



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The purpose of this Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware of the provisions of the *Local Government Act 1995* (section 5.25(1)(e)) and Council's *Standing Orders Local Law 2002 (as Amended)* - Part 14, Implementing Decisions. No person should rely on the decisions made by Council until formal advice of the Council resolution is received by that person.

The Shire of Serpentine Jarrahdale expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

Council and Committee Meetings will be live streamed and audio recorded. If you are asking a public question or making a statement or deputation to the meeting this will be live streamed and audio recorded. Members of the public are reminded that no other visual or audio recording of this meeting by any other means is allowed.



Special Council Meeting Agenda Monday, 30 June 2025

Dear Elected Member

A Special Council Meeting of the Shire of Serpentine Jarrahdale will be held on Monday, 30 June 2025 in the Council Chambers, Civic Centre, 6 Paterson Street, Mundijong, commencing at 7pm.

The purpose of the meeting is to consider the following reports:

- 2025-26 Differential General Rates and Minimum Payment Submissions
- 2025-2026 Financial Year Budget

A handwritten signature in blue ink, appearing to read 'Paul Martin', enclosed within a blue oval.

Paul Martin

Chief Executive Officer

20 June 2025

Agenda

1. **Attendances and apologies (including leave of absence):**
2. **Public question time:**
3. **Public statement time:**
4. **Petitions and deputations:**
5. **Declaration of Elected Members and Officer's interest:**



6. Reports for consideration:

6.1 - Consideration of Submissions – 2025/26 Differential General Rates and Minimum Payments	
Responsible Officer:	Director Corporate Services
Senior Officer:	Chief Executive Officer
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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Report Purpose

The purpose of this report is to enable Council to consider submissions received regarding the Rates in the Dollar and Minimum Payments for the Differential Rating categories to be applied for the 2025/26 Financial Year.

Relevant Previous Decisions of Council

<p><i>Ordinary Council Meeting - 19 May 2025 - OCM111/05/25 - COUNCIL RESOLUTION</i></p> <p><i>That Council:</i></p> <ol style="list-style-type: none"> <i>ENDORSES a total rate yield for 2025/2026 budget purposes, which will derive a proposed \$33,871,973 in net rate revenue, representing a 2.8% CPI increase and 2% road safety improvements.</i> <i>ENDORSES for the purpose of advertising the following proposed Differential Categories, Rates and Minimum Payments for the Shire of Serpentine Jarrahdale for the 2025/26 rating year:</i> 		
<i>Rate Category</i>	<i>Rate in Dollar (Expressed as cents in \$)</i>	<i>Minimum Payment</i>
<i>GRV Residential</i>	<i>0.098779</i>	<i>\$1,513.00</i>
<i>GRV Commercial/Industrial</i>	<i>0.157987</i>	<i>\$1,719.00</i>
<i>UV General</i>	<i>0.003709</i>	<i>\$1,657.00</i>
<i>UV Rural Residential</i>	<i>0.004233</i>	<i>\$2,185.00</i>
<i>UV Commercial/Industrial</i>	<i>0.006171</i>	<i>\$2,297.00</i>



UV Intensive Farmland		0.006789	\$3,314.00
<p>3. <i>DOES NOT ENDORSE</i> the cessation of the Farmland concession with funds being used to renew and rehabilitate roads in the Shire's rural areas.</p> <p>4. <i>ENDORSES</i> the establishment of the following new concession and <i>REQUESTS</i> the Chief Executive Officer write to residents within the Trotting Complex Precinct:</p>			
Concession Type	Discount %	Circumstances in which the concession is granted	Object and reasons for the concession
Trotting Complex Precinct Concession	30.0%	Where the owner can demonstrate active professional involvement in the horse racing industry.	Council provides a rate concession to property owners who are professionally involved in the horse racing industry within the Trotting Complex Precinct. This supports the continued use of the Precinct for professional equine activities, helping to preserve its intended purpose and prevent fragmentation into lifestyle blocks.
<p>5. <i>AUTHORISES</i> the Chief Executive Officer to advertise for public comment, the Differential General Rates and the Minimum Payments Statement of Objects and Reasons in attachment 3, as per the requirements of section 6.36 of the Local Government Act 1995.</p> <p>6. <i>REQUESTS</i> the Chief Executive Officer to:</p> <p>a) <i>Progress</i> a change in rating methodology for the residential properties within the Trotting Complex Precinct still on Unimproved Value (49 of 199) to ensure equitable rating in the precinct.</p> <p>7. <i>ENDORSES</i> the Rating Strategy as per attachment 5</p> <p>8. <i>REQUESTS</i> that the Chief Executive Officer, in liaison with the Shire President, arrange 2 x Budget Coffee Catch Up events to occur after the adoption of the 2025/26 Budget at an approximate cost of \$1,000.</p>			

Background

Rate revenue is a substantial source of revenue for the Shire of Serpentine Jarrahdale, accounting for approximately two thirds of operating revenue in the 2024/2025 Budget.

The Local Government Act 1995 (the Act) empowers local governments to impose general rates and minimum payments on rateable land. Local governments can impose either uniform general rates or differential general rates.

Uniform general rates set a single general rate in the dollar for each valuation category of either Gross Rental Value (GRV) and Unimproved Value (UV) being a uniform general rate in the valuation dollar and applied to all properties within a valuation category.



As an alternative to adopting a uniform general rate, a local government may apply different rates in the dollar within each valuation category known as a differential general rate which may be applied using the following characteristics, or combination thereof:

- The purpose for which the land is zoned;
- The predominant use (as determined by the Local Government);
- If the land is vacant or not; and
- Any characteristics prescribed (currently only relevant to amalgamations).

The Shire of Serpentine Jarrahdale has traditionally adopted differential general rates.

The overall objective of a rating model is to provide for the net funding requirements of the Shire's services, activities, financing costs and the current and future capital requirements of the Shire as outlined in the Council Plan 2023-2033, Corporate Business Plan, Long Term Financial Plan (LTFP) and the Annual Budget, ensuring to fund these requirements in an equitable way, in accordance with the Shire's rating strategy.

Community / Stakeholder Consultation

Workshop 1- Rating Modelling and the Long Term Financial Plan

Meeting Date	3 April 2025
Elected Members in Attendance	President Coales, Cr Bishop, Cr Duggin, Cr Mack, Cr Mazzini

Workshop 2- Capital and Strategic Non-Recurrent Projects

Meeting Date	1 May 2025
Elected Members in Attendance	President Coales, Cr Bishop, Cr Duggin, Cr Jerrett, Cr Mack, Cr Mazzini

Workshop 3- Operating Budget and Fees and Charges

Meeting Date	8 May 2025
Elected Members in Attendance	Cr Bishop, Cr Duggin, Cr Jerrett, Cr Mack, Cr Mazzini

Workshop 4- Final Strategic Workshop

Meeting Date	18 June 2025
Elected Members in Attendance	President Coales, Cr Duggin, Cr Jerrett, Cr Mack, Cr Mazzini

Community Consultation - Notice of rates and invitation to submit.

In addition to the above, the Shire is required to, in accordance with Section 6.36 of the *Local Government Act 1995*, give notice of certain rates and invite submissions for a period of 21 days or such longer period.



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As per Council Resolution OCM111/05/25, Council authorised the Chief Executive Officer to advertise for public comment, the proposed Differential Rates and Minimum Payments, and Statement of Objects and Reasons as per the requirements of section 6.36 of the *Local Government Act 1995*.

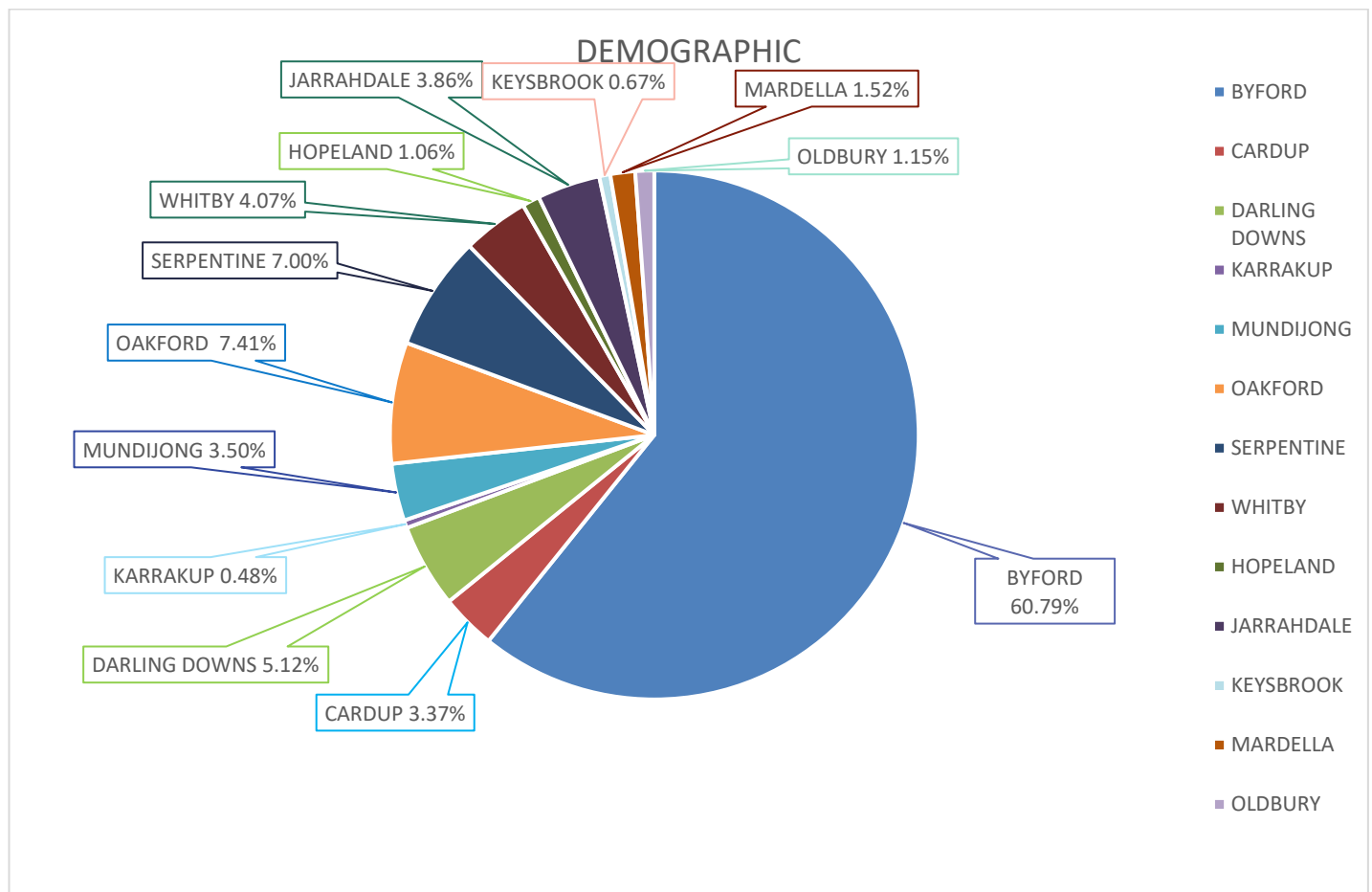
The Shire gave Local Public Notice of the proposed 2025/26 Differential Rates from 23 May 2025, with submissions closing on 16 June 2025, via the following channels:

- Public Notice (The West Australian newspaper, The Examiner newspaper, displayed at the Shire Administration Building and Byford Library)
- Your Say SJ website
- Shire corporate website
- Shire Facebook page.

Furthermore, Officers wrote to all property owners with the Trotting Complex precinct for feedback on the proposed concession.

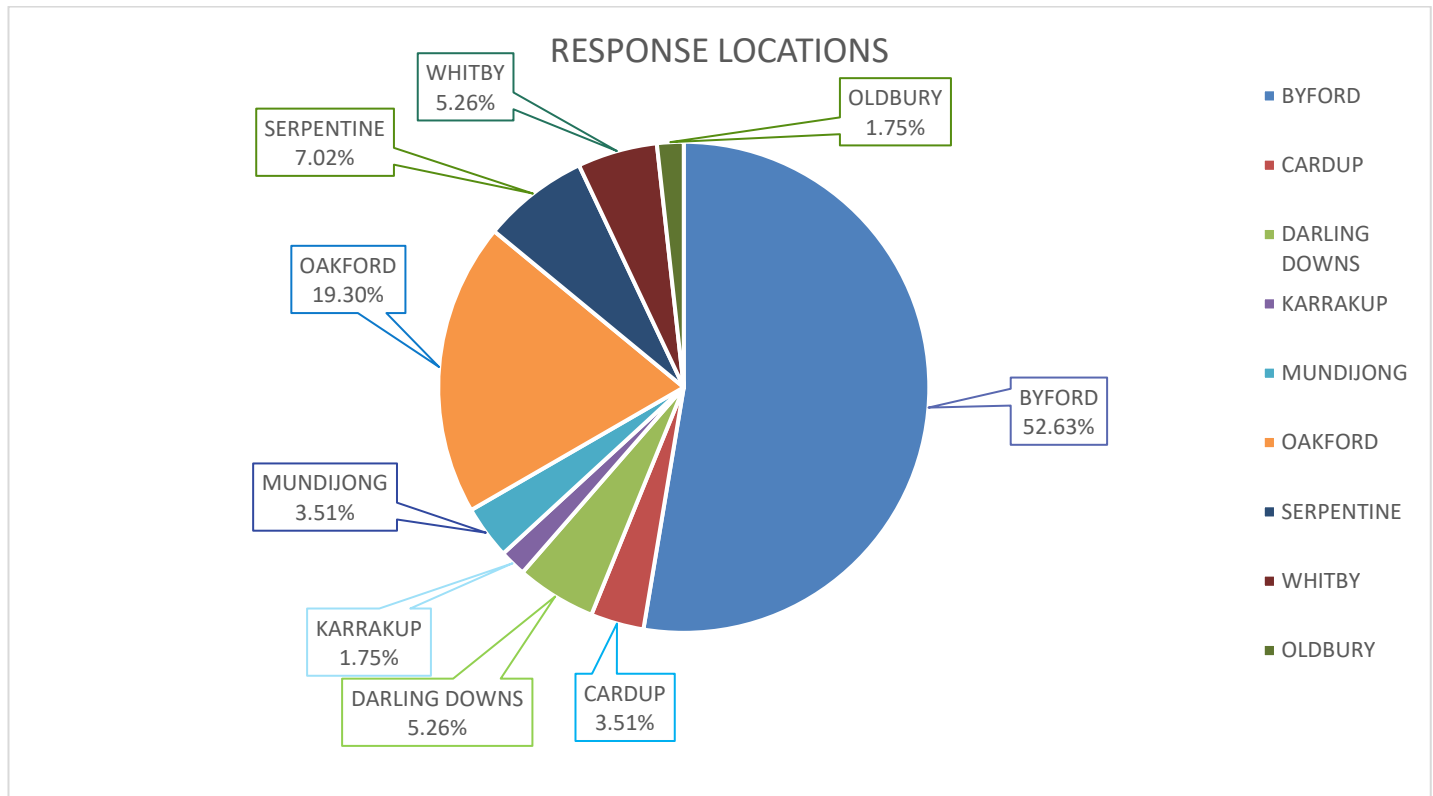
The Shire received 53 submissions via the Your Say SJ page and 4 via email.

The below shows the current demographic of properties within the Shire by suburb:





Below is a summary of submissions received through Your Say SJ by suburb:



The submissions received have been included in **attachment 1**. Officer's comment to the themes raised in the submissions is addressed in the Comment section of this report.

Please note these submissions are presented unedited except for redacting any inappropriate or offensive language or any identifiable details such as names and contact details included in the submissions.

Statutory Environment

Part 6, Division 6 of the Act and Part 5 of the *Local Government (Financial Management) Regulations 1996* provides the head of power for the levying of local government rates. The legislation is quite prescriptive in its application, with the following aspects of particular note:

- Except as provided for in Section 6.26, all land within a district is rateable land (s6.26).
- In order to make up the "budget deficiency" a local government is to impose a general rate which may be imposed uniformly or differentially. A local government may also impose a specified area rate, a minimum rate and a service charge (s6.32).
- A local government may impose a differential general rate according to land zoning, land use, whether the land is vacant or not, or a combination of each characteristic (s6.33).
- No differential general rate in each category (UV or GRV) is to be more than twice the lowest differential general rate, unless approved by the Minister (s6.33(3)).
- The local government can impose differential minimum rates however, it is not to be applied to more than 50% of the properties within a district or within each category (s6.35).

**Comment**

The endorsed differential rates proposed a 4.8% increase in the minimum rates and general rate in the dollar for all differential rating categories to yield \$33,871,973 in net rate revenue.

Ratepayers were invited to make a submission regarding the Shire's proposed Differential Rates for 2025/26.

Below is a summary of the feedback received.

Question 1.

The Shire is proposing a CPI plus 2% rate rise (2.8% CPI plus 2% being 4.8%), with funds generated from the 2% above CPI to be diverted specifically to road repair and upgrade. Do you:

- Support the Proposal - 13%
- Object the Proposal - 81%
- Neither Support or Object - 6%

Question 2.

The Shire has proposed to offer a Trotting Complex Precinct Concession to support the continued use of the Precinct for professional equine activities. Do you:

- Support the Proposal - 26%
- Object the Proposal - 51%
- Neither Support or Object - 23%

The table below outlines the themes raised in community submissions regarding Differential Rates and the Shire's response to the themes raised.

Theme	Number of Responses	Response
Unable to correlate increase in services or improved infrastructure in relation to the increase in rates.	24	<p>This budget includes a comprehensive capital program including:</p> <ul style="list-style-type: none">• \$4.75m for the Waste Transfer station re-opening design, rehabilitation and construction – whilst maintained verge collection services.• \$26.24m on New, Renewal and Upgrade the Shire's Roads (including \$18.8m grant funding and \$3.7m developer funded).• \$4.185m on new and renewal of footpaths (including \$4m grant funding).

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Theme	Number of Responses	Response
		<ul style="list-style-type: none">• \$13.447m in new and renewal of Shire facilities (including \$1.m grant) including:<ul style="list-style-type: none">○ Commencement of the design and development of the Waste Transfer Station.○ Byford Presence fit out.○ Design of the Jarrahdale Trails Centre.○ Byford Train Station Changing places and public toilet facilities.○ Contribution to Facilities upgrade at the Serpentine and Districts Golf Club.○ Commercial exhaust fan and air conditioning upgrades to various facilities.• \$17.242m in new and renewal of parks (including \$16.065m grants) including:<ul style="list-style-type: none">○ Continuation of Keirnan Park.○ Completion of the Byford Skate Park, Byford Pump Track and the Kalimna Oval Lighting Project.○ New initiatives including landscaping of Abernethy Road, Goal Posts Renewal at Percy Park and a Back net and drink fountain installation at Upper Briggs Oval. <p>Furthermore, this budget includes additional funds for maintenance of the Shire's assets including:</p> <ul style="list-style-type: none">• \$263,545 increase in facilities maintenance to meet compliance and safety requirements.• \$325,000 increase road and drainage maintenance.



Theme	Number of Responses	Response
No comment regarding General Rates (no comment or comment only regarding Trotting Complex Concession – see below).	18	No response required.
Cost of living crisis/ financial pressure on rate payers	7	<p>The impact that any rate adjustment can have on our residents is recognised. All budgetary decisions are carefully evaluated to ensure they align with the best interests of our community members.</p> <p>The Australian Bureau of Statistics (ABS) has reported that the Consumer Price Index (CPI) in Perth has risen by 2.8% between March 2024 and March 2025. Furthermore, the Wage price index for the public sector is at 3.6%</p>
Perceived Rating Inequity – Some submissions expressed the view that businesses, rural residential properties, and newly developed properties should contribute a higher share of rates.	3	<p>One of the core principles of the Shire's Fair Rating Strategy is equity - ensuring that each property contributes fairly to the rate base, based on a method of valuation that accurately reflects its predominant use.</p> <p>To uphold this principle, the Shire applies the appropriate method of valuation and uses differential rating to better align rates with land use. Since the 2021/22 financial year, the Shire has also undertaken a Rural Valuation Review to ensure that properties classified as UV Rural Residential and UV Commercial/Industrial are assessed using the most appropriate and equitable valuation methodology.</p>
Shire rates are perceived to be higher compared to other Local Governments.	2	Officers acknowledges comments suggesting the Shire's rates are higher than those of other local governments. While this may appear to be the case, direct comparisons are

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Monday, 30 June 2025**

Theme	Number of Responses	Response
		<p>not always meaningful. Each local government has a different rate base, for example some have a higher proportion of commercial or industrial properties that contribute more to overall revenue.</p> <p>In contrast, the Shire has a largely residential and rural-residential base, meaning the cost of services and infrastructure is spread more broadly across fewer contributors. The Shire also faces unique cost pressures, including the need to maintain an extensive and aging road network across a large geographic area.</p> <p>These factors significantly influence the rates required to sustain essential services and infrastructure in our community.</p>
Lack of transparency of how the Shire is spending funds.	2	<p>Communications in relation to annual rates and/or budget endorsement occurs after Council has endorsed these, usually in July. This will involve 2x Budget Coffee Catch Up Events in Byford and Mundijong.</p> <p>Furthermore, The Shire is committed to transparency and accountability and provides a range of financial and performance reports throughout the year. These include monthly financial reports, quarterly budget reviews, quarterly updates on the Corporate Business Plan, and the Annual Financial Report.</p>
Support of proposal.	1	No response required.



Trotting Complex Precinct Concession Feedback

Feedback regarding the Trotting Complex Precinct was mixed, with similar number of comments in support of and objecting the proposal.

Community members who supported the proposal highlighted the following reasons:

- The concession helps preserve a unique and valued equine facility within the Shire.
- It acknowledges the Shire's strong equestrian heritage and encourages the continuation of equine-focused land use, rather than a shift towards lifestyle developments.
- It offers financial support to trainers, many of whom operate as small businesses contributing to the local economy.

Those who opposed the proposal raised several key concerns:

- A perception of preferential treatment towards the equine industry and a belief that public funds should not be used to support what is viewed as a private facility with limited benefit to the broader community.
- Concern that residents within the Precinct already benefit from nearby amenities and should not receive further subsidisation.
- Objection to the concession being limited to professional participants in the horse racing industry, with suggestions it should be more inclusive of all equine-related pursuits.
- A belief that horse ownership is associated with financial privilege, and that such concessions are inappropriate given broader cost-of-living pressures faced by many residents.
- Ethical concerns related to the racing industry from an animal welfare perspective.

OptionsOption 1

That Council NOTES, in accordance with section 6.36 of the *Local Government Act 1995*, the submissions on proposed differential rates contained in **attachment 1**.

Option 1 is recommended.

Conclusion

The Shire has received 57 submissions and are provided for Council review. The submissions were considered by Officers but have not altered the Officer Recommendation.

Attachments (available under separate cover)

- **6.1 - attachment 1** – 2025-26 Rates Response Report (E25/6452)

Alignment with our Council Plan 2023-2033

Thriving
4. Ensure sustainable and optimal use of Shire resources and finances

Financial Implications

The financial implications are detailed within this report.

**Risk Implications**

Risk has been assessed on the Officer Options:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no material risks associated with Option 1						

Voting Requirements: Simple Majority

Officer Recommendation:

That Council NOTES, in accordance with section 6.36 of the *Local Government Act 1995*, the submissions on proposed differential rates contained in attachment 1.



6.2 - Consideration of the 2025-2026 Financial Year Budget (SJ4495)

Responsible Officer:	Director Corporate Services
Senior Officer:	Chief Executive Officer
Disclosure of Officer's Interest:	No Officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

Authority / Discretion

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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Report Purpose

The purpose of this report is to enable Council to consider adopting the Budget for the 2025/26 financial year together with supporting schedules, including adoption of fees and charges, rate in the dollar and minimum payments and other consequential matters arising from the budget papers, to meet its obligations under the annual integrated planning and reporting processes.

Relevant Previous Decisions of Council

Ordinary Council Meeting - 19 May 2025 - OCM111/05/25 - COUNCIL RESOLUTION

That Council:

- ENDORSES a total rate yield for 2025/2026 budget purposes, which will derive a proposed \$33,871,973 in net rate revenue, representing a 2.8% CPI increase and 2% road safety improvements.*
- ENDORSES for the purpose of advertising the following proposed Differential Categories, Rates and Minimum Payments for the Shire of Serpentine Jarrahdale for the 2025/26 rating year:*

<i>Rate Category</i>	<i>Rate in Dollar (Expressed as cents in \$)</i>	<i>Minimum Payment</i>
<i>GRV Residential</i>	<i>0.098779</i>	<i>\$1,513.00</i>
<i>GRV Commercial/Industrial</i>	<i>0.157987</i>	<i>\$1,719.00</i>
<i>UV General</i>	<i>0.003709</i>	<i>\$1,657.00</i>
<i>UV Rural Residential</i>	<i>0.004233</i>	<i>\$2,185.00</i>
<i>UV Commercial/Industrial</i>	<i>0.006171</i>	<i>\$2,297.00</i>
<i>UV Intensive Farmland</i>	<i>0.006789</i>	<i>\$3,314.00</i>



3. *DOES NOT ENDORSE* the cessation of the Farmland concession with funds being used to renew and rehabilitate roads in the Shire's rural areas.
4. *ENDORSES* the establishment of the following new concession and *REQUESTS* the Chief Executive Officer write to residents within the Trotting Complex Precinct:

<i>Concession Type</i>	<i>Discount %</i>	<i>Circumstances in which the concession is granted</i>	<i>Object and reasons for the concession</i>
<i>Trotting Complex Precinct Concession</i>	<i>30.0%</i>	<i>Where the owner can demonstrate active professional involvement in the horse racing industry.</i>	<i>Council provides a rate concession to property owners who are professionally involved in the horse racing industry within the Trotting Complex Precinct. This supports the continued use of the Precinct for professional equine activities, helping to preserve its intended purpose and prevent fragmentation into lifestyle blocks.</i>

5. *AUTHORISES* the Chief Executive Officer to advertise for public comment, the *Differential General Rates and the Minimum Payments Statement of Objects and Reasons* in attachment 3, as per the requirements of section 6.36 of the *Local Government Act 1995*.
6. *REQUESTS* the Chief Executive Officer to:
- a) *Progress a change in rating methodology for the residential properties within the Trotting Complex Precinct still on Unimproved Value (49 of 199) to ensure equitable rating in the precinct.*
7. *ENDORSES* the *Rating Strategy* as per attachment 5
8. *REQUESTS* that the Chief Executive Officer, in liaison with the Shire President, arrange 2 x *Budget Coffee Catch Up* events to occur after the adoption of the 2025/26 Budget at an approximate cost of \$1,000.

Background

The Shire has an obligation to plan for the future of the district under the Integrated Planning and Reporting (IPR) Framework. The processes are annual, biennial (minor strategic review) and quadrennial (major strategic review). Information in this report addresses the budget obligations of the annual IPR process.

The Department of Local Government, Sport and Cultural Industries IPR guidelines state that the annual process should include the:

- Development of an annual budget based on the delivery program of the Corporate Business Plan for the relevant year;
- Update and review of the Corporate Business Plan; and



- Addition of a year to the Long Term Financial Plan.

At the February 2025 Ordinary Council Meeting, Council noted the Shire's IPR timetable. This timetable outlined the key steps involved in the Shire's annual IPR process to develop the Annual Budget, review the Corporate business plan and update the Long Term Financial Plan.

This process is now complete and the Annual Budget 2025/26 is provided for Council consideration as detailed in this report.

The purpose of this report is for Council to consider the following:

1. 2025/26 Statutory Statements and Notes – Including Supplementary Information
2. Capital, Carry Forwards and Non-Recurrent Project Budgets
3. Schedule of Fees and Charges
4. Monthly reporting of Material Variances
5. 2025/26 Rating Strategy and Trotting Complex Precinct Concession Policy
6. Roads Forward Works Plan Budget Incorporation

Community / Stakeholder Consultation

Workshop 1 - Rating Modelling and the Long Term Financial Plan

Meeting Date	3 April 2025
Elected Members in Attendance	President Coales, Cr Bishop, Cr Duggin, Cr Mack, Cr Mazzini

Workshop 2 - Capital and Strategic Non-Recurrent Projects

Meeting Date	1 May 2025
Elected Members in Attendance	President Coales, Cr Bishop, Cr Duggin, Cr Jerrett, Cr Mack, Cr Mazzini

Workshop 3 - Operating Budget and Fees and Charges

Meeting Date	8 May 2025
Elected Members in Attendance	Cr Bishop, Cr Duggin, Cr Jerrett, Cr Mack, Cr Mazzini

Workshop 4 - Final Strategic Workshop

Meeting Date	18 June 2025
Elected Members in Attendance	President Coales, Cr Duggin, Cr Jerrett, Cr Mack, Cr Mazzini



Community Consultation - Notice of rates and invitation to submit

In addition to the above, the Shire is required to, in accordance with Section 6.36 of the *Local Government Act 1995*, give notice of certain rates and invite submissions for a period of 21 days or such longer period. The Shire gave Local Public Notice on 23 May 2025, with submissions closing on 16 June 2025. Responses have been outlined in item 6.1 - 2025/26 Differential General Rates and Minimum Payments.

Statutory Environment**Local Government Act 1995 and Local Government (Financial Management) Regulations 1996**

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

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 2025/26 Budget as presented is considered to meet statutory requirements.

Section 5.63 of the *Local Government Act 1995* specifically excludes the need to declare a financial interest where matters; have an interest in common to a significant number of ratepayers/electors; relate to the imposition of any rate, charge or fee; relate to a fee, reimbursement of an expense or an allowance payable to elected members.

Part 5 of the *Local Government Act 1995* (the Act) sets rules for payments to council members. Section 5.98 of the Act states that a council member who attends a council or committee meeting is entitled to be paid the fee determined for attending a council or committee meeting. Section 5.99 of the Act empowers a Council to decide via absolute majority to instead pay all council members who attend council or committee meetings either - a) the annual fee determined by the Salaries and Allowances Tribunal; or b) where the local government has set a fee within the range for annual fees determined by that Tribunal under that, that fee. As the Salaries and Allowances Tribunal's determination sets a range rather than an annual fee, a council must, by absolute majority, set an amount within the relevant range. Under section 5.63(1)(c) of the Act, a Council Member is not required to disclose a financial interest when setting their fees, allowances or reimbursements

Comment

The 2025/26 Budget continues the journey the Shire has been on in transforming the Council and the community's vision into delivery of outcomes on the ground whilst meeting community priorities.

Budget Development

The Budget has been developed in alignment with the Long Term Financial Plan (LTFP), Corporate Business Plan (CBP), Council Plan 2023-2033 and other key supporting strategies as required under the Integrated Planning and Reporting Framework.

The 2025/26 Statutory Budget is developed from this strategic direction setting plans taking into consideration operational capabilities, community needs and the current economic conditions, including CPI. The Australian Bureau of Statistics (ABS) has reported that the Consumer Price



Index (CPI) in Perth has risen by 2.8% over the twelve months to the March 2025 quarter, with the Shire not immune to the impact of rising costs.

The budget has been prepared based on presentations made to elected members at workshops over the last three months and in accordance with the requirements of the *Local Government Act 1995*.

1. 2025/26 Statutory Budget

The Statutory Budget is prepared in accordance with all relevant professional accounting pronouncements. It contains all statutory statements and supporting schedules including:

- Comprehensive Income Statement by Nature or Type;
- Statement of Cash flow
- Statement of Financial Activity
- Notes to and forming part of the Budget.

Statement of Comprehensive Income

The Statement of Comprehensive Income in the 2025/26 Annual Budget, includes \$93.15 million related to income (inclusive of Rates and Capital Grants), and \$61.2 million of operating expenditure (including \$16.22 million of non-cash depreciation expenditure).

Revenue

Operating Revenue has increased \$4.44m year on year primarily due to the following:

- \$2.2m increase in rates revenue due to:
 - 4.8% proposed rate increase, which represents 2.8% CPI and 2% to be utilised to fund road infrastructure.
 - \$598,000 in interim rates due to an expected property growth rate of 1.85%.
- \$535,131 increase in refuse charges due to new properties as well as a CPI increase to waste collection charges, with \$500,000 to be placed in the Waste Reserve to fund future waste related projects.
- \$335,000 increase in interest revenue.
- \$978,969 in additional non-operating grants including:
 - \$396,524 funding for the maintenance of Brickwood Reserve.
 - \$283,333 funding for the maintenance of the Byford Town Centre.
 - \$247,692 additional Financial Assistance Grant.
 - \$135,000 in event sponsorship.
- \$95,000 increase income relating the building permits due to an anticipated upturn in applications.



Expenses

Operating Expenditure has increased by \$2.71m (excluding depreciation) year on year primarily due to:

- \$1.28m increase in Employee costs due to:
 - \$574,169 as a result of a 3.5% salary increase which is slightly below the March 2025 Wage Price Index for public sector of 3.6%. The 3.5% increase aligns with the current Enterprise Bargaining Agreement (EBA) applicable to outdoor staff and has also been applied consistently across indoor staff. This is in line with broader sector benchmarks, including the Salaries and Allowances Tribunal determination of a 4% increase to CEO remuneration bands and a 3.5% increase for elected member allowances.
 - \$138,287 new staff establishment (see below).
 - \$587,140 as a result of new staff established in 2024/25 now being budgeted for a full year (New FTE's are budgeted in the first year for 9 months only).
 - \$158,068 increase of the minimum compulsory Superannuation Contributions.
 - Less \$133,440 for contract positions ending.
- \$948,996 increase in Materials and Contracts due to:
 - \$326,675 increase in software subscriptions.
 - \$315,000 increase road and drainage maintenance.
 - \$395,542 for maintenance of Brickwood Reserve funded from grants.
 - \$263,545 increase in facilities maintenance to meet compliance and safety requirements.
 - \$220,040 for the maintenance of the Byford Town Centre funded from grants.
 - \$138,500 for the introduction of a traineeship program utilising a third-party facilitator.
 - Less a \$154,888 reduction in consultancy across the Shire.
 - Less \$35,641 savings in various Waste Contractors, due to better understanding of volumes of illegal dumping, bulk waste pick ups as well as renegotiated waste contracts.
 - Less \$404,200 less carryforward than in the prior year.
- \$214,143 increase in other expenditure due to:
 - \$82,157 increase in councillor expenses due to meeting fees and allowances budgeted at 100% of the applicable band increased from 75% budgeted in 2024/25.
 - \$22,836 increase in councillor expenses due to superannuation required to be paid from October 2025.
 - \$40,000 increase for the resident CCTV subsidy to continue as a recurrent subsidy compared to the previous year as a non-recurrent project.
 - \$20,000 increase in Switch Your Thinking contribution.



Staff Establishment

The 2025/26 Budget proposes the following new positions:

Engineering Technical Officer – Subdivision Development Approval

1.0 FTE - \$88,494

The Shire is experiencing an increase in workload with subdivision applications, water management documentation, development applications and crossover approvals. In the last year, workload of these has more than doubled in numbers and as a result the subdivision team has had to extend assessment timeframes, which has resulted in delays with developers and contractors on site.

This role will assist the subdivision team in the review of subdivisional development drawing submissions. It will manage development applications and attend site meetings and hold point inspections for all subdivisional development and assist the Subdivision Team in the delivery of DCP funded road projects.

Town Maintenance Officer – Byford Town Centre

1.0 FTE – Externally Funded

The purpose of this position is to undertake maintenance activities associated with the new Metronet Byford Rail train station precinct.

1 x Town Maintenance Officer role will be fully funded by the Metronet / PTA funding offer for 5 years which will undertake works within the agreed maintenance area of the Byford Rail Town Centre from October 2025 onwards.

The remainder of the PTA funding will be utilised for materials and external contractors where required.

The 2025/26 Budget proposed the following contract positions end as their term expires throughout the year:

- Civil Inspection Officer
- Administration Process Support Officer
- Contract Officer – Operations
- Organisational Development Business Partner

Reserves

The 2025/26 budget includes a reduction to the funds held in the Shire's reserve of \$4.67m which is made up of the following transfers:

- \$7.4m transfer from reserves to fund capital, strategic non recurrent and carry forward projects including:
 - \$3.7m for Indigo Parkway construction.
 - \$1.3m for the acquisition of new and replacement fleet.
 - \$490,000 towards the continuation of the OneComm project and ICT Controls Audit Remediation.
 - \$481,217 for the Jarrahdale Road Bridge.
 - \$445,000 for the fitout of the Byford Administration Presence leased premises.



- \$434,000 for the construction of the Oakford Fire station.
- \$250,000 for the Waste Transfer Station rehabilitation.
- \$119,000 for the Metronet public toilets.
- \$1.095m transfer from reserve to fund Operating including:
 - \$363,154 to fund DCP Administration costs.
 - \$329,031 to fund the administration of the Operations Directorate.
 - \$141,500 to fund the October councillor elections.
 - \$90,000 for Major Event and Community Infrastructure Grants.
 - \$72,000 for the General Valuation of Gross Rental Values.
 - \$66,000 to fund the costs associated with the operations of the Jarrahdale Communications tower.
- \$3.86m transfers to reserve including \$1.1m in interest and \$2.76m in various transfer, including:
 - \$830,000 to the Plant and Fleet reserve to fund the fleet replacement program.
 - \$647,479 to the Road and Bridge Reserve funded from the 2% above CPI rate increase.
 - \$500,000 to the Waste reserve to fund future Waste expenditure due to less significant increases in the cost of the Waste portfolio than in prior years.
 - \$174,000 to the ICT reserve for ICT Audit Remediation Works.
 - \$105,000 to the Renewable Energy reserve to fund future renewable energy projects.
 - Developer contributions that are transferred to reserve have not been included in the budget. These will be incorporated through quarterly budget reviews to recognise actual income received.

This budget also proposes the creation of the following new reserves:

Reserve Name	Purpose
Paid Parental Leave Reserve	To provide funds for paid parental leave for employees
Access and Inclusion Reserve	To provide funds for upgrade, renewal, replacement and creation of new assets with the purpose of improving Access and Inclusion to Shire Facilities

2. Capital, Carry Forwards and Non-Recurrent Projects

The Shire is proposing an extensive and transformative Capital Works program for the 2025/26 financial year with budgeted capital projects of \$64.9m including carry forwards, of which \$40.4m is grant funded. This demonstrates the strength of Shire's advocacy for grant funding for Shire capital projects.



Major projects planned to get underway in 2025/26 include:

- Road upgrades and renewals to the value of \$26.2m including:
 - \$5.9m construction of three roundabouts along Kargotich Road (multiple year projects totalling \$17m fully grant funded).
 - \$4.1m of MRRG Rehabilitation and Upgrade (King Road, Nettleton Road, Hopeland Road and Mundijong Road/Paterson Street intersection).
 - \$3.3m for construction of Indigo Parkway (over two years).
 - \$1.2m of Federal Blackspot projects for Karnup Road between Punrak Road and Hopeland Road.
 - \$1m of Roads to Recovery funded road projects (Gravel resheeting of Selkirk Road, Henderson West Road and upgrades to Briggs Road and Baskerville Road).
 - \$653,600 of State Blackspot projects to upgrade the intersection at Summerfield Road and Richardson Street.
- The delivery of \$13.4m for the renewal and upgrade of Shire facilities, including:
 - \$4.75m for Waste Transfer Station re-opening design and construction.
 - \$665,000 for fitout of Byford Administration Presence leased premises.
 - \$405,481 for construction of Byford Train Station Changing Places and Public Toilet facility.
 - \$250,000 towards the Jarrahdale Trails Centre planning.
 - \$205,000 for contribution to Serpentine & Districts Golf Club facility upgrade.
 - \$170,800 supply and installation of an emergency backup power system at Serpentine Jarrahdale Recreation Centre.
 - \$100,000 for air conditioning renewals to various Shire facilities.
 - \$80,000 for upgrade to exhaust fan systems at Mundijong Atwell Pavillion and Briggs Park BMX.
- The delivery of \$90,800 of new streetlights at the following locations:
 - Intersection of Bournbrook Avenue and Gallagher Way.
 - Brickworks Road.
 - Clara Street.
- The delivery of \$1.7m of new and renewal park projects including:
 - \$600,000 for the completion of Byford Pump Track.
 - \$450,000 for the completion of Kalimna Oval Lighting.
 - \$249,678 for landscaping at Abernethy Road Raingardens and Roundabouts.
 - \$186,312 for backnet and drink fountain installation at Upper Briggs Oval.
- The delivery of \$4.1m of new and replacement footpaths including:
 - \$2m for footpath along Soldiers Road between Abernethy Rd and Bishop Rd.
 - \$1.5m for footpath replacement along Wellard St and Karnup Rd.



- \$185,000 for new footpath along Gordin Way.
- \$1.8m in replacement and new plant and fleet.
- \$15.5m for further progress towards the construction of Keirnan Park Stage 1A including carryforward.
- \$1.8m for continuation of OneComm Phase 3 including carryforward.
- Strategic Projects of \$926,100 including:
 - \$160,000 for ICT Audit Remediation.
 - \$130,000 for Regional Destination Playground concept design.
 - \$120,000 for Emergency Services Strategic Facilities Review.
 - \$110,000 for demolition of condemned sheds.
 - \$100,000 for Mundijong Activity Centre Structure Plan Precinct F1.
 - \$60,000 for Children and Families plan.

A list of Capital Projects is included in the 2025/26 Budget documents contained in **attachment 1**.

Capital Borrowings

The 2025/26 Budget includes \$9,830,000 of loan funds proposed to be drawn down over the course of the year.

These include:

- A further \$3.07m to be drawn down from the \$6m loan facility for the next stage of the Administration Building Redevelopment, this loan will be converted from a short term to a long term loan in the 2025/26 financial year.
- A \$2,260,000 self-supporting loan funded from DFES for the purpose of constructing the Oakford Fire Brigade Station.
- A new loan of \$4,500,000 for the Waste Transfer Station Rehabilitation and reopening.

3. Schedule of Fees and Charges

In determining the fees and charges, the following were taken into consideration:

- the cost to the Shire for providing the goods or service;
- the importance of the goods or service to the community; and
- the price at which the goods or service can be obtained from alternative suppliers.

During the 2025/26 budget process the Shire has assessed the fees and charges based on the above considerations and recommends that a number of these are increased to better reflect the costs associated with the provision of these services, with an average increase of 2.8% applied which aligns with the current Perth Consumer Price Index for March 2025.

These changes have only been applied to discretionary fees and charges which are within the Shire's control to set. The Shire has several fees which are prescribed through state legislation that have remained unchanged.

**New Fees and Charges:**

The 2025/26 Fees and Charges contains the following new fees:

Fee/Charge	2025/26 Fee	Reason For New Fee
1 Year Declared Dangerous Dog	\$50.00	In line with Dog Regulations 2013 Section 17(3) and missing from fees and charges.
License for activity	\$35.00	General approval of miscellaneous activities on Shire land, gaining access to private property via Shire land permitted under local law.
Application to Vary a Certificate of Approval – Form 3	\$219.50	Prescribed form within legislation, Health (Public Buildings) Regulations 1992, that is required where an existing public building changes its use.
Sale of Jarrahdale Trails map	\$35.00	New fee added for sale of artist created trails maps.

The 2025/26 Fees and Charges has discontinued the following fees:

- 21 fees relating to offensive trade as the offensive trade regulations have been repealed.
- 13 fees relating to Waste Transfer Station as it is not operating this financial year.
- 1 fee relating to the crossover inspection fee which officers have discontinued as it reduces the total subsidy amount for residents.

The 2025/26 Schedule of Fees and Charges is contained in **attachment 1**.

4. Monthly reporting of significant (material) variances

As per the *Local Government (Financial Management) Regulations 1996*, Regulation 34, a financial activity statement is required to be prepared each month. *Local Government (Financial Management) Regulations 1996* Regulation 34 part 5, state that “Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.”

It is recommended that Council adopt a definition the application of a materiality level for the reporting of variance in the Statement of Financial Activity (by Nature and Type) at $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget or $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

5. 2025-26 Rating Strategy and Trotting Complex Precinct Concession Policy

Rates have been incorporated in the Budget in accordance with the Differential Rating and Minimum Payments, Objects and Reasons and Rating Strategy endorsed at the Ordinary Council Meeting held 19 May 2025.

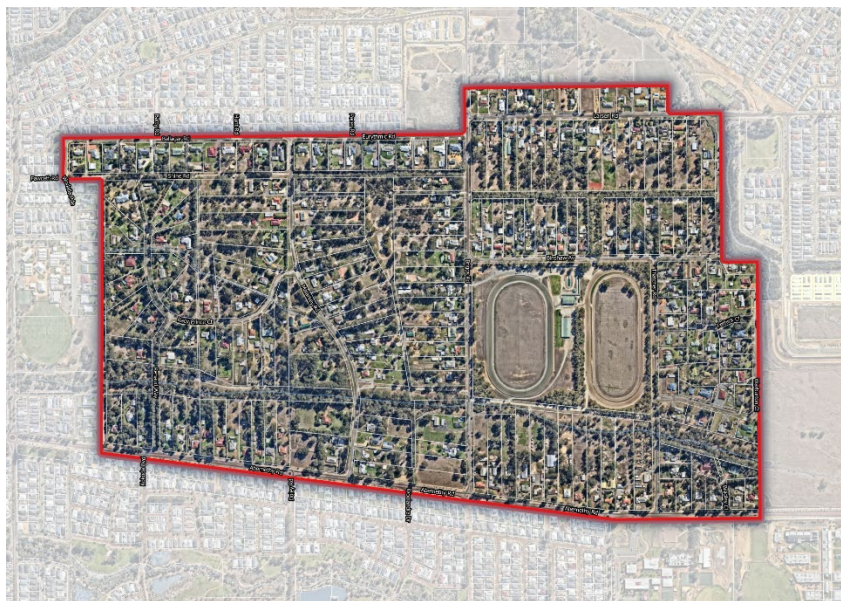


Please note, the endorsed differential rates proposed a 4.8% (2.8% CPI plus 2% to fund road safety improvements) increase to all rating categories that will derive \$33,871,973 in net rates revenue excluding future interim rates. This amount also allows for the introduction of the new 30% Trotting Complex Precinct Concession.

Officers are also recommending the adoption of Council Policy – Trotting Complex Precinct Concession as per attachment 3 which outlines the eligibility criteria and application process for the Trotting Complex Precinct Concession.

To be eligible for the Trotting Complex Precinct concession, the following criteria must be satisfied:

- a) The property must be within the boundaries as shown below and includes the Byford Trotting Complex:



AND,

- b) Provide satisfactory evidence of the property owners involvement in the horse racing industry. This includes, but is not limited to:
- i. Current horse trainer licence details and;
 - ii. Membership of Byford Trotting Complex and;
 - iii. Proof of regular use of Byford Trotting Complex.

OR

- c) Is the Byford Trotting Complex.

This will be represented as Option 1 of this report.

6. Roads Forward Works Plan Budget Incorporation

The Roads Forward Works Plan was presented to Council at May 2025 Ordinary Council Meeting which noted that 40% of Shire roads have a condition rating of poor and very poor (condition 4 & 5). Based on estimated costs provided to be able to improve the condition of the worst rated roads it would take approximately 10 years to complete these works at a cost of \$260m for condition 4 roads and \$114m for condition 5 roads. In order to work towards meeting this financial obligation,



Officers propose an additional 2% increase in rates for the next 3 years to be transferred to the Road and Bridge Asset Management Reserve to fund projects in the Roads Forward Works Plan. When leveraged against grant funds this will yield an estimated \$67m over the next 10 years towards these critical road projects that would otherwise not be achievable.

Should Council approve the 2% increase, the first 26 priority projects will be able to be funded by end of 2027/28, subject to MRRG contribution funding approval. These include:

1. Paterson Street, Mundijong
2. Rapids Road, Serpentine
3. Soldiers Road, Byford – Mead St to Turner Rd
4. Soldiers Road, Byford – Daisy Rd to Pinebrook Rd
5. Soldiers Road, Byford – Intersection of Soldiers Rd and Bishop Rd
6. Beenyup Road, Byford
7. Briggs Road, Byford
8. Jarrahdale Road, Jarrahdale – Jarrahdale Rd from Armstong Rd to Millars Rd
9. Jarrahdale Road, Jarrahdale – From SKL 1.05 to Medulla Rd
10. Richardson Street, Mundijong
11. Hopkinson Road, Oakford
12. Hopkinson Road, Darling Downs
13. Hopkinson Road, Oakford
14. Hopkinson Road, Cardup
15. Mundijong Road, Oldbury
16. Karnup Road, Hopeland - From #653 to Yangedi Rd
17. Karnup Road, Hopeland – Kiely Ln to River Rd
18. Karnup Road, Serpentine – From SLK 4.45 to SLK 5.12
19. Karnup Road, Serpentine – Lingdon Ln to Hopeland Rd
20. Castle Road, Serpentine
21. King Road, Oldbury
22. Nettleton Road, Karrakup
23. Nettleton Road, Byford – Barge Dr to Admiral Rd S
24. Nettleton Road, Byford – Old Brick Rd to Homestead PI
25. Nettleton Road, Karrakup
26. Nettleton Road, Byford

Should Council choose to only approve a 1% increase over CPI for roads, the last 8 projects listed above (19 to 26) will not be able to be funded by 2027/28.

If Council resolves no additional percentage for roads, the last 18 projects listed above (9 to 26) will not be able to be funded by 2027/28.



This does not do anything to address the roads in the Roads Forward Works Plan 2026-2036 (appendix e) which are not eligible for external funding and are required to be 100% municipally funded. The top three priority project for this list are as follows:

1. Turner Road, Byford
2. Transit Road, Jarrahdale – South Western Highway to SLK3.60
3. Abernethy Road, Oakford – SLK 6.55 – 7.75

Options

Option 1

That Council:

1. ADOPTS, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within **attachment 1**.
2. APPROVES the borrowing of new loan funds of \$2,260,000 Self Supporting Loan for the Oakford Fire Station and \$4,500,000 for the Waste Transfer Station and the conversion of the short term loan for Administration Building Redevelopment to a long term loan.
3. IMPOSES, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 4.8% increase to rates yield.

3.1. Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
GRV Residential	0.098779
GRV Commercial / Industrial	0.157987
UV General	0.003709
UV Rural Residential	0.004233
UV Commercial / Industrial	0.006171
UV Intensive Farmland	0.006789

3.2. Minimum Rates

Rate Category	Minimum Payment
GRV Residential	\$1,513.00
GRV Commercial / Industrial	\$1,719.00
UV General	\$1,657.00



UV Rural Residential	\$2,185.00
UV Commercial / Industrial	\$2,297.00
UV Intensive Farmland	\$3,314.00

4. ADOPTS, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.

4.1. Instalment Arrangements

NOMINATE the following due dates for the payment of rates in full and by instalments:

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Single full payment	11/09/2025	0	0.0%	0.0%
Option two				
First instalment	11/09/2025	0	0.0%	0.0%
Second instalment	13/11/2025	5	5.5%	11.0%
Option three				
First instalment	11/09/2025	0	0.0%	0.0%
Second instalment	13/11/2025	5	5.5%	11.0%
Third instalment	15/01/2026	5	5.5%	11.0%
Fourth instalment	19/03/2026	5	5.5%	11.0%

4.2. Incentives for Early Payment of Rates

OFFERS, two \$1,000 incentive prizes to ratepayers, sponsored by Westpac who have paid their rates in full prior to 5:00pm 11 September 2025.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. ADOPTS, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:
- Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession
 - Concession of 50% to Conservation zone properties.
 - Concession of 30% to eligible properties in the Trotting Complex Precinct



6. RESOLVES the following Elected Member fee and allowance entitlements for the 2025/26 financial year:

Annual Attendance Fee (Councillor)	\$26,020
Annual Attendance Fee (President)	\$34,890
Annual Allowance (President)	\$70,951
Annual Allowance (Deputy President)	\$17,738
External Committee Member allowance per meeting	\$450
ICT Allowance (Subsidy towards ICT expenses such as Internet access and telephony expenses) Provision of ICT Allowance at the value of \$2,500 recognises the loan of one laptop, headset and warranty services to the value of \$3,000 amortised over 3 years (\$1,000 per annum) is provided to an elected member at the commencement of their term for the duration of their term	\$2,500

7. ADOPTS, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in **attachment 1**, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2026.
8. ADOPTS, 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 2025/26 for reporting material variances shall be:
- a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
 - b) $\geq \$150,000$ of the amended budget.

In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).

9. APPROVES the establishment of the following reserves and their purpose:
- a) **Name:** Paid Parental Leave Reserve
Purpose: To provide funds for paid parental leave for employees
 - b) **Name:** Access and Inclusion
Purpose: To provide funds for upgrade, renewal, replacement and creation of new assets with the purpose of improving Access and Inclusion to Shire Facilities
10. ADOPTS the 2025/26 Rating Strategy as per attachment 2.
11. ADOPTS Council Policy – Trotting Complex Precinct Concession as per **attachment 3** and REQUESTS the Chief Executive Officer to write to residents within the Trotting Complex Precinct advising of the new concession and application process.

**Option 2**

For Council's consideration.

Option 1 is recommended.

Conclusion

The 2025/26 Budget continues the Shire's focus on an increased capital program with a significant focus on the improvement of the Shire's roads and facilities. The 2025/26 budget includes \$40.4m of capital grants to assist in funding the \$64.9m capital program.

This year will see the Shire continue its development of Keirnan Park, commence works on the Kargotich Road roundabouts, commence works of the Oakford Fire Brigade Station and the Waste Transfer Rehabilitation.

Despite the increasing challenges associated with providing services to the community in an economic environment of increasing costs, the Shire will continue to look for ways to reduce annual cash expenditure on operational spends to ensure the continued financial sustainability of the Shire into the future.

Attachments (available under separate cover)

- **6.2 - attachment 1** – 2025/26 Statutory Budget and Supplementary Information (E25/6462)
- **6.2 - attachment 2** – 2025/26 Rating Strategy (E25/6382)
- **6.2 - attachment 3** – Council Policy – Trotting Complex Precinct Concession (E25/6360)

Alignment with our Council Plan 2023-2033

Thriving
4. Ensure sustainable and optimal use of Shire resources and finances

Financial Implications

The financial implications are detailed within this report. The 2025/26 Budget is considered to deliver a sustainable economic outcome for Council and the community.

Risk Implications

Risk has been assessed on the Officer Options:

Officer Option	Risk Description	Controls	Principal Consequence Category	Risk Assessment			Risk Mitigation Strategies (to further lower the risk rating if required)
				Likelihood	Consequence	Risk Rating	
1	There are no significant risks associated with Council adopting the annual budget.						



Voting Requirements: Absolute Majority (section 6.2(1) and 6.16(1) of the *Local Government Act 1995*)

Officer Recommendation:

That Council:

1. **ADOPTS**, in accordance with section 6.16 of the *Local Government Act 1995*, the Fees and Charges contained within attachment 1.
2. **APPROVES** the borrowing of new loan funds of \$2,260,000 Self Supporting Loan for the Oakford Fire Station and \$4,500,000 for the Waste Transfer Station and the conversion of the short term loan for Administration Building Redevelopment to a long term loan.
3. **IMPOSES**, in accordance with section 6.33 of the *Local Government Act 1995*, the following differential general and minimum rates on Gross Rental and Unimproved Values adopted for the purpose of yielding the deficiency disclosed by the Municipal Fund Budget which represents a 4.8% increase to rates yield.

3.1. Differential Rates

Rate Category	Rate in Dollar (Expressed as cents in \$)
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4. **ADOPTS**, in accordance with section 6.45 of the *Local Government Act 1995*, the following options for payment of rates or service charges.



4.1. Instalment Arrangements

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4.2. Incentives for Early Payment of Rates

OFFERS, two \$1,000 incentive prizes to ratepayers, sponsored by Westpac who have paid their rates in full prior to 5:00pm 11 September 2025.

That all Elected Members and staff of the Shire of Serpentine Jarrahdale be ineligible to be chosen as a winner of the early rate payment incentive prizes.

5. **ADOPTS**, in accordance with section 6.47 of the *Local Government Act 1995*, the following Discounts and Concessions:

- Concession of 31% to eligible Farmland and Conservation properties within the UV Rural differential rate category, pursuant to Council Policy 3.2.7 – Farmland Concession
- Concession of 50% to Conservation zone properties.
- Concession of 30% to eligible properties in the Trotting Complex Precinct

6. **RESOLVES** the following Elected Member fee and allowance entitlements for the 2025/26 financial year:

Annual Attendance Fee (Councillor)	\$26,020
Annual Attendance Fee (President)	\$34,890
Annual Allowance (President)	\$70,951



Annual Allowance (Deputy President)	\$17,738
External Committee Member allowance per meeting	\$450
ICT Allowance (Subsidy towards ICT expenses such as Internet access and telephony expenses) Provision of ICT Allowance at the value of \$2,500 recognises the loan of one laptop, headset and warranty services to the value of \$3,000 amortised over 3 years (\$1,000 per annum) is provided to an elected member at the commencement of their term for the duration of their term	\$2,500

7. **ADOPTS**, in accordance with section 6.2 of the *Local Government Act 1995*, the Municipal Fund Budget as contained in attachment 1, Statutory Statements and Notes (including supplementary information) for the year ending 30 June 2026.
8. **ADOPTS**, 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 2025/26 for reporting material variances shall be:
- a) $\geq 10\%$ of the amended budget and $\geq \$10,000$ of the amended budget; or
 - b) $\geq \$150,000$ of the amended budget.
- In addition, the material variance limit will be applied to each Nature and Type Classification for Operating and Financing Activities and each Project for Investing Activities (Capital).
9. **APPROVES** the establishment of the following reserves and their purpose:
- a) **Name:** Paid Parental Leave Reserve
Purpose: To provide funds for paid parental leave for employees
 - b) **Name:** Access and Inclusion
Purpose: To provide funds for upgrade, renewal, replacement and creation of new assets with the purpose of improving Access and Inclusion to Shire Facilities
10. **ADOPTS** the 2025/26 Rating Strategy as per attachment 2.
11. **ADOPTS** Council Policy – Trotting Complex Precinct Concession as per attachment 3 and **REQUESTS** the Chief Executive Officer to write to residents within the Trotting Complex Precinct advising of the new concession and application process.



- 7. Motions of which notice has been given:**
- 8. Urgent business:**
- 9. Closure:**