2026/27 Budget Snapshot

Introduction

This 2026/27 Budget Summary provides a quick overview of the rationale behind and basic details of Council's 2026/27 Budget.

Background

Previous COVID-19 Response arrangements have seen a significant amount of emphasis by the State and Commonwealth Governments to advance maintenance and capital spending on projects that benefit the community.

Council responded proactively with an expanded program of capital expenditure on roads in part leading to the construction and sealing to a 7.2m seal width of the remaining 35.42km section of the Carnarvon-Mullewa Road between the Murchison Settlement and our south shire boundary. Council has been able to secure additional funding to assist from Main Roads WA for this and other roads projects, but this is also supplemented by additional Council contributions. Council has also been upgrading a range of projects in and around the Murchison Settlement.

4-Year Indicative Budget – Long Term Financial Management

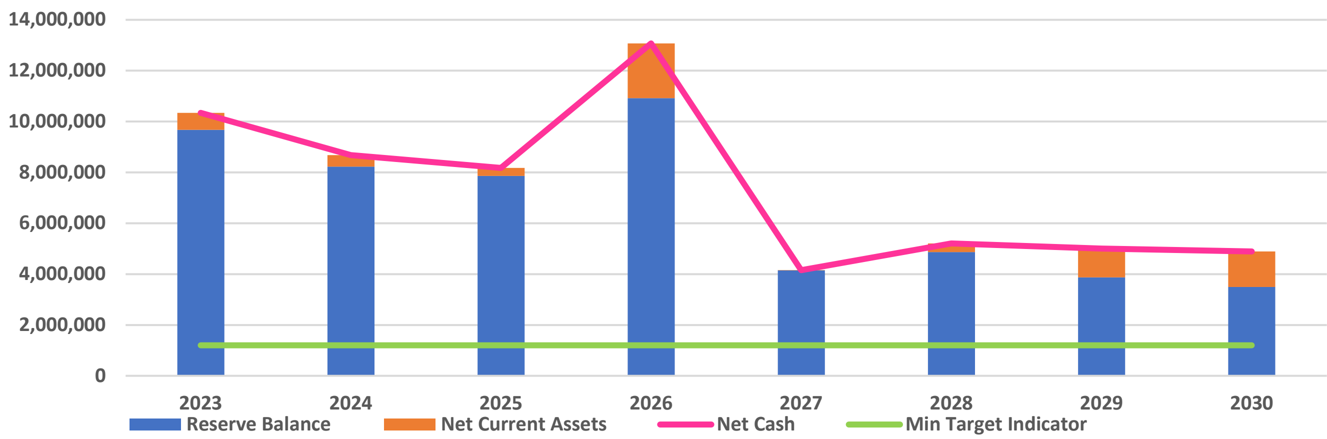
Council's works program will be carried out in a financially responsible manner and to this end whilst budgets are set and delivered on an annual basis, in reality works and services are delivered on a continuous basis with the financial year merely a point in time.

It is also considered prudent and now standard practice to look at the situation for a 4-year period. During 2023/24 Council also looked longer term, as also required under the provisions of the Local Government Act and updated its Corporate Business Plan, Asset Management Plan and Long-Term Financial Plan, a situation which is now repeated annually.

The Budget Reserves Net Current Assets Summary Graph shown below highlights this approach. As indicated, Council is well placed to manage all of the competing priorities in the next few years but does need additional revenue if it is to minimise being financially stretched in the future and to ensure existing ratepayers make some contribution for the use of assets and facilities today and not leave all of the financial burden to future generations.

Budget Reserves Net Current Assets Summary

The following Budget Cash Summary is a graphical representation of the summary of our Reserves (Restricted Cash) and Net Current Assets (Unrestricted Cash) highlighting the now, recent past and into the future.



Murchison Settlement Redevelopment Works

Over recent years Council has been working on the upgrade of the Murchison Settlement Water Supply and Power Supply. The extent and scope of works required on each has significantly increased meaning that some projects previously identified that were unlikely to receive grant funding were deferred, whilst some with part grant funding proceeded in 2024/25, 2025/26 and now 2026/27.

Council has also been in advanced planning for improvements within the Settlement through the Murchison Settlement Redevelopment Masterplan, Murchison Roadhouse Precinct Redevelopment and Murchison Vast Sky Experience Business Case.

Capital Works Snapshot

Summary of some projects from the 2026/27 Budget with ** denoting projects with a part carry over from 2025/26

Project	Est Cost $
Murchison Settlement	
Staff Housing Cr Kurara Way Mulga Cres (2 no) **	560,000
Community Centre Improvements Stage 1 **	70,000
Caravan Park Non-Ensuite's Cabins Conversion **	160,000
Caravan Park New Ensuite Cabins (3 set) **	230,000
Roadhouse Caravan Park Precinct Works **	55,000
Roadhouse Staff Accommodation Units (3 No) **	870,000
Old Supervisors Shed Improvements	300,000
Roadhouse Conversion & Extension	2,600,000
Power Supply Capital	300,000
Power Supply Upgrade Works	250,000
	5,395,500
Includes funding of $606,670 Grants & $550,000 Reserves	
Roadworks	
Council Road Construction General	531,212
To be allocated	
Carn-Mul Rd 154.54–208.68 reconstruct & widen sections **	3,403,197
Reseal Works Carnarvon-Mullewa Rd**	284,050
SKA Route Construction Works	4,355,914
Sections of Carnarvon-Mullewa (CGG), Twin Peaks-Wooleen, Wooleen-Mt Wittenoom, Boolardy-Wooleen, Beringarra-Pindar & Boolardy-Kalli Roads	
Grid Replacements	80,040
Total	**8,654,413**
Includes funding of $7,643,006Grants & $500,000 Reserves	

Plant

Major Plant Replacements programmed includes Roller, Prime Mover Water Tanker Trailer, Caravans (x2) & Maintenance Fuel Trailer for an expanded Road Maintenance operation in 2027/28 plus replacement Roller, Mower, Vehicles (x2) and new skid steer loader & roadhouse related golf buggy.

Rates

In recent years a more in-depth analysis of Councils rating strategy has been undertaken. This indicated that Average Pastoral Sector Rates had increased 1.4% per annum since 2016, whilst Mining Average Rates increased 5.5% per annum. Whilst the differential between Mining and Pastoral had reduced was still much greater than the 2.0 limit set under the Local Government which required Local Government Ministerial approval.

In 2023/24 Council recognised that by both measures a significant one-off correction was required and this was then actioned, notwithstanding that the difficulties associated with valuations within the Mining sector being some 3 times greater than those in the Pastoral Sector and 6 times greater than the Exploration Sector.

In setting differential rates Council has determined that as far as practicable aspects associated with natural growth or decline through numbers of ratepayers are ignored when setting rates.

Other aspects including benchmarking with other Shires indicated a further lift in rate revenue was justified given the Shire's large recurrent and future infrastructure spend as outlined and as per Council's revised Long Term Asset Management and Financial Plans with at least two major floodways requiring upgrade on strategically important roads in the medium term.

Significantly also of consideration was rating of those mining properties When adopting the 2025/26 Budget legal liability associated with rating Miscellaneous Mining Licence was confirmed through as successful Supreme Court appeal by the Shire of Mt Magnet.

Unfortunately in June 2026 the State Government was successful with its bill to amend the *Local Government Act 1995 (Act)* to prevent a Local Government from Rating Certain Miscellaneous Mining Licences and to extinguish any rates liabilities from 1 July 2017. $1.15m in rates collected have now been refunded from Shire's Asset Management Reserve with $225,000 annually forgone.

As indicated previously a lift in rate revenue is required but this is also not uniform and varies across each sector as valuations as set by the State Government experienced the following changes. Pastoral (up 3.5%), Mining (up 11.0%) and Prospecting and Exploration (up 3.5.%.)

The following rates in the dollar and minimum rates have been adopted for 2026/27.

Differential Rate Type	Rate in dollar cents	Min Payment ($)
UV Pastoral	14.401	1,000
UV Mining	28.754	1,000
UV Exploration	28.754	1,000

Council is always mindful of the impact on ratepayers and if there is anyone facing financial hardship, please contact the Council Office to discuss potential payment options.

Summary

Overall, Council aims to responsibly provide a positive Budget and retain the Murchison Shire and Settlement in a sound long-term sustainable position.

Further Information

Refer Councils Website https://www.murchison.wa.gov.au/ for details of the 2026/27 Budget (including an indicative 4-years). Also relevant are adopted Corporate Business Plan, Long Term Financial Plan, Asset Management Plan and Rating Strategy Reviews.