

**Introduction**

This 2024/25 Budget Snapshot provides a quick overview of the rationale behind and basic details of Council’s 2024/25 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 the Commonwealth’s Local Roads and Community Infrastructure Program and Main Roads WA for this band other roads projects, but this is also supplemented by additional Council contributions.

As shown later in this snapshot Council has also been proceeding on works to upgrade a range of projects in and around the Murchison Settlement.

**4-Year Indicative Budget – Long Term Financial Management**

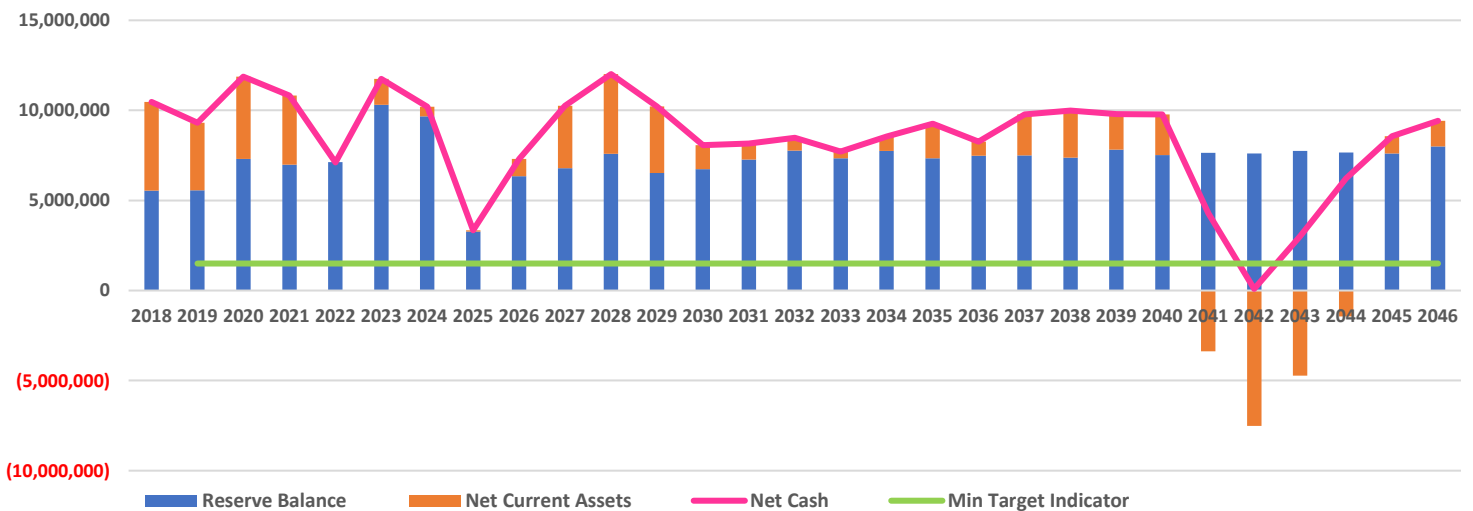
Obviously, Council’s works program will be carried out in a financially responsible manner and to this end whilst budgets are set and delivered on an annual basis, in reality works and services are delivered on a continuous basis with the financial year merely a point in time.

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. Revenue from potential growth in Councils rates base has not been factored in. Whilst there are inherent unknowns with respect to the accuracy of future figures, nevertheless they have been based on accurate data and fairly represent future financial challenges that Council is addressing, a situation not unlike many small local governments.



## 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 have been deferred, whilst some with part grant funding have been able to proceed in 2024/25.



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.

Snapshot summary of some projects from the 2024/25 Budget and Corporate Plan and Long-Term Financial Plan are shown as follows.

Project	Est Cost \$	Year
<b>2024/25 Budget</b>		
Sports Club Access Upgrade	37,500	2025
Community Centre Kitchen & Bar Makeover	27,500	2025
Playground Design ahead of a funding application	25,000	2025
Community Splash Pad (Part Lottery West Funded)	630,000	2025
Caravan Park Ablution Block Completion	150,000	2025
Caravan Park Pool (Part LRCIP Funded)	1,250,000	2025
Caravan Park Internal Road Const & Seal	28,702	2025
Water Supply complete current retic works	350,000	2025
Water Supply New chlorinator (Pt Infra Dev Fund)	270,000	2025
Power Supply replace section u/g cabling	150,000	2025
Power Supply upgrade existing main switchboard	100,000	2025
Power Supply new power to water supply	40,000	2025
<b>Total</b>	<b>3,058,702</b>	

Total funded by \$952,446 Grants and \$2,106,256

### Future 3 Years Indicative Projects

New Roadhouse Residence	450,000	2026
Roadhouse Business Building Refurbishment	800,000	2026
New Powerhouse (Pt Infra Dev Fund)	1,100,000	2026
Playground Upgrade (Potential Grant)	200,000	2027
Staff accommodation Units at Roadhouse	300,000	2027
Power Supply Solar Power Provision (loan)	1,100,000	2028
Staff Housing	250,000	2028

### Other Potential Future Works

As per Asset Management Plan

## Rates

Over recent years a more in-depth analysis of Councils rating strategy has been undertaken. Amongst other things it 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 where approval of then Minister for Local Government is required.

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 for Council formally adopts as its policy position, that as far as practicable aspects associated with natural growth or decline are ignored.

Also, under consideration was rating of Mining Properties under a Miscellaneous Mining Licences. Since this time when adopting the 2024/25 Budget legal liability associated with rating Miscellaneous Mining Licence has yet to be fully finalised, a situation that may or may not change at a subsequent date.

As indicated previously a lift in rate revenue to is required.

The 2024/25 Budget provides for an overall **5.0%** increase (excluding natural growth or decline). This is not uniform and varies across each sector as valuations as set by the State Government experienced the following changes. Pastoral (generally no change), Mining (up 49.2%) and Prospecting and Exploration (up 5.2%.)

The following rates in the dollar and minimum rates have been adopted for 2024/25.

Differential Rate Type	Rate in dollar cents	Min Payment (\$)
UV Pastoral	9.325	900
UV Mining	18.550	900
UV Exploration	18.550	900

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.

## Other Capital Works

Snapshot summary of some projects from the 2024/25 Budget and Councils Asset Management Plan is shown as follows.

Project	Ext Cost \$
<b>2024/25 Budget</b>	
Carn-Mul Rd 154.54 – 208.68 reconstruct & widen sections	666,353
Reseal Works	98298
Beri-Pindar Rd 288.05 - 309.50 resheet incl floodways	343,728
Beri-Byro Rd 69.99 – 87.70 resheet incl floodway	122,749
SKA Route General Construction Works	2,429,461
SKA Route CGG Section Construction Works	900,000
Council Road Construction General	609,446
Mulga Cres Reconstruct & Two Coat Seal	308,269
Resheet Works	43,571
Capex Grids General	71,029
<b>Total</b>	<b>5,592,904</b>

Total funded by \$4,620,693 Grants, and \$972,211 Revenue

### Future Years Indicative Road Projects

As per Asset Management Plan

## 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 2024/25 Budget (including an indicative 4-years). Also relevant are adopted Corporate Business Plan, Long Term Financial Plan, Asset Management Plan and Rating Strategy Reviews.