



Shire of Coolgardie

Rates Objectives and Reasons 2019/20

In accordance with Section 6.36 of the Local Government Act 1995 and the notice of Council's intention to levy Differential Rates for the 2019/20 financial year, the following are estimated Differential Rates and Minimum Payments for the Shire of Coolgardie and the Objects and Reasons for these Differential Rates.

DIFFERENTIAL RATING

Classification	Rate in Dollar (Cents)	Minimum Rate (\$)
UV - Mining	22.4733	\$446
UV - Rural	11.2668	\$697

In addition to the differential rating Council also give notice of its intention to levy a specified area rate for the 2019/20 financial year for the purpose of applying these funds raised against the cost of refurbishing the Kambalda swimming pool.

SPECIFIED AREA RATING

Classification	Rate in Dollar (Cents)	Minimum Rate (\$)
GRV - Kambalda	0.5600	N/A

The figures shown above for both differential and specified area rating are estimates and may change as part of Council's deliberations after consideration of any submissions received.

OVERALL OBJECTIVE

The rate in the dollar is calculated to provide the shortfall in income required to enable Council to provide necessary works and services, to maintain assets and provide for future asset needs.

The overall objective of the proposed rate in the dollar and minimums in the 2019/20 Budget is to provide for the net funding requirements of Council's Operational and Capital Budget. The **estimated** rates in the dollar indicated above are based on a **1.95%** increase on the previous year rate in the dollar.

The basis for the calculation of Rates is either the Gross Rental Value (GRV) or Unimproved Value (UV) for each individual property and these valuations are provided by the Valuer General's Office.

Unimproved Values (UV)

The differential between mining and rural/pastoral recognised an anomaly in valuations that occurred some time ago. The valuation of rural values is set at a state wide level and it is believed is not a true reflection of the value of rural properties in this Shire.

The adoption of a lesser rate for the rural/pastoral properties is aimed at addressing this inequity.

The lower minimum for Mining UV recognises the high number of small prospecting and exploration leases which are important to the community both to maintain the historical link to the community of the small prospector and miner.

In the 2018/19 financial year concessions for two categories of rateable properties were endorsed on application and meeting a certain criterion as follows;

- Rural Use – applicants who are paying rates in the UV Pastoral/Rural category may apply for a concession if they can show that their property is being used for rural pursuits and not for activities relating to or supporting mining or other commercial purposes.
- Bona Fide Prospectors – applicants with rates in the UV Mining category may apply for a concession if they hold a certificate from the Department of Transport to support their application.

Council will again consider such concessions when adopting the 2019/20 Annual Budget.

Gross Rental Values (GRV)

The four current categories of GRV properties, dependent on land use and zoning are;

- Residential
- Commercial
- Industrial
- Vacant Land

The proposed specified area rate is an additional rate for the Kambalda swimming pool and is consistent with section 6.37 of the Local Government Act 1995 where a specified area rate may be imposed on rateable land within a portion of its district for the purpose of meeting the cost of the provision by it of a specific work, service or facility if the local government considers that the ratepayers or residents within that area —

- (a) have benefited or will benefit from; or
- (b) have access to or will have access to; or
- (c) have contributed or will contribute to the need for,

The purpose of the specified area rate is for these funds to be applied against the cost of the refurbishment of the Kambalda swimming pool, including costs associated with the loan obtained to fund the project.

Section 6.37 stipulates that any monies raised from a specified area rate must only be used to meet the cost of providing the specific work, service or facility for which the rate was imposed. That is, in this case, monies raised from the proposed specified area rate can only be used to fund the cost of refurbishing the pool. This includes costs associated with loan repayments and interest associated with such loan repayments.

It is proposed that for all other properties using GRV as the basis for rating will attract the same rate in the dollar and minimum rates. The reasoning for this is that the same services are provided for all. Where there has been a business decision by property owners to locate activities outside the town site boundaries to undertake an activity which could be located within the town site, the services provided by the Shire remain the same. The cost of servicing the communities within the boundaries of the Shire should be borne by all residents and property owners.

The Shire of Coolgardie are committed to manage the current level of infrastructure and services, as well as having the capacity to implement and maintain new infrastructure and services and to do so with sustainable rate increases and affordable service delivery models.