



**STATEMENT OF OBJECTS OF AND REASONS
FOR PROPOSED CITY RATES AND MINIMUM
PAYMENTS FOR 2018-19**

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Proposed Differential Rates and Minimum Payments for 2018-19

Section 6.36 of the *Local Government Act 1995* (the Act) requires Council to give local public notice of its intention to impose Differential Rates and Minimum Payments, inviting submissions from electors and ratepayers.

The City publishes the required public notice in *The Geraldton Guardian*, *The Mid West Times*, and on its website (City Budget 2018-19), and exhibits the notice at its Civic Centre offices in Cathedral Avenue, Geraldton, at its Mullewa District Administration Office, and at the Geraldton Library located in Marine Terrace.

This document describes the *objects of and reasons for each proposed differential rate and minimum payment*, required to be made available for inspection by electors and ratepayers per section 6.36(3)(c) of the Act. The document will be made available on the City website, and hardcopies of the public notice and this document are made available at the sites noted above.

The City Budget will not be finalised nor adopted until *after* consideration by Council of any elector and ratepayer submissions, pursuant to Section 6.36(4) of the Act. The Act empowers Council to adopt differential rates or minimum payments *different* from those published in the public notice. In addition, the Local Government (Financial Management) Regulations 1996 require that if a Council does adopt any differential rates or minimum payments that *are* different from those set out in the public notice, then its adopted Budget must include a statement providing reasons for adopting any different rates or minimums from those set out in its public notice.

Council Considerations

In its deliberations, prior to formally adopting the budget and imposing rates and minimum payments, Council will consider any submissions received and, as part of its due diligence processes, may also consider any new information on any budget-related matters not available to it at the time of giving public notice of intention to impose proposed rates and minimum payments.

This may include for example, Council consideration of any updated advice on inflation forecasts for 2018-19, any changes to forecast changes to costs of State Government utilities including electricity tariffs, street lighting, water or sewerage, or any changes related to any of the local government recurrent grants or any other Federal or State funds forecast to be received – or any other relevant matters. Council will also consider the impact of new GRV valuations, which will take effect from the 1 July 2018. In addition, Council will also consider lawfully available mechanisms that smooth the impact of significant spikes in rates payable because of new property valuations.

Ratepayer Right to Object to Land Valuation:

The Valuation of Land Act 1978 makes provision for ratepayers to object to the valuation of their property. Advice from Landgate as to the process is as follows:

Should a ratepayer have a valuation query which the City cannot answer, it would be of assistance to Landgate if City staff could encourage the ratepayer to discuss the matter with them by telephone prior to lodging a formal objection. Landgate customer service team contact number - 9273 7373.

Valuation of properties under the Valuation of Land Act 1978 is the responsibility of the State's Valuer-General, and is undertaken by Landgate at intervals determined by the Valuer-General. For rating purposes, the Local Government Act mandates that Councils must use the valuations provided by the Valuer-General. Importantly however, ratepayers need to understand that neither the conduct nor the timing of property valuations are the responsibilities of Local Governments. Landgate does valuations at arms-length from Councils for the Valuer-General. Hence, City staff cannot provide information or advice relating to the valuation of any particular property and as such, ratepayers with valuation queries are referred to Landgate.

PROPOSED DIFFERENTIAL RATES FOR 2018-19

Local public notice is proposed for 2 May 2018, publishing the City's intent to impose the listed schedule of proposed rates and minimum payments for 2018-19, and inviting submissions from Electors and Ratepayers by 5:00pm on 23 May 2018. Submissions may be:

- *mailed to the City at PO Box 101, Geraldton WA 6531; or*
- *submitted by email to: CityBudget2018-19@cgg.wa.gov.au*

The following tables detail the current 2017-18 and the proposed 2018-19 differential rates-in-the-dollar and minimum payments:

Table 1: Current Differential General Rates & Minimum Payments (2017-18)

Differential Rate Types	Rate-in-the-dollar (Cents)	Minimum Payments \$
CGG Residential (Includes GRV Residential Ex-Mullewa Shire District)	11.9016	\$1,010
CGG Non-Residential (Includes GRV Non-Residential Ex-Mullewa Shire District)	11.3804	\$1,010
CGG UV (Ex Geraldton Rural Mining & Farming General and Ex Mullewa Rural Mining & Agriculture)	0.7489	\$1,010

Table 2: Proposed Differential General Rates & Minimum Payments (2018-19)

Differential Rate Types	Rate-in-the-dollar (Cents)	Minimum Payments \$
CGG Residential (Includes GRV Residential Ex-Mullewa Shire District)	12.3181	\$1,030

CGG Non-Residential (Includes GRV Non-Residential Ex-Mullewa Shire District)	11.7787	\$1,030
CGG UV (Ex Geraldton Rural Mining & Farming General and Ex Mullewa Rural Mining & Agriculture)	0.7751	\$1,030

Rates Modelling (2018-19):

The proposed rates model is based on the following:

- Key principle of the existing Long Term Financial Plan of a 3.5% (plus growth) increase in aggregate rate revenue 2018-19. Current rates modelling is based on equitable adjustment to the three rating categories proposed RID's.
- Minimum payments are proposed to be increased from \$1,010 to \$1,030 (note: since 2014-15 minimums have remained unchanged at \$1,010 for City district ratepayers).

Statement of Objects & Reasons for Differential Rates:

CGG Residential

This category will include any GRV rated property in that part of the City district (including that part of the City previously being GRV Ex Mullewa Shire District) that is used for residential purposes.

This rating category reflects the level of rating required to raise the necessary revenue for Council to operate efficiently and provide the diverse range of services and programs and associated infrastructure/facilities required for developed residential and urban areas of the designated part of the City.

How does that affect me?

Residential Properties:

- For residential property owners who did not complete any additions/modifications to their house or property and the GRV valuation of their property remained unchanged, and the amount of rates you paid this year was \$2,000, the proposed increase by Council would see you pay \$2,070 in 2018-19 a 3.50% increase. Minimum payments are proposed to be increased from \$1,010 to \$1,030 (note: since 2014-15 minimums have remained unchanged at \$1,010 for City district ratepayers).

CGG Non Residential

This category includes any GRV property in that part of the City district (including that part of the City previously being GRV Ex Mullewa Shire District) that is used for non-residential purposes other than rural purposes.

The general objects and reasons for this differential rate on Non Residential properties is on an equitable basis to raise the necessary revenue for Council to operate efficiently and provide the diverse range of services and programs and associated infrastructure/facilities required for commercial and industrial areas.

- For non-residential properties, the effect will be the same, as explained under residential properties.

CGG UV

This category includes all UV rated property in that part of the City district that are used primarily for rural, farming and mining purposes.

This rating category reflects the level of rating required to raise the necessary revenue for Council to operate efficiently and provide a diverse range of services and programs for rural areas including infrastructure to this designated part of the City district.

- As the proposed increase is based on an equitable adjustment across all rating categories, the effect on UV properties will be the same as explained under residential properties.

Ross McKim
Chief Executive Officer

2 May 2018