



AGENDA

FOR THE

SPECIAL MEETING OF COUNCIL

26 MAY 2025

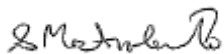
NOTICE OF MEETING

Dear Council Member,

The next Special Meeting of Council will be held on Monday, 26 May 2025 in the Council Chambers, Corner Weld and Haas Streets, Broome, commencing at 4:00PM for the purpose of considering:

- COUNCIL CONSIDERATION OF PUBLIC SUBMISSIONS ON INTENTION TO IMPOSE DIFFERENTIAL RATES AND MINIMUM PAYMENTS FOR THE 2025/26 ANNUAL BUDGET

Regards,



S MASTROLEMBO
Chief Executive Officer

23/05/2025

Our Mission

"To deliver affordable and quality Local Government services."

DISCLAIMER

The purpose of Council Meetings 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 that the provisions in section 5.25 of the *Local Government Act 1995* establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Broome 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.

Should you require this document in an alternative format please contact us.

SHIRE OF BROOME
SPECIAL MEETING OF COUNCIL
MONDAY 26 MAY 2025
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1. OFFICIAL OPENING

2. ATTENDANCE AND APOLOGIES

3. DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY

4. PUBLIC QUESTION TIME

5. REPORTS FROM OFFICERS

5.1 PEOPLE

There are no reports in this section.

5.2 PLACE

There are no reports in this section.

5.3	PROSPERITY
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There are no reports in this section.

5.4 PERFORMANCE

5.4.1 COUNCIL CONSIDERATION OF PUBLIC SUBMISSIONS ON INTENTION TO IMPOSE DIFFERENTIAL RATES AND MINIMUM PAYMENTS FOR THE 2025/26 ANNUAL BUDGET

LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	ARA01; ARA12
AUTHOR:	Finance Officer - Rates
CONTRIBUTOR/S:	Coordinator Financial Operations
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil

SUMMARY:

This report presents to Council the outcome of the statutory local public notice period before adopting the 2025/26 Annual Budget. Council is also requested to authorise the Chief Executive Officer to apply to the Minister for Local Government to approve the differential rates that require exemption under section 6.33(3) of the *Local Government Act 1995*.

BACKGROUND

Previous Considerations

SMC 28 April 2025

Item 5.4.1

The “Notice of intention to impose 2025/2026 differential rates” report presented to Council at the 28 April 2025 Special Meeting of Council (SMC) summarised the following matters:

- The 2025/26 budget process to date including revenue required to be raised from rates as per the 2025/26 draft budget.
- The proposed rating categories and corresponding valuations following the GRV Revaluation received in April 2025.
- The proposed rate in the dollar for each rating category, including an average rate increase for GRV Residential properties of 4.26%, which is equivalent to \$2.52 per week.
- The proposed minimum payments for each rating category.
- An illustration of the proposed differential rates and minimum payments required to be raised to balance the 2025/26 budget.
- The statutory requirement to advertise certain rating information through public notice.
- The statutory requirement to consider submissions received concerning the proposed rates.

Through this report, Council resolved the following:

COUNCIL RESOLUTION:

(REPORT RECOMMENDATION)

Moved: Cr D Male

That Council:

Minute No. C/0425/003

Seconded: Cr E Smith

- 1. Publishes a local public notice proposing the 2025/26 differential general rates and minimum payments set out in the table below and invites electors or ratepayers to lodge submissions about this proposal within 21 days from the date of notice:***

DIFFERENTIAL RATE CATEGORY	MINIMUM PAYMENT	RATE IN THE DOLLAR
Residential (GRV)	\$1,401	0.068550
Vacant (GRV)	\$1,318	0.186300
Commercial (GRV)	\$1,401	0.122890
Tourism (GRV)	\$1,401	0.139510
Commercial Rural (UV)	\$1,401	0.039310
Mining (UV)	\$929	0.159020
Rural (UV)	\$1,401	0.009400

- 2. Adopts the Objects and Reasons presented in Attachment 2 for each of the proposed differential general rates and minimum payments in point 1 above; and***
- 3. Following the close of the public submission period, requests the Chief Executive Officer to report back to Council, presenting any submissions for formal consideration, before seeking Ministerial Approval under section 6.33(3) of the Local Government Act 1995 to impose differential rates which are more than twice the lowest differential rate in the GRV Vacant, UV Mining and UV Commercial Rural differential rating categories.***

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY 8/0

Following the 28 April 2025 SMC, a public notice inviting submissions on proposed differential rates was advertised in the 1 May 2025 edition of The West Australian Newspaper, with the 21-day submission period ending 4pm, Thursday, 22 May 2025. Public notices were also placed on noticeboards located at the Shire of Broome Administration Centre and Library. A digital public notice was published on the Shire of Broome's website and social media account, with a link to the Objects and Reasons for the Differential Rates and Minimum Payments for the 2025/26 Financial Year. All statutory local public notice requirements under section 6.36 of the *Local Government Act 1995* (the Act) were met.

The Shire also wrote to all 24 properties in the UV Commercial Rural differential rating category, inviting public comment on the proposed differential rates in accordance with the Department of Local Government, Sport and Cultural Industries (DLGSC) requirement for rating categories with less than 30 ratepayers.

In addition to the local public notice requirements, Ministerial approval is required if a differential rate is more than twice the lowest differential rate in either UV or GRV properties (s6.33 of the Act). Approval will be sought for the GRV Vacant category which is more than twice the base GRV Residential rate, and the UV Commercial Rural and UV Mining categories which are both more than twice the base UV Rural rate.

The Minister requires evidence of Council consideration of any submissions received before considering the Shire's application for exemption from section 6.33 of the Act.

COMMENT

Submissions

During the 21 day submission period, there were no submissions received by the deadline. One submission (Attachment 4) was received the day following submission closure however was assessed by officers. The submission did not relate to the Objects and Reasons for Differential Rates and Minimum Payments, nor the rate model as advertised, rather it requested consideration of reduced rates for a specific property due to personal circumstances.

The submission has been considered by officers however does not warrant any adjustment to the rate model.

Officers will contact the submitter directly and discuss options that can be pursued to address their concerns regarding rates levied on their property. Advice will also be provided relating to objection of the property valuation via Landgate.

Amendments to the 2025/26 Draft Budget

Following the commencement of the advertising period, further refinement of the draft 2025/26 draft budget estimates has occurred.

At the OMC held on 1 May 2025, Council resolved to:

- Approve an allocation of 2024/25 organisational savings of \$384,564 towards reducing the Cable Beach Stage A1 borrowings required. Principal and Interest savings had already been included in the Draft Rate Model for advertisement based on \$416,000 of organisational savings. This increased the Principal and Interest repayments by \$3,988;
- Consider allocating funding towards the Library Feasibility Study in lieu of the Male Oval Masterplan project, resulting in a saving of approximately \$50,000; and
- Provide elected member superannuation contributions to Council members, noting that while this was previously budgeted, advice on the correct treatment of elected member superannuation from the DLGSC resulted in the allocation being reduced slightly by \$3,888.

Following these changes, the updated draft budget estimates that \$30,427,031 is required to be raised from rates revenue (including interim rates and applied concessions) to fund the 2025/26 budget, a reduction of \$14,196 from the budget estimates presented at the 28 April 2025 SCM.

Property and Valuation Changes

The "Notice of intention to impose 2025/2026 differential rates" report presented to Council at the 28 April 2025 SMC modelled differential rates based on all property valuation information current at the time.

GRV properties are revalued every three (3) years, with all GRV properties being revalued in 2024/25 and included in the initial rates modelling, taking effect 1 July 2025 and presented at the 28 April SMC.

UV properties are revalued annually by the Valuer-General, however new valuations had not been received at the time of the 28 April SMC. Officers considered that any variances which would significantly affect the outcome of the proposed rates model would be presented to Council and treated in accordance with the Act.

The UV Valuations schedules have subsequently been received and immediately processed by the Shire during the advertising period. Other minor interim schedule changes were also processed to ensure the most up to date rates ledger for budget considerations and billing.

UV Properties

The Valuer-General, through Landgate, completed the rural assessments for all properties as of the Date of Valuation, 1 August 2024. These valuations were received 6 May 2025 and become effective on 1 July 2025, so are necessary to include in the proposed 2025/26 rates

model. The changes applied by the Valuer General in the assessed values for the 2025/26 period resulted in an average overall valuation decrease of -4.39% across all UV properties.

Landgate provided that:

- the analysis of comparable sales at and around the date of valuation supports a lift in Unimproved Values for land around Broome.
- as a result of changes in pastoral lease rents, the Unimproved Values for these properties have also changed. These changes have generally resulted in significant decreases in Unimproved Value for this type of property.
- some variations to individual assessments may have occurred either as a product of the valuation process and/or inclusion of updated information.

Total UV valuations have decreased by \$1,456,574, in comparison to the valuations included in the rates model presented at the 28 April 2025 SMC which has resulted in a \$96,558 decrease in rates levies modelled. All current UV valuations have now been received and incorporated into the 2025/26 rates model presented in this report.

GRV Properties

During the advertising period other minor updates to property valuations were made in accordance with interim valuation schedules provided by Landgate, as well as the completion of a review by the Shire's planning department to ensure any properties with an approved change in property use were appropriately re-categorised in the final rates model. The review identified a small change resulting in a net decrease of rates levies modelled totalling \$2,814 since the 28 April 2025 SMC.

With both the UV and GRV valuations processed, the resulting overall change in rates levies expected is \$99,372 less than the previously modelled results presented at the 28 April 2025 SCM.

With the changes to the GRV and UV valuations, and identified savings from the updated budget estimates, the rate in the dollars and minimum payments modelled and advertised are insufficient to raise the required rates revenue to fund the 2025/26 draft budget, with the model presenting a deficit of \$85,176.

Addressing the Shortfall in Rates Levies - Modified Rates Modelling

To address the shortfall in the rates levies resulting from the overall decrease in UV property valuations, officers revisited the rates modelling to ensure a consistent approach was taken to that modelled and presented at the 28 April 2025 SCM.

Prior to valuations being received for both GRV and UV properties, Council targeted a general 4.25% increase to the Rate in the Dollar (RID) across all differential rating categories. This 4.25% increase resulted in a specific yield increase in each of the categories.

Post revaluations being received, and given the significant increase in valuations, the targeted 4.25% increase to the 2024/25 RID resulted in a significantly higher yield in each of the categories.

This necessitated a change in approach, with Council using the previous category yields (a general 4.25% increase on 2024/25 RID) to determine the revised, post revaluation RID for each category. This approach ensures that Council maintains yields within each differential rating category as close to that which would have been achieved with a general 4.25% RID increase prior to the revaluations.

To achieve the aforementioned target following the receipt of the UV property valuations the rates modelling required that the rate in the dollar for both the UV Commercial Rural and UV Mining rating categories be increased and the rate in the dollar for the UV Rural rating category be reduced. No changes are proposed to the minimum payments for any

rating category. This consistent approach to adjusting the rate model following revaluations has resulted in a \$35,764 overall increase in rate yield which is proposed to be used to offset the Cable Beach Stage 2 loan. This will be actioned through the adoption of the draft 2025/26 Annual Budget at the 26 June 2025 Ordinary Council Meeting.

The proposed modified rate in the dollar and minimum payment for each rating category are as follows:

DIFFERENTIAL RATE CATEGORY	MINIMUM PAYMENT	28 April SMC RATE IN THE DOLLAR	PROPOSED RATE IN THE DOLLAR
Residential (GRV)	\$1,401	0.068550	0.068550
Vacant (GRV)	\$1,318	0.186300	0.186300
Commercial (GRV)	\$1,401	0.122890	0.122890
Tourism (GRV)	\$1,401	0.139510	0.139510
Commercial Rural (UV)	\$1,401	0.039310	0.047960
Mining (UV)	\$929	0.159020	0.171740
Rural (UV)	\$1,401	0.009400	0.009050

A summary of the changes to valuations and rates modelling since the previously reported model (SMC 28 April 2025) is provided in **Attachment 2**. An updated Statement of Objects and Reasons for 2025/26 reflecting any changes is provided in **Attachment 1** and a modified 2025/26 Rates Model is presented at **Attachment 3**.

Ministerial Approval

Ministerial approval must be sought under section 6.33 of the Act for the proposed GRV Vacant rating category, as the rate in the dollar for this category is more than twice the GRV Residential rate.

A separate application for approval under section 6.33 of the Act must also be sought for UV Mining and UV Commercial differential rating categories which are more than twice the lowest UV Rural general rate. This has been the case for UV Mining and UV Commercial categories for some years, and recognises the higher costs associated with maintaining infrastructure and the rural road network (including, extreme weather conditions, heavier transport utilising roads and higher traffic volumes).

Applications for both GRV and UV is consistent with prior years and officers recommend that Council authorise the Chief Executive Officer (CEO) to apply to the Minister seeking approval under section 6.33 of the Act for the proposed rate in the dollar for the GRV Vacant, UV Mining and UV Commercial differential rating categories.

Conclusion

As no submissions have been received on the advertised rates in the dollar and minimum payments proposed for 2025/26, it is recommended that Council adopts, with modification, the Objects and Reasons, differential rates and minimum rates strategy as previously advertised, and seeks Ministerial approval to impose differential rates for those rates that are more than twice the lowest differential rate as required under section 6.33(3) of the Act.

CONSULTATION

Local public notice was provided and direct correspondence issued to property owners as required under section 6.36 of the Act. No submissions were received during the 21-day statutory notice period.

The Valuer-General and Landgate provided the current property valuations in the proposed 2025/26 rates model via the valuation rolls and interim valuation schedules.

STATUTORY ENVIRONMENT

Local Government Act 1995

s6.26	Rateable land
s6.28	<i>Basis of Rates</i>
s6.32	<i>Rates and service charges</i>
s6.33	<i>Differential general rates</i>
s6.34	<i>Limit on revenue or income from general rates</i>
s6.35	<i>Minimum payment</i>

The rate in the dollar and minimum payments applicable to each differential rating category proposed for the 2025/26 annual budget have been developed with full consideration for the Act, specifically the sections referenced above.

s1.7	<i>Local public notice</i>
s6.36	<i>Local government to give notice of certain rates</i>

The Shire has complied with the statutory requirement to give public notice in at least four ways (state-wide newspaper, Shire Administration and Library notice boards, Shire website, and Shire social media account) from 1 May, for at least 21 days, stating the proposed differential rates and minimum payments for each rating category, providing suitable access to the Objectives and Reasons, and considering all submissions to Council through this report.

POLICY IMPLICATIONS

Rating Policy

The Rating Policy outlines the Council's principles and methodology when exercising the Council's discretionary powers to determine the level and structure of rates levied under the Act.

FINANCIAL IMPLICATIONS

The proposed differential rates and minimum payments for the 2025/26 financial year will raise an estimated rates revenue of \$30.31M, before concessions and interim rates. A modified proposed detailed draft rates model is in **Attachment 3**, featuring the rate in the dollar and minimum payment for all rating, and valuations received from the Valuer-General for all properties within the Shire of Broome applying from 1 July 2025.

RISK

Risks associated with the consideration of submissions received and the general endorsement of the proposed rates model include:

- Rejection of the proposed differential rates, minimum payment and/or associated statement of objectives and reasons by the DLGSC, which could result in delays in adopting the 2025/26 annual budget.
- Delays to the 2025/26 annual budget adoption could affect cash flow and delay the commencement of significant capital projects.

- Delay in the timing of issuance of the annual rates notices, leaving less time for ratepayers to pay rates by 30 June 2026.

These risks are assessed as extreme. The treatment and mitigation of these risks have been identified through controls including analysis and review of the rate-setting strategy, compliance with all related legislation and DLGSC guidelines, and consultation with DLGSC and ratepayers.

STRATEGIC ASPIRATIONS

Performance - We will deliver excellent governance, service & value for everyone.

Outcome 13 - Value for money from rates and long term financial sustainability

Objective 13.1 Plan effectively for short- and long-term financial sustainability

VOTING REQUIREMENTS

Absolute Majority

REPORT RECOMMENDATION:

That Council:

1. *Notes that no submissions were received in response to Council's intention to impose the 2025/26 differential rates and minimum payments under section 6.36(4) of the Local Government Act 1995 during the public submission period of 21 days;*
2. *Endorses the following proposed Differential General Rates and Minimum Payments for 2025/26:*

DIFFERENTIAL RATE CATEGORY	MINIMUM PAYMENT	RATE IN THE DOLLAR
Residential (GRV)	\$1,401	0.068550
Vacant (GRV)	\$1,318	0.186300
Commercial (GRV)	\$1,401	0.122890
Tourism (GRV)	\$1,401	0.139510
Commercial Rural (UV)	\$1,401	0.047960
Mining (UV)	\$929	0.171740
Rural (UV)	\$1,401	0.009050

3. *Adopts the 2025/26 Rating Objects and Reasons for each of the proposed differential general rates and minimum payments in point 2 above as contained in Attachment 1; and*
4. *Requests the Chief Executive Officer to seek the Minister for Local Government's approval under section 6.33(3) of the Local Government Act 1995 to impose differential rates for the:*
 - (a) GRV Vacant differential rating category, which is proposed to be more than twice the lowest GRV Residential differential rate; and*
 - (b) UV Commercial Rural and UV Mining differential rating categories, which are proposed to be more than twice the lowest UV Rural differential rate.*

Attachments

1. 2025-26 Objects and Reasons for the Differential Rates and Minimum Payments (modified)
2. Change in Rates Modelling Result

3. 2025-26 Proposed Rates Model (Modified)
4. Submission 1 (*Confidential to Councillors and Directors Only*)

This attachment is confidential in accordance with section 5.23(2) of the Local Government Act 1995 section 5.23(2)((e)(iii)) as it contains “a matter that if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person, where the information is held by, or is about, a person other than the local government”.



Statement of Objects and Reasons

2025/26 Differential Rates and Minimum Payments

Under section 6.36 of the *Local Government Act 1995*, the Objects and Reasons for implementing Differential Rates must be published by the Shire of Broome.

Overall Objective

The purpose of the levying of rates is to meet the Shire's budget requirements each financial year to deliver services and community infrastructure. The Valuer-General provides the property valuations as the basis for the calculation of rates each year. Section 6.33 of the *Local Government Act 1995* provides the ability to differentially rate properties based on zoning or land use as determined by the Shire of Broome. Properties are grouped according to town planning zonings or predominant land use. Each rating category has a separately calculated rate in the dollar to achieve equity across all sectors.

Council has considered the key values contained within the Rating Policy: Differential Rates (s.6.33) released by the Department of Local Government, Sport and Cultural Industries, being:

- Objectivity
- Fairness and Equity
- Consistency
- Transparency and Administrative Efficiency

A copy of this policy can be obtained from this link:

<https://www.dlgsc.wa.gov.au/departments/publications/publication/rating-policy-differential-rates>.

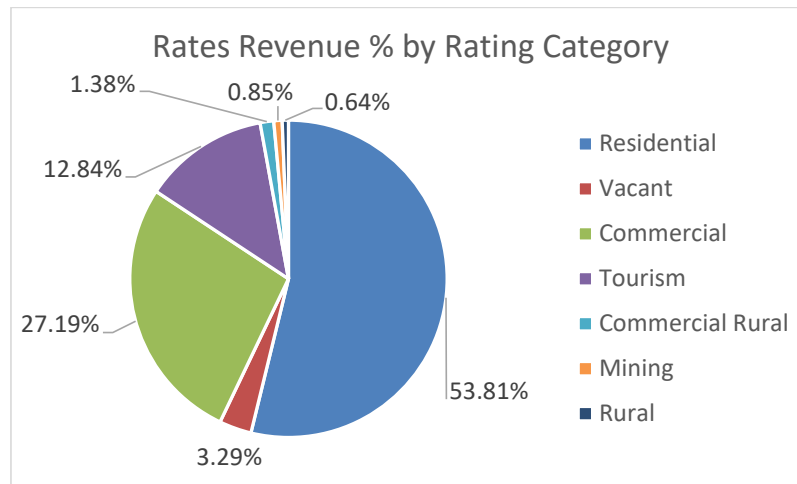
Council determines the required rates yield by reviewing all revenue sources, expenditure and efficiency measures as part of its budget deliberations, and for the 2025/26 financial year a budget deficiency of \$30.3M has been identified. To achieve a balanced budget the net yield from rate revenue is required to increase 6.20% from the 2024/25 adopted budget.

Below is a summary of the proposed Minimum Payments and Rates in the Dollar for 2025/26:

Differential Rate Category	Minimum Payment	Rate in the Dollar
GRV – Residential	\$1,401	0.068550
GRV – Vacant	\$1,318	0.186300
GRV – Commercial	\$1,401	0.122890
GRV – Tourism	\$1,401	0.139510
UV – Commercial Rural	\$1,401	0.047960
UV – Mining	\$929	0.171740
UV – Rural	\$1,401	0.009050

Rates Contribution Based by Rating Category:

The following chart details the rates contribution as a percentage of total rates revenue for each rating category:



Gross Rental Value (GRV)

The *Local Government Act 1995* determines that properties of a non-rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer-General determines the GRV for all properties within the Shire of Broome. Under section 22 of the *Valuation of Land Act 1978*, the Valuer-General also determines the frequency of general valuations.

The Valuer-General undertakes a GRV revaluation every three to five years, with the most recent valuation recently occurring with a valuation date being 1 August 2024 and effective from 1 July 2025. Factors such as age, construction, size, car shelters, pools and location influence the rental value for a house or other GRV property. Interim valuations are provided fortnightly to the Shire by the Valuer-General for properties where changes have occurred (i.e. subdivisions or strata title of a property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances, the Shire recalculates the rates for the affected properties and issues interim rates notices.

GRV properties contribute about 97.13% of the total rates as the properties in this category generally have a much higher demand for Shire resources.

GRV – Residential (The Base Rate for Gross Rental Value)

This rating category consists of properties that have a predominant residential use. This rating category is the base GRV rate by which all other GRV rated properties are assessed. The reason for the rate in the dollar for this category is to reflect the level of rating required to raise the necessary revenue to operate efficiently and provide the diverse range of services and programs and associated infrastructure/facilities required for developed residential and urban areas.

Council is focused on sustainably managing its community and infrastructure assets through the funding of renewal and replacement asset programs. These programs include but are not limited to investment in the resealing of roads, replacement and development of footpath networks, refurbishing public ablutions and other building maintenance programs. The rates from this category are expected to meet the community needs and service levels for properties under this category within the Shire of Broome.

This category contains 73.06% of all properties within the Shire, accounting for 64.75% of total property value, and generating 53.81% of the rates revenue raised in 2025/26.

An average increase of 4.26% is proposed for the GRV Residential rate category.

GRV – Vacant

This rating category consists of vacant properties zoned Residential, Tourist, Commercial or Industrial under the Shire's Local Planning Scheme. The object of the rate for this category is to signify the Council's preference for land to be developed rather than left vacant. Development is encouraged due to its importance and positive effect on local employment and economic diversity. Further community returns are also expected from population-linked investment in the region by both State and Federal funding bodies. The rate is also higher than the base rate to distribute the rates burden equitably considering the different method used for the valuation of vacant land as compared to other GRV properties. The rate is also intended to discourage land investors from land banking and discourage excessive vacant land leaving subdivisions barren and aesthetically unappealing which may provide prospects for potential antisocial behaviour.

The rate in the dollar for this category is 172% higher than the GRV – Residential base rate. This category contains 4.88% of all properties within the Shire, accounting for 1.38% of total property value, and is expected to contribute 3.29% of the total rates to be raised for 2025/26.

GRV – Commercial

This rating category covers the town centre, commercial business, shopping centres, telecom tower sites and the airport. All properties rated under this category are zoned Commercial under the Town Planning Scheme, excluding properties with tourism use. This rating category recognises the impact of commercial properties on infrastructure and the environment within the Shire. This category recognises the more significant share of costs associated with providing additional services like economic development, maintaining car park infrastructure, landscaping, environmental health, light industrial area infrastructure, inter regional flight network costs and other amenities.

The rate in the dollar for this category is 79% higher than the GRV – Residential base rate. This category contains 8.20% of all properties within the Shire, accounting for 18.26% of total property value and is expected to contribute 27.19% of the total rates to be raised for 2025/26.

GRV – Tourism

This rating category consists of properties with operations related to tourism inclusive of un-hosted Holiday Homes. This category recognises the impact of such properties on infrastructure and the environment within the Shire. This rating category recognises the more significant share of costs associated with the provision of services in addition to the services provided in the GRV Commercial category. Some additional costs contribute to economic development, tourism promotion and marketing activities, environmental health, public safety and law enforcement during the tourist season.

The rate in the dollar for this category is 104% higher than the GRV – Residential base rate. This category contains 11.92% of all properties within the Shire, accounting for 7.18% of total property value, and is expected to contribute 12.84% of the total rates to be raised for 2025/26.

Unimproved Value (UV)

Properties that are predominantly used for rural purposes are assigned an Unimproved Value supplied and updated by the Valuer-General on an annual basis. The rate in the dollar set for the UV-Rural category forms the basis for calculating all other UV differential rates.

UV properties contribute about 2.87% of the total rates as the number of properties in these categories is low and they generally have a much lower demand on Shire resources.

UV - Rural (The Base Rate for Unimproved Value)

This rating category consists of properties that are exclusively for rural use. This category is the base UV rate by which all other UV rated properties are assessed. Other UV rating categories have a higher demand for Shire resources than properties in the UV - Rural rating category.

This category contains 0.83% of all properties within the Shire, accounting for 5.66% of total property value, and is expected to contribute 0.64% of the total rates to be raised for 2025/26.

UV - Commercial Rural

This rating category consists of properties with a commercial use outside of the townsite and inclusive of pearling leases, pastoral leases or other properties with pastoral use.

This category recognises the increased rates required to operate efficiently and provide for rural infrastructure and services. The above services are in addition to the urban services, programs, and infrastructure available to the properties in this category. The Shire incurs higher costs of infrastructure maintenance and renewal of the rural road network due to its vulnerability to extreme weather conditions, further increasing due to extra vehicle movements and activities associated with these properties.

The rate in the dollar for this category is 430% higher than the UV–Rural base rate. This category contains 0.34% of all properties within the Shire, accounting for 2.37% of total property value, and is expected to contribute 1.38% of the total rates to be raised for 2025/26.

UV – Mining

This rating category consists of properties for mining, exploration or prospecting purposes. The object of the rate for this category is to reflect the impact on utilisation of rural infrastructure (compared to pastoral) by heavy transport and associated higher traffic volumes. Also, these properties have access to all other services and facilities provided by the Shire. This category is rated higher than UV-Commercial due to the higher road infrastructure maintenance costs to the Shire from frequent heavy vehicle use over extensive lengths of Shire roads throughout the year.

The rate in the dollar for this category is 1,798% higher than the UV–Rural base rate. This category contains 0.77% of all properties within the Shire, accounting for 0.39% of total property value, and is expected to contribute 0.85% of the total rates to be raised for 2025/26.

Minimum Payments

Every property, regardless of size, value, and use, receives some minimum level of benefit from the Shire's works and services. Minimum rates ensure that all ratepayers make a reasonable contribution to essential services and infrastructure.

A minimum payment of \$1,401 is proposed for all categories except the GRV – Vacant category, for which a minimum payment of \$1,318 is proposed and the UV – Mining category, for which a minimum payment of \$929 is proposed.

The unimproved value of mining properties ranges from \$286 to over \$647,790, with an average of \$27,044. The \$929 minimum rate for the UV-Mining category is set at a lower level than the other rating categories to ensure compliance with section 6.35 of the *Local Government Act 1995* which requires that less than 50% of the properties in any category are on the minimum rate. Given the lower valuation figure assigned to small mining tenements, a lower minimum payment will also ensure that the rate burden is distributed equitably between all other property owners paying the minimum amount.

Yours Faithfully,

Sam Mastrolembo
Chief Executive Officer

Attachment 2 - Change in Rates Modelling Results

Rate Description	Basis of Valuation	Rates Model 1 - SCM 28 April 2025				Rates Model 2 - SCM 23 May 2025				Change				
		RiD / Min Rate	No. Properties	Rateable Value (\$)	Rate Revenue (\$)	RiD	No. Properties	Rateable Value (\$)	Rate Revenue (\$)	No. Properties	Rateable Value (\$)	Rate Revenue (\$)		
Differential General Rates														
Residential	GRV	0.068550	5,125	236,085,032	16,183,630	0.068550	5,127	236,192,152	16,190,973		2	107,120	7,343	
Vacant	GRV	0.186300	180	4,166,568	776,232	0.186300	180	4,166,568	776,232	-	-	-	(0)	
Commercial	GRV	0.122890	567	66,843,411	8,214,387	0.122890	567	66,843,411	8,214,387	-	-	-	(0)	
Tourism	GRV	0.139510	624	25,688,581	3,583,814	0.139510	623	25,615,781	3,573,657	(1)	(72,800)	(10,157)		
Commercial Rural	UV	0.039310	22	10,908,097	428,797	0.047960	22	8,674,826	416,045	-	(2,233,271)	(12,752)		
Mining	UV	0.159020	28	1,459,492	232,088	0.171740	30	1,366,168	234,626	2	(93,324)	2,538		
Rural	UV	0.009400	54	19,691,000	185,095	0.009050	54	20,530,000	185,797	-	839,000	701		
Sub-Total			6,600	364,842,181	29,604,043		6,603	363,388,906	29,591,716		3	(1,453,275)	(12,327)	
Minimum Payment														
Residential	GRV	1,401	82	1,344,480	114,882	1,401	82	1,344,480	114,882	-	-	-	-	
Vacant	GRV	1,318	168	903,948	221,424	1,318	168	903,948	221,424	-	-	-	-	
Commercial	GRV	1,401	18	126,571	25,218	1,401	18	126,571	25,218	-	-	-	-	
Tourism	GRV	1,401	227	729,998	318,027	1,401	227	729,998	318,027	-	-	-	-	
Commercial Rural	UV	1,401	2	28,300	2,802	1,401	2	28,300	2,802	-	-	-	-	
Mining	UV	929	27	75,234	25,083	929	25	66,255	23,225	(2)	(8,979)	(1,858)		
Rural	UV	1,401	5	206,300	7,005	1,401	5	246,300	7,005	-	40,000	-	-	
Sub-Total			529	3,414,831	714,441		527	3,445,852	712,583		(2)	31,021	(1,858)	
Total Rates			7,129	368,257,012	30,318,484		7,130	366,834,758	30,304,299		1	(1,422,254)	(14,185)	
% Change in Yield (Scenario to Prior Budget)					6.41%						6.36%	-0.05%		
					Less Concessions	(77,257)						Less Concessions	(77,267)	(10)
					Add Interims	200,000						Add Interims	200,000	-
					Total Rates Revenue	30,441,227						Total Rates Revenue	30,427,031	(14,196)
% Change in Yield (Scenario to Prior Budget)					6.25%						6.20%	-0.05%		

ATTACHMENT 3 - PROPOSED 2025/26 RATES MODEL (MODIFIED)

		2025-26											
Rate Description	Basis of Valuation					Average Rates (\$)	Highest Rates (\$)	Lowest Rates (\$)	Highest Change (\$)	Lowest Change (\$)	Average Change %	Average Change \$	Average Change Per Week (\$)
		Rate in \$	No. Properties	Rateable Value (\$)	Rate Revenue (\$)								
Differential General Rates													
Residential	GRV	0.068550	5,127	236,192,152	16,190,973	\$ 3,158	\$ 44,130	\$ 1,408	\$ 15,448	\$ (6,700)	4.24%	\$ 131	\$ 2.51
Vacant	GRV	0.186300	180	4,166,568	776,232	\$ 4,312	\$ 68,000	\$ 1,325	\$ 44,504	\$ (2,177)	11.96%	\$ 654	\$ 12.58
Commercial	GRV	0.122890	567	66,843,411	8,214,387	\$ 14,487	\$ 584,530	\$ 1,426	\$ 22,915	\$ (5,461)	7.15%	\$ 671	\$ 12.89
Tourism	GRV	0.139510	623	25,615,781	3,573,657	\$ 5,736	\$ 474,717	\$ 1,525	\$ 17,020	\$ (35,171)	13.79%	\$ 275	\$ 5.29
Commercial Rural	UV	0.047960	22	8,674,826	416,045	\$ 18,911	\$ 55,154	\$ 5,767	\$ 15,565	\$ (19,451)	8.82%	\$ 217	\$ 4.17
Mining	UV	0.171740	30	1,366,168	234,626	\$ 7,821	\$ 111,251	\$ 958	\$ 21,422	\$ (23,747)	6.52%	\$ 334	\$ 6.42
Rural	UV	0.009050	54	20,530,000	185,797	\$ 3,441	\$ 8,625	\$ 2,253	\$ 1,375	\$ 61	4.26%	\$ 152	\$ 2.92
Sub-Total			6,603	363,388,906	29,591,716								
Minimum Payment		Min (\$)											
Residential	GRV	1,401	82	1,344,480	114,882	\$ 1,401	\$ 1,401	\$ 1,401	\$ 57	\$ (186)	0.31%	\$ 1	\$ 0.02
Vacant	GRV	1,318	168	903,948	221,424	\$ 1,318	\$ 1,318	\$ 1,318	\$ 54	\$ 41	4.26%	\$ 54	\$ 1.04
Commercial	GRV	1,401	18	126,571	25,218	\$ 1,401	\$ 1,401	\$ 1,401	\$ 57	\$ 57	4.24%	\$ 57	\$ 1.10
Tourism	GRV	1,401	227	729,998	318,027	\$ 1,401	\$ 1,401	\$ 1,401	\$ 57	\$ 57	4.24%	\$ 57	\$ 1.10
Commercial Rural	UV	1,401	2	28,300	2,802	\$ 1,401	\$ 1,401	\$ 1,401	\$ 57	\$ 57	4.24%	\$ 57	\$ 1.10
Mining	UV	929	25	66,255	23,225	\$ 929	\$ 929	\$ 929	\$ (29)	\$ (29)	-3.03%	\$ (29)	\$ (0.56)
Rural	UV	1,401	5	246,300	7,005	\$ 1,401	\$ 1,401	\$ 1,401	\$ 57	\$ 57	4.24%	\$ 57	\$ 1.10
Sub-Total			527	3,445,852	712,583								
Total Rates			7,130	366,834,758	30,304,299								
% Change in Yield (Scenario to Prior Budget)					6.36%								
Less Concessions					(77,267)								
Add Interims					200,000								
Total Rates Revenue					30,427,031								
% Change in Yield (Scenario to Prior Budget)					6.20%								

6. MEETING CLOSED TO PUBLIC

7. MEETING CLOSURE
