



ANNUAL BUDGET

2020/2021

Adopted 16 July 2020

Notes to & Forming Part of the Adopted Budget

1. Rates and Service Charges

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2020/21 Budgeted rate revenue	2020/21 Budgeted interim rates	2020/21 Budgeted back rates	2020/21 Budgeted total revenue	2019/20 Actual total revenue	2019/20 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Gross rental valuations									
GRV Residential	0.10944	41	478,296	52,345	0	0	52,345	50,199	50,837
GRV Special Use	0.12961	3	157,820	20,455	0	0	20,455	20,455	20,455
Unimproved valuations									
UV Rural Residential	0.01374	34	2,591,000	35,600	0	0	35,600	61,252	61,252
UV Rural	0.00687	135	120,060,000	824,812	0	0	824,812	816,921	816,921
UV Mining	0.00687	0	0	0	0	0	0	0	0
Sub-Totals		213	123,287,116	933,212	0	0	933,212	948,827	949,465
Minimum									
Minimum payment									
\$									
Gross rental valuations									
GRV Residential	1,100	39	170,720	42,900	0	0	42,900	44,000	44,000
GRV Special Use	1,100	2	6,705	2,200	0	0	2,200	2,200	2,200
Unimproved valuations									
UV Rural Residential	1,100	70	4,464,500	70,000	0	0	70,000	57,200	57,200
UV Rural	1,100	78	8,328,000	85,800	0	0	85,800	84,700	84,700
UV Mining	1,100	5	144,018	5,500	0	0	5,500	5,500	5,500
Sub-Totals		194	13,113,943	206,400	0	0	206,400	193,600	193,600
		407	136,401,059	1,139,612	0	0	1,139,612	1,142,427	1,143,065
Discounts (Refer note 1(g))							(41,540)	(40,592)	(45,723)
Total amount raised from general rates							1,098,072	1,101,835	1,097,342
Ex-gratia rates							3,200	3,139	3,139
Total rates							1,101,272	1,104,974	1,100,481

All land (other than exempt land) in the Shire of Wandering is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Wandering.

The general rates detailed for the 2020/21 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	35 days from notice	0	0.0%	8.0%
Option two				
1st instalment	35 days from notice	0	5.5%	8.0%
2nd instalment	4/01/2021	10	5.5%	8.0%
Option three				
1st instalment	35 days from notice	0	0.0%	8.0%
2nd instalment	26/10/2020	10	5.5%	8.0%
3rd instalment	4/01/2021	10	5.5%	8.0%
4th instalment	22/03/2021	10	5.5%	8.0%

	2020/21 Budget revenue	2019/20 Actual revenue	2019/20 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	3,060	3,020	3,000
Instalment plan interest earned	3,570	3,419	2,000
Unpaid rates and service charge interest earned	5,100	5,080	5,000
	11,730	11,519	10,000

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential general rate

Description	Characteristics	Objects	Reasons
GRV - Residential	Properties within the town - site boundaries with a predominate residential use.	This is considered by Council to be the base rate by which all other GRV land is assessed.	The rate 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 areas. These programs include, but not limited to, road maintenance, development of footpath network, and building maintenance.
GRV-Special Use	Non-residential land that is zoned for commercial and industrial activities.	The objective is to raise additional revenue to contribute toward higher costs associated with commercial/industrial activity.	The rate reflects the additional costs associated with increased maintenance and renewal of assets and infrastructure required to service these properties. The higher rate also reflects the additional cost of environmental health, building and planning services.
UV-Rural	Consists of properties with a predominant rural land use.	Is the lowest of the Shire's UV differentials which serves as a benchmark differential rate by which all other UV rated properties are assessed.	The rate for this category reflects 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 rural areas. These programs include, but not limited to, road maintenance, drainage networks, road safety, tree pruning and replacement of road plant.
UV-Rural Residential	Consists of properties outside the town-site which has a minimal rural activity taking place and is predominately residential.	This differential rate is to raise additional revenue to fund cost impacts to the Shire from this type of development.	This category is rated higher to reflect the higher infrastructure/facilities maintenance required for rural residential areas. These programs include, but not limited to, road maintenance, drainage networks, road safety, ranger services, bushfire control and waste transfer services.
UV-Mining	Covers all mining leases, exploration/prospecting licenses and all licenses as defined under the Mining Act 1978.	This rate is to raise revenue to fund cost impact to the Shire for mining activities.	This is rated differently to reflect the nature of the current leases. The Shire acknowledges that these leases are not, for the most part, income producing and the level of impact is minimal to the Shire. Although exploration, prospecting and operations have different levels of impact on the road infrastructure, there remains the need to fund the maintenance and renewal of this vital community while recognising the Shires goal to encourage mining in the district.

(d) Variation in Adopted Differential Rates to Local Public Notice

The following rates and minimum payments were previously set out in the local public notice giving notice of the intention to charge differential rates.

Differential general rate or general rate	Proposed Rate in \$	Adopted Rate in \$	Reasons for the difference
GRV - Residential	0.10944	0.10944	Rates in the dollar remains the same or lower than 2019/20 and as such are exempt from the advertising requirements of S6.36. (See Part 3 & Part 4 of Clause 12 in <i>Local Government (COVID-19 Response) Order 2020</i>)
GRV - Special Use	0.12961	0.12961	
UV - Rural Residential	0.01421	0.01374	
UV - Rural	0.00719	0.00687	
UV - Mining	0.00719	0.00687	

Minimum payment	Proposed Minimum \$	Adopted Minimum \$	Reasons for the difference
GRV - Residential	1.10000	1.10000	Minimum Rates in the dollar remains the same or lower than 2019/20 and as such are exempt from the advertising requirements of S6.36. (See Part 3 & Part 4 of Clause 12 in <i>Local Government (COVID-19 Response) Order 2020</i>).
GRV - Special Use	1.10000	1.10000	
UV - Rural Residential	1.10000	1.00000	
UV - Rural	1.10000	1.10000	
UV - Mining	1.10000	1.10000	

(e) Specified Area Rate

The Shire did not raise specified area rates for the year ended 30 June 2021.

(f) Service Charges

The Shire did not raise service charges for the year ended 30 June 2021.

(g) Rates discounts

Rate or fee to which discount is granted	Discount %	Discount (\$)	2020/21 Budget	2019/20 Actual	2019/20 Budget	Circumstances in which discount is granted
Rates	5.0%		\$ 41,540	\$ 40,592	\$ 45,723	Payment of full rates owing including arrears, received on or before 35 days after the date of service on the rate notice.
			41,540	40,592	45,723	

(h) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30 June 2021.