

## 2021/22 RATING INFORMATION

The attached documentation is circulated for the information of Councillors and should be read in conjunction with the 2021/22 budget notes.

### VALUATIONS

#### GRV – GROSS RENTAL VALUE

GRV revaluations are performed every 5 years with 2017/18 being the most recent GRV revaluation year. There has been minimal development and improvements within GRV rating areas over the past 12 months, therefore resulting in minimal changes in GRV values.

The Council has been advised that GRV valuations will be assessed by Landgate in the 21/22 financial year with an application date of 1<sup>st</sup> July 2022.

As a result, a budget allocation of \$59,000 (to conduct the revaluation) has been included in the budget.

#### UV – UNIMPROVED VALUE

UV properties are revalued by the Valuer Generals Office every year. This year rural UV's have reduced by an average of 1.84% (comparison of closing 20/21 valuations to new values supplied by the Valuer Generals Office), resulting in an insignificant change in the calculation of rates for UV properties in 2021/22.

A comparison of values at rates billing can be seen in the table detailed below:

	2017/18	2018/19	2019/20	2020/21	2021/22	Difference
<b>GRV</b>	28,715,210	28,937,768	29,114,758	29,658,754	29,765,512	+0.36%
<b>UV</b>	236,752,721	239,829,665	240,810,850	240,814,512	235,962,616	-2.01%

Percentage movements for the previous reporting period were +1.87% GRV and +0.001% UV.

2020/21 rating levels were:

**GRV** – 10.3248 cents in the dollar on Gross Rental Values.

**UV** – 0.7783 cents in the dollar on Unimproved Values.

### RATING

The overall rates increase of 2.0% for 2021/22 is 0.95% less than that forecast in the Council's Long Term Financial Plan.

This has largely been as a result of the following:

- The 2020/21 COVID-19 Pandemic freeze on changes in rate in the dollar and minimums and the ongoing impact of COVID-19 on household income.

Attached is a summary of the model by which the 2021/22 budget is based. The model reflects an income ratio of 37.71% of income from UV and 62.29% income from GRV which is normal attrition and continues the trend of the Shire generally moving from rural to residential.

*Total Income*

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>GRV</b>	\$2,900,651	\$3,034,865	\$3,119,565	\$3,128,997	\$3,195,648
<b>UV</b>	\$1,766,712	\$1,838,960	\$1,898,350	\$1,894,648	\$1,934,704

Rates income increase from rates raised 20/21 to rates raised 21/22 is \$106,707.

The recommended model proposes an increase in the minimum rate for both GRV and UV.

- **GRV** from \$1,145 to \$1,175.
- **UV** from \$1,145 to \$1,175.

### OTHER INFORMATION

1. There will be a requirement for a review of rating methodology for properties north of McDowell Street and new sub-divisions in Lake Clifton as a result of the predominant land use being residential rather than rural. This will be assessed in the 21/22 financial year.
2. Rate increases on individual properties may vary from those adopted by the Council due to property and valuation movements however are expected to be minimal.
3. FESA Levy – The budget documentation and associated models are exclusive of any valuation or income in relation to collection of the FESA Levy.
4. For information purposes the following documents are attached.

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|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appendix | <ol style="list-style-type: none"> <li>1. Proposed rating model 2021/22.</li> <li>2. Rating information 2021/22.</li> <li>3. List of sample properties for comparison purposes.</li> <li>4. Past rating statistics.</li> </ol> |
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**SHIRE OF WAROONA - 2021/22 RATES MODEL - \$1,175 MINIMUM**

Code	Total Props	UV Value	GRV Value	Min Amts	UV %	GRV %	Calculated Rates	Props on Min	Actual Rates to Raise	
00	255	\$ 1,480,517.00	\$ 1,174,988.00				\$ -		\$ -	
77	9	\$ 668,000.00	\$ 10,500.00	\$ -	0.0000		\$ -		\$ -	
02	534	\$ 209,458,300.00	\$ -	\$ 1,175.00	0.8055		\$ 1,687,187.78	66	\$ 1,721,020.81	
06	123	\$ 24,211,000.00	\$ 806,386.00	\$ 1,175.00	0.8055		\$ 195,019.91	27	\$ 199,583.40	
07	12	\$ 144,799.00	\$ -	\$ 1,175.00	0.8055		\$ 1,166.36	12	\$ 14,100.00	
01	1056	\$ -	\$ 16,268,628.00	\$ 1,175.00		10.5083	\$ 1,709,556.28	208	\$ 1,732,535.36	
03	36	\$ -	\$ 454,958.00	\$ 1,175.00		10.5083	\$ 47,808.35	9	\$ 49,289.68	
04	369	\$ -	\$ 4,564,180.00	\$ 1,175.00		10.5083	\$ 479,617.64	65	\$ 487,307.82	
05	23	\$ -	\$ 571,432.00	\$ 1,175.00		10.5083	\$ 60,047.79	6	\$ 60,726.41	
08	196	\$ -	\$ 3,698,390.00	\$ 1,175.00		10.5083	\$ 388,637.95	14	\$ 394,498.72	
10	79	\$ -	\$ 582,940.00	\$ 1,175.00		10.5083	\$ 61,257.09	77	\$ 95,476.95	
11	135	\$ -	\$ 559,380.00	\$ 1,175.00		10.5083	\$ 58,781.32	133	\$ 161,251.73	
31	1	\$ -	\$ 2,190.00	\$ 1,175.00		10.5083	\$ 230.13	1	\$ 1,175.00	
41	99	\$ -	\$ 510,920.00	\$ 1,175.00		10.5083	\$ 53,688.96	96	\$ 122,982.53	
51	5	\$ -	\$ 53,250.00	\$ 1,175.00		10.5083	\$ 5,595.66	4	\$ 6,880.47	
81	68	\$ -	\$ 507,370.00	\$ 1,175.00		10.5083	\$ 53,315.98	61	\$ 83,523.11	
<b>TOTAL INCOME</b>										
										\$ 5,130,351.99

UV Prop on Min	15.70%
GRV Prop on Min	32.61%

**OVERALL RATE INCREASE 2.00%**

<b>TOTAL INCOME</b>	
UV	\$ 1,934,704.21
GRV	\$ 3,195,647.78

<b>MINIMUM</b>	
UV	\$1,145 to \$1,175
GRV	\$1,145 to \$1,175

RATES MODEL \$1,175 MINIMUM									
LIST OF SAMPLE PROPERTIES FOR RATES MODELLING PURPOSES 2021-22									
ASSESS	PROPERTY TYPE	VALUATION GRV/UV CURRENT	2019/20 ACTUAL		2020/21 PROPOSED		2021/22 PROPOSED		DIFFERENCE
			\$1,145 MIN GRV \$1,145 MIN UV	\$1,145 MIN GRV \$1,145 MIN UV	\$1,145 MIN GRV \$1,145 MIN UV	\$1,145 MIN GRV \$1,145 MIN UV	\$1,175 MIN GRV \$1,175 MIN UV	\$1,175 MIN GRV \$1,175 MIN UV	
A857	Waroona Townsite 4 Bed	16,900	0.103248 \$	1,744.89	0.103248 \$	1,744.89	0.105083 \$	1,775.90	\$ 31.01
A828	Waroona Townsite 3 Bed	13,260	0.103248 \$	1,369.07	0.103248 \$	1,369.07	0.105083 \$	1,393.40	\$ 24.33
A2709	Waroona Vacant (4 Hect)	10,950	0.103248 \$	1,145.00	0.103248 \$	1,145.00	0.105083 \$	1,175.00	\$ 30.00
A2712	Waroona Rural Res - 4 Bed	15,600	0.103248 \$	1,610.67	0.103248 \$	1,610.67	0.105083 \$	1,639.29	\$ 28.62
A846	Waroona Vacant (800sqm)	3,150	0.103248 \$	1,145.00	0.103248 \$	1,145.00	0.105083 \$	1,175.00	\$ 30.00
A1373	Preston Beach Vacant	4,800	0.103248 \$	1,145.00	0.103248 \$	1,145.00	0.105083 \$	1,175.00	\$ 30.00
A1372	Preston Beach House	11,960	0.103248 \$	1,234.85	0.103248 \$	1,234.85	0.105083 \$	1,256.79	\$ 21.94
A1296	Preston Beach House	12,480	0.103248 \$	1,288.54	0.103248 \$	1,288.54	0.105083 \$	1,311.44	\$ 22.90
A176	Lake Clifton Vacant	6,480	0.103248 \$	1,145.00	0.103248 \$	1,145.00	0.105083 \$	1,175.00	\$ 30.00
A177	Lake Clifton House	18,200	0.103248 \$	1,879.11	0.103248 \$	1,879.11	0.105083 \$	1,912.51	\$ 33.40
A463	General Farming	339,000	0.007783 \$	2,583.96	0.007783 \$	2,583.96	0.008055 \$	2,730.65	\$ 146.69
A3018	General Farming	233,000	0.007783 \$	2,109.19	0.007783 \$	2,109.19	0.008055 \$	1,876.82	<b>-\$ 232.38</b>

SHIRE OF WAROONA  
PAST RATING STATISTICS

YEAR	1994/95	ACTUAL	1995/96	ACTUAL	1996/97	ACTUAL	1997/98	ACTUAL	1998/99	ACTUAL	1999/00	ACTUAL	2000/01	ACTUAL
UV RATES	389,836	52.50%	400,248	52%	430,630	51.70%	455,120	50.20%	506,938	50.20%	535,815	50.10%	568,533	48.50%
GRV RATES	350,575	47.50%	368,994	48.00%	401,870	48.30%	450,260	49.80%	503,698	49.80%	568,053	49.90%	602,704	51.50%
TOTAL	740,411		769,242		832,500		905,380		1,010,636		1,103,868		1,171,237	

YEAR	2001/02	ACTUAL	2002/03	ACTUAL	2003/04	ACTUAL	2004/05	ACTUAL	2005/06	ACTUAL	2006/07	ACTUAL	2007/08	ACTUAL
UV RATES	609,502	48.50%	607,487	44.00%	668,002	44.00%	723,510	44.00%	781,776	44.00%	844,986	43.70%	942,107	43.70%
GRV RATES	647,160	51.10%	783,390	56.00%	853,600	56.00%	923,154	56.00%	999,817	56.00%	1,087,768	56.30%	1,178,209	56.30%
TOTAL	1,256,662		1,390,877		1,521,602		1,646,664		1,781,593		1,932,754		2,120,316	

YEAR	2008/09	ACTUAL	2009/10	ACTUAL	2010/11	ACTUAL	2011/12	ACTUAL	2012/13	ACTUAL	2013/14	ACTUAL	2014/15	ACTUAL
UV RATES	1,034,444	43.66%	1,094,669	41.80%	1,079,533	38.70%	1,149,369	38.70%	1,234,378	38.30%	1,332,456	38.30%	1,453,826	37.86%
GRV RATES	1,334,847	56.34%	1,525,176	58.20%	1,709,327	61.30%	1,820,687	61.30%	1,990,291	61.70%	2,148,528	61.70%	2,339,404	62.14%
TOTAL	2,369,291		2,619,845		2,788,860		2,970,056		3,224,669		3,480,984		3,793,230	

YEAR	2015/16	ACTUAL	2016/17	ACTUAL	2017/18	ACTUAL	2018/19	ACTUAL	2019/20	ACTUAL	2020/21	ACTUAL	2021/22	PROP
UV RATES	1,562,658	38.20%	1,666,356	37.95%	1,766,712	37.85%	1,838,960	37.73%	1,898,350	37.83%	1,894,648	37.71%	1,934,704	37.71%
GRV RATES	2,530,028	61.80%	2,724,562	62.05%	2,900,651	62.15%	3,034,865	62.27%	3,119,565	62.17%	3,128,997	62.29%	3,195,648	62.29%
TOTAL	4,092,686		4,390,918		4,667,363		4,873,825		5,017,915		5,023,645		5,130,352	

YEAR	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
UV	52.5	52	51.7	50.2	50.2	50.1	48.5	48.5	44	44	44	44	43.7	43.7
GRV	47.5	48	48.3	49.8	49.8	49.9	51.5	51.5	56	56	56	56	56.3	56.3
INCREASE	5%	3.83%	6.10%	8.76%	10.50%	8.75%	6.10%	7%	9.85%	8.91%	7.85%	7.50%	7.50%	7.50%

YEAR	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
UV	43.7	41.8	38.8	38.7	38.45	38.28	37.86	38.2	37.95	37.85	37.73	37.83	37.71	37.71
GRV	56.3	58.2	61.2	61.3	61.55	61.72	62.14	61.8	62.05	62.15	62.27	62.17	62.29	62.29
INCREASE	7.90%	4.85%	6%	6.50%	7.20%	7.95%	8.95%	7.95%	6.95%	5.95%	3.95%	2.64%	0.11%	2.00%