



**City of  
Kalgoorlie  
Boulder**

# **AGENDA**

**Notice is hereby given  
for the Special Council Meeting**

**commencing at 6:00 PM**

**on**

**4 JUNE 2024**

**at the**

**Kalgoorlie Town Hall**

30 May 2024



## NOTICE OF MEETING

A Special Council Meeting of the City of Kalgoorlie-Boulder will be held in the **Kalgoorlie Town Hall** on **Tuesday, 4 June 2024** commencing at **6:00PM**.

Regards

A handwritten signature in black ink, appearing to read "Ann-Marie Hicks". The signature is fluid and cursive, with a long horizontal stroke at the end.

**ANN-MARIE HICKS**

Acting Chief Executive Officer

## Council Chamber Seating Plan

**Governance and IT**



**Deputy Mayor**  
Kirsty Dellar



**Mayor**  
Glenn Wilson



**CEO**  
Andrew Brien



**Councillor**  
Deborah Botica



**Councillor**  
Carla Viskovich



**Councillor**  
Terrence Winner



**Councillor**  
Nardia Turner



**Councillor**  
Wayne Johnson



**Councillor**  
Kyran O'Donnell



**Councillor**  
Linden Brownley

**Press**

**Public Gallery**

**Directors**

**Nature of Council's Role in Decision-Making**

Advocacy:	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
Executive Strategic:	The substantial direction setting and oversight role of the Council, e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
Legislative:	Includes adopting local law, town planning schemes and policies.
Review:	When Council reviews decisions made by officers.
Quasi-Judicial:	<p>When Council determines an application/matter that directly affects a person's rights and interests. The Judicial character arises from the obligations to abide by the principles of natural justice.</p> <p>Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits/licenses (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</p>

## Table of Contents

<b>1</b>	<b>DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS</b> .....	<b>6</b>
<b>2</b>	<b>DISCLAIMER READING</b> .....	<b>6</b>
<b>3</b>	<b>RECORD OF ATTENDANCE</b> .....	<b>6</b>
	3.1 ATTENDANCE .....	6
	3.2 APOLOGIES .....	6
	3.3 LEAVE OF ABSENCE (PREVIOUSLY APPROVED).....	6
<b>4</b>	<b>PUBLIC ACCESS AND PUBLIC QUESTION TIME</b> .....	<b>7</b>
	4.1 PUBLIC ACCESS .....	7
	4.2 PUBLIC QUESTION TIME .....	7
<b>5</b>	<b>PETITIONS / DEPUTATIONS / PRESENTATIONS</b> .....	<b>7</b>
<b>6</b>	<b>NOTATIONS OF INTEREST</b> .....	<b>7</b>
	6.1 INTEREST AFFECTING IMPARTIALITY CITY OF KALGOORLIE-BOULDER CODE OF CONDUCT .....	7
	6.2 FINANCIAL INTEREST LOCAL GOVERNMENT ACT SECTION 5.60A .....	7
	6.3 PROXIMITY INTEREST LOCAL GOVERNMENT ACT SECTION 5.60B .....	7
<b>7</b>	<b>APPLICATIONS FOR LEAVE OF ABSENCE</b> .....	<b>7</b>
<b>8</b>	<b>URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION</b> .....	<b>7</b>
<b>9</b>	<b>REPORTS OF OFFICERS</b> .....	<b>8</b>
	9.1 CHIEF EXECUTIVE OFFICER.....	8
	9.1.1 NOTICE OF INTENTION TO LEVY DIFFERENTIAL RATES 2024/25 .....	8
<b>10</b>	<b>CLOSURE</b> .....	<b>17</b>

## **1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

### **2 DISCLAIMER READING**

The Mayor will read the disclaimer to those present.

Please note this meeting is being recorded and streamed live on the Council's website in accordance with the City's Public Participation in Council Meeting Policy, which can be viewed on Council's website.

All reasonable care is taken to maintain your privacy; however, as a visitor in the public gallery, your presence may be recorded. By remaining in the public gallery, it is assumed your consent is given if your image is broadcast.

The recommendations contained in this Agenda are Officer's Recommendations only and should not be acted upon until Council has resolved to adopt those recommendations.

The resolutions of Council should be confirmed by perusing the Minutes of the Council Meeting at which these recommendations were considered.

Members of the public should also note that they act at their own risk if they enact any resolution prior to receiving official written notification of Council's decision.

### **3 RECORD OF ATTENDANCE**

#### **3.1 Attendance**

**In Attendance:**

**Members of Staff:**

**Visitors:**

**Press:**

#### **3.2 Apologies**

**Apologies – Elected Members:**

**Apologies - Members of Staff:**

#### **3.3 Leave of Absence (Previously Approved)**

**Leave of Absence:**

Nil

**4 PUBLIC ACCESS AND PUBLIC QUESTION TIME**

**4.1 Public Access**

**4.2 Public Question Time**

**5 PETITIONS / DEPUTATIONS / PRESENTATIONS**

**6 NOTATIONS OF INTEREST**

**6.1 Interest Affecting Impartiality City of Kalgoorlie-Boulder Code of Conduct**

**6.2 Financial Interest Local Government Act Section 5.60A**

**6.3 Proximity Interest Local Government Act Section 5.60B**

**7 APPLICATIONS FOR LEAVE OF ABSENCE**

**8 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING  
OR BY DECISION**

## 9 REPORTS OF OFFICERS

### 9.1 Chief Executive Officer

#### 9.1.1 NOTICE OF INTENTION TO LEVY DIFFERENTIAL RATES 2024/25

<b>Responsible Officer:</b>	Xandra Curnock Executive Manager Finance
<b>Responsible Business Unit:</b>	Finance
<b>Disclosure of Interest:</b>	Nil
<b>Voting Requirements:</b>	Simple
<b>Nature of Council's Role in Decision-Making:</b>	Executive Strategic
<b>Attachments:</b>	1. Statement Objects & Reasons 2024-25 [9.1.1.1 - 15 pages]

#### SUMMARY STATEMENT

Council is asked to endorse the advertising of the Statement of Rating Objects and Reasons for the proposed 2024/25 Differential General Rates and Minimum Payment for public comment, as required by section 6.36 of the *Local Government Act 1995*.

#### REPORT

##### **Background**

There is provision under the *Local Government Act 1995* to impose differential rates within the local government's boundaries and in considering this imposition, there are certain statutory obligations that the local government must comply with. Before any consideration to its budget, the local government is required to give local public notice of its intention to impose differential rates.

The local government must provide information of each new rate in the dollar or minimum payment.

Electors and/or ratepayers are invited to make submissions in respect of the proposed rates in the dollar and/or minimum payments. The submission period must be for a minimum period of 21 days and advertising must not commence before 1 May 2024.

A document is required to be made available for inspection by electors and ratepayers that describes the objects of and reasons for each proposed rate and minimum payment:

- Attachment 1 - Statement of Rating Objects and Reasons for the 2024/25 Year at 11% increase on the 2023/24 rates yield.

Where the City imposes a differential general rate that is more than twice the lowest differential general Rating Strategy rate, the City must seek approval from Minister for



Local Government. The City has opted to propose a model where the highest differential rates is not more than twice the lowest differential rate in the attached model. Therefore, Ministerial approval is not required.

### **Rating Strategy**

The City does not have a current standalone rating strategy policy/guideline, other than those rating strategies detailed in its LTFP.

Through its Long-Term Financial Plan (LTFP), the City is committed to ensuring it has the financial capacity to continue maintaining service levels which meet the community's needs in a financially sustainable way. This is achieved through:

- Continued austerity measures - focusing on improving utilisation of all resources;
- Better resourcing and creating efficiencies through a high-performance culture;
- Benchmarking and continuous improvement; and
- Assessing the economic climate - re-assessing and re-adjusting as and when needed.

Council's LTFP rating strategy's framework was prepared to:

- Provide equitable rate increases that reflect the level of service provision to rate payers; and
- Maintain Council's position for an average Gross Rental Value (GRV) and Unimproved Value (UV) rate in the dollar which remains comparable to other rating regional councils.

Once a budget deficiency has been determined, and after taking into consideration the objectives of the Long-Term Financial Plan (LTFP) and Rating Strategy, proposed differential general rates in the dollar and minimum payments be determined.

Rates should not be increased by a fixed amount without consideration of the deficiency. Unless Ministerial approval is given, the amount expected to be raised through all types of local government rates must be within 90% to 110% of the deficiency of the budget (s6.34). This acts to limit the amount that may be raised by rates, but only in proportion to the expenditure requirement determined by the local government.

### **Budget Preparation**

At the Council meeting 26 February 2024, Council endorsed the 2024/25 budget development timeline and its objectives, that being its preparation and planning.

- Inform staff, management and councillors of the process and their respective roles.
- Ensure there is sufficient emphasis on program objectives and outputs rather than the previous year's activities and outputs.
- The budget process must be linked to the City's Plan for the future and align directly with the corporate business plan for that year.
- The steps including in the budget process are designed to progress the budget from its earliest planning stages when the capital works program is being put together through to adoption of the approved budget and subsequent ongoing monitoring of the budget and actual results.

- Budget development timeline taking consideration the City's legislative requirements if it is going to impose differential rates which requires the City to give public notice and an application for Ministerial approval.
- The 2024/25 budget is planned to be approved by Council at the OCM scheduled for 22 July 2024.

### Key Issues

- The Annual Budget process for the 2024/25 commenced with business planning in March 2024, with numerous workshops and briefing sessions to achieve a balanced budget.
- The City's Long Term Financial Plan 2023-2033 forecasts CPI of 3.5% for 2024/25.
- A review of the City's Schedule of Fees and Charges is a necessary step in the budgeting process. In accordance with section 6.16(1) of the Local Government Act 1995, the City may impose and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.
- The City has completed a review of the current and proposed fees and charges for 2024/25 and applied an increase of 4%. The 4% increase has been calculated after considering the City's Long Term Financial Plan 2023 – 2033 and other inflation indicators available at this time:
  - The City's Long Term Financial Plan 2023-2033 includes an increase of 2.5% for all fees and charges for the year 2024/25;
  - The March 2023 to March 2024 annual CPI increase for Perth is 3.4%; and
  - WALGA's March Economic Briefing 2024 includes a forecast of the Local Government Cost Index (LGCI) to June 2024 of 3.9%.
- During the fees and charges review, the City has considered the impact of this increase and made recommendations that take into consideration current economic conditions, historical increases, legislated and/or regulated fees, and any previous Council resolutions for these fees and charges.
- Gross Rental Valuations (GRV) were revalued by Landgate's Valuer General Office (VGO) in October 2023. The new valuations will take effect 1 July 2024 based on property market values as 1 August 2023. The next GRV revaluation will occur 1 July 2028.
- Unimproved Valuations (UV) are revalued every year by the VGO. The UV Mining Tenements (MT) and UV Rural Valuation Rolls 1 July 2024 valuations were received from Landgate on 29 April 2024.
- The City has utilised the current GRV values and the 1 July 2023 values for UV Mining Tenements and UV Rural to determine the total rates yield per differential rate type.
- The Act requires intended differential rates to be advertised for a minimum of 21 days for public comment prior to their adoption. This report is prepared to consider the differential rates.

### **Formation of 2024/25 Budget Proposal**

The Long-Term Financial Plan (LTFP) 2023-2033 adopted by Council 24 April 2023 outlines the City's projected income and expenditure over the next ten years, including proposed capital works, projects, and new initiatives. Based on the assumptions of the

LTFP, a 3.5% rate increase for the 2024/25 financial year was forecast. The intent of the Long-Term Financial Plan is for the annual rates increase to reflect LGCI.

Costs continue to increase at a fast pace and Council needs to cover these increases to ensure continued service delivery.

The latest Consumer Price Index (CPI) data released by the ABS for the period March 2023 to March 2024 for Perth region was 3.4% and the LGCI forecast is 3.9% for June 2023. The City's LTFP forecasts a five percent (3.5%) to the annual budget from the previous 2023/24 financial year.

The 2024/25 financial year is a revaluation year for Gross Rental Valuation (GRV) properties. Properties on Unimproved Values (UV) have their values reviewed annually and GRV properties are normally revalued every 3-4 years.

The GRV revaluation was performed by Landgate during the 2023/24 year, with new valuations to take effect 1 July 2024. The new valuation data for both GRV and UV properties has been factored into the rates model.

A key component of the budget setting is the establishment of the rates in the dollar (RID). Council has adopted differential rating whereby different rates in the dollar are set for different rating categories. In 2024/25 rate revenue is proposed to be derived from the following differential rating categories:

The City's operating revenue, including rates, is budgeted to be around \$102M. Rate revenue constitutes \$34M. The City supplements its operating revenue with other sources of funds and is planning to deliver a capital works program worth \$96M in 2024/25 financial year.

Operating expenditure is forecast to increase by approximately 11% in the 2024/25 Budget due to:

- Electricity charges;
- Water costs;
- Insurance;
- Building maintenance (increasing due to new buildings and ageing of existing buildings); and
- Public open space maintenance (increasing due to additional parks and open space).

### ***Methodology to Determine Total Rate Revenue***

The formulation of a rating system is about achieving a means by which Council can raise sufficient revenue to pay for the services it provides. Throughout Australia, the basis of using property valuations has been found to be the most appropriate means of achieving rating equity; however, the achievement of a wholly equitable rating system for all properties, in all areas, is a challenging task if it is based on the property valuations alone. For this reason, there is refinement options made available, such as differential rating, which the City of Kalgoorlie-Boulder has elected to use.

The adoption of a differential rating system represents a conscious decision by the City to redistribute the rate burden by imposing a higher impact on some ratepayers and a lower impact on others.

The overall objective of the proposed rates in the 2024/25 Budget is to provide for the net funding requirements of the City's expenditure, after considering all other forms of revenue.

However, with rate increases at less than CPI over recent years, increases in own source revenue (fees and charges) have been unable to keep pace with the additional cost of operating expenditure. A tight labour and housing market in WA, and continuing constraints in the supply of materials, has slowed the completion of capital projects in 2023/24 leading to the carry forward of several capital projects into 2024/25.

Based on forecasts for the coming year, an 11% increase in the rates yield from the previous 2023/24 financial year is proposed to meet the anticipated revenue requirements of the 2024/25 Budget while responding to the changed economic conditions being experienced across the City.

The proposed 2024/25 rates revenue yield derived from on a 11% rates revenue increase, is detailed in Table 1 below:

Rating Category	2023/24 Rates Revenue	Proposed 2024/25 Rates Revenue	\$ Change	% Change	
Gross Rental Values	\$23,976,009	26,857,361	2,881,352	12%	↑
Unimproved Values	6,720,638	7,251,261	530,623	7.9%	↑
<b>TOTAL</b>	<b>30,696,647</b>	<b>34,108,622</b>	<b>3,411,975</b>	<b>11.12%</b>	<b>↑</b>

**\$Revenue change to Last Year      \$3,411,975**

**%Revenue change to Last Year      11.12%**

A key component of the budget setting is the establishment of the rates in the dollar (RID). Council has adopted differential rating whereby different rates in the dollar are set for different rating categories.

In 2023/24 the rate revenue was derived based on the below differential rating categories.

- GRV Residential Properties	51.76%
- GRV Central Business	7.11%
- GRV General Industry	7.88%
- GRV Mining	0.89%
- GRV Other Properties	10.50%
- UV Pastoral	0.84%
- UV Mining	16.10%
- UV Exploration / Prospecting	4.92%

In 2024/25 rate revenue is proposed to be derived from the following differential rating categories:

- GRV Residential properties	50.27%
- GRV Commercial / Industrial properties	25.13%
- GRV Accommodation (TWA and tourism)	1.51%
- GRV Mining	1.83%
- UV Pastoral / Other	0.89%
- UV Mining	20.37%

These new rating categories will assist in sharing the overall rate increase fairly across rate payers given the current economic climate.

## **Valuations**

- Gross Rental Values (GRV)

The GRV revaluation was performed by Landgate during the 2023/24 year, with new valuations to take effect 1 July 2024. The new valuation data for GRV properties has been factored into the rates model.

- Unimproved Values (UV)

UV mining tenement valuations undergo an annual rental review by the Department of Mines, Industry Regulation and Safety (DMIRS). The review can result in an increase or decrease to their unimproved values. The 1 July 2024 UV Mining and Rural revaluations have been received, processed, and uploaded into the Valuation Register and have been factored into the 2024/25 budget deliberations.

The valuations data is summarised in Table 1 below.

Table 1. Valuations Register Summary

Rate Category Description	2023/24 Rateable Values	2024/25 Rateable Values	% Change	
GRV Residential	198,819,602	305,807,496	53.81%	↑
GRV Commercial / Industrial	94,500,048	106,429,329	12.62%	↑
GRV Accommodation	5,493,300	5,523,060	0.54%	↑
GRV Mining	5,077,520	5,930,600	16.80%	↑
UV Pastoral / Other	2,941,171	3,220,941	9.51%	↑
UV Mining	36,060,190	36,063,042	0.01%	↑
	<b>339,757,747</b>	<b>462,974,468</b>	<b>36.27%</b>	<b>↑</b>

### **Rates Modelling**

Rates modelling is conducted with valuation data that exists in the City's rates database (refer to Table 1 below). Rating models give the City an indicative predetermined total rates revenue figure based on the current valuations in their prospective database.

Where revaluation has occurred, the current property values are used to determine the total rates yield for each differential rate type. The rates yield is then adjusted by the new values supplied by Landgate to determine the proposed rate in the dollar. Rates modelling gives Council an indicative predetermined total rate yield figure based on the valuations at the time of calculation.

As a direct result of individual changes in the valuation of each property, the rates levied per property will fluctuate each year regardless of the percentage change adopted by Council.

For the 2024/25 financial year the City has conducted its rates modelling based on an 11% increase to the annual 2023/24 rates revenue yield. The results of the respective percentage increases applied to the 2023/24 annual budget are summarised in Rates Model 1 included within the recommendation. With the continued effort to find efficiencies in the organisation, this will still enable the City to meet the required level of service.

An 11% budget increase will result in a total rates revenue yield of \$34,108,622, compared to the current financial year (2023/24) rates revenue of \$30,696,647; an increase in total revenue of \$3,362,125. This represents an 11.12% increase to the rate in the dollar and minimum payment for both GRV and UV differential rating categories. While above CPI and the LGCI June forecasting of 3.9%, this is well below the increase in valuations obtained from Landgate which show a total increase of 36%.

### ***Recommendation***

Council endorse Rates Model 1, 11% overall rates increase, due to the latest Landgate 1 July 2024 revaluations, along with the 11% expected increase in operating expenditure for 2024/25 and \$96m expected capital works.

### **Consistency**

The local government has rated comparable properties that are used for the same purpose in the same way.

The local government has reviewed and considered rates proposed in neighbouring or similar local government districts in the rating strategy:

- Bunbury have proposed an 8% rate increase, with an additional waste levy being imposed on rate payers;
- Busselton are proposing a 6% rate increase;
- Karratha 3.5% rate increase; and
- Geraldton is proposing a 3% rate increase plus a \$5.00 increase to rubbish collection.

While the City is proposing a higher rate increase than these comparative government districts, this is to account for the overall 36% increase in valuations which has occurred, which these other districts have not been impacted by in this financial year.

### ***Local Government Comparison Data***

- WALGA Economic Briefing - Local Government Cost Index (LGCI) Forecast June 2024 – 3.9%.
- ABS CPI 12 months March 2023 to March 2024 (Perth) – 3.4%.

## **COMMUNITY ENGAGEMENT CONSULTATION**

Council must give local public notice, no earlier than 1 May 2024, which details each rate in the dollar and minimum payment and make available the Objects and Reasons for its differential rating categories. A minimum period of 21 days must be provided for the community to provide feedback. Council must consider any submissions received prior to the adoption of rates.

The following Public Notice engagement will take place:

- A Public notice will be published in the local Kalgoorlie Miner newspaper on Saturday 8 June 2024; and
- Posted on notice boards of Council Facilities, Council Administration Office, 577 Hannan Street Kalgoorlie and Sir William Grundt Memorial Library, Roberts Street Kalgoorlie, with information will be made available on the City's website outlining the intention to levy differential rates and minimum payments and details on how to make a submission; and

- Posted on the City's social media sites.

## **BUDGET IMPLICATIONS**

There are no financial implications resulting from the recommendations of this report.

## **STATUTORY IMPLICATIONS**

*Local Government Act 1995*, Part 6, Division 6 – Rates and Service Charges

- Subdivision 1 – Introduction and basis of rating.
- Subdivision 2 – Categories of rates and service charges.
- Subdivision 3 – Imposition of rates and service charges.

*Local Government (Financial Management) Regulations 1996* – Part 5 – Rates and service charges.

In accordance with section 6.36 of the *Local Government Act 1995*, Council is required to give local public notice of its intention to levy differential general rates.

The process (section 6.36) requires:

1. The advertising (notice) of the intended differential rates and the consideration of any submissions needs to be undertaken before the Council can adopt its annual budget. The earliest the advertising can be undertaken is 6 June 2024. The notice is to contain the following:
  - a. Details of each rate or minimum payment the City intends to impose;
  - b. An invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment;
  - c. Submissions to be made within 21 days (or such longer period as is specified in the notice) of the notice date; and
  - d. Any further information prescribed by Regulations (none prescribed).
2. The notice is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.
3. The City is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.
4. If a differential general rate or minimum payment differs from the proposed rate or payment set forth in the local public notice given under section 6.36, reasons for the difference is to be included in the rate notice (*Local Government (Financial Management) Regulation 56*).

## **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendations of this report.

## **COMMUNITY STRATEGIC PLAN LINKS**

This report links to the Strategic Community Plan through the following Guiding Theme/s:

EMPOWERED: We ensure considered decision making based on collaborative, transparent and accountable leadership.

### OFFICER RECOMMENDATION

That Council:

1. Endorse the differential rates model as shown in the table below (that reflects an 11% increase in rates revenue from the previous 2023/24 financial year) for the purpose of giving public notice of its intention to impose differential general rates and minimum payments for the 2024/25 financial year;

Differential Rating Categories	Proposed rate in \$	Multiplier lowest rate in \$	Minimum Payment \$
<b>Gross Rental Values (GRV)</b>			
GRV Residential	0.05200	lowest GRV	1132
GRV Commercial / Industrial	0.07840	1.51	1132
GRV Accommodation	0.09300	1.79	1245
GRV Mining	0.10400	2.00	1245
<b>Unimproved Values (UV)</b>			
UV Pastoral / Other	0.09380	lowest UV	352
UV Mining	0.18740	1.99	440

2. Adopt the Statement of Objects and Reasons for Differential Rates 2024/25 as set out in Attachment 1; and
3. Invite and accept submissions from ratepayers and electors on the proposed differential rates and minimum payments up to 4.30pm on Monday 1 July 2024 in accordance with section 6.36 of the *Local Government Act 1995*.



## **10 CLOSURE**