

YOUR RATES EXPLAINED

WHY DO I PAY RATES?

Your rates allow Council to provide important services to our community, from road construction and maintenance through to community facilities, libraries, swimming pools, parks and gardens, child and family services, waste management, town planning, environmental health, emergency services, community safety, communication, customer services and economic development and tourism. Without rates, Council would be unable to provide these services to the community.

Council's rates income represents 55% of its total income. The other main source of income for Council is grant funding provided by state and federal governments. Small rural councils like Murrindindi Shire are heavily reliant on rates income, in the absence of other sources of funding available to metropolitan councils, such as parking fees and fines. We need to service a far greater area than most other councils, with 42 different communities spread across 3873 square kilometres. And, as our population is only 15,197 our rate base is smaller than that of most other councils – we have only 10,167 rateable properties in our Shire.

COMPONENTS OF YOUR RATES NOTICE

The total amount payable on your rates notice is made up of multiple charges, including your General Rates, Waste Service Charges, Municipal Charge and a Fire Services Property Levy. Some of these are fixed amounts while some are based on a percentage of the Capital Improved Value (CIV) of your property.



HOW ARE GENERAL RATES CALCULATED?

If you've ever wondered how general rates are calculated, there is a standard formula across Victoria. When Council prepares its Annual Budget for the coming year, it determines the rate revenue required to fund its services and infrastructure. The budget considers community needs in relation to the available Council income and also how rate rises will impact ratepayers.

The 'rate in the dollar'

In broad terms, the total amount of money to be raised in general rates is divided by the total value of all rateable properties. The resulting figure is called the 'rate in the dollar'.

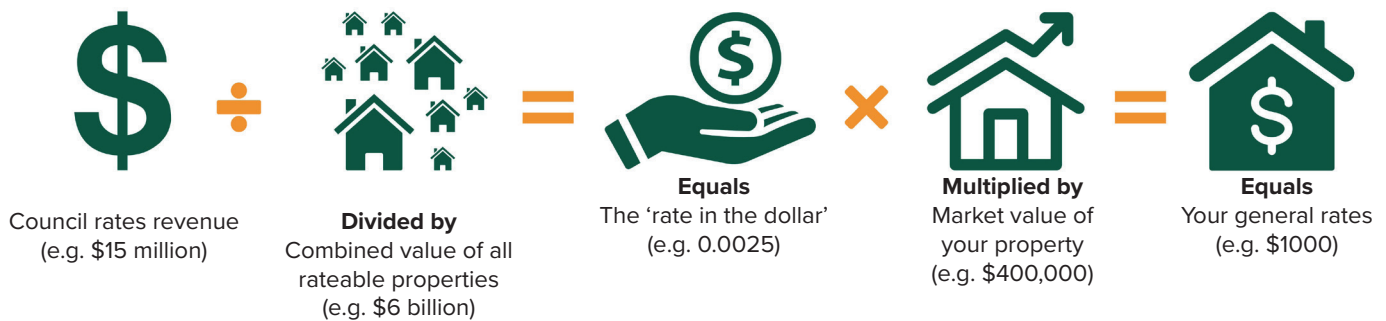
For example, if Council plans to raise a total rate revenue of \$15 million, and the total Capital Improved Value (CIV) of all rateable properties in the Shire is \$6 billion, then the rate in the dollar is calculated by dividing \$15 million by \$6 billion, which equals 0.0025 cents in the dollar.

When the total value of all properties goes up, Council reduces the rate in the dollar to compensate.

Rate notices can now be received online! If you wish to receive your rate notices electronically instead of via post, you can sign-up for e-notices or to BPAY view. For more information on how to receive your rate notices online and how rates are calculated, visit Council's website at murrindindi.vic.gov.au/rates

How property rates are calculated

We calculate a property's rates by multiplying the Capital Improved Value (CIV) of the property by the rate in the dollar. For example, if the CIV of a property is \$400,000 and the Council rate in the dollar is set at 0.0025 cents, the rates would be \$1000 (\$400,000 x 0.0025).



Like other councils, Murrindindi Shire Council's rate increases are limited to the Victorian Government's Fair Go Rate cap – which in 2022/2023 is 1.75%.

It is important to note that increases in property valuations do not necessarily equate to more rate income collected by Council. The rate cap is applied to the total rate revenue required for Murrindindi Shire. In other words, we can only increase the total rate revenue required by a maximum of 1.75%, regardless of any increase in property valuations. The total rate revenue is distributed proportionally across properties in accordance with property values.

OTHER CHARGES

In addition to your general rates, there are also charges for waste and recycling collections and disposal, a Municipal Charge that is applied to each property and a Fire Services Property Levy.

What are Waste Service Charges?

Waste service charges are calculated on a cost-recovery basis. This charge covers the costs of Council's kerbside garbage and recycling collection services, waste disposal and the Victorian Government's Landfill Levy – a charge Council must pay when depositing waste at landfill. Waste service charges are applied to all residential and commercial properties (excludes vacant land) located within a compulsory waste charge zone (within 2 km of a township) or a delivery zone.

For the 2022/2023 rating year, the kerbside garbage charge is \$402.73 and the recycling charge is \$123.12.

What is a Municipal Charge?

Like many other councils, Murrindindi Shire Council issues a Municipal Charge. The Municipal Charge is a fixed-cost paid equally by all ratepayers. It is used to help distribute the cost of rates, which would otherwise be based exclusively on property values.

The Municipal Charge for the 2022/2023 rating year is \$352.00.

Fire Services Property Levy

The Victoria Government Fire Services Property Levy is determined annually by the Victorian Government. This levy collected from you is passed on in full to the Victorian Government, to help fund the services provided by Fire Rescue Victoria.

For more information, visit firelevy.vic.gov.au

ARE YOU HAVING DIFFICULTY PAYING RATES?

Council is aware of the impact rates can have on individuals, families and businesses. If you are experiencing financial difficulties that might prevent you from paying your rates on time, please get in touch with our Rates team as soon as possible to discuss payment options. If you are experiencing genuine financial difficulty right now, we can tailor payment options to suit your situation. All enquiries are treated confidentially. You can get in touch by calling (03) 5772 0333 or emailing customer@murrindindi.vic.gov.au