



The Corporation of the City of Whyalla

Annual Business Plan & Budget 2008/09 Summary

Why do we pay Council rates?

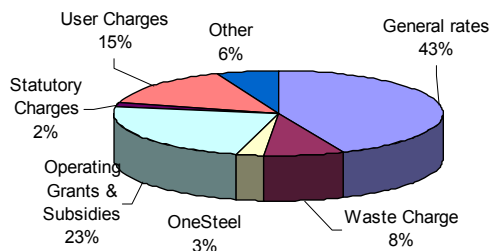
The City of Whyalla is responsible for maintaining the community's \$154 million worth of assets which includes local roads and footpaths, stormwater drainage, land and buildings. In addition, we provide services for the benefit of our residents such as waste management, street lighting, marinas, libraries, an airport and child care centre.

There are also certain services that Councils are required to provide under various Acts of Parliament such as planning and development and dog management. The reality is that these services cost a lot of money and Council rates are the main source of funds to maintain these services and facilities.

At the City of Whyalla we produce a Strategic Plan and 10 Year Forward Financial Estimates that outline the long term priorities and objectives, including infrastructure needs for the community, and the costs to deliver them. This provides the framework for determining the level of rates, debt and service provision for the community.

In 2008/09 the City of Whyalla needs to raise funds of \$43.6m. Of this, \$21.3m is operating revenue which includes \$9.3m in general rates. This means the average residential ratepayer will pay an increase of 6.0% on 2007/08 general rates.

2008/09 Operating Revenue Mix



So, for \$2.02 per day, the average residential ratepayer will receive the benefits of the following services which are proposed to be set down as part of the 2008/09 budget:

Economic Development

Whyalla Industrial Park \$9,000,000 (\$500,000 in grants & \$14,000,000 in land sales income).
 Foreshore Master Plan \$1,550,000 (\$750,000 in grants).
 Kingfish Harbour construction \$1,650,000 (fully funded via grants and reserves)

Airport

Terminal up-grade \$800,000
 Security Cameras \$75,000

Roads and Footpaths

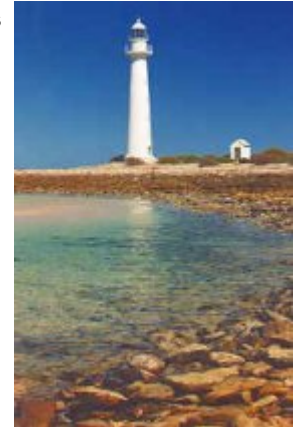
Concrete footpath program \$200,000.
 Kerbing replacement program \$90,000.
 Roads to Recovery projects \$254,554.
 Sealed roads \$1,430,000.
 Unsealed roads \$150,000.
 Nicolson Ave landscaping \$100,000.

Land and Improvements

Centralised irrigation system \$65,000.
 Various reserve & recreation upgrades \$263,500 (funded via developer open space contributions)
 Various solar lighting \$115,000

Building and Facilities

Civic Building upgrade completion \$90,000.
 New library \$2,100,000.
 Foreshore Building Redevelopment \$500,000 (\$335,000 in grants)
 Art Gallery \$400,000



Other

Vehicle changeovers to Diesel \$54,000
 Road sweeper Replacement \$225,000
 Information Technology Improvements \$128,300

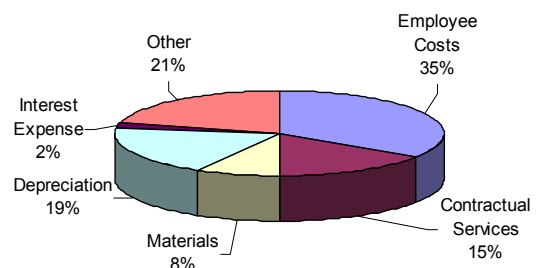
Infrastructure

Waste management landfill
 - recycle complex \$567,000.
 - cell construction \$2,000,000

Council's 2008/09 operating budget totals \$22.1m and includes some of the following major services.

- \$0.85m will be spent on maintaining 2 libraries to service residents across the City, which includes internet access and a home library service;
- \$2.8m will be spent on domestic waste collection, recycling and landfill operations;
- \$435,000 on street lighting; and
- \$1.34m on maintaining parks and gardens across the City.

2008/09 Operating Expense Mix



A complete listing of all projects and services can be found in Council's Annual Business Plan and Budget 2008/09 which can be obtained from the Council office or libraries or at www.whyalla.sa.gov.au

Where do my rates go?

For every \$100 paid in rates and charges, as a guide only, the breakdown in Council expenses is as follows (there is no reflection made for grant funded or income generating activities).

Mayor and Elected Members	\$	1.90
Development Assessment and Compliance	\$	2.45
Environment and Health	\$	0.61
Legislation Compliance-Parking,Dog Control	\$	1.11
Parks and Recreational Facilities	\$	11.52
Roads and Footpaths	\$	8.69
Water Management	\$	0.49
Strategic Planning	\$	1.46
Corporate Management	\$	3.67
Debt Servicing	\$	1.94
Financial Management	\$	2.43
Information Technology	\$	2.08
Rates Profile	\$	1.06
Personnel Management and Development	\$	1.52
Civic Buildings Operations	\$	3.32
Works Depot and Operations	\$	1.02
Project Design and Management	\$	2.78
Waste Management	\$	11.21
Airport	\$	1.66
Cemetery/Crematorium	\$	0.67
Libraries	\$	2.86
Child Care Centre	\$	2.97
Services For the Aged	\$	0.27
Environmental Management	\$	2.49
Visitation Promotion and Development	\$	3.91
Community Services and Development	\$	0.93
Economic Development	\$	2.03
Capital Projects (not loan or reserve funded)	\$	22.93



How are my rates calculated?

Firstly, the 10 year Forward Financial Estimates are developed. This plan, which outlines Council's long term priorities and objectives, including infrastructure needs for the community and the cost to deliver them, provides the framework for determining the level of rates, debt and service provision for the community.

Once this framework is adopted, the parameters for the budget and the level of rates required to balance the budget is determined. The amount of rates payable by a ratepayer is determined by multiplying their property value by the rate in the dollar plus adding the fixed charge.

In the City of Whyalla we have a differential rating system and therefore a different rate in the dollar is calculated depending upon the location of the property and its use.

If you believe that your property has been wrongly classified as to its land use, then an objection may be made (to the Council) within 60 days of being notified of the land use classification. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

Council has declared the following rates:

- A General rate on all rateable land within its area based on two components:
 - value of the land subject to the rate; and
 - a fixed charge
- A Service Rate on all rateable land within its area to which it provides a service of collection, treatment or disposal of waste.
- A Separate Rate on all rateable land situated in the area adopted by Council based on the value of the land subject to the rate. This rate applies to the City Plaza area only, for the purpose of:
 - development of the City Plaza and surrounding district;
 - promotional activities throughout the year;
 - beautifying the City Plaza area for the benefit of Whyalla;
 - servicing loan repayments.
- A Separate Rate for the purpose of a Natural Resource Management levy on all rateable land situated in the area adopted by Council based on a fixed charge.

Property valuations do not determine the rates income to Council.

Valuations are only used to determine how much each ratepayer contributes to the total rates required.

This year, residential property site valuations in Whyalla have risen on average by 62% but Council's adopted rate in the dollar will see average residential rates only rise by 6.0%.

What if I don't agree with the valuation of my property?

Your property's site value assessment comes from a Government valuation adopted by the Council. If you have an objection, query or appeal in relation to this property valuation please contact the Valuer-General within 60 days of receiving your annual instalment rates notice. Objections should be forwarded to:

State Valuation Office
GPO Box 1354
ADELAIDE SA 5001
Phone: 1300 653 345

If your objection is upheld, the Valuer-General will advise Council and your rates notice will be amended.

What rate relief measures are available?

In total, Council has budgeted \$240,000 to support rate relief options across the City. This money will reduce rates levied for eligible pensioners, those in the community whose rates increase by more than 25% and community organisations who provide subsidised support services to meet community expectations in areas such as aged care, sport and recreation and education.

Council may provide a **refuse rate concession** for ratepayers receiving a concession administered by SA Water. The amount of the concession depends upon individual circumstances.

The State Government, in providing equity across South Australia, funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on a principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if Council is advised that a concession applies and the rates have already been paid.

Ratepayers who hold a State seniors card (or who are eligible to hold a State seniors card and have applied for one) are able to apply to Council to postpone payment of rates on their principal place of residence. Postponed rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of.

Eligible pensioners may apply to Council to be included in the Estate Scheme which allows any increase in rates to be postponed, subject to continued receipt of a concession on their rates from SA Water, with the balance to be paid in full upon sale of their property.

Council's Rate Rebate Policy, Rate Capping Policy and Application Forms are available at the Council Office.

The Local Government Act permits a Council, on the application of a ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship.

Approximate rate increases per week

For a typical residential property, it will be 85c on general rates and 15c on the separate refuse charge

Payment of rates

Payment of rates for the 2008/09 financial year will be in quarterly payments due by 12 September 2008, 5 December 2008, 6 March 2009 and 5 June 2009. A quarterly rates notice will be sent to ratepayers 30 days prior to each due date. A ratepayer may also pay their rates in a single instalment due by the 12 September 2008.

The Local Government Act provides that Councils impose a penalty of a 2% fine on any payment for rates that are received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late.

The Council allows a further two working days after the due date for payment as a grace period before applying the late payment penalties in the Local Government Act. Fines and interest levied will be shown on the next quarter's rate notice. Rates which continue to be overdue are referred to a collection agency for collection. The debt collection agency charges collection fees that are recoverable from the ratepayer.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Denise Zerna on 8640 3444 to discuss alternative payment arrangements. Such inquiries are treated confidentially by the Council.

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

Natural Resources Management Levy

As part of the Eyre Peninsula Natural Resources Management Region, Council must collect a \$40.55 fixed charge on all rateable properties.

This levy is shown as a separate item on all rate notices.

For more information contact Council:

Civic Building, Darling Tce, Whyalla

Phone (08) 8640 3444

Fax (08) 8645 0155

E-mail council@whyalla.sa.gov.au

Website www.whyalla.sa.gov.au

