



Budget MEDIA RELEASE 2011/2012



FAQs

When will I have to pay my rates?

Council will issue its rates notices annually with an anticipated issue date of July/August. Ratepayers will have the option to pay upfront and receive a 10% discount if payment is received within 45 days of the date of issue or the option to pay in four equal instalments without incurring penalty interest charges.

Ratepayers who choose to pay by instalments will not be eligible for the discount.

Will I receive a discount for early payment?

Council will offer a 10% discount on your rates if they are paid within 45 days of issue. The discount is not applicable to the Waste Management Levy, Environmental Levy, fire levies, change of ownership fees, household sewerage treatment plant or backflow device fees.

What if I cannot pay my rates in time?

Ratepayers will have the option to pay in four equal instalments without incurring penalty interest charges.

These four instalments are due at regular intervals from the date of service of the rate notice. If you intend to pay your rates and charges by four instalments, the following conditions apply:

1. Your first payment must be received on or before the first instalment date. It is the ratepayer's responsibility to ensure that each instalment payment is received by Council on or before the due date of each instalment.
2. If your account is overdue the total amount of the overdue rates is included in the amount of the first instalment and must be paid on or before the first instalment date. Contact Council to obtain an updated payment amount.
3. DISCOUNT DOES NOT APPLY to the instalment payments.

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

4. Discount will apply for prompt payment on supplementary rates and water charges issued if the instalments are paid up to date and no overdue rates and charges remain unpaid.

5. Failure to pay any instalment by the instalment payment dates shown on the notice will result in interest being levied (at a current rate of 11% compound p.a.) on all overdue rates from the default date of the instalment to the date the payment is received.

Will I receive a pensioner discount?

Council recognises the financial challenges that rising costs are having on the household budget. To minimise the impact on pensioners, Council will provide almost \$1.6 million in concessions to the region's 9,800 pensioners with all pensioners (both single and married) eligible for a \$150 concession.

This concession is in addition to the State Government Pension Concession, for which pensioners can also apply.

Pensioners living in and owning their own home and property, who are holders of a Queensland "Pensioner Concession Card" issued by Centrelink or the Department of Veteran's Affairs, or a Queensland "Repatriation Health Card", are allowed, on payment, a Pensioners' Remission of \$150 (Married or Single).

The State Government Pensioner Subsidy Scheme allows, on payment, a 20% Remission on Rates and Charges and the Urban Fire Levy. (Maximum allowable \$180 Rates and Charges).

Pensioners selling their home, new to the area or with any other change of circumstances must submit a new application form.

To apply for the pensioner discount log on to – www.frasercoast.qld.gov.au

How much have my rates gone up?

The budget delivers a modest increase in total general rates revenue to Council of 6.37% to fund essential services and infrastructure. This level of increase generated an additional \$3.5 million in revenue with the majority (54%) allocated towards infrastructure investment.

Council has experienced a considerable revenue reduction as a result of the economic climate with a decrease in interest rates, coupled with the continued slow down in development and the housing market which has also resulted in an additional \$400,000 in revenue write downs and a subsequent reduction in development contributions for vital infrastructure projects.

To achieve the overall 6.37% percentage increase in general rates it was necessary for Council to identify further reductions in operational costs to offset the impact of the global revenue contractions and help minimise the impact of escalating costs.

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Why have my rates gone up by more than 6.37%?

Council has continued to rationalise the four former rating structures which has resulted in the "equalisation" of rates across the region. The majority of rate equalisation has now been completed in 2010/11 in line with the State Government guidelines to have a single rating structure by 2011/12.

In addition to "equalisation", land valuations were undertaken on the Fraser Coast in 2010 which will result in variations amongst properties.

Whilst the overall increase in general rate revenue to Council is 6.37%, the percentage increase in rates will vary depending on individual property land valuations, their respective rating category and former Council rating structure. The equalisation process basically means there will be some winners and some losers but was necessary as part of the amalgamation process. The Fraser Coast rating structure is evolving and will continue to be refined to ensure an equitable distribution of the rates burden.

What is Council spending the rates revenue on?

Council is focused on ensuring the sustainable management and replacement of its existing \$1.2 billion infrastructure base. As with all Local Governments, Council is facing challenges in ensuring sufficient funds are available to fund the renewal and replacement of existing infrastructure whilst meeting demand for new services. Council will spend \$41 million on infrastructure in 2010/11; this includes an additional \$1.9 million (or 3.4% of the rate increase) for road resurfacing works across the region. This additional investment will bolster the total road resurfacing program to more than \$6 million.

What has impacted on Council's operating position?

The following factors have had a significant impact on Council's operating position:

Declining Revenue Streams – Council has experienced during the past two years a significant decline in its revenue streams due to the slowing development and building activity across the region, reduced returns on investment and static fee rises. This is estimated to be a write down in revenue streams of \$2.5 million over the period.

Withdrawal of State Government Subsidies – In June last year, the State Government announced the withdrawal of subsidies to fund essential infrastructure. The significant reduction and availability of State subsidies has significantly impacted on Council's ability to provide essential infrastructure and has resulted in the necessity for Council to increase loan borrowings to fund the removal of these subsidies.

Development contraction – the prolonged contraction within development activity has resulted in a significant reduction in funding for the provision of trunk infrastructure. Council will continue to face the challenges of dealing with the combined effects of population growth,

For media enquiries contact:

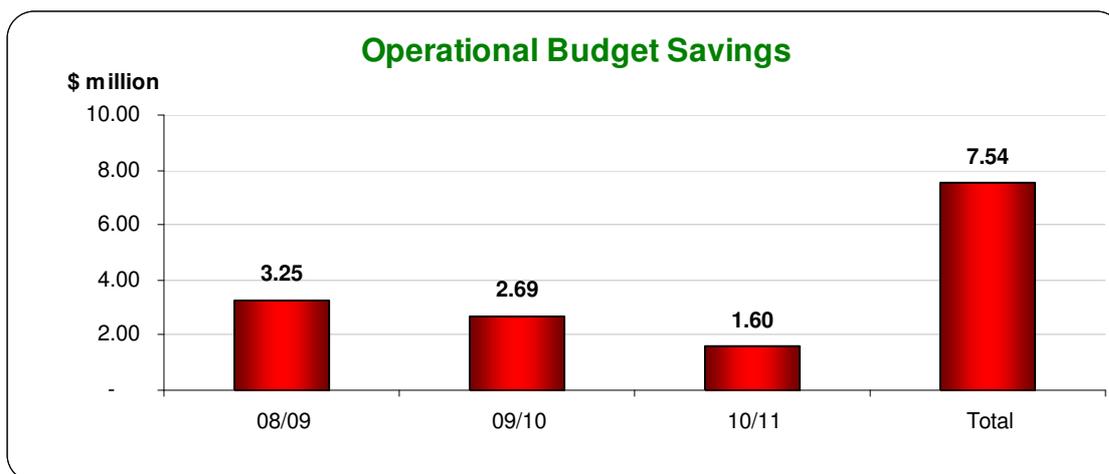
Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

demand for infrastructure and services whilst dealing with the effects of climate change on "coastal communities".

What has Council done about reducing its costs?

Council is cognisant of the rising cost pressures faced by the Community and to ensure that the budget delivers a modest rate increase, Council since amalgamation has reduced its operational costs by \$7.5 million. This represents a 10% reduction in overall operating costs over the past three years including \$1.6 million in 2010/11.



Council's overall operating expenditure has only increased 0.25% from \$58.8 million in 2009/10 to \$59.0 million in 2010/11.

Why has the value of my land changed?

Property valuations are based on sales in a local government area. If your property valuation has increased or decreased, it means that property sales in your local government area support this change. (source www.derm.qld.gov)

My Land valuations have doubled will my rates also double?

The Department of Natural Resources Water issued new valuations which are to take effect on 1 July 2010, overall average land valuations across the region remain static however valuation increases by area are -

- Maryborough property values have increased by 7.83%;
- Woocoo property values increased by 8.82%;
- Tiaro property values increased by 15.30%; and
- Hervey Bay property values decreased by (2.67%)

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Major valuation increases occurred within the Rural Residential and Residential sectors in Woocoo (14.63%), Tiaro (16 – 20%) and Maryborough (9.36%) with the Hervey Bay Residential sector remaining static. The Commercial/Industrial sector incurred decreases in valuations within Hervey Bay of 16% compared to Maryborough which remained static.

Whilst valuations will not change the overall rate revenue increase required to fund Council operations they are utilised to distribute the rate burden amongst property owners within each category.

When changes in valuations occurs there is often confusion or the misconception in the community that if land valuations increase by 50% their rates will also increase by 50% resulting in Council receiving an additional 50% in rates revenue. This is incorrect. Council determines through its budget deliberations how much it costs to provide services and infrastructure to the community and the amount it needs to raise in rates. Land valuations are used as a mechanism to distribute this overall cost equally to ratepayers.

For more information on Land Valuations visit www.derm.qld.gov.au

How do valuations and council rates work?

If your valuation has changed, it does not necessarily mean that the Council rates you pay will also change. Your Council determines rates according to the services it intends to provide and how much revenue it needs to pay for those services. Valuations are one of many factors taken into account by Councils when framing their annual budgets and determining rates. It is not unusual for rates to change even though unimproved land values have not changed.

Under the Local Government Act 1993, Councils have wide-ranging powers to manage rates. These powers include rate capping, the setting of a minimum rate and the averaging of valuations before rates are assessed. Further information on rating approaches is available from your local council or from the Department of Infrastructure and Planning (see <www.dip.qld.gov.au> for locations). (source www.derm.qld.gov)

Why have Waste Charges increased?

The increasingly higher standards required by the EPA in landfill remediation and waste management have resulted in the cost of disposing of rubbish increasing by 17% or \$38 a household over the past two years.

The Council has continued its program of works to improve waste services across the region. This includes extending the areas receiving a two-bin service, improvements to transfer facilities across the region which will now be manned when they are open, and a new state-of-the-art transfer station and recycling centre at the Saltwater Creek site in Maryborough.

All properties within the Defined Waste Area will be provided with a 240L Standard Waste Bin (serviced weekly) and one Recycle Bin (serviced fortnightly). Waste Charges have increased

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

by 6.72% with a Standard Waste Service Charge of \$286 and a Minimum Waste Service Charge of \$229 applicable in 2010/11.

Waste Charges Policy

The new charges were adopted by Council in 2008 when it set out its defined waste area.

The change was made to ensure there was an equitable distribution of costs associated with providing a waste service across all ratepayers and stop, as far as practicable, any cross subsidisation.

The new policy is a change from charging for a bin to a service charge that reflects the level of service provided.

When determining the new waste charges, Council identified all costs associated with waste management including collection, disposal, recycling and landfill rehabilitation on a regional level.

An analysis of waste disposal indicated that of the total cost of waste management about 30% of the costs related to the collection and 70% related to disposal and management.

The increasingly higher standards required by the EPA in landfill remediation and waste management have resulted in the cost of disposing of rubbish increasing by 17% or \$38 a household over the past two years.

The Council has continued its program of works to improve waste services across the region. This includes extending the areas receiving a two-bin service, improvements to transfer facilities across the region which will now be manned when they are open, and a new state-of-the-art transfer station and recycling centre at the Saltwater Creek site in Maryborough.

The adopted policy provides for -

1. a Standard Waste Service: a 240litre Wheelie Bin Service (serviced weekly) and a 240litre recycling bin (serviced fortnightly) to all properties within the Defined Waste Collection Area; and/or
2. a Combined Waste Service: a combination of bulk bins (serviced weekly) and 240litre recycling bin (serviced fortnightly).

All properties within the Defined Waste Collection Area will be charged either –

1. a Standard Waste Service Charge per unit per annum,
2. a Combined Waste Service Charge; or

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

3. a Minimum Waste Service Charge per unit per annum.

Property owners who are opting to have a private waste contractor supply a bulk bin service will also be charged the Council's standard waste service charge, or a minimum waste service charge per unit per annum (whichever is greater).

The waste service charge is not a charge per bin, it is a service charge for removing waste.

The closure of the Becks Hill and other land fill sites has had a significant impact on the cost of waste management as waste is required to be transported and disposed of at Saltwater Creek landfill resulting in more than \$1 million in additional costs.

In addition to this there has been a 12% increase in waste collection contract costs.

All dwellings and home units receive the same waste service, and on average, the amount of waste generated by occupants of a home unit is no less than the average waste generated by the occupants of a dwelling who are charged a standard waste service of \$286.

Units (as defined in Council's Revenue Statement and Waste Policy) located on a property with a shared service arrangement are levied the minimum waste service charge which is 80% (\$229) of the standard waste charge of \$286.

What will the Environmental Levy be used for?

A \$25 environmental levy will raise more than \$1.2 million to fund environmental protection activities and climate change initiatives as an investment to help protect our invaluable natural environment for future generations.

The Environmental Levy has been expanded to provide critical funding to address a broader range of environmental issues facing the Fraser Coast including:

- Protecting environmentally significant land through acquisition;
- Acquisition, restoration and maintenance of land contiguous to environmentally significant land (i.e. riparian/fauna movement corridors);
- Rehabilitation, enhancement and maintenance of land acquired including the development of management plans and implementation of rehabilitation, enhancement and operational maintenance programs; and
- Community and environmental activities that directly relate to the protection, enhancement, management and monitoring of the natural environment in addition to mitigation, adaptation, education, investigation and implementation of climate change response initiatives.

Community and environmental activities include:

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

- Environmental protection and natural resource management initiatives;
- Foreshore restoration;
- Coastline and erosion management;
- Climate change initiatives;
- Terrestrial vegetation restoration and regeneration;
- Rehabilitation works of endangered ecological communities;
- Ecological restoration strategy and implementation;
- Support for Community Environment Program;
- Water quality monitoring and waterway management; and
- Community education programs on sustainability.

While additional purchases of remnant bushland have not been identified at this stage, the policy does not prevent the levy being used for this purpose should priorities change or key land be identified.

What has Council spent the previous Environmental Levy on?

Council collected an estimated \$3.46 million under the previous Hervey Bay City Council scheme, of which \$696,000 remains in reserves. All of the money will be used to buy environmentally significant land.

The Council has also collected \$950,000 since amalgamation which will also be used to buy environmentally significant land within the region.

Buying land is not the only method council is using to protect environmentally significant land. Council is developing a regional planning scheme and land use strategy which will provide a planning framework for the protection of significant natural areas.

Council acknowledges and appreciates the commitment and contribution made by the Environmental Advisory Committee and the original proponents of the levy and looks forward to proactively working with all key stakeholders in conserving and protecting our natural environment.

What is the Waste Management Levy for?

To assist in funding the continuing waste reform process and to ensure that waste management practices are environmentally acceptable, economically affordable and sustainable, a waste management levy of \$69 is charged on all rateable properties outside the defined waste area.

The levy is included in the bin service charge for ratepayers who receive a bin service. The levy applies to ratepayers who do not receive a bin service, such as some rural residential properties and vacant urban properties.

The levy ensures all ratepayers contribute towards the cost of maintaining landfill sites and transfer stations.

Will I have to pay the Waste Management Levy in addition to the Waste Charge?

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

If you are charged for a bin service, the levy is included within that charge and is not an additional charge. The levy applies to ratepayers who do not receive a bin service, such as some rural residential properties and vacant urban properties.

Why have water and wastewater charges increased?

Over the years, the communities of the Fraser Coast have invested more than \$586 million dollars in water and wastewater assets to provide high quality water services for the community. It is essential that we operate, maintain and take care of those assets so that they can service the community long into the future.

Without proper asset management and maintenance now the community will only end up paying even more later.

The costs of operating and maintaining the water and wastewater assets of the Fraser Coast have increased significantly in the past 12 months; Electricity is up 14%, Environmental licenses have increased by 80%, chemicals for water treatment are up 12% and wages have also increased more than 7%.

Given these external cost pressures the scientist, engineers, and technicians at WBWC have worked very hard to keep the 2010-2011 increase in water and wastewater charges to less than 7% for the average residential consumer using 220kl per annum of water.

What is the impact of the Water and Sewerage increases on a household?

Council through its Local Government Owned Corporation – Wide Bay Water commenced the rationalisation of water and sewerage charges across the region. Phase 1 of this process has resulted in the equalisation of the Residential Water Consumption and Access charges being consolidated and the commencement of equalisation of sewerage charges.

The table bellows provide a comparison of an average residential household using 220 kL per annum within the following water supply areas:-

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

MARYBOROUGH		2009/10	2010/11	\$ inc	% Inc
Avg Water Consumption			220		
1.37	Water Access	384	375	- 9	-2.3%
	Water Consumption	252	301	49	19.4%
	Sewerage Access	508	540	32	6.3%
		1,144	1,216	72	6.29%

HERVEY BAY		2009/10	2010/11	\$ inc	% Inc
Avg Water Consumption			220		
1.37	Water Access	312	375	63	20.2%
	Water Consumption	301	301	-	0.0%
	Sewerage Access	602	615	13	2.2%
		1,215	1,291	76	6.25%

TIARO		2009/10	2010/11	\$ inc	% Inc
Avg Water Consumption			220		
1.37	Water Access	384	375	- 9	-2.3%
	Water Consumption	252	301	49	19.4%
	Sewerage Access				
		636	676	40	6.3%

When will I receive my rates notice?

Council will issue all rate notices annually for the Fraser Coast. It is anticipated that this will occur in July/August. Ratepayers will then have a 45 day discount period to receive a 10% discount. If you have not received your rates notice by the second week of August you should contact Council on **1300 79 49 29**.

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Why has the rates increased by more than CPI?

The CPI index is based on the cost of a basket of goods and services typically consumed by households; this is not reflective of the costs faced by Local Government.

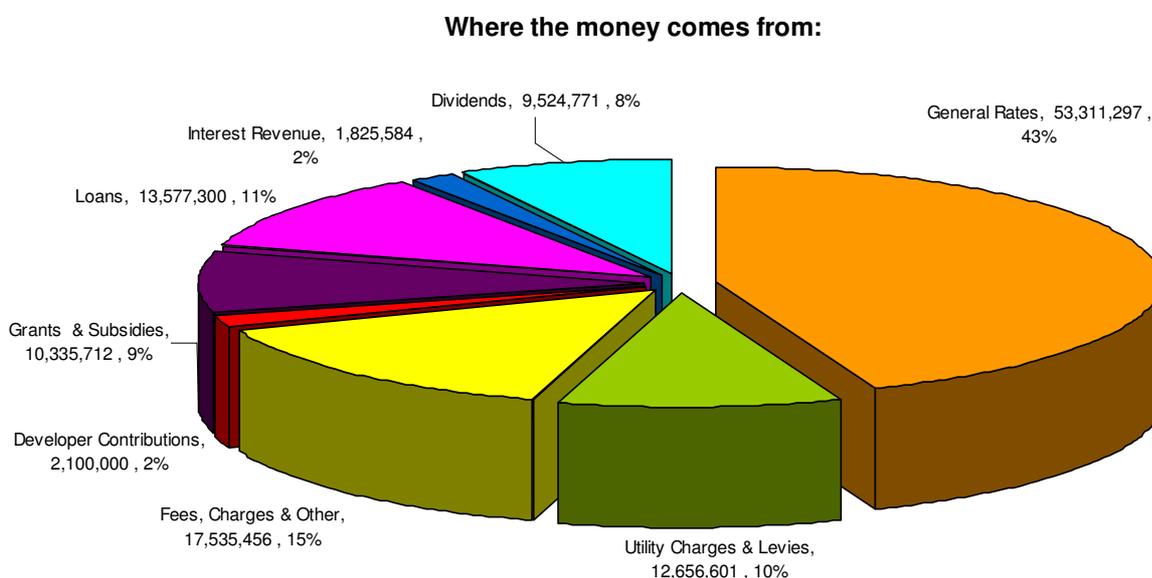
The Local Government Index published by the Local Government Association of Queensland has risen on average by 4.66% per annum since 2002 compared to CPI increases of 3.21%.

During the same period the General Construction Industry index for Queensland increased by an average of 6.26% per annum, with road and bridge construction cost increases being as high as 8.5%.

These indices are more relevant to the cost services and infrastructure provided by Local Government, which are escalating at faster pace than CPI.

Where does Council's money come from?

To provide services and infrastructure requirements for the Community Council raises the majority of the funds required from Rates and Charges with 55% or \$65.9 million of Council's Total Revenue (\$120 million) coming from this source. In addition to this Council receives \$17.5 million (17%) in fees and charges revenue; \$1.8 million (2%) in interest on investments; \$9.5 million (8%) in returns from Council's water business and \$7.9 million in operating grants and subsidies. In addition to this Council will borrow funds of \$13.5 million for infrastructure investment.



What services does Council provide and how much do they cost?

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Council provides a broad range of services across the region from....

Greeting our visitors.....over 1 million people visit the Fraser Coast every year by road, air and train. Council services over 160,000 passengers' movements through the regions airport annually and meets and greets 83,500 visitors through our four Visitor Information Centres and 86,850 patrons at our four caravan parks.

Responding to and communicating with the Community.....Council's Customer Service centres in Maryborough, Hervey Bay and Tiaro handle 131,000 customer service enquiries annually, with 281,000 visitors to Council's web-site seeking information about Council services.

A learning experience.....Council libraries issue 946,531 books per annum ie 3,943 per day to the regions 43,000 library members from its three libraries in Maryborough, Hervey Bay, Tiaro and Burrum Heads.

Enjoying a cultural experience.....Over 28,000 patrons visit and enjoy a cultural experience at either of Council's two Art Galleries and Heritage Precincts with another 17,500 patrons enjoying a show at the Brolga Theatre.

Relaxing in our Parks and Open Spaces..... Council spends \$7.99 million on mowing and maintaining the regions 251 parks, open space and recreational facilities, in which families and friends can play, exercise and socialise.

Celebrating community pride.....Council allocates \$641,000 to support and stage iconic regional events that are celebrated by over 65,000 attendees. These events are critical in promoting the Fraser Coast region as a desirable place to live and visit.

Supporting community organisations.....Council allocates \$586,000 to provide financial assistance and support to community organisations which are the fabric of a supportive and self-sustaining community.

Enjoying the drive.....Council spends \$8.76 million on the maintenance of the regions 2,600kms of road network and drainage systems. In addition \$1.2 million is spent on street lighting electricity costs to improve visibility and safety on our roads.

Taking a splash.....over 230,000 recreational and competitive swimmers visit and enjoy a swim at Council's two aquatic facilities annually.

Keeping the community safe.....Council spends \$1.86 million on health and compliance ensuring that the regions 18,000 dogs are registered and managed responsibly, ensuring appropriate licensing of premises, enforcing local laws and eradicating pests and declared noxious plants. In addition Council spends \$286,000 on disaster management and assisting the regions seven SES Units.

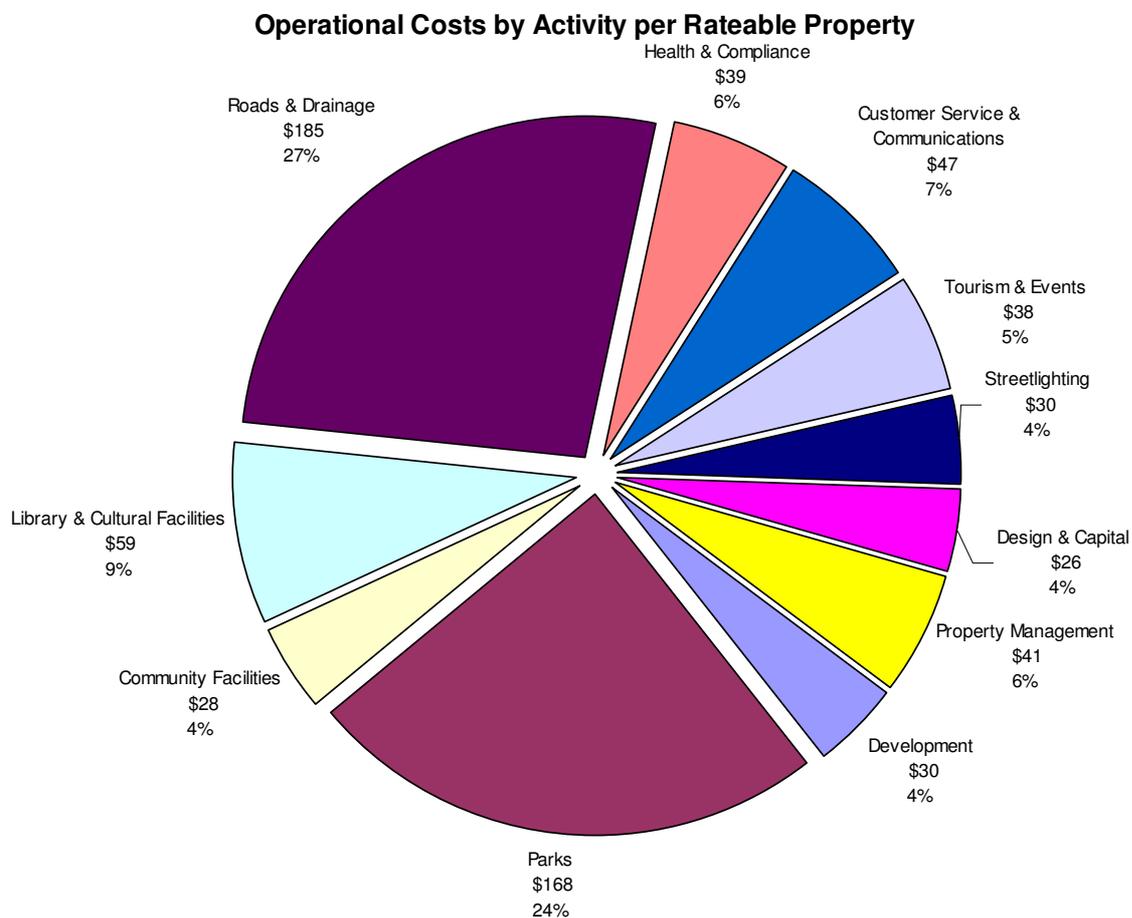
For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Investing in our economy.....Council is one of the largest employers and largest business consumers on the Fraser Coast spending \$107 million annually. Council’s commitment to maintaining a strong local workforce of over 600 staff which supports families within the community to live, work and invest in the region and subsequently supports local businesses and operators.

Getting rid of rubbish.....Council spends \$12.5 million on waste collection, recycling and landfill management at 10 landfill and transfer station sites across the region. 60,000 tonnes of rubbish go to land fill each year with another 3,400 tonnes of paper and cardboard recycled annually and 4,600 tonnes of material recycled from kerbside pick ups with an additional 40,000 cubic metres of compost material processed through the centres.



For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Will there be more infrastructure investment for the region?

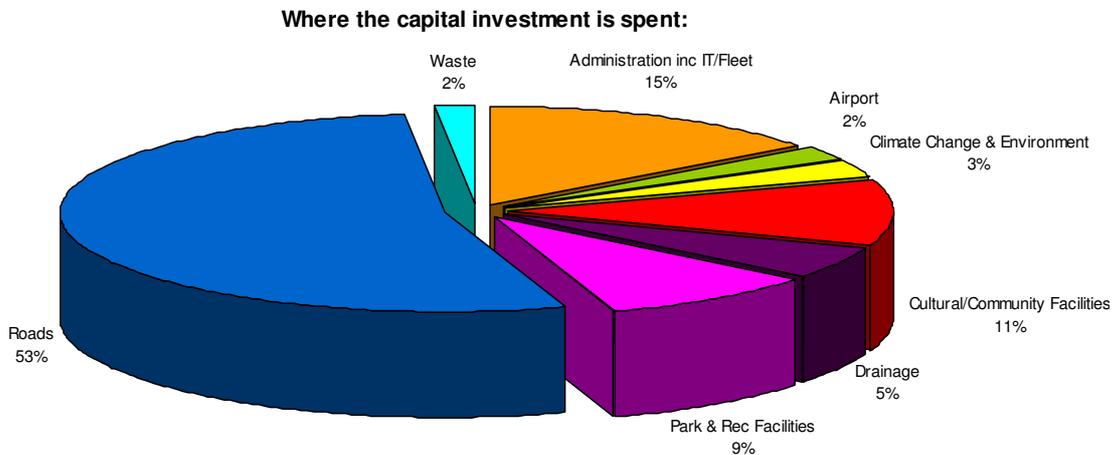
Council is focused on ensuring the sustainable management and replacement of its existing \$1.2 billion infrastructure base. As with all Local Governments, Council is facing challenges in ensuring sufficient funds are available to fund the renewal and replacement of existing infrastructure whilst meeting demand for new services.

Council has made infrastructure investment a priority in 2010/11 and will spend \$41 million on infrastructure in 2010/11 with the majority of the funds (53% or \$22.4 million) being spent on the regions 2,600 km road network.

Council has increased its investment in road infrastructure during 2010/11 with over 50% of the 6.37% increase in rate revenue ie a total of \$1.90 million being allocated to additional road resurfacing works. This represents a 41% increase in resurfacing works bringing the total program to \$6.4 million.

\$3.6 million will be spent on parks and recreational facilities including \$1 million to commence the redevelopment of the Maryborough Aquatic facility, a further \$1.17 million will be spent on park upgrades and \$1.08 million for park equipment and public amenities across the region.

\$4.12 million will be spent on Community facilities which include \$3.3 million for a new Art Gallery in Hervey Bay, while \$1.1 million will be committed to environmental initiatives including foreshore restoration and coastal protection works.



For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Rate Equalisation which has seen all properties being rated at nearly the same rate?

The concept of a Minimum General is to ensure that all properties regardless of land value contribute proportionally to the services provided by Local Governments. Council aims to have greater than 80% of properties on minimum generals to minimise the impact of fluctuations in land valuations on individual property owners. This rationale is based on a nexus between service provision and properties eg a high value property on the Esplanade does not receive more in services than a lower value property. However, in some instances a variation in rates is recognised due to service levels eg properties within rural areas are levied less than those in urban areas which is reflective of the difference in service provision.

Council was required as part of the amalgamation process to implement a single rating structure and this has occurred. Residential properties across the region are now paying the same rates depending on their category. A residential property with a land valuation of \$100,000 in Hervey Bay is paying the same as a property worth \$100,000 in Maryborough. Having the majority of properties on a minimum general is considered a fairer and more equitable distribution of the rates burden particularly where service provision is equal amongst rate categories.

Where can I find more information on the budget?

For more information on the budget including press releases, highlights, revenue policy and capital works program log onto www.frasercoast.qld.gov.au.

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Rate Categories vs Land Use Zones

A property rated under “residential” for rating purposes is a property that is used solely for a single residential dwelling or home unit. Whilst Land use planning zones provide an indication of use and activities performed on a property, they do not drive the classification for rating purposes, these are purely utilised for development and town planning assessment.

Land in the Local Government Area is classified into different land use zones such as residential, rural residential, park residential, commercial and open space. The zones describe the uses and activities that may be allowed or not allowed on certain land.

For example the Hervey Bay Planning Scheme contains six land use definitions being Rural, Residential, Commercial, Industrial, Community and Other Uses.

The Residential land use definition incorporates the following types of Land Use Zones - High, Medium and Low Density Residential, Park Residential and Rural Residential. The zones define specific development assessment criteria that enables development to occur consist with the Land Use Zone for the land.

Therefore whilst you may have a property within the planning scheme denoted as “commercial” this identifies the use and activities that may be allowed on the land however if you utilise the property for residential purposes you would be rated as “residential” not “commercial” albeit the planning scheme would allow a commercial development. If the property owner subsequently developed the land (in accordance with the land use zone) and commenced utilising the property for a business than the rating category would change to “commercial” as the property owner would now be utilising the land for a commercial business rather than a residential property.

In respect to “rural residential” if you have a property that is zoned “rural residential” for planning purposes this denotes that you are able to develop that land in accordance with the parameters set within the planning scheme however for rating purposes unless your property is within one of the townships identified under “rural residential” for rating purposes, the property will be categorised as “residential” if the sole use is for residential purposes.

“Rural Residential” for rating purposes is defined as residential or vacant rateable land within the townships of Antigua, Bauple, Forest View, Glenwood, Gundiah, Aramara, Boompa, Brooweena, Teebar, Elliott, Mungar, Owanyilla, Tiaro, Curra, Emerys Bridge, Glenbar, Gootchie, Kanigan, Miva, Nunna, Netherby, Paterson, Pioneers Rest, St Mary, Tawan, Theebine, Donngul, Dunmora, Ferney, Calgoa, Glenorchy, Grahams Creek, Bidwill, Gungaloon, Magnolia, Teddington, Thinoomba, Woocoo, Yengarie and Yerra.

“Residential” for rating purposes is defined as land used solely for single residential dwelling or home unit.

This category represents all the previous residential categories of the former Hervey Bay, Maryborough and Tiaro Council areas.

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Council determines its rate categories and associated charging based on the objective of equity. Council strives to distribute the revenue burden in a fair manner between landowners and classes of land owners and to achieve some consistency in the distribution of the revenue burden from year to year.

Council determines through its budget deliberations how much it costs to provide services and infrastructure to the community and the amount it needs to raise in rates. Land valuations and rate categories are used as mechanisms to distribute this overall cost equally to ratepayers.

Residential properties across the region are now paying the same rates depending on their category. A residential property with a land valuation of \$100,000 in Hervey Bay is paying the same as a property worth \$100,000 in Sunshine Acres, Howard, River Heads, Boonaroo, Maroom and Burrum Heads.

Whilst Council collects rates from individual properties, the consolidated revenue is utilised to provide services across the region including roads, parks, libraries, swimming pools, health services, recreational facilities, cultural facilities, community services, planning, coastal and waste management. These public services and facilities are generally used by a large cross-section of the community and are typically funded from general rate revenue.

This rate revenue is utilised to provide services directly within an Area, to provide essential infrastructure (eg road network) for residents within an Area to access surrounding areas and to provide regional services accessible to all residents (eg libraries, aquatic facilities).

Council determines the level of service provided to various areas within the region based on many factors including population density and service demand levels; affordability of the service provision; asset management plans and infrastructure provision priorities as well as strategic land use planning implications.

For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

Rate Category Equalisation

Council has continued to rationalise the four former rating structures which has resulted in the "equalisation" of rates across the region. The majority of rate equalisation has now been completed in 2010/11 in line with the State Government guidelines to have a single rating structure by 2011/12.

Below summarises the equalisation of rate categories for the Fraser Coast Regional Council area:

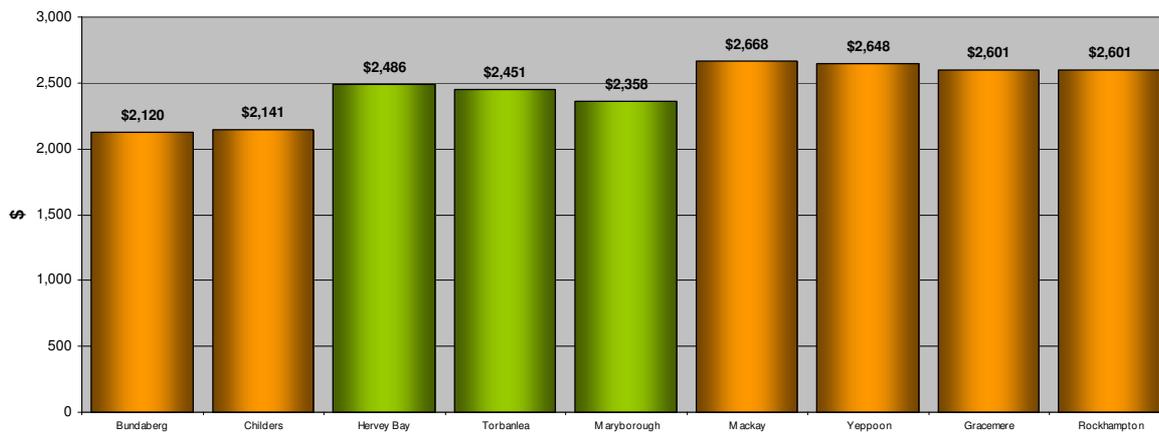
FORMER COUNCIL CATEGORIES				
FCRC Category	Maryborough	Hervey Bay	Woocoo	Tiaro
Residential - Cat 1 & 2	2 (a) - Coastal <=\$120,000 2 (b) - Coastal >=\$120,001 5 (a) - Urban <=\$120,000 5 (b) - Urban >=\$120,001	1 - Residential < \$149,999 2 - Residential (\$150,000 - \$249,999) 3 - Residential (\$250,000 - \$499,999) 4 - Residential > \$500,000	Not Applicable	D - Tiaro - Urban E - Tinnanbar - Urban
Rural Residential	Not Applicable	Not Applicable	1 - Township (Residential) 4 - Homesite => 4Ha 5 - Homesite < 4Ha	F & G - Other Towns - Urban C - Other Rural
Primary Production	3 (a) - Rural <=\$120,000 3 (b) - Rural >=\$120,001	13 - Non-Residential Other (Primary Production ONLY)	2 - Rural Cattle => 40Ha 3 - Rural Cattle <= 40Ha	A - Primary Production - Rural
Large Commercial Retail Developments	7 - Commercial (Other) (Large retail development ONLY)	6 - Large commercial retail developments	Not Applicable	Not Applicable
Commercial/Industrial	7 - Commercial (Other)	13 - Non-Residential Other (Commercial/Industrial ONLY)	Not Applicable	Not Applicable
Commercial/Industrial - City Centre	6 - Commercial (City Centre)	Not Applicable	Not Applicable	Not Applicable
Commercial/Industrial - Rural	Not Applicable	Not Applicable	9 - Caravan Park - Relocatable Home Park	B - Commercial
Multi-Residential Categories 2 or more	All multi-residential properties that were or may have previously been in another category.			
Non-Residential (Other)	Vacant Land and other uses that do not fit within another category.			
Concessional subdivided land	Subdivided land that was or may have previously been in another category.			
Fraser Island and Other Islands	5 - Fraser Island	1 - Fraser Island and other islands	Not Applicable	Not Applicable

For media enquiries contact:

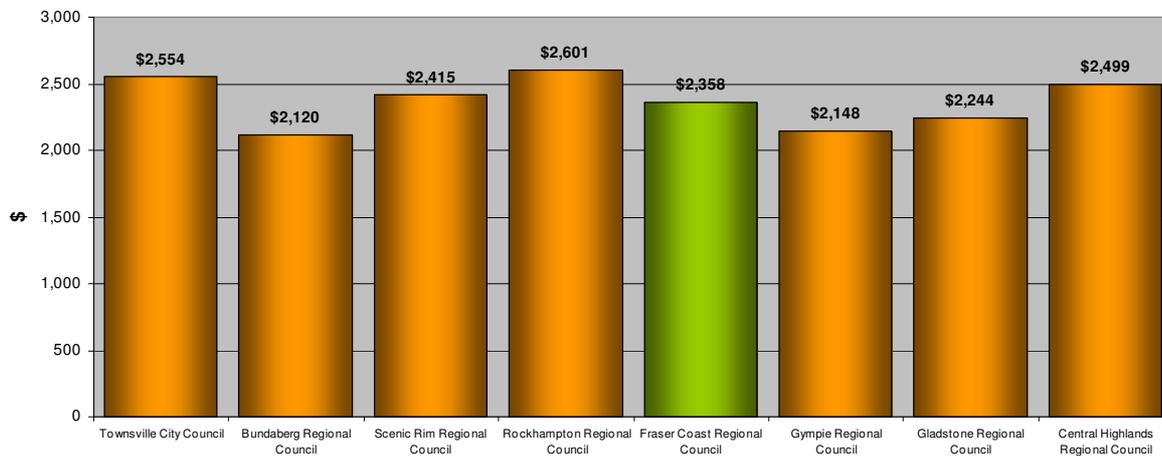
Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476

**Average Residential Rate Comparison 2009/10
Urban Regional Large Councils (URL)**



**Average Residential Rate Comparison 2009/10
Land Valuation \$90,000 - \$106,000**



For media enquiries contact:

Kevin Corcoran, Principal Officer, Corporate Communications
Ph: 07 4197 4500 or 0409 724 803

Jan Rolston, Senior Media Officer
Ph: 4197 4464 or 0407519 476