



WEIPA TOWN AUTHORITY POLICY

Revenue Statement

Policy Number: WTA – P – F02 **Date Adopted:** 15-Jul -11
Version: 2011-12 **Review Date:** Jun-12

In accordance with s.520A of the *Local Government Act 1993* and s.56 of the *Local Government Finance Standard 2005*, the following is a revenue statement that outlines the measures adopted by Weipa Town Authority (WTA) to raise revenue and other matters.

Local Government Act 1993

s.520A Requirements and Content of Revenue Statement

- (1) This revenue statement is made to comply with the *Local Government Finance Standard 2005*.
- (2)(a) Differential general rates
 - (i) WTA does make and levy a differential general rate
 - (ii) The criteria utilised by WTA in the development of respective differential categories are 'Residential and Commercial/Industrial'. These categories are further distinguished between Rio Tinto Aluminium Ltd (RTA) owned and Non RTA owned properties due to the impact of GST charged on the General Rate and Garbage collection.

The land zonings as applied and the respective rates in \$ are contained below.
- (b) WTA does not make and levy a special rate or charge supplied by another local government.
- (c) Regulatory fees are fixed by WTA for the financial year. The criteria used to decide the amounts are based on a cost no greater than the cost to administer the action covered by the regulation.

Local Government Finance Standard 2005

s.56 (a) Requirements of the Revenue Statement

(i) Rates and Charges made and levied

The level of rates required in any particular year, are determined by the amount required to fund services, facilities and programs in that year.

Each year, WTA adopts a differential rating system which uses land zonings to determine the respective rate in the \$ which is to be applied. It is considered that such a system is the most equitable way of rating under the rating valuations and economic climate of the time.

WTA recognises that with increasing demands for improved services and the impact of inflation on the existing revenue base, there is still a



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need to generate a net increase in revenue from the rating system with the increase being shared, as much as possible, by all ratepayers.

WTA views service charges such as water, sewerage and garbage as user pays. The level of these charges is set according to the level of services provided and it is intended that each service charge will be sufficient so as the service provided will be self-funding.

(ii) Rebates and Concessions

A discount is granted on all general rates, service and utility charges if the rates are paid within 30 days of the 'date of issue' of a rate notice.

Due to the nature of the WTA, the State Government Pensioner Rate Subsidy Scheme is not available to the WTA, however the WTA will continue to honour this subsidy from the Operating Budget for those persons that would be eligible in other local government authorities.

(b) Funding Infrastructure Costs

As a general policy, WTA considers that the full costs of providing the physical and social infrastructure needed for new development should be funded by the developer through charges and contributions for the development.

Notwithstanding, WTA may partly rebate or otherwise restructure such charges and/or contributions where it expresses the opinion by resolution that is both in the community interest. Any resolution of WTA in that regard shall include a detailed statement of reasons for the resolution.

(c) Increase/Decrease in Operating Capability

The unique circumstances in which the WTA operates excludes it from access to all government (state and federal) financial support programs otherwise available to all other local government authorities for town services and infrastructure purposes.

In response, the WTA seeks and receives annual contributions for these town services and infrastructure purposes from Rio Tinto Alcan Ltd.

Specifically, WTA provides basic works and services, maintains the health and safety of its community, maintenance of public assets for the community's benefit and response to disasters.

It is WTA's policy that the financial operating capability must be commensurate with the physical operating capabilities as stated having regard to all obligations and functions of local government.



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Should external sources of works fluctuate or diminish then the financial operating capability may be adjusted accordingly. In turn, this may involve changes to revenue or expenditure levels, or both.

At the date of adoption of this statement, however, it is intended that Council will maintain its existing operating capability.

(d) Depreciation and Non-Cash Expenses

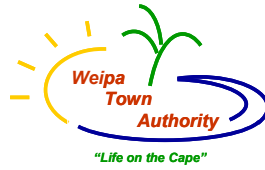
In order to comply with the requirements of the *Local Government Act 1993* and *Local Government Finance Standard 2005*, WTA will attempt to consider funding depreciation so as to reduce the cost of significant financial outlay in the future in order to replace existing assets.

In determining the extent of depreciation funding, WTA will give consideration to the current needs of the Town.

It is WTA's intention to fund major infrastructure depreciation where the replacement of the asset could not be easily undertaken with funds obtained on a year-by-year basis. At the moment these assets sit in RTA's books.

In relation to other assets WTA will attempt to undertake works that are either of a capital or maintenance nature to the equivalent level of depreciation so as to maintain the existing value of the asset. This particularly applies to roads and buildings.

Depreciation on minor assets will be undertaken should sufficient funds be available. However, WTA may choose not to fund the depreciation if its replacement is deemed to cause potential financial difficulty.



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Weipa Town Authority Revenue Statement Rates & Charges

1. General Rates

1.1 Making & Levying of Differential General Rates

Weipa Town Authority (WTA) hereby resolves to make and levy half-yearly differential general rates on the rateable value of rateable land within the Weipa Town Boundary.

1.2 Differential General Rating Categories

The criteria determined for the purpose of categorising rateable land within the WTA area shall be as follows:

Category 1	Rio Tinto Alcan - Residential
Category 2	Rio Tinto Alcan – Commercial / Industrial
Category 3	Non Rio Tinto Alcan – Residential
Category 4	Non Rio Tinto Alcan – Commercial / Industrial
Category 5	Weipa Town Authority Properties

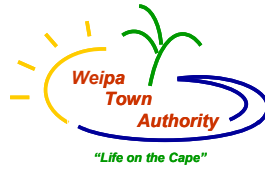
1.3 Differential General Rates Levy

The Differential General Rates for the financial year will be levied on the Unimproved Capital Value of all rateable lands within each Category as follows: -

<i>Category</i>	<i>GST exclusive rate in \$ as per valuation per annum</i>	<i>GST inclusive rate in \$ as per valuation per annum</i>
Category 1	\$0.0109	
Category 2	\$0.0174	
Category 3		\$0.0120
Category 4		\$0.0191
Category 5	\$0.00	

1.4 Minimum General Rate Levy

A minimum general rate of \$262.96 will apply for Categories 1 and 2, and \$289.25 (GST inclusive) for Categories 3 and 4.



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2. Utility Charges

2.1 Sewerage Charges – Occupied Lands

Sewerage charges for the financial year levied on all occupied land, per dwelling, within the Declared Sewerage Area as per the schedule below: -

Rate Group	Service per dwelling	Charge per annum (No GST applicable)
1, 2, 3, 4	1 st Pedestal	\$395.80 ea
1, 3	2 nd Pedestal	\$0.00
1, 3	3 rd – 21 st Pedestal	\$232.90 ea
2, 4	2 nd – 21 st Pedestal	\$232.90 ea
1, 2, 3, 4	> 21 Pedestals	\$52.55 ea

2.2 Sewerage Charges – Vacant Lands

Sewerage charges for the financial year will be levied on all vacant land within the Town Boundary at a rate of \$229.00 per annum (no GST applicable).

2.3 Garbage Service Charges

The garbage service charges for the financial year will be levied on all developed land within WTA at the rate of \$291.40 per dwelling per annum (plus GST).

This service charge includes a twice weekly garbage collection service as per the current Garbage Collection Contract.

2.4 Unmetered Water Service Charges

An unmetered water service will be charged at \$53.55 per unit rate per dwelling per annum. Houses and flats are allocated 10 units per annum, business/commercial properties allocation varies according to the nature of the business and water use. (No GST applicable.)

2.5 Water Service Charge – Vacant Land

Vacant land shall be charged at a rate of \$229.00 per parcel per annum. (No GST applicable.)



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3 General

3.1 Time and Manner of Payment of General Rates and/or Utility Charges

All general rates and utility charges will be levied on the owner by the service of half yearly rate notices and will be due and payable by the owner within 30 days after the date of issue of the rate notice.

3.2 Interest on Arrears of Rates and Utility Charges

Compound interest at a rate of 11% per annum compounded daily will be levied on all general rates and utility charges which remain unpaid 60 or more days from the date of issue.

3.3 Discount on General Rates and Utility Charges

Every person who pays in full the balance of general rates and utility charges owing by the due date (which will be at least 30 days after the date of issue of the rate notice), will be entitled to a discount of two and one-half percent (2.5%).

The discount will not apply to arrears of general rates and utility charges.

3.4 Payment of Rates by Instalments

Payment of overdue general rates and utility charges by instalments may be approved subject to payment history and other relevant circumstances. A premium of 11% per annum compounded daily on the overdue amount will apply.

3.5 Pension Remissions

All eligible pensions will be granted a remission of rates payable to an annual maximum value of \$440.00.