

FIRST RATE

JULY 2009



WELCOME TO FIRST RATE

This is Southland District Council's financial/rates newsletter which will tell you how Council uses your rates to look after Southland.

In 2009/2010 rating will provide 47% of Council's total revenue. The remaining 53% comes from other sources, such as roading, subsidies from the New Zealand Transport Agency, fees and charges received for services and development and financial contributions.

This is the first year that Council will be increasing the amount of funding going towards roading maintenance, in particular gravel roads and re-sealing of roads. This is an attempt to maintain this large network of over 5,000km of roads to a good standard.

Council will also be looking at what is needed for roading over the next twelve months.

The District rate has increased by 6.89 %, with the total amount of District rates collected being \$23,090,102. The total rate intake, including both local and District rates, is \$31,534,629.

Rates on your own property will vary depending on where you live, the local projects being funded and the services you receive.

BALANCING NEEDS AND COSTS

Rates are the main source of income for Councils throughout New Zealand.

Every year we try to balance the needs and wants of our communities, along with the legislative requirements, with the cost of projects and the need to keep rates as affordable as possible.

In this time of economic uncertainty we are very aware of how some people are struggling, but we are also very conscious of the growing expectations about protecting the environment.

It is a huge balancing act and the only option to reduce costs lies in the activities which have some choice about levels of service, or how Council funds it.

In the 2009-2019 LTCCP, we have made some savings, but we have maintained the existing levels of services because we believe it is important not to create a long term problem for future communities by cutting spending now on things that will still need to be done in the future.

Funding the necessary maintenance on Southland roads makes up a large percentage of Council expenditure

and we continue to fight the ongoing battle with Central Government about how that is funded.

The costs of funding that maintenance have increased markedly through circumstances beyond Council control and we believe an appropriate short-term balance has been struck, but the need for road user charges and petrol taxes being returned to the province will be an issue we continue to talk to Central Government about.

I hate to repeat myself but if we didn't have the 8% increase in roading costs, we would have had a less than 3% rates increase.

The 2009-2019 LTCCP aims to gradually increase the level of rates over time rather than imposing a big jump in one year to meet the increased roading costs. We believe it is a robust document appropriate for the current economic times, but as with any Council plan, it is subject to constant review.

I would like to thank all those who took part in the submission process as your feedback put forward different ideas and encourage Council and staff to think outside the square for solutions to the difficulties we face.

I encourage you all to continue to be part of the process because then we can work together towards our vision of "thriving, healthy communities whose economic, cultural and social wellbeing and opportunities are supported by excellent infrastructure, services and amenities within a high-quality environment."



Mayor Frana Cardno

KEY DATES FOR PAYING RATES

You may pay your rates in full or by instalments. To avoid penalties at least one quarter of your rates must be paid quarterly by the dates below.

INSTALMENT	DUE DATE
First	28 August 2009
Second	27 November 2009
Third	26 February 2010
Fourth	28 May 2010

FINANCIAL INFORMATION

Civil Defence,
Rural Fire and SIESA
\$1,953,164



Library services,
Council Offices and
District Support
\$4,444,843



Public Health
Services & Other
Capital Expenditure
\$6,023,387

Building Regulation
\$1,277,711

Forestry
\$550,783



Sewerage &
Stormwater Disposal
\$7,648,830

Representation, Strategy,
Policy and Planning
\$5,000,324

Water
\$8,431,728



Development
& Promotions
Regional Heritage
\$2,994,780

Waste Management
& Wheelie Bin collection
\$3,564,298



Local General Expenditure
& Community Centres
\$3,028,829



Roading
\$28,751,570

**TOTAL OPERATING &
CAPITAL EXPENDITURE
\$73,670,247**



Figures shown are Operating Expenditure and Capital Expenditure



THE SOUTHLAND DISTRICT COUNCIL OFFERS ITS RATEPAYERS A VARIETY OF OPTIONS TO PAY THEIR RATES.

Automatic Payment, Telephone Banking

An automatic payment is where you instruct your bank to pay the Council a regular amount. Please contact Council for an automatic payment form or for details to forward to your bank for telephone banking purposes.

Credit Cards (Master Card and Visa only)

You can use your Visa or Mastercard to pay your rates, either by going into Council offices or filling in the credit card details on the back of the instalment notice and sending it back to Council.

Internet Banking

You may pay your rates by internet banking and to assist you with this Southland District Council is set up as a Bill Payee with all New Zealand banks.

Please select the option: SOUTHLAND DISTRICT COUNCIL - RATES and enter your valuation and billing numbers where indicated.

If you have more than one rate account to pay to Council please ensure you complete a separate transaction for each rates account.

Direct Debit

Council offers a direct debit facility for rating. You can choose to pay your rates annually, quarterly or monthly and Council will debit your bank account accordingly. You are advised of the dates and amounts of your payments before Council debits your account. Direct debits ensure that all payments are made on time, and Council will adjust annually the amount required for you. Direct Debits can be arranged by contacting the Rates Department on 0800 732 732. Alternatively, you may visit staff at one of our area offices.

Cheques, Cash and Eftpos

Cheques may be sent or handed in to any Council office. Cash or Eftpos will be accepted at the reception counter of any Council office.

Enquiries can be made at any Council office or by email, phone or fax.

EMAIL ADDRESS:

rates@southlanddc.govt.nz

TELEPHONE NUMBER FOR ALL COUNCIL OFFICES:

0800 732 732

FAX NUMBER FOR ALL COUNCIL OFFICES:

0800 732 329

INVERCARGILL

15 Forth Street, PO Box 903, Invercargill 9810

LUMSDEN

18 Diana Street, Lumsden 9730

OBAN

Ayr Street, Halfmoon Bay, Stewart Island 9846

OTAUTAU

174 Main Street, Otautau 9610

RIVERTON

117 Palmerston Street, Riverton 9822

TE ANAU

116 Town Centre, Te Anau 9600

WINTON

1 Wemyss Street, Winton 9720

WYNDHAM

24 Balaclava Street, Wyndham 9831

RATES REBATE

Central Government provides funding for rates rebates for low-income homeowners and in this year's Budget, increased the thresholds for the 2009/2010 year.

The Rates Rebate Scheme provides a rebate of up to \$550 for low income earners who were paying rates for the home in which they were living in on July 2009.

The income eligibility for a rebate is \$21,910. However, if your income exceeds this amount, you could still be entitled

to a full or partial rebate on your rates, depending on your income, the total cost of your rates and the number of dependants.

The closing date for rebate applications for the 2009/2010 year is 30 June 2010.

Please note also that you can not apply for a rebate if any of the following apply:

The property is a farm

The property is used for commercial, industrial or business purposes

The property is a rental property

You have already applied for a rebate in the current rating year

You do not qualify as the legal ratepayer

You can apply for a rates rebate through Council's rates officers, who are happy to answer any questions you might have.

Call Graeme or Helen on **0800 732 732** or email them at rates@southlanddc.govt.nz



SOURCES OF FUNDING/ FREQUENTLY ASKED QUESTIONS

WHY HAVE MY RATES GONE UP?

District rates are rates that everyone pays and over half the increase in the District rate of 6.93% can be attributed to roading (3.47%).

This is because more spending is required to maintain our existing roads due to increases in the cost of doing the work, such as fuel and bitumen and contracted labour.

The remainder of the increase is spread over the remaining district rates. These reflect the increase in the cost to Council in maintaining infrastructure and providing services to the community and were consulted on in April/May of this year in the Council's ten year plan.

Council has also changed the way it collects its Public Health rate. This will now be collected with a Uniform Annual Charge rather than based on land values and this will mean an increase in this rate for low land value properties.

The local component of your rating assessment are rates or services that relate to your town, ward or property and include things like water, sewerage and township rates. These rates will increase or change based on the requirements or needs of your particular community.

Council is also having to meet higher standards of drinking water, sewerage disposal and monitoring of stormwater discharges. These requirements have seen significant increases in some local rates.

For more detailed information relating to Council's rates, projects and compliance issues please refer to a copy of Long Term Council Community Plan (LTCCP or Ten year plan).

Copies of this plan are available from Council and on Council's website www.southlanddc.govt.nz. Please call 0800 732 732 for further information.

WHAT IS THE WASTE MANAGEMENT RATE FOR?

The Waste Management Rate pays for costs associated with the District transfer stations and waste minimisation activities, such as recycling centres.

A portion of transfer station costs are funded by user fees as well.

Sources of Funding

District Rates	\$23,090,102
Local Rates	\$ 8,444,527
Fees and licences	\$ 6,742,742
Central Government subsidies and grants (including NZTA, MOH)	\$20,124,840
Other Income (incl sub-division sales)	\$ 2,263,250
Interest	\$ 1,107,688
Assets gifted to Council from developers	\$ 1,902,233
Contributions from developers	\$ 575,708
Recovery from new sewerage/water schemes	\$ 2,426,257
Net Reserve Transfers	\$ 4,303,977
Net Loan Funding (internally funded)	\$ 2,688,923
TOTAL INCOME	\$73,670,247

WHEN WILL PROPERTY RATING VALUATIONS BE REVIEWED AND WHAT ARE THESE VALUATIONS FOR?

The next revaluation will occur 1 September 2009 and the result of this will be mailed to ratepayers starting 22 December 2009.

These new valuations will be used for rating purposes effective 1 July 2010. Due to the external audit process for the valuations, the valuations are unavailable to the public until the owners' notices are posted.

The rating valuations are compiled by statute, under the Rating Valuations Act 1998, mainly as a uniform base for levying local authority and regional council rates. Values should reflect estimates of market values as at the valuation date, the most recent being September 2006.

To view the current valuation for an address go to www.southlanddc.govt.nz and click on Rates and Fees and select Property Search.