



# MediaRelease



## How rates are worked out

The 2016/17 Lockyer Valley Regional Council Budget will ensure the long-term financial sustainability for the region, according to Councillors.

In handing down the 2016/17 Budget, Council undertook a two-fold process of firstly dramatically cutting back operational expenditure, and secondly, keeping any increase in the general rate as low as possible while still being able to raise enough revenue to ensure Council's long-term financial sustainability.

After examining numerous options through a series of recent Budget workshops, Council has increased general rates by 4.8% for residential property owners. This is in addition to new property valuations which came into effect from 1 July, so any change in the value of the land will also be translated into a change in rates. For most properties, the additional amount of general rates will be \$120 or less for the year.

Some categories, such as service stations, supermarkets, shopping centres, motels and caravan parks, will see an increase of 2.4% (in addition to any valuation changes) in acknowledgement of the substantial increases they have experienced in the previous two Budgets.

Finance Portfolio Chair, Councillor Chris Wilson said Councillors accepted this was a tough budget, but for the future sustainability of the region, it was necessary.

“This is the first time in the history of Lockyer Valley Regional Council that we are delivering a planned operating surplus and to achieve that, we had to cut our own operational expenditure by more than \$2.5 million.

“As a new Council, we are extremely proud of that. We are committed to getting back on a path of long-term financial sustainability.

“Over recent years Council has been operating in a deficit, which in the long-term is not good business. Put simply, Council could not continue to spend more money than it earns.

“In delivering this Budget, we examined over a dozen different models with varying increases and decided this was the best for the overall long term benefit of the region and for us as an organisation to pay back our debt faster. In fact we are now able to repay an additional \$700,000 a year on loans.

“This Budget will not only eliminate the threat of future rate shock, but also ensure the Lockyer Valley continues to thrive,” he said.

During the remainder of the year, Council will conduct a review of its rating structure to ensure any future rates burden is spread appropriately and that rating categories reflect this.

It is expected rate notices will be issued on 12 August, with payment to be made by 16 September 2016.

For further information, visit [www.lvrc.qld.gov.au](http://www.lvrc.qld.gov.au) or contact Council on 1300 005 872.