



# Special Rating Areas (Including CIDs)

Introduction

Date: MAY 2010

**LLANDUDNO CIVIC ASSOCIATION  
BUDGET**

**2010 ACTUAL**

**INCOME**

111 616

Subscriptions (98 members @ R500pa)

49 000

Discretionary donations from members

46 166

Film shoots

6 700

Interest

9 750

**EXPENSES**

**ADMIN COSTS**

8 191

Accounting, secretarial etc

4 934

Printing & stationery

3 257

Manager's salary

**PROVISION OF SERVICES**

99 000

Coast Care

99 000

**MARKETING**

6 840

Website costs

6 840

**SECURITY**

21 988

Equipment purchases, maintenance etc

21 988

**TOTAL EXPENSES**

136 019

# What is an SRA?

- Geographically bound area
- Supported by majority of property owners
- Willing to pay additional rate on property
- To fund proposed improvements/upgrading of the area

# Legal framework

- **SRA By-Law**
  - **Section 22 of Municipal Property Rates Act**
  - **Municipal Finance Management Act**
  - **SA Constitution (Schedules 4 & 5)**
  - **Companies Act (Sect 21)**
  
- **SRA Policy**

# Typical SRA Services

- **Provide ‘top up’ municipal services**
- **Combat urban decay / degeneration**
- **Provide extra public safety**
- **Provide extra cleansing**
- **Provide area management**
  - maintenance of infrastructure
  - upgrading environment
- **Expand social/community involvement**
- **Create joint ventures with Council**

# Typical Benefits

- Well managed areas
- Low vacancy rates
- Pride in communal achievements
- Create social responsibility
- Environmental awareness (recycling, greening, energy efficiency, conservation)
- Attract new capital investments
- Marketing / promoting of area
- Increase in property values

# Establishment principles

- **Services are specific to the needs of the area**
- **Majority support (>50%) so mandatory participation**
- **Form section 21 company**
- **Municipal valuation determines members' portion (SRA levy) of SRA budget**
- **SRA levy collected by the City**
- **Levy to be spent in SRA only**
- **Dissolution mechanism**

**LLANDUDNO CIVIC ASSOCIATION**  
**BUDGET FOR VARIOUS SCENARIOS**

	<b>2010 ACTUAL</b>	<b>SRA CURRENT</b>	<b>SRA PART TIME MANAGER</b>	<b>DEDICATED MANAGER</b>
<b>INCOME</b>	111 616	233 600	355 400	462 200
Subscriptions (98 members @ R500pa)	49 000			
Discretionary donations from members (356 members @ R50pm)	46 166	213 600		
(356 members @ R75pm)			320 400	
(356 members @ R100pm)				427 200
Film shoots	6 700	10 000	25 000	25 000
Interest	9 750	10 000	10 000	10 000
<b>EXPENSES</b>				
<b>ADMIN COSTS</b>	8 191	11 300	135 800	195 800
Accounting, secretarial etc	4 934	5 300	7 800	7 800
Printing & stationery	3 257	6 000	8 000	8 000
Manager's salary			120 000	180 000
<b>PROVISION OF SERVICES</b>	99 000	150 000	160 000	180 000
Coast Care	99 000	150 000	160 000	180 000
<b>MARKETING</b>	6 840	10 000	10 000	10 000
Website costs	6 840	10 000	10 000	10 000
<b>SECURITY</b>	21 988	48 000	48 000	60 000
Equipment purchases, maintenance etc	21 988	24 000	48 000	60 000
<b>TOTAL EXPENSES</b>	136 019	219 300	353 800	445 800
<b>SURPLUS / SHORTFALL ( - )</b>	<u>-24 403</u>	<u>14 300</u>	<u>1 600</u>	<u>16 400</u>