

Newspaper articles - Removed due to copyright concerns

LACHLAN SHIRE COUNCIL

Community Strategic Plan Presentation

2015/16 – 2019/20

June 2015



LACHLAN SHIRE COUNCIL

Robert Hunt
General Manager

June 2015



Context

- The Independent Local Gov't Review Panel Report to the NSW Government has recommended that LSC be a stand-alone Council in a Central West Joint Organisation or merge with Parkes Shire Council.
- To stand alone LSC must become “Fit for the Future” (FFTF) and meet several financial, infrastructure and efficiency targets. Currently we do not meet any of the targets.
- Our Operating Profit before Capital Grants and contributions as at June 2014 was a loss of \$7.4m – we have to find this to be FFTF.



Measures to Become Sustainable

- Reduce Expenditure
- Increase Fees and Charges
- Review Service Levels (staff)
- Increase Rates
- Borrow
- Combination of the Above



Additional 5% Per Annum Rate Increase Over 4 Years from 2016/17

- Rates are proposed to be increased by 5% per annum each year for 4 years in addition to the rate peg increase of 2.4% p.a. giving a total increase of 33% over the 4 year period.
- The estimated standard rate pegging increase each year for the next 4 years is expected to be 2.4% and this makes up 10% of the estimated 33% rate increase.
- The special rate increase if approved will apply in the year after next year (2016/17)



Rate Comparison as per OLG

Comparative Indicators 2013/14

| Council | AV Residential Rate | AV Business Rate | AV Farmland Rate |
|----------------|---------------------|------------------|------------------|
| LACHLAN | \$405 | \$511 | \$2,552 |
| Parkes | \$616 | \$2,695 | \$1,816 |
| Narromine | \$525 | \$1,588 | \$3,144 |
| Forbes | \$714 | \$2,482 | \$2,167 |
| Cobar | \$500 | \$989 | \$1,514 |
| Bogan | \$198 | \$1,202 | \$2,298 |
| Bland | \$434 | \$1,000 | \$2,537 |
| Weddin | \$400 | \$795 | \$1,253 |



Approved Rate Rises Since 2013/14

- Weddin Shire - 30.34% over 4 years
- Narromine Shire – 12.8% over 2 years
- Cobar Shire – 25% in one year
- Parkes Shire 63% over 4 years



Impact of Rate Increase in 2016/17 with First 7.4% increase

- Average business rate increase will be \$38p.a. or 74c per week
- Average residential rate increase will be \$33 p.a. or 64c per week
- Farmland average rate increase will be \$198 p.a. or \$3.81 per week
- Residential Non Urban rate increase will be \$42 p.a. or 81c per week



LACHLAN SHIRE COUNCIL

John Chapman
Chief Financial Officer

June 2015

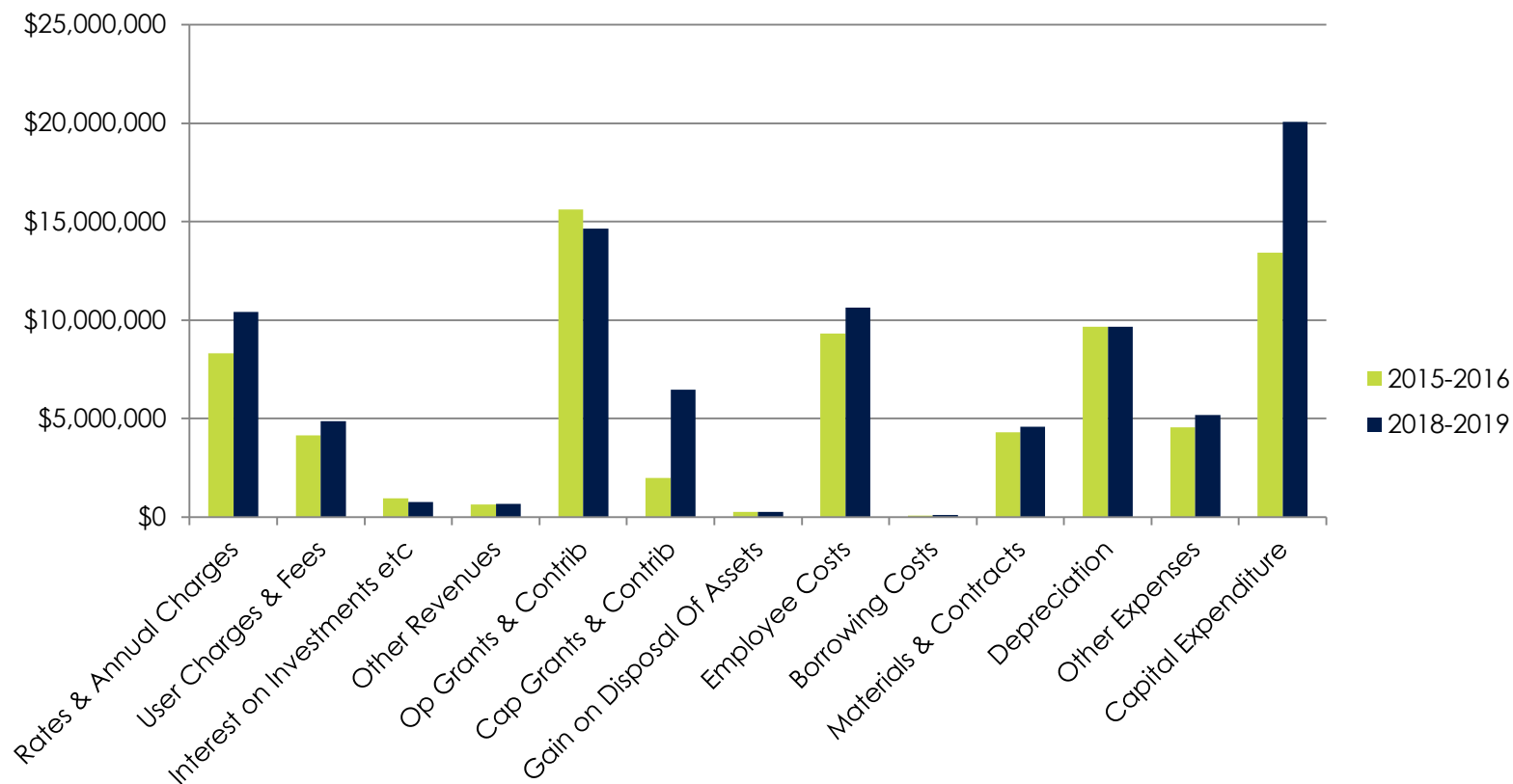


Roads, Buildings, Water and Sewerage Services

- Ageing Infrastructure
- Increasing Maintenance Required
- Stricter Environmental Regulations (water, sewerage and waste management)
- Capital Works/Renewals Required (all assets)
- Government Grants (not guaranteed)



Income and Expenditure Comparison 2015/16 and 2018/19



Water / Sewerage Infrastructure Expenditure

| Item | Cost Next 4 Years |
|------------------------------------|----------------------|
| Water Mains Maintenance | 1,044,020 |
| Water Meters Maintenance | 448,280 |
| Filtration Plant Maintenance | 1,674,410 |
| Reservoirs Maintenance | 90,700 |
| Telemetry Plant Maintenance | 224,690 |
| Pump Stations Maintenance | 417,370 |
| Chemicals | 830,500 |
| Water Infrastructure Capital Works | 11,647,500 |
| Sewer Telemetry Plant | 144,670 |
| Sewer Mains Maintenance | 377,040 |
| Sewer Pump Stations Maintenance | 551,360 |
| Sewer Treatment Plants Maintenance | 1,430,950 |
| Sewer Infrastructure Capital Works | 525,000 |
| | |
| Total Expenditure over 4 Years | \$ 19,406,490 |



Water / Sewerage Charges Comparison as per OLG Comparative Indicators 2013/14

| Council | Typical Residential Water / Sewer Bill |
|-----------|--|
| LACHLAN | \$1841 |
| Parkes | \$514 |
| Narromine | \$1,673 |
| Forbes | \$1,302 |
| Cobar | \$973 |
| Bogan | \$1, 234 |
| Bland | \$1020 |
| Weddin | \$356 |



LACHLAN SHIRE COUNCIL

Gordon Thomson

Director Community Services and
Governance

June 2015



LACHLAN SHIRE COUNCIL

Community Services and Governance

June 2015



Information Communication and Technology 2015/16

- Server Replacement - \$46,000
- Communications Upgrade (Radio Network) - \$9000

Libraries

- Pursuit of Grant Based Opportunities to Upgrade Technology Applications at Condobolin, Lake Cargelligo and Tottenham



Home and Community Care

- Changes in Commonwealth Funding from November 2015 – May Impact on Service Delivery
- Possible Impact on Meals on Wheels (Tottenham) – Council to Cover



Children's Services

- Service delivery to continue at existing levels
- Mobile service to: Tullibigeal; Euabalong West; Lake Cargelligo; Condobolin
- Management of waiting lists a priority focus
- Collaborative approach with other providers to continue



Youth Services

- Delivered through Western Plains Regional Development Inc
- Funding limit from 2014/15 carried forward to 2015/16
- Development of Strategic Plan and alignment of funding to Community Strategic Plan to better coordinate service delivery



Medical Services

- Cost Recovery options to be exercised and assist in recovery of rent and other services
- Collaborative approach to improving access to wider medical professional services for Shire to continue



LACHLAN SHIRE COUNCIL

Phil King
Director Infrastructure
Services

June 2015



LACHLAN SHIRE COUNCIL

Infrastructure Services

June 2015



Parks, Reserves and Horticulture

- \$155,000 on Shade Structures
- \$115,000 on Irrigation

Sports Grounds and Recreation

- \$50,000 on Tullibigeal Recreation Ground Access Road
- \$35,000 on Lake Cargelligo Show Ground (2016/17)
- \$695,000 on Pat Timmins Oval Irrigation and Change Rooms

Stormwater

- \$250,000 in Condobolin, Tullibigeal, Lake Cargelligo



Roads and Footpaths

- \$2,985,765 Roads to Recovery
- \$2,974,411 Regional Roads Program
- \$953,736 Rural Roads (both sealed and unsealed)
- \$199,500 Urban Streets Program

Water

- \$557,500 Capital Upgrades and Renewals

Sewer

- \$570,000 Capital Upgrades and Renewals



Parks, Reserves and Horticulture

Shade Structures

- **Condobolin**
 - Wiradjuri Park
 - Gum Bend Lake
 - Buckland Park
- **Lake Cargelligo**
 - Apex Park
- **Tullibigeal**
 - Tullibigeal Toddler's Pool



Parks, Reserves and Horticulture

Irrigation

- **Condobolin**
 - Sacred Park
 - Apex Park
 - Major Mitchell Park
 - Marlin Park
- **Lake Cargelligo**
 - Rotary Park (2016/17)
 - Maurice O'Conner (2018/19)
- **Tottenham**
 - Memorial Park
- **Albert**
 - Albert Park (2018/19)
- **Burcher**
 - Burcher Park (2018/19)



Sports Grounds and Recreation

Tullibigeal Recreation Ground

- Access and Road

Lake Cargelligo Show Ground (2016/17)

- Water Supply Line
- Tree Line

SRA Grounds

- Pat Timmins Oval Change Rooms (2017/18)
- Pat Timmins Oval Irrigation (2018/19)



Roads and Footpaths

Roads to Recovery

- \$670,000 SR105 Wamboyne Road (6.4km)
- \$100,000 SR214 Nillsons Lane (500m)
- \$60,000 SR11 Corinella Road (350m)
- \$105,000 SR37 Yambora Road (700m)
- \$560,000 SR3 Tabratong Crossing Road (6.52km) over 2 years + \$143,000 Federal Black Spot Funding
- \$150,000 SR5 Lansdale Rd (1.2km)
- Tip Roads – Condobolin, Tottenham, Lake Cargelligo

Resheets

- Shoulders, SR13 Millridge Road, SR23 Jumble Plains Road
- SR194 North Uabba Road



Roads and Footpaths

Regional Roads

- \$400,000 Reseals \$50,000 Culverts across the shire
- \$1,064,000 MR347 Dandaloo Road (50% Federal HVSP Grant)

Shoulder Resheets

- \$30,000 MR423 Lachlan Valley Way
- \$140,000 MR7513 Lake Cargelligo Road
- \$131,000 MR7521 Kiacatoo Road
- \$70,000 MR231 Wyalong Road
- \$100,000 MR371 Rankins Springs Road

Heavy Patching

- \$30,000 MR57N Fifield Road
- \$60,000 MR57NN The Bogan Way



Roads and Footpaths

Sealed Roads Construction

- \$600,000 MR231 Wylong Road
- \$100,000 MR7513 Lake Cargelligo Road (*at Nillsons Lane*)
- \$50,000 MR371 Rankin Springs Road Upgrade Culverts
- \$90,000 MR7514 Nyngan Road 700m

Reconstruct Seals and Causeways

- \$30,000 MR208 Brewer Lane (200m)
- \$25,500 MR1347 Albert Road (150m)
- \$10,500 MR1187 Palesthan Road
- \$9,000 MR25 Kerriwah Road
- \$3,000 MR50 Vermont Hill Road
- \$1,500 MR44 Melrose Plains Road



Roads and Footpaths

Unsealed Roads, Resheets and Culverts

- \$30,000 SR45 Boona Road Culverts
- \$25,000 SR14 Tiger Creek Road Resheet
- \$25,000 SR45 Boona Road (*realign corner at Worthingtons*)
- \$15,000 SR16 Kaludah Road Concrete Causeway



Roads and Footpaths

Footpaths and Pathways

- \$110,899 Lake Cargelligo Walkway
- \$36,390 Lachlan Street Condobolin
- \$30,080 Canada and Uabba Streets Lake Cargelligo

Urban Streets

- \$50,000 Intersection Melrose Road and Silo Road Traffic Island
- \$80,000 Grace Street, Lake Cargelligo widen seal (2.5km)
- \$50,000 Parkinsons Lane seal 200m



Stormwater

- **Condobolin**
 - \$50,000 Whiley Street
- **Lake Cargelligo**
 - \$79,500 Lake Street
- **Tullibigeal**
 - \$100,000 Town Improvements

Stormwater Maintenance Hole upgrades

- \$20,000 Shire Wide



Water Reticulation

- **Condobolin**
 - \$70,000 Water Mains Replacements
 - \$20,000 Reticulation Cross Examination Audit
- **Lake Cargelligo**
 - \$42,500 Water Mains Replacements
- **Tottenham**
 - \$20,000 Town Mains Valve Replacement
 - \$35,000 Water Mains Replacements
- **Tullibigeal**
 - \$80,000 Town Mains Valve Replacements



Water Treatment

- **Condobolin**
 - \$90,000 WTP Mechanical and Electrical Works
 - \$200,000 Building Restoration
 - \$10m Four Year Plan for a New Water Treatment Plant
- **Lake Cargelligo**
 - \$125,000 Fluoridation
- **Tottenham**
 - \$10,000 Clear Water Pump Replacement
- **Tullibigeal**
 - Explore the Possibility of Water Treatment



Sewer Infrastructure

- **Condobolin**
 - \$400,000 Low Pressure Sewer – East Condobolin
 - \$50,000 Sewer Mains Replacement
 - \$25,000 Sewer Pump Mechanical Renewal
- **Lake Cargelligo**
 - \$50,000 Sewer Mains Replacement
- **Tottenham**
 - \$20,000 Sewer Mains Replacement
- **Tullibigeal**
 - Explore the Possibility of Water Treatment



LACHLAN SHIRE COUNCIL

Andrew Johns

Director Environment and Planning

June 2015



LACHLAN SHIRE COUNCIL

Environment and Planning

June 2015



Environment and Planning 2015/16 – 2018/19

Expenditure

- \$2.4million for new SRA Community Hall Condobolin (currently seeking grant funds)
- Waste Facility Rationalisation for Condobolin, Lake Cargelligo, Burcher and Tullibigeal
- New Lift for Condobolin Community Centre
- New Boat Ramp for Lachlan River, Condobolin
- Refurbishment of Original Melrose Street Medical Centre, Condobolin



S94A Developer Contribution

- Implementation of Section 94A Developer Contributions Plan.
- This will enable Council to levy development contributions to provide the appropriate public amenities and services required to maintain and enhance amenity and service delivery within the LSC area.

| Proposed cost of the development | Maximum percentage of the levy |
|----------------------------------|--------------------------------|
| Up to \$100,000 | Nil |
| \$100,001 - \$200,000 | 0.5 % |
| More than \$200,000 | 1.0 % |



Waste Fees and Charges

- Council will be introducing fees for domestic, industrial, commercial, mining and agricultural waste.
- Fees will commence in the new financial year at Condobolin, Lake Cargelligo, Tullibigeal, Tottenham and Burcher.



Community Hall Charges

- Council has rationalised the way it charges for the use of its Community Halls.
- Charges are needed to ensure that critical maintenance and upgrade works are able to be funded. This will ensure that our Community halls are in good condition for the use of current and future generations.



LACHLAN SHIRE COUNCIL

**Special Rate
Variation
Presentation**

2016/17 - 2019/20



Context

- For LSC to become “Fit for the Future” it had to meet several financial, infrastructure and efficiency targets.
- Following a thorough review of our operations, we reduced expenditure, cut staff, raised some user fees and charges, looked at increasing productivity, borrowed money, reviewed service levels and proposed a rate increase of 33% to be staged over 4 years.
- LSC then met all the targets with the exception of scale and capacity which IPART stated was due to our population being under 10,000, however the Government believes some Councils do have scale and capacity and LSC is awaiting advice on this.



Proposed Rate Increase

- LSC has twice previously engaged Micromex Pty Ltd to independently survey 250 community members on whether they would support a 33% rate increase to enable LSC to be financially fit for the future and the majority of those surveyed indicated they would support a rate increase.
- LSC is now making an application to IPART to approve a 32.31% increase over 4 years and part of that application process is to ensure the community is aware of the proposed rate increase and its financial impacts on residents.
- Of the 32.31% increase, 9.31% is represented by rate peg increases which would normally be payable over the 4 year period. LSC is basically seeking a 5% per annum increase above the rate peg increase in each of the 4 years and this increase is to remain permanent. The usual rate peg increases will then resume in 2020/21

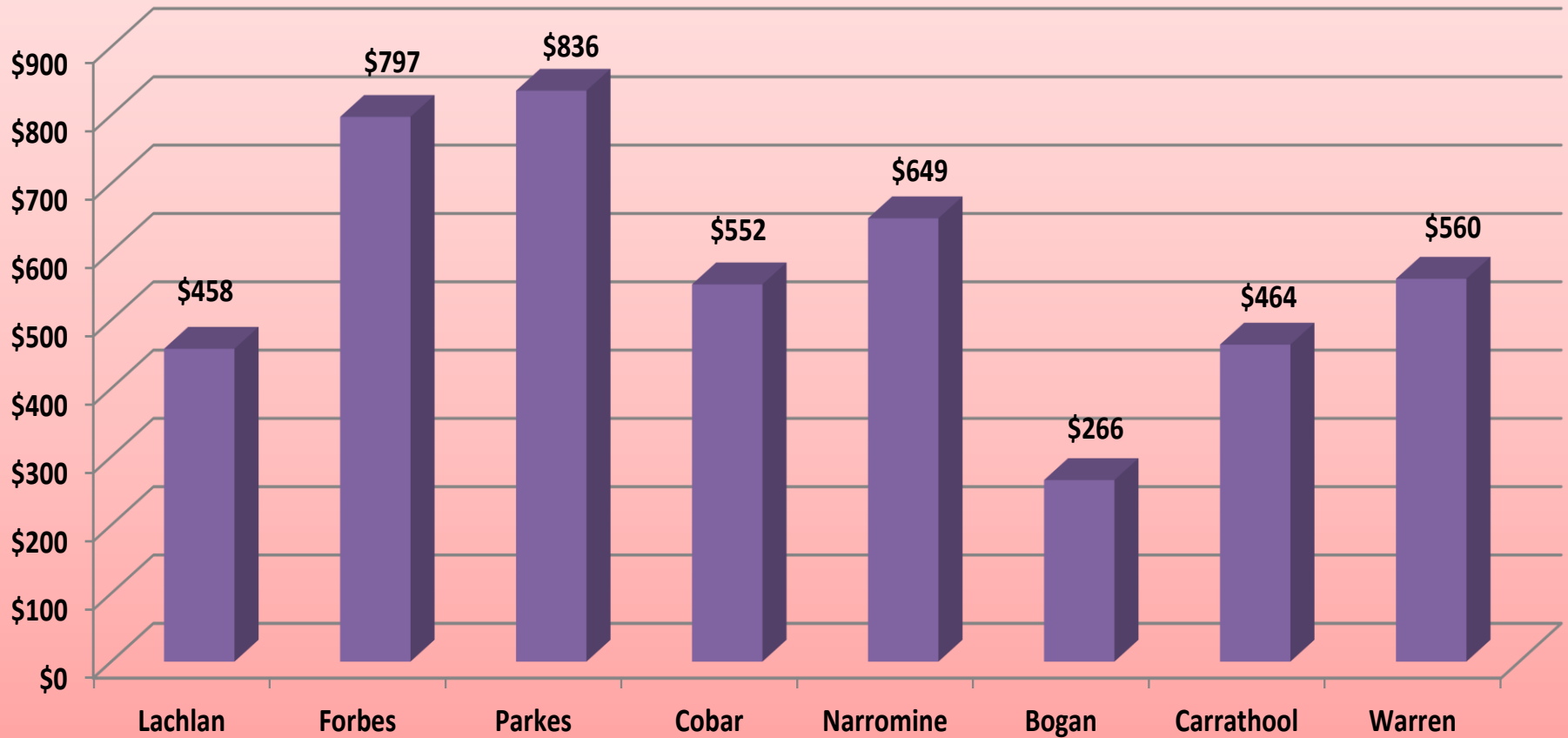


Rate Comparison 2015/16

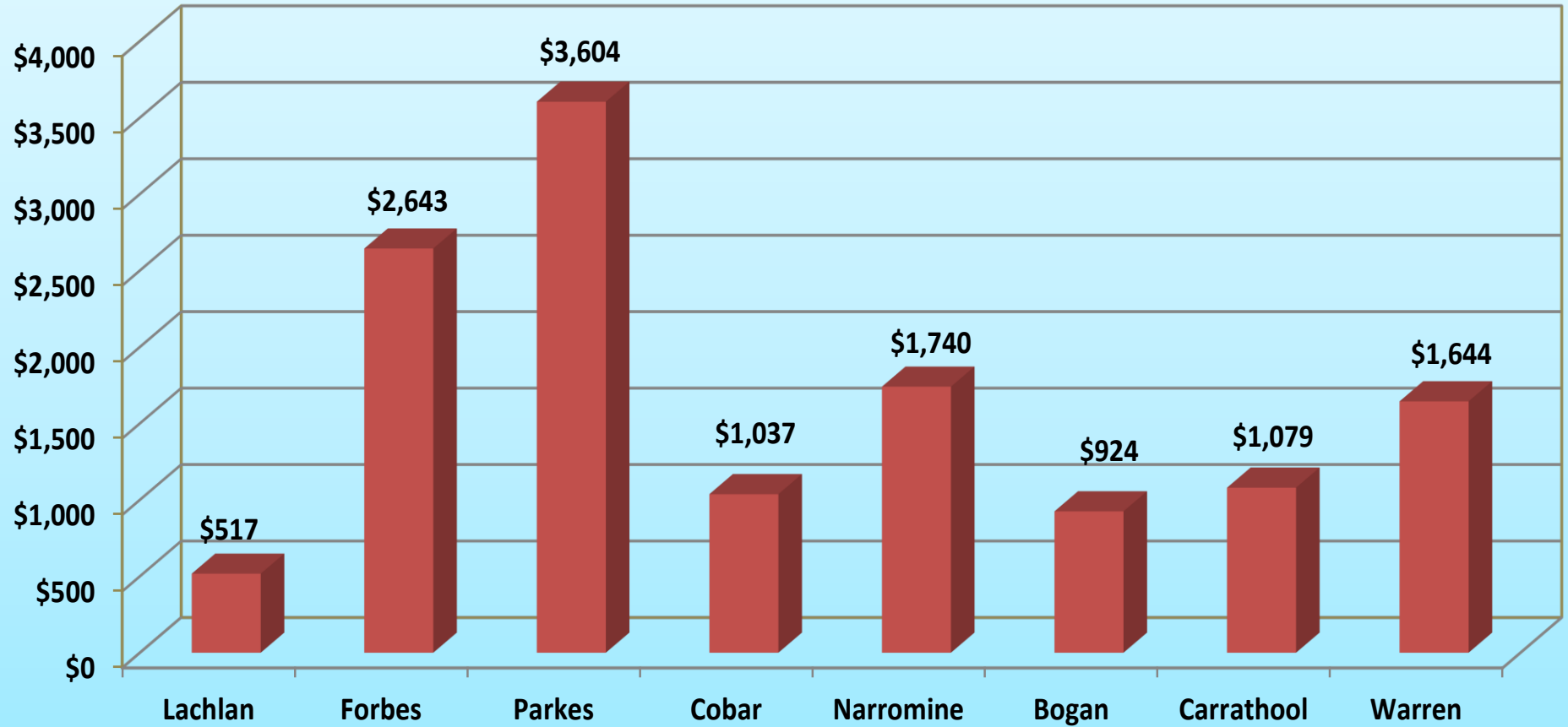
| Council | AV Residential Rate | AV Business Rate | AV Farmland Rate |
|------------|---------------------|------------------|------------------|
| LACHLAN | \$458 | \$517 | \$2,676 |
| Parkes | \$836 | \$3,604 | \$2,272 |
| Narromine | \$649 | \$1,740 | \$3,425 |
| Forbes | \$797 | \$2,643 | \$2,270 |
| Cobar | \$552 | \$1,037 | \$1,563 |
| Bogan | \$266 | \$924 | \$2,484 |
| Warren | \$560 | \$1,644 | \$5,379 |
| Carrathool | \$464 | \$1,079 | \$2,736 |



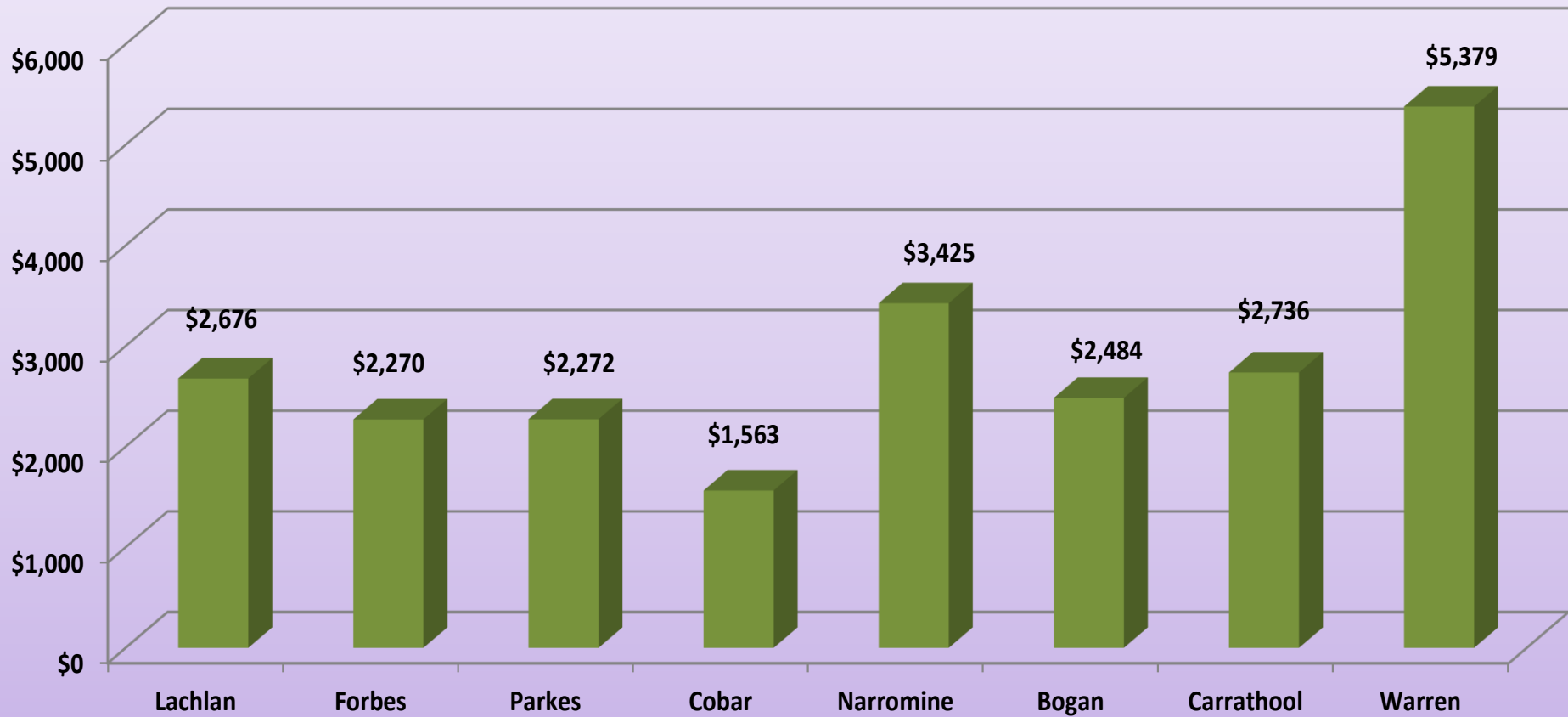
Average Residential Rates



Average Business Rates



Average Farmland Rates



Impact on Residential Rates

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Cumulative Increase |
|---|---------|---------|---------|---------|---------|----------------------------------|
| Average residential rate under rate peg of 1.8% in 2016/17 then 2.4% from 2017/18 onwards | \$446 | \$454 | \$465 | \$476 | \$488 | 9.2% |
| Average residential rate with a SRV of 6.8% in 2016/17 then 7.4% from 2017/18 | \$446 | \$477 | \$512 | \$550 | \$591 | 32.3% |
| Cumulative impact of SRV above 2015/16 levels | | \$31 | \$66 | \$104 | \$145 | \$145 p.a or \$2.80 p.w |

Impact on Non Urban Residential Rates

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Cumulative Increase |
|---|---------|---------|---------|---------|---------|-------------------------------------|
| Average non urban residential rate under rate peg of 1.8% in 2016/17 then 2.4% from 2017/18 onwards | \$571 | \$581 | \$595 | \$609 | \$624 | 9.2% |
| Average non urban residential rate with a SRV of 6.8% in 2016/17 then 7.4% from 2017/18 | \$571 | \$610 | \$655 | \$703 | \$755 | 32.3% |
| Cumulative impact of SRV above 2015/16 levels | | \$39 | \$84 | \$132 | \$184 | \$184 p.a Or \$3.54 p.w |

Impact on Business Rates

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Cumulative Increase |
|--|---------|---------|---------|---------|---------|-------------------------------|
| Average business rate under rate peg of 1.8% in 2016/17 then 2.4% from 2017/18 onwards | \$517 | \$526 | \$538 | \$551 | \$564 | 9.1% |
| Average business rate with a SRV of 6.8% in 2016/17 then 7.4% from 2017/18 | \$517 | \$551 | \$592 | \$636 | \$683 | 32.1% |
| Cumulative impact of SRV above 2015/16 levels | | \$34 | \$75 | \$119 | \$166 | \$166 p.a Or \$3.20 p.w |

Impact on Farmland Rates

| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Cumulative Increase |
|--|---------|---------|---------|---------|---------|--------------------------------|
| Average farmland rate under rate peg of 1.8% in 2016/17 then 2.4% from 2017/18 onwards | \$2,676 | \$2,724 | \$2,790 | \$2,857 | \$2,925 | 9.3% |
| Average farmland rate with a SRV of 6.8% in 2016/17 then 7.4% from 2017/18 | \$2,676 | \$2,858 | \$3,070 | \$3,297 | \$3,541 | 32.3% |
| Cumulative impact of SRV above 2015/16 levels | | \$182 | \$394 | \$621 | \$865 | \$865 p.a Or \$16.63 p.w |

What will the Additional Rate Income be Spent on?

- LSC will allocate the additional rate income to increasing maintenance of council assets such as buildings and roads and renewal of infrastructure.
- This will ensure we attain and continue to meet the Government's performance targets in relation to the level of maintenance and asset renewal.



Where to From Here?

- Submissions on this SRV can be made direct to IPART on its website www.ipart.nsw.gov.au up until 15th March 2016.
- Council must have its submission to IPART by 15th February 2016 and will be notified of its success or otherwise prior to June 30th.
- Please note that Council does have a hardship policy and should the proposed rate increase (if approved) place too much of a financial burden on you then please contact our Chief Financial Officer for a confidential discussion.
- For further information please contact the General Manager, Robert Hunt or the Chief Financial Officer, John Chapman on 6895 1900

