



THE INDEPENDENT PRICING AND REGULATORY TRIBUNAL OF NSW
APPLICATION FOR A SPECIAL VARIATION
TO GENERAL INCOME

Under Section 508A of the *Local Government Act 1993*
2014/15

SECTION 508A APPLICATION FORM

PART A (Updated 17 April 2014) v4

Before completing this form, you **MUST** read the
Division of Local Government's
*Guidelines for the preparation of an application for
a special variation to general income*

Guidelines are available on the Division's website at www.dlg.nsw.gov.au.

NOTE: This part of the application must be completed in conjunction with Part B
(Special Variation Application Form 2014/15 - Part B)

Instructions

Section 508A allows a council (you) to increase general income by a percentage that is greater than the rate peg each year, up to a maximum of 7 years. You must identify the percentage increase requested for each year inclusive of the rate peg. You must also identify percentage increases in minimum rates for each year, if the increases exceed the statutory limit.

Note: IPART can approve a percentage increase to minimum rates above the statutory limit that differs from the special variation percentage increase as long as you have justified and properly consulted on that percentage. See Attachment 4 of the Guidelines for further details.

Both Part A and Part B of the application should be submitted to IPART (us) via the Council Portal on our website at www.ipart.nsw.gov.au. A hardcopy should also be forwarded to us (see Guidelines for details).

Part A consists of 7 worksheets:

- ▶ **Worksheet 1 (Identification):** Identifies your council and a council contact officer, collects information on any special variations (SVs) due to expire and summarises the cumulative impact of the SV and the impact on minimum rates.
- ▶ **Worksheet 2 (current year Notional General Income):** Calculates your Notional General Income for the current year (year 0 in the application, 2013/14).
- ▶ **Worksheet 3 (first year Notional General Income):** Calculates your proposed Notional General Income for next year (year 1 in the application, 2014/15).
- ▶ **Worksheet 4 (Calculation):** Calculates your Permissible General Income based on the 1st year SV percentage and Crown land adjustments, plus other income adjustments in 2014/15.
- ▶ **Worksheet 5a (Impact on Rates 1):** Calculates the average annual and cumulative increase in rates for each category/sub-category for each year of the SV, with and without the SV.
- ▶ **Worksheet 5b (Impact on Rates 2):** Collects the assessment numbers in the 3 main ordinary rate categories for different land values in year 1 and the proposed rates across this distribution (ie, midpoints of each land value range) for each year of the SV.
- ▶ **Worksheet 6 (Additional SV Income and Expenditure):** Collects how you intend to use the additional funds (above the rate peg) from the SV.

Step-by-step instructions on completing the worksheets are provided below.

Worksheet 1 - Identification

- ▶ Select the date for the first year of the application (M3).
 - ▷ Selecting the date from the drop down list, automatically populates the date fields on Worksheet 1 (WK1), WK5 and WK6.
- ▶ Select the requested no. of years (2 to 7) of income increases in the application (K16).
- ▶ Answer the questions about expiring SVs (K17 to K22).
 - ▷ If the council does not have any SVs due to expire in the period of the requested SV and the answer is "No" in K17, leave other fields in this section blank.
- ▶ Enter the rate peg for 2014/15 in E34 as announced by us in late 2013.
 - ▷ The worksheet automatically assumes a rate peg of 3% for each of the forward years. (If the rate peg turns out to be different from that assumed, the % increase in general income with an approved SV does not change.)
- ▶ The percentage increase in general income needed in year 1 of the application (D34) will automatically populate from WK4 (F23) when it is completed.
 - ▷ The cumulative increase in general income due to the SV inclusive of the rate peg will populate automatically in WK1.
- ▶ Refer to WK4 to enter in any deduction for an SV which is due to expire on 30 June 2014 in the calculation of permissible general income in year 1.
 - ▷ This dollar amount is linked to cell E46 in this worksheet.
 - ▷ This amount needs to be verified by the DLG before the application is submitted to us.
- ▶ Enter the requested percentage increases in general income (inc. rate peg) from year 2 (D35 to D40).
 - ▷ The annual and cumulative increases in permissible general income will populate once WK2, WK3 and WK4 have been completed.
- ▶ Enter in the value of any expiring variation from year 2 (2015/16) if it is due to expire at the end of any financial year within the period of the requested SV (E47 to E52).
 - ▷ Any amount needs to be verified by the DLG before the application is submitted to us.
 - ▷ The other Permissible General Income calculations will populate automatically when WK4 is completed.

Worksheet 2 - Notional General Income 2013/14

This worksheet calculates the Notional General Income for the previous year, by applying the rating structure used in the previous year to land values, adjusted by supplementary valuations received during that year. The calculations should be checked with DLG before applying to us.

Any inclusion in WK2 as a "supplementary valuation" must agree with Section 4 of the valuation of Land Act 1916.

Worksheet 3 - Notional General Income 2014/15

This worksheet calculates the proposed Notional General Income. It should apply the rating structure, including the proposed SV increase, to land values adjusted by supplementary valuations received during the year.

The rating structure entered here must be checked by the DLG and reflect the Draft Operational Plan.

Worksheet 4 - Calculation

This worksheet calculates Permissible General Income and the value of the proposed SV after taking into account various adjustments. Income adjustments and expiring SV amounts are to be verified by the DLG before the application is submitted to us.

Select Council Name

508A

WORKSHEET 4

PERMISSIBLE GENERAL INCOME CALCULATION

Note: Council must check all income adjustments and expiring variation amounts with the DLG before submitting their application to IPART.

Prior year Notional General Income -
Less: Decrease from expiry of a prior special variation. _____

Adjusted first year Notional General Income \$ _____

Plus: Rate peg increase - first year 0.00% 0

Plus: Additional increase - first year _____ 0

Plus: Crown Land adjustment - first year 0.00% _____

Total special variation - first year **0.00%** **\$ _____**

Other First Year Adjustments:

(If known - Refer to advice from the Division)

Plus/Minus Prior year Catchup/Excess _____

Minus: Valuation Objections claimed in prior year _____

Total Adjustments _____

First year Permissible General Income **\$ _____**

Total Notional General Income (WK3) **0**

LESS: Valuation Objection Income - Proposed to be recouped in this year (WK3) _____ **0**

NET First year Notional General Income **\$ _____** **0**

Anticipated Catchup/(Excess) in the first year \$ _____ **0**

Expiring SV

If the council has an SV due to expire on 30 June 2014, Notional General Income must be reduced before calculation of Permissible General Income in 2014/15.

Consult with the DLG on the correct figure.

Additional Percentage Increase

Enter the additional percentage increase in general income being sought, excluding any other income adjustments.

Crown land adjustment

Crown land claims will increase your Permissible Income. Enter in the \$ amount of any Crown land adjustment here. This will automatically calculate the (rounded) % amount to be included in the final special variation % for consideration by us.

Note that applications for Crown land adjustments still need to be made separately to DLG.

Other adjustments

There are 2 other possible adjustments that are not included in the SV% but will affect Permissible General Income.

1. Prior year result :This is the catch-up or excess amount from the previous year, as advised by DLG.

2. Valuation Objections: If you successfully claimed valuation objections in the previous year, Permissible General Income must be reduced by that amount (to strip out the additional income that was claimed from the revenue base).

Worksheet 5a - Impact on Ratepayers (part 1)

This worksheet is designed to show the minimum rate increases with the proposed SV, and the average rate increase per sub-category (ordinary and special rates), with and without the proposed SV. It also shows the increases in annual charges over the period of the variation. All shaded areas on this schedule will calculate automatically from the data entered.

Ordinary and Special Average Rates

Enter in the average rates per sub-category as if the SV were not approved (only the rate peg would then apply) AND the average rates as if the SV were approved as requested.

Annual Charges

Enter any proposed annual charges for each year of the proposed variation.

Note:

1. Average rates equal total income in a category or sub-category divided by the number of assessments in that same category or sub-category.
2. Rates should be reduced for any expiring SVs so that the net change in rates is measured.

Worksheet 5b - Impact on Ratepayers (part 2)

This worksheet shows the distribution of ordinary rates across different land values and how different (ordinary) ratepayers will be impacted by the proposed SV, depending on the value of their land.

Enter the number of assessments in the ordinary rating categories (residential, business farmland, mining) across various land value ranges in 2014/15, and the rate levels across different land values in each year of the application, with and without the proposed SV.

If you have had a general revaluation of land during the prior year this spreadsheet will not accurately reflect the impact on ratepayers in year 1. We will take this into account when using this worksheet. Please complete the tables using the number of assessments from the first year of the SV (2014/15).

Worksheet 6 - Proposed Additional SRV Income and Expenditure

This worksheet is designed to show how the council proposes to use the additional funding above the rate peg generated from the SV.

*** This worksheet is not protected to allow the council flexibility to add or delete rows.**

The worksheet automatically calculates additional SRV income in Years 1 and 2. Councils must complete the additional SRV income rows for years 3 to 10.

Councils must enter each category of expenditure, and if applicable, individual program/project names, in column C under one of the headings provided.

The spreadsheet will calculate the difference between the additional income from the special variation and what it is spent on. A positive difference means that the additional income is not all spent on opex or capex.

*** Part B of the application provides councils with the opportunity to explain their expenditure plans and the impacts on their financial position.**

Enquiries regarding the completion of this application should be directed to:

Nick Singer	02 9290 8459 nick_singer@ipart.nsw.gov.au
Tony Camenzuli	02 9113 7706 tony_camenzuli@ipart.nsw.gov.au

Issue Date: 09/13



APPLICATION FOR SPECIAL VARIATION TO GENERAL INCOME COMMENCING IN
Section 508A - Part A
WORKSHEET 1

2014/2015

Council Name: Junee Shire Council

Contact Details: _____

Name: John Whitfield

Position: Director Corporate & Community Services

Telephone: 269248100

Email: whitfieldj@junee.nsw.gov.au

Expiring special variations (SVs)

1. For how many years is the council requesting % increases as part of this application? 3 years
2. Does the council have any existing special variations due to expire over this period? Yes - 30 Jun 2014 expiry
- If so, the amounts of expiring special variations must be entered in WK4 and/or cells E46 to E51 below.*

Requested annual percentage increases

Any special variation % increase for a given year approved by IPART is the total increase permitted in a council's general income, before adjustments are made for catch ups/excesses and valuation objections.

Note: Approved SV% increases do not change if the actual rate peg turns out to be different from that assumed for a particular year.

		Annual % increase		Cumulative % increase		
		SV (inc. rate peg)	Rate peg only	SV (inc. rate peg)	Rate peg only	Above the rate peg
Y 1	2014/15	11.90%	2.30%	11.90%	2.30%	9.60%
Y 2	2015/16	9.50%	3.00%	22.53%	5.37%	17.16%
Y 3	2016/17	9.00%	3.00%	33.56%	8.53%	25.03%
Y 4	2017/18					
Y 5	2018/19					
Y 6	2019/20					
Y 7	2020/21					

Increase in Permissible General Income (PGI)

	Notional General Income	Expiring Special Variation	Adjusted Notional General income	Special Variation % increase requested	Notional General Income after SV% applied	Other 1st-year adjustments	Permissible General Income (PGI)	Annual % increase in PGI	PGI if only the Rate Peg applied	PGI if expiring SV renewed and Rate Peg applied	
Y 0	2013/14						3,100,009		3,100,009	3,100,009	
Y 1	2014/15	3,100,009	- 257,249	2,842,760	11.90%	3,181,049	- 469	3,180,580	2.60	2,907,675	3,170,840
Y 2	2015/16	3,180,580		3,180,580	9.50%	3,482,735		3,482,735	9.50	2,994,905	3,265,966
Y 3	2016/17	3,482,735		3,482,735	9.00%	3,796,181		3,796,181	9.00	3,084,752	3,363,945
Y 4	2017/18										
Y 5	2018/19										
Y 6	2019/20										
Y 7	2020/21										
Total rise in PGI - in \$ terms							696,172				
- in % terms							22.46%				

Cumulative Increase in PGI

	Cumulative PGI under the SV	Cumulative PGI under the Rate Peg	Cumulative rise in PGI above the Rate Peg	Cumulative rise in PGI if expiring SV renewed and Rate Peg applied	Cumulative rise in PGI above renewed ESV and Rate Peg	
Y 0	2013/14					
Y 1	2014/15	3,180,580	2,907,675	272,905	3,170,840	9,739
Y 2	2015/16	6,663,314	5,902,580	760,735	6,436,806	226,508
Y 3	2016/17	10,459,495	8,987,332	1,472,164	9,800,751	658,745
Y 4	2017/18					
Y 5	2018/19					
Y 6	2019/20					
Y 7	2020/21					
						6.72% Total % rise in PGI under the SV that exceeds the rise in the PGI under renewed ESV and rate peg

WORKSHEET 2

Calculation of Notional General Income- 2013/14

Applicable to the first year of the application

This worksheet must reflect the rating structure levied in the previous year

(NOTE: Valuations used here are to be taken from Council's valuation list on 1 July of the above year and are to include supplementaries having the same base date and furnished to Council during that year and estimates of increases in valuations provided to the Council under section 513)

Calculation of Notional General Income - Ordinary Rates

Rating Category (s514-518)	Name of sub-category	Number of Assessments	Ad Valorem Rate	Base Amount \$	Base Amount %	Minimum Amount \$	Number on Minimum	Land Value (see note above)	Land Value of Land on Minimum	Notional General Income
Residential	Town	1,525.00	0.938025	236.30	36.14%			67,894,025		997,220
Residential	Village	445.00	0.450022	236.30	48.22%			25,087,970		218,055
Business	Town	126.00	2.831497	236.30	12.19%			7,574,050		244,233
Business	Rural	67.00	1.617478	236.30	31.40%			2,138,885		50,428
Residential	Kinvara	30.00	0.419494	236.30	27.87%			4,373,000		25,433
Farmland	Farmland	757.00	0.265031	236.30	11.43%			522,867,300		1,564,640
Total Assessments:		2,950.00						629,935,230	Sub-Total:	3,100,009

Calculation of Notional General Income - Special Rates

Special Rates (Name & which ratepayers)	Number of Assessments	Ad Valorem Rate	Base Amount \$	Base Amount %	Minimum Amount \$	Number on Minimum	Land Value (see note above)	Land Value of Land on Minimum	Notional Income
Sub-Total:									0

Junee Shire Council

Calculation of Notional General Income - Annual Charges

Annual Charges (excluding water supply, sewerage and domestic and non-domestic waste management services)	No. of Assessments	Amount of Charge \$	Notional Income

Sub-Total: 0

Total Notional General Income: 3,100,009

Note: Section 505(a) of the Act provides for those rates and charges that are to be included in general income, including certain section 501 annual charges.

Total Assessments:		2,950.00		Total Rateable Land Value:		629,935,230		Sub-Total:	3,180,579

Calculation of Notional General Income - Annual Charges

Annual Charges (excluding water supply, sewerage and domestic and non-domestic waste management services)	No. of Assessments	Amount of Charge \$	Notional Income
sfs			
fg			
df			

Sub-Total: 0

Total Notional General Income 3,180,579

LESS: Valuation Objection Income - Proposed to be recouped in this year

NET Notional General Income 3,180,579

Note: Section 505(a) of the Act provides for those rates and charges that are to be included in general income, including certain section 501 annual charges.

WORKSHEET 4**PERMISSIBLE GENERAL INCOME CALCULATION**

Please check all income adjustments and expiring variation amounts with DLG before submitting the application.

Prior year Notional General Income			3,100,009
Less:	Decrease from expiry of a prior special variation.		<u>(257,249)</u>
Adjusted first year Notional General Income			<u>\$ 2,842,760</u>
Plus:	Rate peg increase - first year	2.30%	65,383
Plus:	Additional increase - first year	<u>9.60%</u>	272,905
Plus:	Crown Land adjustment - first year	0.00%	<u>0</u>
	Total special variation - first year	<u>11.90%</u>	<u>\$ 338,288</u>
<u>Other First Year Adjustments:</u>			
(If known - Refer to advice from the DLG)			
Plus/Minus:	Prior year Catchup/Excess		<u>(469)</u>
Minus:	Valuation Objections claimed in prior year		<u>-</u>
	Total Adjustments		<u>(469)</u>
First year Permissible General Income			<u><u>\$ 3,180,579</u></u>

Sewerage Services - Annual Charges

Description	Sewerage Services - Annual Charge									Cumulative Increases																												
	Current Average Rates	Annual Charge Year 1	Annual Charge Year 2	Annual Charge Year 3	Annual Charge Year 4	Annual Charge Year 5	Annual Charge Year 6	Annual Charge Year 7	Annual Charge Year 8	Annual Increases Year 1	Annual Increases Year 2				Annual Increases Year 3				Annual Increases Year 4				Annual Increases Year 5				Annual Increases Year 6				Annual Increases Year 7							
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Annual	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ
Sewerage Services - Connected	365.40	365.40	365.40	365.40	376.40	387.70	399.30	411.30	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	11.00	3.01%	11.00	3.01%	11.30	3.00%	22.30	6.10%	11.60	2.99%	33.90	9.28%	12.00	3.01%	45.90	12.56%				
Sewerage Services - Unconnected	179.40	179.40	179.40	179.40	184.80	190.30	196.00	201.90	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	5.40	3.01%	5.40	3.01%	5.50	2.98%	10.90	6.08%	5.70	3.00%	16.60	9.25%	5.90	3.01%	22.50	12.54%				
Sewerage Services - Flat or Unit	185.90	185.90	185.90	185.90	191.50	197.20	203.10	209.20	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	5.60	3.01%	5.60	3.01%	5.70	2.98%	11.30	6.08%	5.90	2.99%	17.20	9.25%	6.10	3.00%	23.30	12.53%				
Sewerage Services - Hotel WCs	91.70	91.70	91.70	91.70	94.50	97.30	100.20	103.20	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	2.80	3.05%	2.80	3.05%	2.80	2.96%	5.60	6.11%	2.90	2.98%	8.50	9.27%	3.00	2.99%	11.50	12.54%				
Sewerage Services - Hotel Urinals	35.30	35.30	35.30	35.30	36.40	37.50	38.60	39.80	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	1.10	3.12%	1.10	3.12%	1.10	3.02%	2.20	6.23%	1.10	2.93%	3.30	9.35%	1.20	3.11%	4.50	12.75%				
Sewerage Services - Motel Rooms	91.70	91.70	91.70	91.70	94.50	97.30	100.20	103.20	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	2.80	3.05%	2.80	3.05%	2.80	2.96%	5.60	6.11%	2.90	2.98%	8.50	9.27%	3.00	2.99%	11.50	12.54%				
Sewerage Services - Aged Hostel Uni	62.50	62.50	62.50	62.50	64.40	66.30	68.30	70.30	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	1.90	3.04%	1.90	3.04%	1.90	2.95%	3.80	6.08%	2.00	3.02%	5.80	9.28%	2.00	2.93%	7.80	12.48%				

Other Annual Charges

Description	Other Annual Charge									Cumulative Increases																												
	Current Average Rates	Annual Charge Year 1	Annual Charge Year 2	Annual Charge Year 3	Annual Charge Year 4	Annual Charge Year 5	Annual Charge Year 6	Annual Charge Year 7	Annual Charge Year 8	Annual Increases Year 1	Annual Increases Year 2				Annual Increases Year 3				Annual Increases Year 4				Annual Increases Year 5				Annual Increases Year 6				Annual Increases Year 7							
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Annual	%	Annual	%	Cumulativ	%	Annual	%	Cumulativ																				
Stormwater Charge - Residential	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	
Stormwater Charge - Business	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%		
Stormwater Charge - Business each 3	11.40	11.70	12.10	12.50	12.90	13.30	13.70	14.10	0.30	2.63%	0.40	3.42%	0.70	6.14%	0.40	3.31%	1.10	9.65%	0.40	3.20%	1.50	13.16%	0.40	3.10%	1.90	16.67%	0.40	3.01%	2.30	20.18%	0.40	2.92%	2.70	23.68%				

Ordinary Farmland Rates - with proposed special variation

Land Value	Expected no. of property assessments in this valuation range in Year 1	Land value (for calculation of rates)	Year 0 (Current Rate)	Ordinary Farmland Rates						
				Rates Year 1	Rates Year 2	Rates Year 3	Rates Year 4	Rates Year 5	Rates Year 6	Rates Year 7
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	58.00	\$50,000	369.30	384.40	421.00	459.00	473.00	487.00	502.00	517.00
\$100,000 to \$199,999	91	\$150,000	634.30	655.40	718.00	783.00	806.00	830.00	855.00	881.00
\$200,000 to \$299,999	87	\$250,000	899.30	926.40	1,014.00	1,105.00	1,138.00	1,172.00	1,207.00	1,243.00
\$300,000 to \$399,999	85	\$350,000	1,164.30	1,197.40	1,311.00	1,429.00	1,472.00	1,516.00	1,561.00	1,608.00
\$400,000 to \$499,999	57	\$450,000	1,429.30	1,468.40	1,608.00	1,753.00	1,806.00	1,860.00	1,916.00	1,973.00
\$500,000 to \$599,999	60	\$550,000	1,694.30	1,739.40	1,905.00	2,076.00	2,138.00	2,202.00	2,268.00	2,336.00
\$600,000 to \$699,999	47	\$650,000	1,959.30	2,010.40	2,201.00	2,399.00	2,471.00	2,545.00	2,621.00	2,700.00
\$700,000 to \$799,999	38	\$750,000	2,224.30	2,281.40	2,498.00	2,723.00	2,805.00	2,889.00	2,976.00	3,065.00
\$800,000 to \$899,999	38	\$850,000	2,489.30	2,552.40	2,795.00	3,047.00	3,138.00	3,232.00	3,329.00	3,429.00
\$900,000 to \$999,999	32	\$950,000	2,754.30	2,823.40	3,092.00	3,370.00	3,471.00	3,575.00	3,682.00	3,792.00
\$1,000,000 to \$1,499,999	102	\$1,250,000	3,549.30	3,636.40	3,982.00	4,340.00	4,470.00	4,604.00	4,742.00	4,884.00
\$1,500,000 to \$1,999,999	36	\$1,750,000	4,874.30	4,991.40	5,466.00	5,958.00	6,137.00	6,321.00	6,511.00	6,706.00
\$2,000,000 to \$2,999,999	15	\$2,500,000	6,862.30	7,023.40	7,691.00	8,383.00	8,634.00	8,893.00	9,160.00	9,435.00
\$3,000,000 and greater	11	\$3,000,000	8,187.30	8,378.40	9,174.00	10,000.00	10,300.00	10,609.00	10,927.00	11,255.00

Ordinary Farmland Rates - without proposed special variation

Land Value	Expected no. of property assessments in this valuation range in Year 1	Land value (for calculation of rates)	Year 0 (Current Rate)	Ordinary Farmland Rates						
				Rates Year 1	Rates Year 2	Rates Year 3	Rates Year 4	Rates Year 5	Rates Year 6	Rates Year 7
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
\$0 to \$99,999	58.00	\$50,000	369.30	350.70	361.00	372.00	383.00	394.00	406.00	418.00
\$100,000 to \$199,999	91.00	\$150,000	634.30	598.70	617.00	636.00	655.00	675.00	695.00	716.00
\$200,000 to \$299,999	87.00	\$250,000	899.30	846.70	872.00	898.00	925.00	953.00	982.00	1,011.00
\$300,000 to \$399,999	85.00	\$350,000	1,164.30	1,094.70	1,128.00	1,162.00	1,197.00	1,233.00	1,270.00	1,308.00
\$400,000 to \$499,999	57.00	\$450,000	1,429.30	1,342.70	1,383.00	1,424.00	1,467.00	1,511.00	1,556.00	1,603.00
\$500,000 to \$599,999	60.00	\$550,000	1,694.30	1,589.70	1,637.00	1,686.00	1,737.00	1,789.00	1,843.00	1,898.00
\$600,000 to \$699,999	47.00	\$650,000	1,959.30	1,837.70	1,893.00	1,950.00	2,009.00	2,069.00	2,131.00	2,195.00
\$700,000 to \$799,999	38.00	\$750,000	2,224.30	2,085.70	2,148.00	2,212.00	2,278.00	2,346.00	2,416.00	2,488.00
\$800,000 to \$899,999	38.00	\$850,000	2,489.30	2,333.70	2,404.00	2,476.00	2,550.00	2,627.00	2,706.00	2,787.00
\$900,000 to \$999,999	32.00	\$950,000	2,754.30	2,581.70	2,659.00	2,739.00	2,821.00	2,906.00	2,993.00	3,083.00
\$1,000,000 to \$1,499,999	102.00	\$1,250,000	3,549.30	3,325.70	3,425.00	3,528.00	3,634.00	3,743.00	3,855.00	3,971.00
\$1,500,000 to \$1,999,999	36.00	\$1,750,000	4,874.30	4,564.70	4,702.00	4,843.00	4,988.00	5,138.00	5,292.00	5,451.00
\$2,000,000 to \$2,999,999	15.00	\$2,500,000	6,862.30	6,424.70	6,617.00	6,816.00	7,020.00	7,231.00	7,448.00	7,671.00
\$3,000,000 and greater	11.00	\$3,000,000	8,187.30	7,663.70	7,894.00	8,131.00	8,375.00	8,626.00	8,885.00	9,152.00

Ordinary Farmland Rates - with proposed special variation

Land value (for calculation of rates)	Cumulative Increases													
	Increases Year 1		Increases Year 2				Increases Year 3				Increases Year 4			
	Annual	%	Annual	%	Cumulative	%	Annual	%	Cumulative	%	Annual	%	Cumulative	%
\$														
\$50,000	15.10	4.09%	36.60	9.52%	51.70	14.00%	38.00	9.03%	89.70	24.29%	14.00	3.05%	103.70	28.08%
\$150,000	21.10	3.33%	62.60	9.55%	83.70	13.20%	65.00	9.05%	148.70	23.44%	23.00	2.94%	171.70	27.07%
\$250,000	27.10	3.01%	87.60	9.46%	114.70	12.75%	91.00	8.97%	205.70	22.87%	33.00	2.99%	238.70	26.54%
\$350,000	33.10	2.84%	113.60	9.49%	146.70	12.60%	118.00	9.00%	264.70	22.73%	43.00	3.01%	307.70	26.43%
\$450,000	39.10	2.74%	139.60	9.51%	178.70	12.50%	145.00	9.02%	323.70	22.85%	53.00	3.02%	376.70	26.36%
\$550,000	45.10	2.66%	165.60	9.52%	210.70	12.44%	171.00	8.98%	381.70	22.53%	62.00	2.99%	443.70	26.19%
\$650,000	51.10	2.61%	190.60	9.48%	241.70	12.34%	198.00	9.00%	439.70	22.44%	72.00	3.00%	511.70	26.12%
\$750,000	57.10	2.57%	216.60	9.49%	273.70	12.30%	225.00	9.01%	498.70	22.42%	82.00	3.01%	580.70	26.11%
\$850,000	63.10	2.53%	242.60	9.50%	305.70	12.28%	252.00	9.02%	557.70	22.40%	91.00	2.99%	648.70	26.06%
\$950,000	69.10	2.51%	268.60	9.51%	337.70	12.26%	278.00	8.99%	615.70	22.35%	101.00	3.00%	716.70	26.02%
\$1,250,000	87.10	2.45%	345.60	9.50%	432.70	12.19%	358.00	8.99%	790.70	22.28%	130.00	3.00%	920.70	25.94%
\$1,750,000	117.10	2.40%	474.60	9.51%	591.70	12.14%	492.00	9.00%	1,083.70	22.23%	179.00	3.00%	1,262.70	25.91%
\$2,500,000	161.10	2.35%	667.60	9.51%	828.70	12.08%	692.00	9.00%	1,520.70	22.16%	251.00	2.99%	1,771.70	25.82%
\$3,000,000	191.10	2.33%	795.60	9.50%	986.70	12.05%	826.00	9.00%	1,812.70	22.14%	300.00	3.00%	2,112.70	25.80%

Ordinary Farmland Rates - without proposed special variation

Land value (for calculation of rates)	Cumulative Increases													
	Increases Year 1		Increases Year 2				Increases Year 3				Increases Year 4			
	Annual	%	Annual	%	Cumulative	%	Annual	%	Cumulative	%	Annual	%	Cumulative	%
\$														
\$50,000	- 18.60	-5.04%	10.30	2.94%	- 8.30	-2.25%	11.00	3.05%	2.70	0.73%	11.00	2.96%	13.70	3.71%
\$150,000	- 35.60	-5.61%	18.30	3.06%	- 17.30	-2.73%	19.00	3.08%	1.70	0.27%	19.00	2.99%	20.70	3.26%
\$250,000	- 52.60	-5.85%	25.30	2.99%	- 27.30	-3.04%	26.00	2.98%	- 1.30	-0.14%	27.00	3.01%	25.70	2.86%
\$350,000	- 69.60	-5.98%	33.30	3.04%	- 36.30	-3.12%	34.00	3.01%	- 2.30	-0.20%	35.00	3.01%	32.70	2.81%
\$450,000	- 86.60	-6.06%	40.30	3.00%	- 46.30	-3.24%	41.00	2.96%	- 5.30	-0.37%	43.00	3.02%	37.70	2.64%
\$550,000	- 104.60	-6.17%	47.30	2.98%	- 57.30	-3.38%	49.00	2.99%	- 8.30	-0.49%	51.00	3.02%	42.70	2.52%
\$650,000	- 121.60	-6.21%	55.30	3.01%	- 66.30	-3.38%	57.00	3.01%	- 9.30	-0.47%	59.00	3.03%	49.70	2.54%
\$750,000	- 138.60	-6.23%	62.30	2.99%	- 76.30	-3.43%	64.00	2.98%	- 12.30	-0.55%	66.00	2.98%	53.70	2.41%
\$850,000	- 155.60	-6.25%	70.30	3.01%	- 85.30	-3.43%	72.00	3.00%	- 13.30	-0.53%	74.00	2.99%	60.70	2.44%
\$950,000	- 172.60	-6.27%	77.30	2.99%	- 95.30	-3.46%	80.00	3.01%	- 15.30	-0.56%	82.00	2.99%	66.70	2.42%
\$1,250,000	- 223.60	-6.30%	99.30	2.99%	- 124.30	-3.50%	103.00	3.01%	- 21.30	-0.60%	106.00	3.00%	84.70	2.39%
\$1,750,000	- 309.60	-6.35%	137.30	3.01%	- 172.30	-3.53%	141.00	3.00%	- 31.30	-0.64%	145.00	2.99%	113.70	2.33%
\$2,500,000	- 437.60	-6.38%	192.30	2.99%	- 245.30	-3.57%	199.00	3.01%	- 46.30	-0.67%	204.00	2.99%	157.70	2.30%
\$3,000,000	- 523.60	-6.40%	230.30	3.01%	- 293.30	-3.58%	237.00	3.00%	- 56.30	-0.69%	244.00	3.00%	187.70	2.29%

Ordinary Farmland Rates - with proposed special variation

Cumulative Increases												
Land value (for calculation of rates)	Increases Year 5				Increases Year 6				Increases Year 7			
	Annual	%	Cumulative	%	Annual	%	Cumulative	%	Annual	%	Cumulative	%
\$												
\$50,000	14.00	2.96%	117.70	31.87%	15.00	3.08%	132.70	35.93%	15.00	2.99%	147.70	39.99%
\$150,000	24.00	2.98%	195.70	30.85%	25.00	3.01%	220.70	34.79%	26.00	3.04%	246.70	38.89%
\$250,000	34.00	2.99%	272.70	30.32%	35.00	2.99%	307.70	34.22%	36.00	2.98%	343.70	38.22%
\$350,000	44.00	2.99%	351.70	30.21%	45.00	2.97%	396.70	34.07%	47.00	3.01%	443.70	38.11%
\$450,000	54.00	2.99%	430.70	30.13%	56.00	3.01%	486.70	34.05%	57.00	2.97%	543.70	38.04%
\$550,000	64.00	2.99%	507.70	29.97%	66.00	3.00%	573.70	33.86%	68.00	3.00%	641.70	37.87%
\$650,000	74.00	2.99%	585.70	29.89%	76.00	2.99%	661.70	33.77%	79.00	3.01%	740.70	37.80%
\$750,000	84.00	2.99%	664.70	29.88%	87.00	3.01%	751.70	33.79%	89.00	2.99%	840.70	37.80%
\$850,000	94.00	3.00%	742.70	29.84%	97.00	3.00%	839.70	33.73%	100.00	3.00%	939.70	37.75%
\$950,000	104.00	3.00%	820.70	29.80%	107.00	2.99%	927.70	33.68%	110.00	2.99%	1,037.70	37.68%
\$1,250,000	134.00	3.00%	1,054.70	29.72%	138.00	3.00%	1,192.70	33.60%	142.00	2.99%	1,334.70	37.60%
\$1,750,000	184.00	3.00%	1,446.70	29.68%	190.00	3.01%	1,636.70	33.58%	195.00	2.99%	1,831.70	37.58%
\$2,500,000	259.00	3.00%	2,030.70	29.59%	267.00	3.00%	2,297.70	33.48%	275.00	3.00%	2,572.70	37.49%
\$3,000,000	309.00	3.00%	2,421.70	29.58%	318.00	3.00%	2,739.70	33.46%	328.00	3.00%	3,067.70	37.47%

Ordinary Farmland Rates - without proposed special variation

Cumulative Increases												
Land value (for calculation of rates)	Increases Year 5				Increases Year 6				Increases Year 7			
	Annual	%	Cumulative	%	Annual	%	Cumulative	%	Annual	%	Cumulative	%
\$												
\$50,000	11.00	2.87%	24.70	6.69%	12.00	3.05%	36.70	9.94%	12.00	2.96%	48.70	13.19%
\$150,000	20.00	3.05%	40.70	6.42%	20.00	2.96%	60.70	9.57%	21.00	3.02%	81.70	12.88%
\$250,000	28.00	3.03%	53.70	5.97%	29.00	3.04%	82.70	9.20%	29.00	2.95%	111.70	12.42%
\$350,000	36.00	3.01%	68.70	5.90%	37.00	3.00%	105.70	9.08%	38.00	2.99%	143.70	12.34%
\$450,000	44.00	3.00%	81.70	5.72%	45.00	2.98%	126.70	8.86%	47.00	3.02%	173.70	12.15%
\$550,000	52.00	2.99%	94.70	5.59%	54.00	3.02%	148.70	8.78%	55.00	2.98%	203.70	12.02%
\$650,000	60.00	2.99%	109.70	5.60%	62.00	3.00%	171.70	8.76%	64.00	3.00%	235.70	12.03%
\$750,000	68.00	2.99%	121.70	5.47%	70.00	2.98%	191.70	8.62%	72.00	2.98%	263.70	11.86%
\$850,000	77.00	3.02%	137.70	5.53%	79.00	3.01%	216.70	8.71%	81.00	2.99%	297.70	11.96%
\$950,000	85.00	3.01%	151.70	5.51%	87.00	2.99%	238.70	8.67%	90.00	3.01%	328.70	11.93%
\$1,250,000	109.00	3.00%	193.70	5.46%	112.00	2.99%	305.70	8.61%	116.00	3.01%	421.70	11.88%
\$1,750,000	150.00	3.01%	263.70	5.41%	154.00	3.00%	417.70	8.57%	159.00	3.00%	576.70	11.83%
\$2,500,000	211.00	3.01%	368.70	5.37%	217.00	3.00%	585.70	8.54%	223.00	2.99%	808.70	11.78%
\$3,000,000	251.00	3.00%	438.70	5.36%	259.00	3.00%	697.70	8.52%	267.00	3.01%	964.70	11.78%

WORKSHEET 6

PROPOSED ADDITIONAL SPECIAL VARIATION INCOME AND EXPENDITURE

This sheet shows how the council proposes to use the additional income from the special variation.
 Enter the change in operating balance (excluding capital items) and proposed spending over 10 years under each of the headings as relevant.
 Add or delete rows if necessary.
 For additional SRV income in years beyond the period of the special variation, use the same level of
 income as in the final year of the variation.

Proposed Additional Special Variation Income and Expenditure											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Sum of 10 years
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
INCOME											
SRV income above the rate peg	272,905	487,830	711,429	732,772	754,755	777,398	800,720	824,742	849,484	874,969	7,087,003.58
OPERATING BALANCE											
Change in Operating Balance. (Note 1.)	-34,970	-155,937	51,555	116,147	140,045	165,276	177,806	190,688	203,935	217,557	1,072,102
OPERATING EXPENSES											
Change in Operating Expenses (includes loan interest costs)											0
Revenue from Sale of Council Assets that is not required if SRV approved: (Note 2.)											
Street Cleaning	15,170	15,656	16,157	16,674	17,207	17,758	18,326	18,913	19,518	20,142	175,521
Public Toilets	11,971	12,354	12,750	13,158	13,579	14,013	14,462	14,924	15,402	15,895	138,508
Sporting Grounds	21,053	21,726	22,422	23,139	23,879	24,644	25,432	26,246	27,086	27,953	243,580
Parks & Playgrounds	75,130	77,534	80,015	82,576	85,218	87,945	90,759	93,664	96,661	99,754	869,256
Aquatic Centre (Note 3.)	50,000	50,000	50,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,550,000
Library (Note 3.)	17,583	18,145	18,726	151,459	156,306	161,308	166,469	171,796	177,294	182,967	1,222,053
Donations	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	50,000
Economic Development	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	200,000
Tourism Development	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000
Cemetery expenses	21,569	22,259	22,971	23,706	24,465	25,248	26,056	26,889	27,750	28,638	249,551
House maintenance		3,728	7,694	7,940	8,194	8,456	8,726	9,006	9,294	9,592	72,630
- LOSS of Funds from Sale of 33 John Potts Drive residence		320,000									320,000
- LOSS of Funds from Sale of 3 Pike Place residence			320,000								320,000
Retention of House rental income		-12,837	-26,444	-27,238	-28,056	-28,898	-29,764	-30,656	-31,576	-32,524	-247,993
Waste Charges forgone	18,221	36,989	56,320	45,861	34,481	21,123	22,787	23,471	24,175	24,902	308,330

User Charges forgone	2,404	4,943	7,558	7,744	7,933	8,126	8,370	8,621	8,880	9,146	73,725
Rate income difference compared to Long Term Financial Plan	-226	-1,730	-3,295	-3,394	-3,496	-2,601	-3,709	-3,820	-3,935	-4,053	-30,259
CAPITAL EXPENDITURE											
Rural Sealed Roads - specific reductions (Note 3.)	0	0	0		60,000	60,000	100,000	150,000	220,000	280,000	870,000
Rural Unsealed Roads - specific reductions (Note 3.)	0	0	0	50,000	60,000	70,000	80,000	90,000	100,000	110,000	560,000
											0
OTHER USES OF SV INCOME eg loan principal repayments, transfers to reserves											
											0
											0
											0
											0
											0
											0
Total use of special variation income	307,875	643,767	659,874	666,625	734,710	742,122	802,914	874,054	965,549	1,047,412	7,444,902
Difference between additional SRV income and its uses	-34,970	-155,937	51,555	66,147	20,045	35,276	-2,194	-49,312	-116,065	-172,443	-357,898

- Notes: 1. Services to be funded to current levels by the SRV. (In other words, the reductions in services needed if the SRV not approved).
2. Two Council properties will not be sold in 2015/16 and 2017/18 if the SRV approved. (They will be sold in those years in order to delay the cuts in operating services if the SRV is not approved).
3. SRV funded works as per Years 4 & 5 of the Long Term Financial Plan - varied from Year 3 because of Sale of Asset issue.

Please note the Council's original budget 2013/14 for its own road works expenditure excluding the roads component of the Federal Assistance Grants (FAGs) was \$870K. At this level the Council is unable to meet its Roads to Recovery grant requirements. This is critical in maintaining our local road network.

If this SRV is successful Council own road works expenditure after deducting the roads component of the FAGs is budgeted to increase in the following years to:

- 2014/15 \$996K (excluding works funded by LIRS loan)
- 2015/16 \$1.18M
- 2016/17 \$1.35M

To enable this growth in expenditure on Council roads this SRV is funding the services listed the the spreadsheet above.