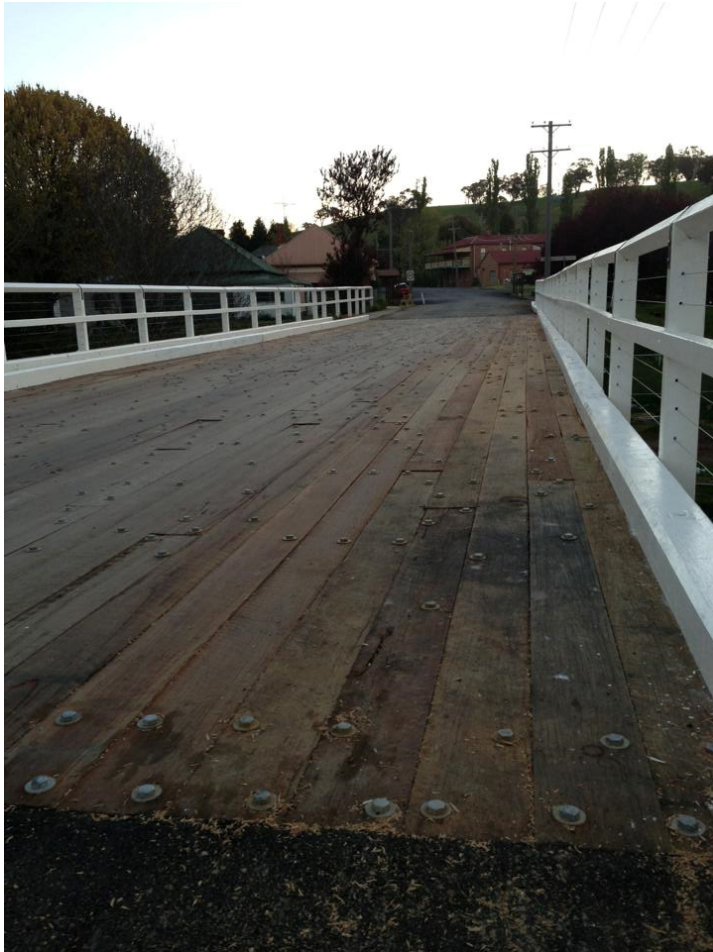




SPECIAL RATE VARIATION – ADVICE TO THE SHIRE COMMUNITY

MAYORAL INTRODUCTION



Mayoral Introduction



What is a Special Rate Variation (SRV) and why do we need it?



How Much is the SRV?

- Based on the IP&R process and the independent review undertaken by the Western Research Institute at Bathurst, the following permanent SRV options are proposed for you to consider:
- 1. Reduced Services Model - 3.3% being the proposed rate cap each year (current situation) for all rating categories.
- 2. Maintained Model - Residential/business/mining and farmland 10.0% per annum over 4 years (cumulative)
- 3. Road to Infrastructure Improvement Model -15% per annum over 6 years (cumulative) for all rating categories

What will the SRV cost me?

Rating Category: RESIDENTIAL	Average for 2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Residential - Rate Peg (3.3% p.a.) only	\$ 632.07	\$ 652.93	\$ 674.47	\$ 696.73	\$ 719.72	\$ 668.48	\$ 690.54
Residential - permanent 15%p.a. SRV for 6 years cumulative	\$ 632.07	\$ 726.88	\$ 835.91	\$ 961.30	\$ 1,105.49	\$ 1,196.32	\$ 1,375.77
Impact of permanent 6 year 15% SRV per year over rate-peg	\$ -	\$ 73.95	\$ 161.44	\$ 264.57	\$ 385.77	\$ 527.84	\$ 685.23
Cumulative Impact of permanent 6 year SRV	\$ -	\$ 73.95	\$ 235.39	\$ 499.96	\$ 885.73	\$ 1,413.57	\$ 2,098.80
Residential - permanent 10%p.a. SRV for 4 years cumulative	\$ 632.07	\$ 695.28	\$ 764.80	\$ 841.29	\$ 925.41	\$ 880.95	\$ 910.02
Impact of permanent 4 year 10% SRV per year over rate-peg	\$ -	\$ 42.35	\$ 90.33	\$ 144.55	\$ 205.69	\$ 212.48	\$ 219.49
Cumulative Impact of permanent 4 year SRV	\$ -	\$ 42.35	\$ 132.68	\$ 277.23	\$ 482.92	\$ 695.40	\$ 914.88

What will the SRV cost me?

Have a look at your rates notice

The SRV only applies to the ordinary rate and the base rate amount as shown in red.

Particulars of Rates and Charges	Value for Rating	Amount
32 Ord Rate – Res Millthorpe	65000 @ 0.566700	\$368.92
Base Amount	\$170.00	\$170.00
S01 Domestic Waste	1 @ \$310.00	\$310.00
S41 Millthorpe Res Sewer Charge	1 @ \$788.00	\$788.00

Net Amount Due \$1,636.92

What will we see for the SRV's proposed?

- **Option 1 Reduced Services Model - 3.3% being the proposed rate cap each year (current situation) for all rating categories.**
- This option proposed is the rate capping proposal of 3.3% (estimate) which is the status quo. This situation is unsustainable as it does not increase the funding required to maintain Council at its current level and it will not allow Council to fund any future works or upgrades to roads, bridges etc. which have been identified as being a priority in the community survey. The level of funding will eventually require Council to reduce its staff numbers and this means that roads will not be maintained, that parks and gardens will receive less maintenance and Councillors will need to make decisions less favourable to its ratepayers.



What will we see for the SRV's proposed?

- **Option 2 Maintained Model - Residential/business/mining and Farmland 10.0% over 4 years (cumulative)**
- Council is therefore proposing a mid-point in the SRV that is to consider a 10.0% variation to the residential, business, mining and non-farm rates and to rural rates (farmland rating category) for a four year period.
- Under this SRV, the community will receive a lower level of service and Council will need to fine tune its budgets, its works programs and to look at alternatives to the replacement of bridges, roads and other assets that are suitable to community needs. This level of service will see improvements made but it will require the community to expect some delays in service as staff levels will be maintained but increased for required works only and that no capital (new developments) will occur until roads, bridges, footpaths and buildings are slowly brought up to a higher standard.

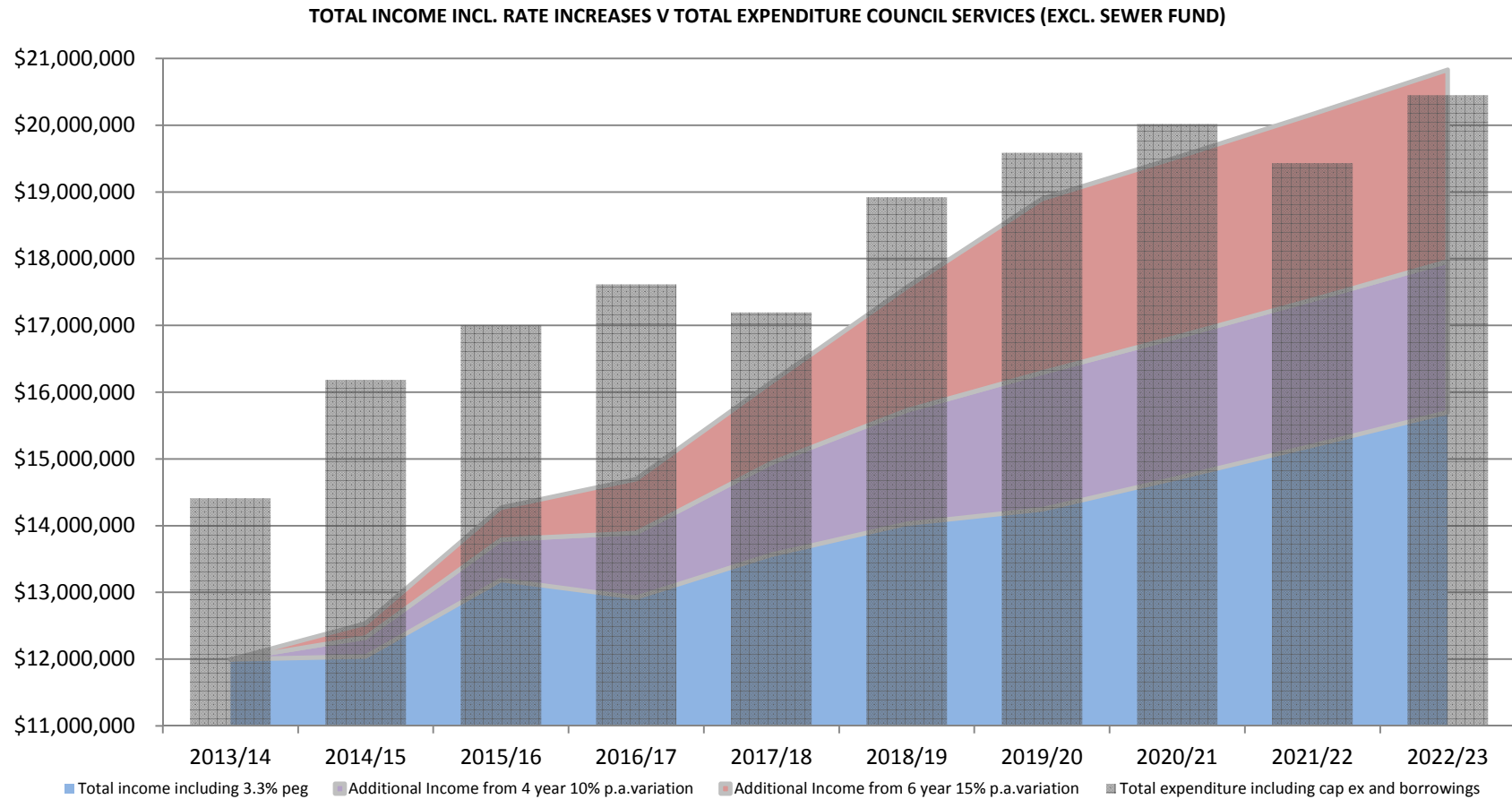


What will we see for the SRV's proposed?

- **Option 3 Road to Infrastructure Improvement Model – 15% each year over 6 years (cumulative) for all rating categories**
- Council has identified that under a SRV of 15% for all rate payers that it will have funding to be able to improve its overall works programs and to raise loans that will be paid back over 10 to 30 years for major items such as bridge replacements. This level of funding is cumulative so each year the rates will increase by 15% on top of the year before. This will allow Council to provide a higher level of service quicker and after the 4 years SRV period it will be able to review capital improvements and funding.



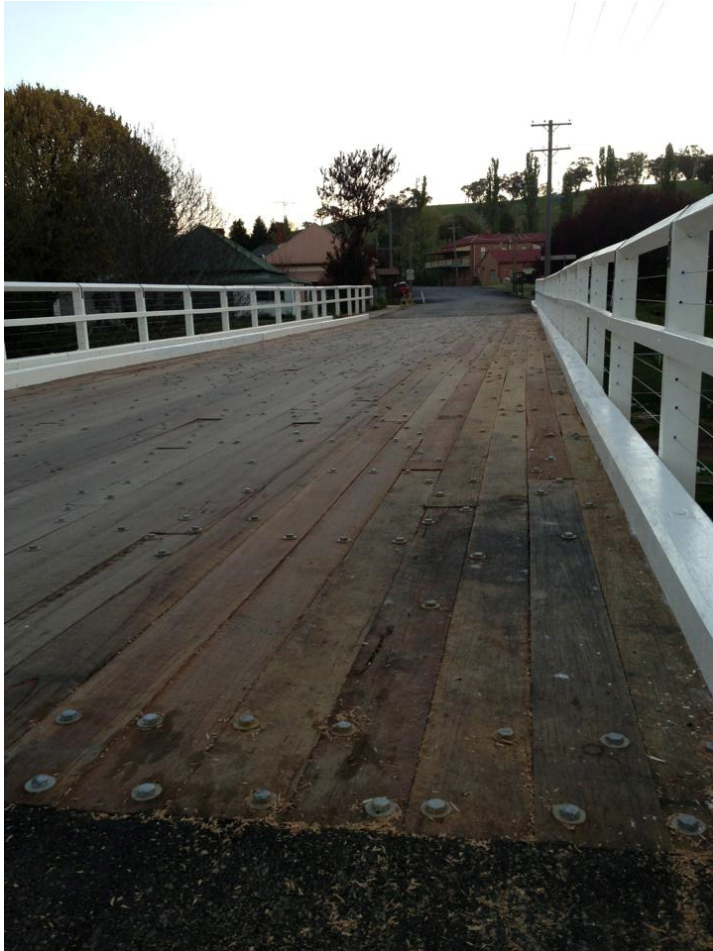
What will we see for the SRV's proposed?



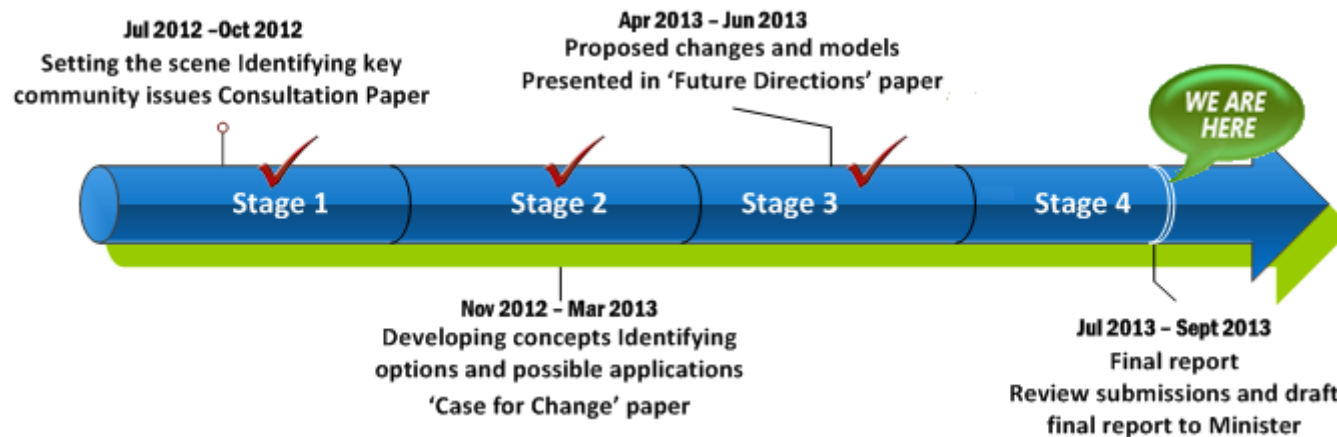
Can we afford to downgrade Assets?



Other Income



Review into Local Government and Amalgamation





How do I have my say as to the SRV I want?

You are asked to fill in the attached survey and place it in the survey box at the meetings or to return it to your local store in the village or return it to Council's office in Blayney. Council will publically advise the community of its decision and the results of the survey.



This is our Shire and we need your help to
Keep Up, Get Ahead and Back Ourselves