

[Redacted]

Your reference: 20/564

[Redacted]

Declaration of Compliance with Conditions on Approved Instrument for 2021-22

Federation Council [Redacted] 17 May 2021 under section 508(2) of the Act to increase its general income for Year 2021-22 by 8.0%.

[Redacted]

I, **Adrian Butler** [Redacted] **Federation Council** declare that to the best of my knowledge that Council have comply with the conditions specified in the Special Variation instrument.

[Redacted]

Signature :

[Redacted]

Date : 23 December 2022

[Redacted]

[Redacted]

STATUTORY REPORTS

Activities funded via a special rate variation

Legislative requirement: Special Rate Variation Guidelines* 7.1

On 14 May 2022, IPART approved Council's application to permanently increase general income through a special rate variation (SRV) of 8% inclusive of the rate peg for 2021/22.

Corowa Aquatic Centre that was in the pipeline for over 25 years opened to the public on 26th April 2021. The additional income from the SRV is to assist in funding the ongoing operating expenditure of the new Centre, The SRV will bring in additional \$5.5 million income above the rate peg over the next 10 years.

	2021-22	2022-23	2023-24	2024-25	2025-26
Rate Peg	2.00%	2.50%	2.50%	2.50%	2.50%
SRV	6.00%	-	-	-	-
SRV income above rate peg (\$'000)	\$495	\$508	\$520	\$533	\$547
	2026-27	2027-28	2028-29	2029-30	2030-31
Rate Peg	2.50%	2.50%	2.50%	2.50%	2.50%
SRV	-	-	-	-	-
SRV income above rate peg (\$'000)	\$560	\$574	\$589	\$603	\$618

\$5.5m
Additional income
Above the rate peg over the next ten years



Corowa Aquatic Centre expenditure

The SRV expenditure budget for 10 years average was \$1,218,092 per annum to operate the aquatic centre. The funding of the operating expenditure was to be funded by 47% from pool users and remaining 53% from ratepayer.

	SRV Budget (10 years average)	FY2022 Actual
Income		
User fees and charges	\$ 578,092	\$ 401,896
Special variation income	\$ 554,805	\$ 497,385
	\$ 1,132,897	\$ 899,280
Less: Expenses	\$ 1,218,092	\$ 1,482,593
Excess to be borne by general rates	-\$ 85,195	-\$ 583,312
<i>Percentage of operating cost covered by:</i>		
Pool users	47%	27%
Ratepayer	53%	73%
Special variation	46%	34%
General rates	7%	39%
	100%	100%

In the first 12 months of operations there were over 34,000 admissions to the Centre, the majority of whom were families, adults, and children.

The learn to swim program was launched in Term 4 2021 after delays due to COVID-19 lockdowns with nearly 350 student enrolments in the program. Since commencing it has been a proven success and is one of the key revenue sources for the Centre,

It is recognised that the first year of operations has been challenging with impacts from a milder summer season impacting on admission rates, the COVID-19 pandemic resulting in closures, delays to service delivery and reduced attendance rates as well as reduced visitors and tourists in the region over the peak holiday period. There has also been less membership uptake than predicted and increased costs for labour and supplies such as pool chemicals. As a result, the additional income from SRV only funded 32% instead of the forecasted 46% of the operating expenditure.

Corowa Aquatic Centre future

In recognition of the significant gap, Council have developed and adopted a business plan as an effective strategy for driving success and growth of Corowa Aquatic Centre. It outlines Council's objectives for the facility over the next four-year period for 2022/23 – 2025/26. This was undertaken with community and stakeholder consultation and engagement.