

14 December 2012

June Shire Council
Belmore Street June
NSW 2663 (PO Box 93)
Ph: 02 6924 8100
Fax: 02 6924 2497
jsc@june.nsw.gov.au

The Local Government Team
The Independent Pricing and Regulatory Tribunal
PO Box Q290
QUEEN VICTORIA BUILDING NSW 1230

Dear Sir or Madam

Intention to apply for a Special Rate Variation under Section 508A

At its meeting held 20 November 2012, June Shire Council resolved to notify IPART of its intention to apply for a special rate variation under Section 508A of the Local Government Act 1993.

The purpose of the special rate variation is for the maintenance and renewal of infrastructure. The Council seeks to maintain existing levels of service for our road network by resealing roads and re-sheeting gravel roads. It is also to maintain our drainage infrastructure including the reintroduction of a kerb and gutter program.

June Shire Council's intended application will have two parts to it. Firstly, to seek a permanent continuance in 2014-15 of a special rate variation of 9.6% that was approved in July 2009 for a five year period. That approval allowed the part reintroduction of Council's road sealing program.

Secondly, the intended application also seeks a permanent increase of 10.0%, 9.5% and 9.0% in the next three financial years with these figures inclusive of the rate pegging figure announced in those years. It is important to note that the 9.5% increase proposed for 2014-15 is additional to the continuance of the 2009 SRV mentioned above.

The table below outlines the financial implications of these proposed increases.

	2013-14	2014-15	2015-16
Rate Peg	3.4%	3.0% Est.	3.0% Est.
Increase in rate revenue from rate peg	\$94,892	\$86,575	\$89,172
Proposed SRV – includes rate peg %	10.0%	9.5% *	9.0%
Increase in rate revenue from SRV	\$279,093	\$291,652	\$302,551
Additional Revenue from proposed SRV (Increase from proposed SRV less Increase from rate peg) **	\$184,201	\$205,077	\$213,379

* (assumes continuing the 2009 SRV approval that lapses at 30 June 2014)

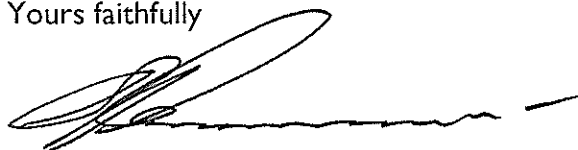
** (assumes prior year(s) SRV is approved)

Once these increases are embedded in the Council's rate base, Junee Shire Council's Long Term Financial Plan shows that the Council can be financially sustainable while maintaining existing levels of service from that point on.

For your information, Junee Shire Council has appointed Mr James Davis as General Manager. Mr Davis commences work on 2 January 2013.

The Council contact officer for the purposes of the proposed Special Rates Variation application is Mr John Whitfield, Director Corporate and Community Services.

Yours faithfully



G F S Campbell

General Manager