

Author name: Anonymous

Date of submission: Friday, 10 March 2017

Submission: I wish to lodge an objection to the proposed special rate variation application submitted by Shoalhaven City Council. Whilst I am not a permanent resident of the Shoalhaven Council area, I own a holiday home in the area and will incur increased charges if the application is approved. I also acknowledge that there is a need for a special rate rise, but not one as large as that requested by Council. I wish to object on the grounds that 1. Council have not provided a clear case as to why Council will incur an operating loss of \$116m over the next 10 years if the variation is not approved. 2. Council have scheduled community information sessions explaining the reason for the increase and how rates are used commencing on the 13 Mar, the day submissions to IPART close. As such there is no opportunity for residents to submit comments to IPART. 3. Whilst the Council General Fund is reporting a loss, if the Sewer Fund and Water Fund are included in the Council Income, in 2015-16 Council made a \$10m profit (refer to the Council 2015-16 Financial Statement). 4. The requested 13.2% increase from June 2017 and 14% increase from June 2018 will result in a 29% increase in rates from June 2018. 5. there appears to be some significant waste of Council resources - eg the re-work to fix poor standards of work from recent roadworks on Lake Conjola Entrance Road over the past few years

Author name: Anonymous

Date of submission: Monday, 13 March 2017

Submission: Further to my earlier submission, I have reviewed the Spreadsheet submitted by Shoalhaven Council as part of the application for a Special Rate Variation and submit the attached comments to support my earlier objection to the application

Shoalhaven City Council Application for Special Rate Variation

Additional Comments from [REDACTED]

The following questions relate to Council Financial Reports and the numbers submitted in the Council application to IPART:-

1. In the Council Dec 2016 Qtrly Review published on 21 Feb 17 - the Actual YTD result in the General Fund for the 6 mths to Dec16 is a surplus of \$32m. However in the Review, Council is forecasting a full year operating loss of \$9m ...Why? There appears to be a large forecast expenditure in Materials and Contracts, but why?
2. The projected full year result in the IPART application spreadsheet is a deficit of \$11m..How can that be \$2m more than the Dec Qtr forecast if the application to IPART was made before the Dec Qtrly result was published by Council (IPART application submitted 13 Feb, Council Qtrly Results published 21 Feb)
3. If the rate variation is approved, the numbers submitted to IPART by Council shows Council will have a surplus in the General Fund in 10 years of \$125m or \$167m if Capital Grants & Contributions are included (see Worksheet7 in the Excel document support the application) . I must be reading it incorrectly!! Why has Council requested an increase that covers more than the claim 10 year operating loss of \$116m?
4. I dont seem to be able to find where in the numbers submitted to IPART that Council will have a \$116m operating loss in the General Fund by 2026-27 . The IPART report Worksheet7 shows an accumulated operating loss of \$23m over 10 years, but it also shows from 2023-24 Council will be in surplus in that Fund, and by 2025-26 the surplus will be \$10m for the year. What is the forecast position in say 15 years?
5. The following relates to data in Worksheet5b of the spreadsheet in Council's Application.
 - a. Worksheet#5b has a table showing different categories of rate payers (residential, business, farmland), and each category shows the number of dwellings within the category broken down by land value ranges (\$0-\$99K, \$100K-\$199K, etc).
 - b. The table shows the current and proposed rate charges for the new few years for each land value range. Within the Ordinary Residential Dwelling category here are over 51000 dwellings in the Shoalhaven Council area with over 60% of the dwellings in the \$100k-\$199K and \$200K-\$200K land valuation ranges
 - c. I presume the number of dwellings include public or community housing, but cannot find actual figures, and presumably these community housing dwellings have low land values
 - d. The average rate charged at present across the 51,000 dwellings is \$1,150pa
 - e. Why does the table show that dwellings in the 2 lowest categories are paying up to 6 times the proposed rate increase of the higher land valuation dwellings in the first 2 years, and that landvalues above \$400K receive a reduction in rates in the 1st year (2017-18)?