
[REDACTED]

Sent: Sunday, 28 February 2021 6:56 PM

[REDACTED]

Subject: Re: Federation Council special rate variation concerns

[REDACTED]

Please find revised version of submission...

I live in the Federation Shire at Corowa NSW and have major concerns over the council's recent application for a SRV to fund the operation of the public swimming pool that is still under construction.

Myself and many others have major concerns over the lack of consultation and community engagement with the somewhat 'elusive' survey that was conducted in August. The first I knew about such a survey was from an article in the Albury/Wodonga Border Mail newspaper 17th November that stated that councillors will decide today whether to apply for an 8% rate increase to cover the cost of operations of the aquatic centre that is due to open midway through next year. The following day 18th Nov. the headline read "Rates jump locked in to pay for pool" when councillors unanimously agreed to a fees and charges structure in addition to a one off 8% rate increase to offset its ongoing operations and submit the application 'before Friday Nov. 20th deadline'. The next article Feb 6th headline reads, Shire off the blocks in fight for pool rates hit.. Fight ?? (I have attached the articles).

The lack of transparency by the council and lack of community engagement, awareness and consultation in regards to this issue is appalling.

When the new pool configurations were being considered, residents received a survey in the mail to express our preference in the size of pool. The existing pool was 35m outdoor and toddler pool and the majority of residents wanted a 50m outdoor pool to cater for swimming carnivals and training while council were pushing for an indoor, heated, all year round pool to cater for the older population, the majority of residents voted for the final project (option 4) that will consist of a 50m outdoor pool, training pool plus a splash park although there was little support for the splash park. The original costing for this option was under \$8 million. A media release dated 26/03/2018 stated that the original Corowa council had a long-term savings plan that provided \$1.9 million in reserve funding for the pool plus two NSW Government grants totalling \$2.5 million seeing a total of \$4.43 million currently available for the aquatic centre. The 21st Dec. 2018 council received further State Government funding of \$5.59 million of which \$3.48 million would be for the aquatic centre and the mayor Pat Bouke stated that the pool would now be fully funded or

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close to (see attached), the council then announced on the 9 Jan. 2019, that they will investigate 'heating options' and without any apparent community consultation, a three lane heated pool has now become part of the option 4 finished project that now cost \$10.2 million. There has since been \$750,000 funding provided for the splash park indicating the splash park has been funded twice.

30th June 2020:

"With the formation of the new Federation Council in 2017 funding has been provided to complete joint caravan park and swim centre facility option designs, **cost estimates and usage and operating budget**. During this process, Council will continue to seek further funding as well as consider loan and other project funding contributions so it can fund and tender the development to meet the new facility being open in Corowa by end of November 2019".

This indicates that the operational budget was inclusive in the final costings

The outdoor pool is now not expected to open until November 2021 and apparently the operational costs are now a 'new' expense!! While council is adamant that the extra funding the 8% SRV would provide is **solely** for the 'new' operational costs of the aquatic centre, the Operational Plan published on 30th June 2020 (attached) states,

"Council will be seeking an application for a Special Rate Variation to take effect in the 2021/22 financial year. This is required to cover the operating and maintenance costs of the many new infrastructure projects delivered, or currently being delivered across the Council area. While we are working hard on the most cost efficient operation of new assets like the Corowa Aquatic Centre, the cost of running such excellent community facilities needs to be covered to ensure Council can sustain its position as a viable and growing Council into the future. The Special Rate Variation will cover the additional costs of the Corowa Aquatic Centre, and other infrastructure projects which will be outlined in the detailed community engagement Council will be doing in preparation for the application with the State Government throughout the course of the next year."

The basis for the SRV application is a community satisfaction survey (attached) that was apparently conducted in August that very few knew about. The survey results stated that 42% of residents were against the rate increase with 28% in favour and 28% neutral. The main reasons why residents do not support the SRV is that they will not personally benefit from the facilities and that the current levels of rates are costly enough. I was finally able to locate this survey through a google search after not being able to source any information on the council website. This survey is about general community satisfaction with the SRV questions being a minimal portion of the overall survey and in my opinion is not a valid representative sample of Federation Shire residents.

Ironically, of those surveyed the reasons for a low overall satisfaction rating in the area of governance were a perceived lack of communication and consultation with responses described as a lack of transparency from council and minimal community involvement in decision making and providing value for money for my rates. Exactly the reasons for this email.... The rates have already increased exponentially over the past 5 years with a 7% SRV for 4 years 2015-2019, 2.7% for 2020-2021 and now a potential 8% increase that

council have just announced will be permanent.

I regard the council's application for increasing rates without appropriate community awareness and engagement a serious breach of council responsibility (elusive phone surveys and online surveys with a bias design) are not a means for effective community engagement and consultation. I find it particularly insensitive in the current environment where many are financially vulnerable due to loss of employment (like myself) or other negative situations that have resulted from Covid 19 while council staff benefits continuously increase and council's focus on increasing their \$1.9+ million unrestricted cash flow.

I found the following information from the council budget report and question why these very questionable operational costs should be the onus of the ratepayer.

The Council's operating result from continuing operations of -\$0.9 million (including depreciation and amortisation expense of \$11.1 million) was \$1.2 million lower than the 2018-19 result. This was primarily due to an increase in employee benefits and on-costs and depreciation and amortisation expense. The net operating result before capital grants and contributions (-\$9.7 million) was \$4.0 million lower than the 2018-19 result. This was primarily due to an increase in employee benefits and on-costs and depreciation and amortisation expense. Rates and annual charges revenue (\$14.7 million) increased by \$0.6 million (4.3 per cent) in 2019-20 due to: • the IPART rate peg, which increased general rates revenue by 2.7 per cent in 2019-20; and • A 0.9 per cent increase in the number of assessments issued in 2019-20. Grants and contributions revenue (\$25.1 million) increased by \$2.3 million (10.1 per cent) in 2019-20 due to: • \$3.7 million of 2019-20 financial assistance grants received in 2018-19. • \$4.0 million of grants received for roads and bridges projects. • \$2.3 million of grants received for community projects.

Cash and investments 2020 2019 Commentary \$m \$m External restrictions 21.0 28.6 • Externally restricted cash and investments are restricted in their use by externally imposed requirements. The decrease of \$7.6 million is primarily due to a decrease in specific purpose unexpended grants of \$8.6 million, offset by an increase in sewerage service funds of \$1.4 million. • Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect identified programs of works and any forward plans identified by Council. The decrease of \$3.0 million is primarily due to a decrease in the plant and vehicle replacement reserve of \$0.8 million to reduction on the reserve for the waste deposit restoration. • Unrestricted cash and investments was \$1.9 million, which is available to provide liquidity for day-to-day operations of the Council. Internal restrictions 6.5 9.5 Unrestricted 1.9 0.5 Cash and investments 29.4 38.6

I would also like to bring into question the \$45 waste levy that was introduced the year council ceased to provide 2 annual tip vouchers for ratepayers as we have no hard rubbish collection and tip prices are prohibitive on top of the latest \$100.00 increase in waste collection. Council have now increased the waste levy to \$55 ???

Sorry for the long-winded email but our council appears to ignore negative feedback and do whatever they want to regardless of the overwhelming majority of residents who oppose the 8% SRV on top of the previous year's increases of rates, sewerage and water without any increased quality of service. The council is more like a [REDACTED] since the amalgamation rather than a community minded one and I would request to remain

anonymous to the council for concerns around possible retribution.

I have attached the results of the survey and am sure you will agree that the research methodology for this survey is very questionable. Also find attached Operational Plan and newspaper clippings.

I am happy to respond to IPART further if required.