

**From:** [REDACTED]  
**Sent:** Monday, 13 March 2017 9:41 AM  
**To:** IPART Mailbox  
**Subject:** Rate rise for the Shoalhaven City Council

Dear IPART

Shoalhaven City Council has asked for a rate rise of 13.2% for the 2017/18 financial year and 14.0% for the 2018/19 financial year leading to a cumulative increase of 29% over this period.

While it may be necessary to increase rates slightly more than the IPART peg level, the Shoalhaven City Council has recently gone to great lengths to avoid amalgamation with Kiama Council by proving that it was financially "fit for the future". Consequently the proposed rate rise seems to be indefensible and I am therefore opposed to it.

Examination of Council documents has also raised the following questions:

1. Council Sewer and Water Funds made a significant surplus in 2015/16 and according to the Dec 16 Qtrly Budget Review are projected to make a surplus this year. If the surpluses are included with the General Fund return, Council will return a total surplus of around \$10m. Why are the surpluses from Sewer Fund and Water Fund not included in Council's application to IPART for the rate increase? Why doesn't Council use the surplus rather than increasing rates.
2. If Council's application to the IPART excludes Sewer and Water Funds, why does it mention the need for an increase in sewer and water infrastructure/maintenance expenditure?
3. Does Council ever transfer monies between Funds? Eg Sewer to Water or Water to General, or General to Water.....
4. Why are Capital Grants and Contributions excluded from Council's forward assessment of \$116m loss over 10 years in the IPART Application?
5. What is the annual rate peg increase for 2018/2019? Is it 1.5% as in the Rates Rise Factsheet on Council website, or 2.5% as in the IPART Application. If 2.5% why has Council requested an increase of 11.5% for 2018/19 given the following 8 years to 2026/27 (the period of analysis in the IPART) it is also 2.5%. This will result in a rate increase in excess of the request in the FactSheet, and therefore is misleading to the community.
6. Why has Council requested a larger increase in 2017/18 than that approved at the Council Extraordinary Meeting on 2 Feb 2017, and documented in the Media Release of 3 Feb 2017?
7. Will businesses be subject to a rate increase? If so by what percentage?

Yours sincerely

Michael Brungs Shoalhaven ratepayer [REDACTED]