



Attachment F

Special Rate Variation

Brochure and Survey

Anna Watt

From: Hein Basson
Sent: Tuesday, 14 January 2014 9:26 AM
To: Church St Office; Garden Court; Lang St Depot; Library Staff; NCC; Tourism & Events; Town Hall
Subject: FW: Special Rate Variation - Brochure
Attachments: 2014-1-13 - Special Rate Variation - Brochure.PDF
Importance: High

Dear Colleagues

As part of the Special Rate Variation Community Consultation process, a brochure has been prepared that will be posted to Ratepayers later this week to explain the Special Rate Variation process. The brochure is substantial and may result in you as a staff member of Council receiving queries from friends, neighbours or other members of the public.

It would be appreciated if you could review this brochure and if you have any queries, please discuss with Anna Watt or Eric Brown. They would be more than happy to assist in your understanding of the significant matters facing Council and the Local Government Industry in NSW.

If you are uncomfortable with answering any particular queries raised by community members, please direct them to the "How to have your say" section of the attached brochure – where a few options are discussed.

It would also be greatly appreciated if you, as a ratepayer, could complete the attached survey and return it Eric Brown via our internal mail.

Your assistance in the above regard is greatly appreciated.

Kind Regards
Hein

Hein Basson
General Manager
General Manager's Office

T (02) 6730 2315
F (02) 6732 3764
M 0408 669 931
hbasson@gisc.nsw.gov.au

GLEN INNES SEVERN COUNCIL
265 Grey Street
(PO Box 61)
Glen Innes NSW 2370



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10 January 2014



Dear Resident

Glen Innes Severn Council's Application for a Special Rates Variation

Glen Innes Severn Council is requesting your consideration of the long-term future of your Council. We, like almost all rural Councils, have a significant backlog of infrastructure renewals. Everyone is aware of problems with roads, streets and bridges. Our current income does not allow us to make significant headway on this problem.

An option, which is available, is to apply for a special rate variation (an increase above the rate peg). A majority of Councils in NSW have applied for such a variation (approximately 100 applications from 152 Councils in NSW). Tenterfield, Gwydir, Guyra, Armidale and Liverpool Plains are applying this year.

We are actively seeking your views on this matter and warmly invite you to attend our community forums as detailed in this brochure.

The proposal would see an increase of 10% (plus 2.3% rate pegging) for Residential rates in 2014-15. Farmland rates in our district are significantly below the average of surrounding Councils. To bring these up to the regional average the proposal suggests a 10% (plus rate pegging) for each of the next three (3) years for Farmland.

I would hope you can find the time to read the material enclosed. This will allow you to give a considered opinion on this matter. Council will make this difficult decision on February 20.

Cr Colin Price
Mayor



Council's Long Term Financial Sustainability



How Our Rates Work

Council rates are determined in accordance with the provisions of the *Local Government Act 1993*. This legislation provides the mechanisms to calculate rates and limits the income councils can derive from rates.

Glen Innes Severn Council has four (4) rating categories which are then divided up into subcategories:

- Farmland
- Residential (including Rural Residential)
- Mining
- Business

Rates are calculated annually and include a combination of ad valorem, base amounts and minimum rates.

- Ad Valorem – is the levying of rates by multiplying land value by a rate in the dollar
- Base Amounts – are a set charge for every Farmland assessment in the rating category plus an ad valorem amount.
- Minimum Rates – are a set minimum amount used for Business, Residential and Mining categories which may include an ad valorem amount depending on the value of your land.

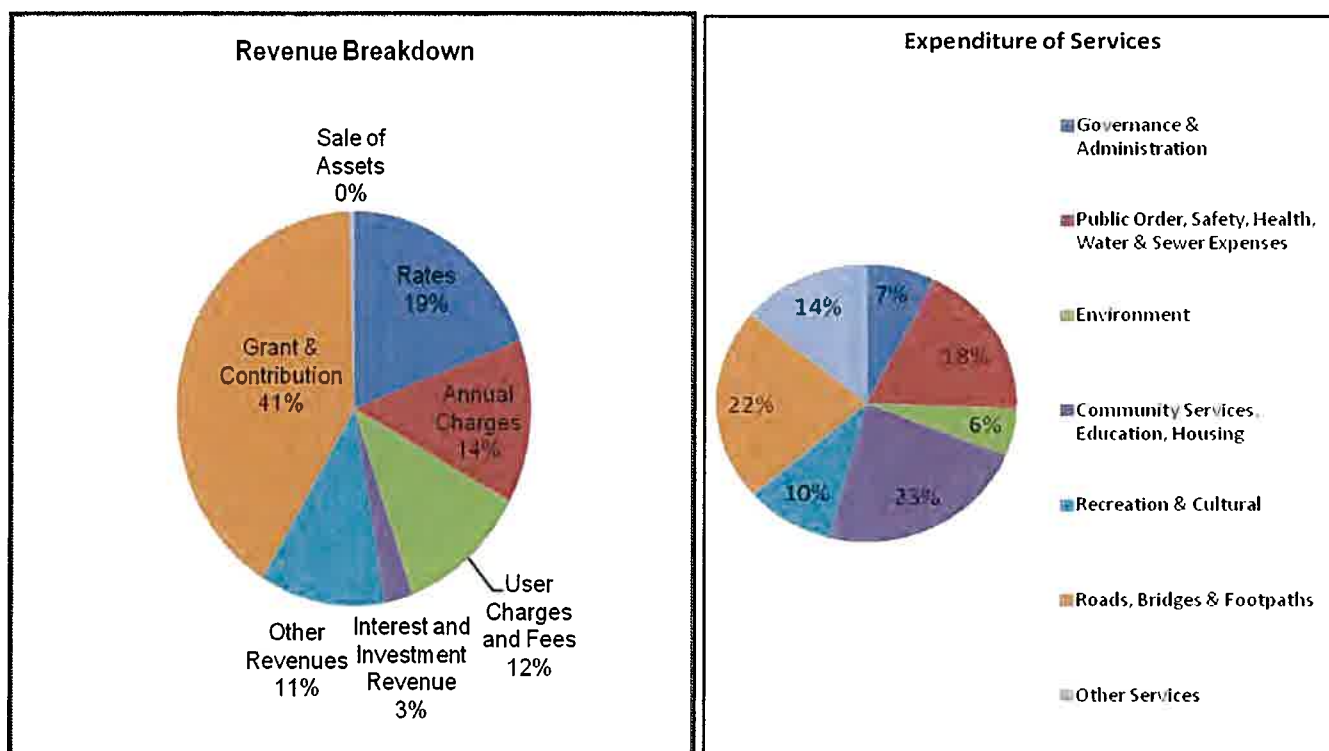
Land valuations are undertaken every three (3) years by the NSW Valuer General. The land value does not include the value of the house, buildings, or other improvements to the land. Therefore Council does not set the value of your land, but is obliged to use this figure, to calculate the ad valorem amount to reflect any changes in the value of your land.

Where Do Our Rates Come From Now?

In 2013/2014 Council will receive \$5.0m in rates [a portion of which (approximately \$80,000) applies to Council properties and does not involve a cash return or payment]. Broken down into categories that equates to:

–	\$2.1m	Farmland	(42%)
–	\$0.0m	Mining	(0%)
–	\$0.5m	Business	(11%)
–	\$2.4m	Residential	(47%)

This \$5m in Rates comprises only 19% of Council's overall revenue. Therefore, the revenue raised from Rates covers the current expenditure on Transport and Communication (Roads, Bridges and Footpaths etc).



Council's Long Term Financial Sustainability



What does Council spend money on?

The Glen Innes Severn Council provides a wide range of services. Most do not receive enough income to cover the cost of providing them; therefore it is a net cost to Council to provide these services. Where income such as user fees does not cover the cost of service provision, Council uses rates and grant income to cover the additional costs. Below is a list of some services that Council provides, and what they cost the community. The net cost to Council (income minus expenditure) includes the annual depreciation cost. This cost must be met while ever Council owns the asset, whether or not it is operational.

Service	Net <u>Cost</u> of providing this service to the Community
Emergency Services	\$327,000
Rangers (Regulations and Animal Control)	\$151,000
Noxious Weeds	\$150,000
Community Services and Education	\$94,000
Public Cemeteries	\$23,000
Public Conveniences	\$88,000
Street Lighting	\$133,000
Town Planning	\$164,000
Public Libraries	\$615,000
Swimming Pools	\$419,000
Parks & Gardens	\$413,000
Sport and Recreation	\$175,000
Building Control	\$120,000
Transport and Communication (Roads, Bridges, Car Parks, Footpaths etc)	\$4,265,000
Economic Affairs (Tourism, Festivals, Events etc)	\$774,000

Is Council poorly managed or is Council broke?

NO! The recent Treasury Corporation of New South Wales (TCORP) review independently verified that Council is in a moderate position with a neutral outlook. Only 34 of the 152 councils in NSW were rated higher. Therefore Glen Innes Severn Council is sitting in a **good position** compared with many other councils.

The TCORP report noted:

"The Council has been effectively managed over the review period based on the following observations:

- *Council's underlying cash result ... has been increasing over the three year period*
- *Council's Unrestricted Current Ratio has been above benchmark each year indicating Council had sufficient liquidity*
- *Council's Interest Cover Ratio and DSCR [Debt Service Cover Ratio] have been well above benchmark over the three year period"*

Council's Long Term Financial Sustainability



Further comments from TCORP in the report:

- "Based on our review of both the historic financial information and the 10 year financial forecast within Council's long term financial plan we consider Council to be in a satisfactory financial position";
- "Council's underlying operating performance (measured using EBITDA) [Cash surplus] has increased year on year."

The recent Division of Local Government comparative information report identified that Council's administrative costs (\$207.25 per person) are well below our group average (\$408.57 per person).

How do our financial and asset management ratios compare?

Council's current position, based on the TCORP ratios identified in both the TCORP report (2010 and 2011) and the audited financial statements for 2012 and 2013 financial years, is below. This demonstrates that Council is in a reasonable financial position. However whilst financially sound Council's audited financial statements show Council is not funding its depreciation. This means whilst Council has good cash reserves (currently \$14 million) it does not have enough funds to maintain the infrastructure such as roads, bridges and footpaths.

What are our current financial / infrastructure ratios?

TCORP RATIOS		Year ended 30 June			
Above Benchmark	Benchmark	Council			
Below Benchmark		2013	2012	2011	2010
Financial Ratios					
Operating Ratio	> (4.0%)	(4.53%)	(0.27%)	(12.1%)	(5.4%)
Interest Cover Ratio	> 4.00x	5.58x	7.46x	8.42x	7.02x
Debt Service Cover Ratio	> 2.00x	3.34x	4.78x	5.13x	4.44x
Unrestricted Current Ratio	> 1.50x	4.78x	3.46x	2.40x	2.83x
Own Source Operating Revenue Ratio	> 60.0%	44.68%	39.65%	31.5%	32.2%
Cash Expense Ratio	> 3.0 months	8.64 months	6.98 months	6.8 months	7.0 months
Infrastructure Ratios					
Infrastructure Backlog Ratio	< 0.02x	0.12x	0.14x	0.17x	0.16x
Asset Maintenance Ratio	> 1.00x	0.74x	0.63x	0.62x	0.62x
Building and Infrastructure Renewals Ratio	> 1.00x	0.89x	0.55x	0.57x	0.07x
Capital Expenditure Ratio	> 1.10x	0.87x	1.37x	1.10x	0.51x

The TCORP ratios indicate the need to address the infrastructure side of Council's financial balance. The other two (2) ratios of concern are the Operating and Own Source Operating Revenue Ratio. With a special rate variation these would be addressed to a large extent. The 2012 and 2011 financial years indicate an acceptable Capital Expenditure Ratio, due to above average asset purchases. This is not affordable in the longer term without additional revenue sources.

It should also be noted that the majority of financial ratios, as well as the infrastructure ratios, are improving, but there is a limit to the ability of Council to re-allocate funds.

What are our projected financial / infrastructure ratios for 2023?

ESTIMATED	TCORP Benchmark	Year ended 30 June 2023	
		Scenario	
		1	5
Operating Ratio	> (4.0%)		
Interest Cover Ratio	> 4.00x		
Debt Service Cover Ratio	> 2.00x		
Unrestricted Current Ratio	> 1.50x		
Own Source Operating Revenue Ratio	> 60.0%		
Cash Expense Ratio	> 3.0 months		
Infrastructure Backlog Ratio	< 0.02x		
Asset Maintenance Ratio	> 1.00x		
Building and Infrastructure Renewals Ratio	> 1.00x		
Capital Expenditure Ratio	> 1.10x		
	Good	Above TCORP Ratio	
		Close to achieving Ratio or above ratio and deteriorating slowly	
	Average	Reasonable but short of TCORP ratio.	
		Improving but still of concern.	
	Poor	Below TCORP ratio with no chance of achieving required ratio possibly deteriorating.	

The ratios table on the left indicates whether the ratios are expected to be above or below the TCORP ratio at the end of the Long Term Financial plan (in 10 years). The table indicates that scenario 5 (the preferred option including a special rate variation) is a significant improvement on the status quo scenario (scenario 1) in the ratios identified by TCORP to measure sustainability.

Scenarios are discussed in further detail on Council's website in the Long Term Financial Plan – Discussion paper.

What is Rate Pegging?

Rate pegging is the percentage limit by which all NSW councils are legally allowed to increase the total income they receive from general rates. The rate peg is set annually by the Independent Pricing and Regulatory Tribunal (IPART). The rate peg for 2012/2013 was 3.6% and in 2013/2014 it is 3.4% (to allow for electricity price rises due to the carbon tax).

Prior to amalgamation previous councils have not always increased the rates by the rate peg amount, which is one of the reasons Council's rates are low compared to similar councils. Council determines how to distribute the rate pegging amount between the different categories (please refer to "How Do Our Rates Compare").

What is a Special Rate Variation?

In order to increase rates above the rate peg (around 3% annually), Council must apply to the Independent Pricing and Regulatory Tribunal (IPART), setting out the business case on why Council should be granted a variation. IPART then makes a determination based on this application around May or June this year. Council can apply for a one year Special Rate Variation or an annual increase over a period of up to seven (7) years.

A Special Rate Variation will only apply to the General Rate. It does not apply to the garbage rate or water or sewer rates as they are not limited by rate pegging. Your general rate can be found on your rates notice as below:

Council's Long Term Financial Sustainability



MR A SAMPLE

SAMPLE STREET
GLEN INNES NSW
2370

Payment may be made at Councils Administration Offices
285 Grey Street GLEN INNES
RECEIVING HOURS: Monday to Friday 9.30am to 4.30pm

1993 Acts and Regulations: Notice is hereby given that the undermentioned land has been rated by Glen Innes Severn Council as shown hereunder:-

Assessment Number 1234-1234-1234 **Description and Location of Property**
Rating Year: 01/07/2013 to 30/06/2014 123 SAMPLE STREET Lot
Issue Date: 26/07/2013 Z DP 1234567 in GLEN
Due Date: 31/08/2013 INNES NSW 2370
Valuation Date: 01/07/2010
Rateable Value: \$1030

PARTICULARS OF RATES AND CHARGES	UNIT	CENTS IN \$	AMOUNT
Residential - Non-Urban (Min)	1030	\$0.005969	\$425.00
Waste Facility Management Charge	1	\$59.00	\$59.00
This Invoice contains GST of \$0.00			\$101.48
Less Credit			
NET AMOUNT DUE			\$382.52

Please deduct any payments made since 18/07/2013

A sample Glen Innes Severn Council Rates Notice with the General Rates highlighted in yellow.

Interest will be calculated in accordance with the Local Government Act on overdue accounts.

1ST INSTALMENT	2ND INSTALMENT	3RD INSTALMENT	4TH INSTALMENT	TOTAL AMOUNT
\$19.52	\$121.00	\$121.00	\$121.00	\$382.52
Due 31/08/2013	Due 30/11/2013	Due 28/02/2014	Due 31/05/2014	

PROPERTY HAS BEEN CATEGORISED AS Residential - Non-Urban

PAYMENT ADVICE

Please tick ☐ if receipt is required.

Name: MR A SAMPLE
Assessment Number: 1234-1234-1234
Total Amount: \$382.52
Instalment Amount Due: \$19.52
Due Date: 31/08/2013



POST Billpay Code: 4265
billpay Ref: 1234

Biller Code: 150020
PAY Ref: 1234

AMOUNT DUE \$382.52

Hein Basson
GENERAL MANAGER

PLEASE ADVISE OF ANY CHANGE OF ADDRESS - SEE BACK OF NOTICE

Kindly address all correspondence to: The General Manager PO Box 61 GLEN INNES NSW 2370
Administration Office: 285 Grey Street GLEN INNES NSW 2370
Telephone: (02) 6730 2300 Fax: (02) 6732 3764

Email: council@gleninnes.gov.au
Website: www.gleninnes.gov.au
ABN: 81 365 082 718



Council's Long Term Financial Sustainability



How Do Our Rates Compare?

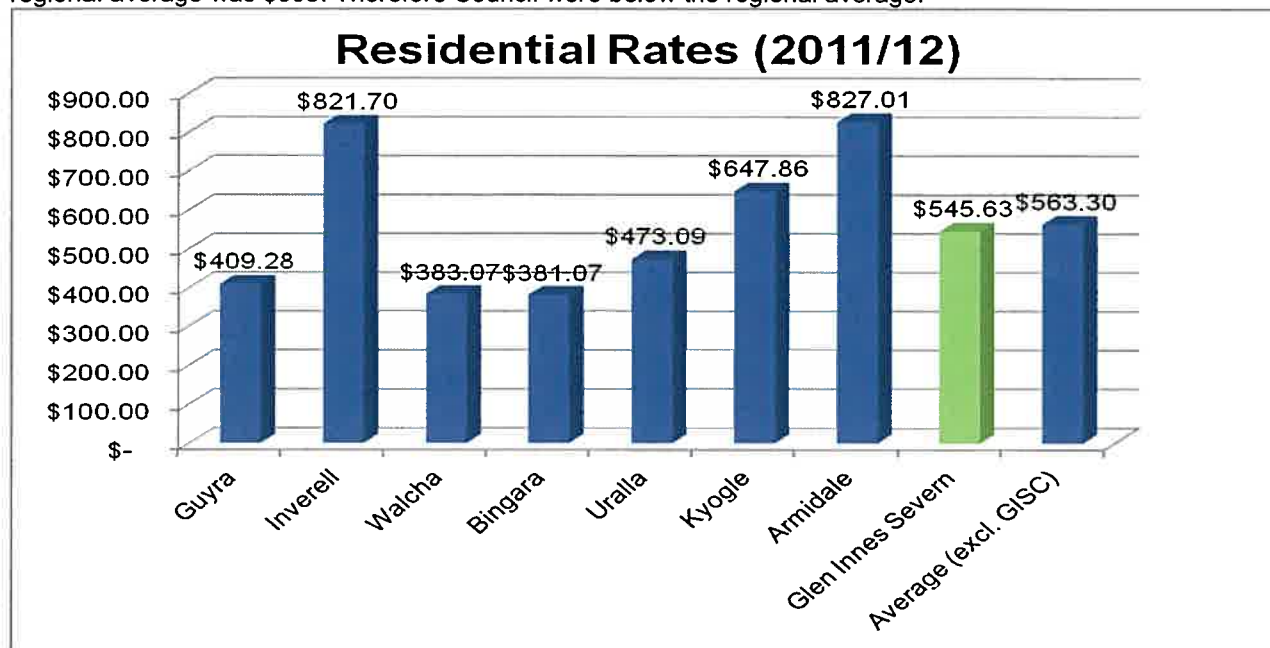
Rates in all Council's categories are relatively low when compared to similar NSW councils. Other councils in our region (that these comparisons are made against) include Guyra, Inverell, Walcha, Bingara, Uralla, Kyogle and Armidale – Tenterfield has been excluded due to their current application for a rate variation of 45%.

REGIONAL COMPARISON (2011/12)									
	Guyra	Inverell	Walcha	Bingara	Uralla	Kyogle	Armidale	Average (excl. GISC)	
Residential	409.28	821.70	383.07	381.07	473.09	647.86	827.01	563.30	
Business	612.24	3,009.17	620.25	344.34	472.05	965.52	3,046.79	1,295.77	
Farmland	2,103.45	2,253.56	3,131.75	3,759.73	3,404.84	1,228.50	2,312.22	2,599.15	
	Glen Innes Severn	Regional Average	Variation	Assessments	Variance in dollar terms				
Residential	545.63	563.30	17.67	3,636.00	64,237.73				
Business	1,247.45	1,295.77	48.32	390.00	18,843.13				
Farmland	1,875.85	2,599.15	723.30	1,016.00	734,872.80				
					817,953.66				
This comparison (at 2011/12) suggests that Council is \$818,000 behind the regional average if Glen Innes Severn ratepayers were charged the regional average (excluding Glen Innes).									

The actual variation requested is not identical to the variation identified in green above. However, the suggested increase is in large part based on this variance balanced with the need to equitably raise the rates without overly burdening one particular category.

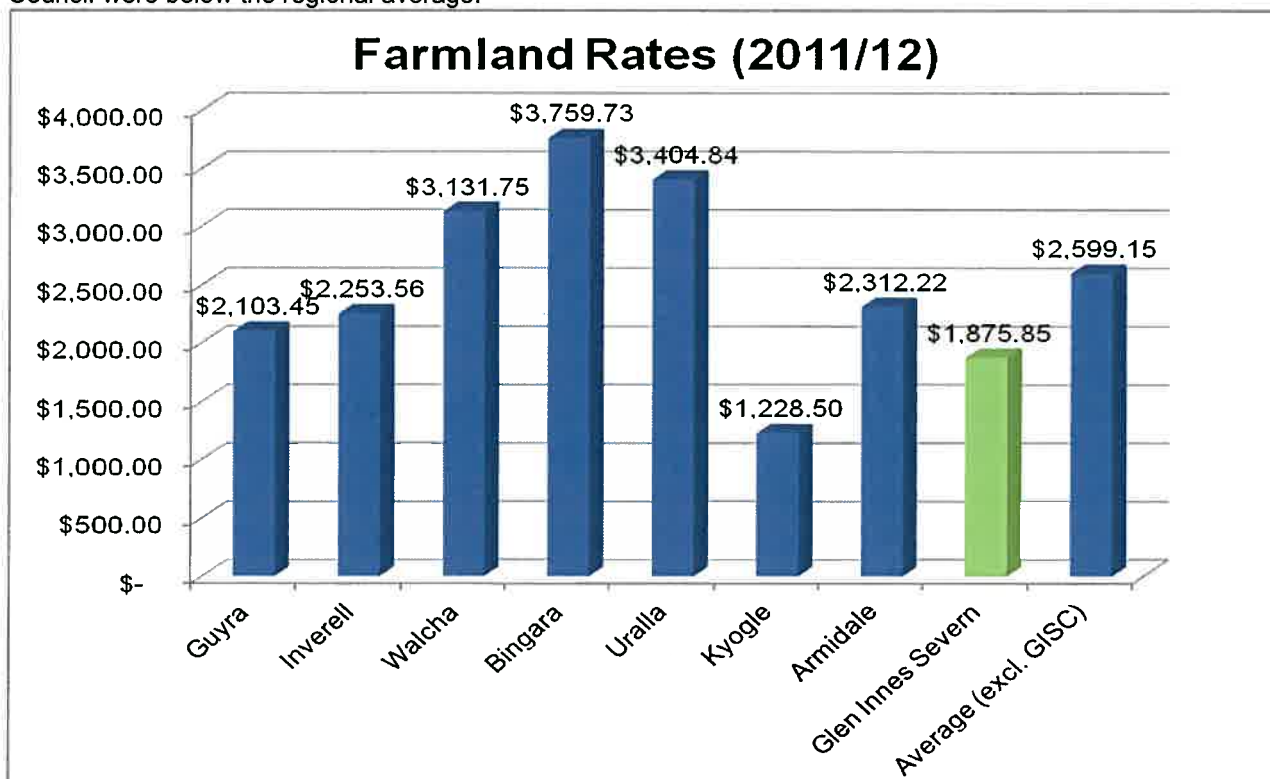
Residential Rates

In 2011/12 (the last year of data currently available), the Glen Innes Severn average residential rate was \$545. The regional average was \$563. Therefore Council were below the regional average.



Farmland

In 2011/12, the Glen Innes Severn average farmland rate was \$1,875. The regional average was \$2,599. Therefore Council were below the regional average.

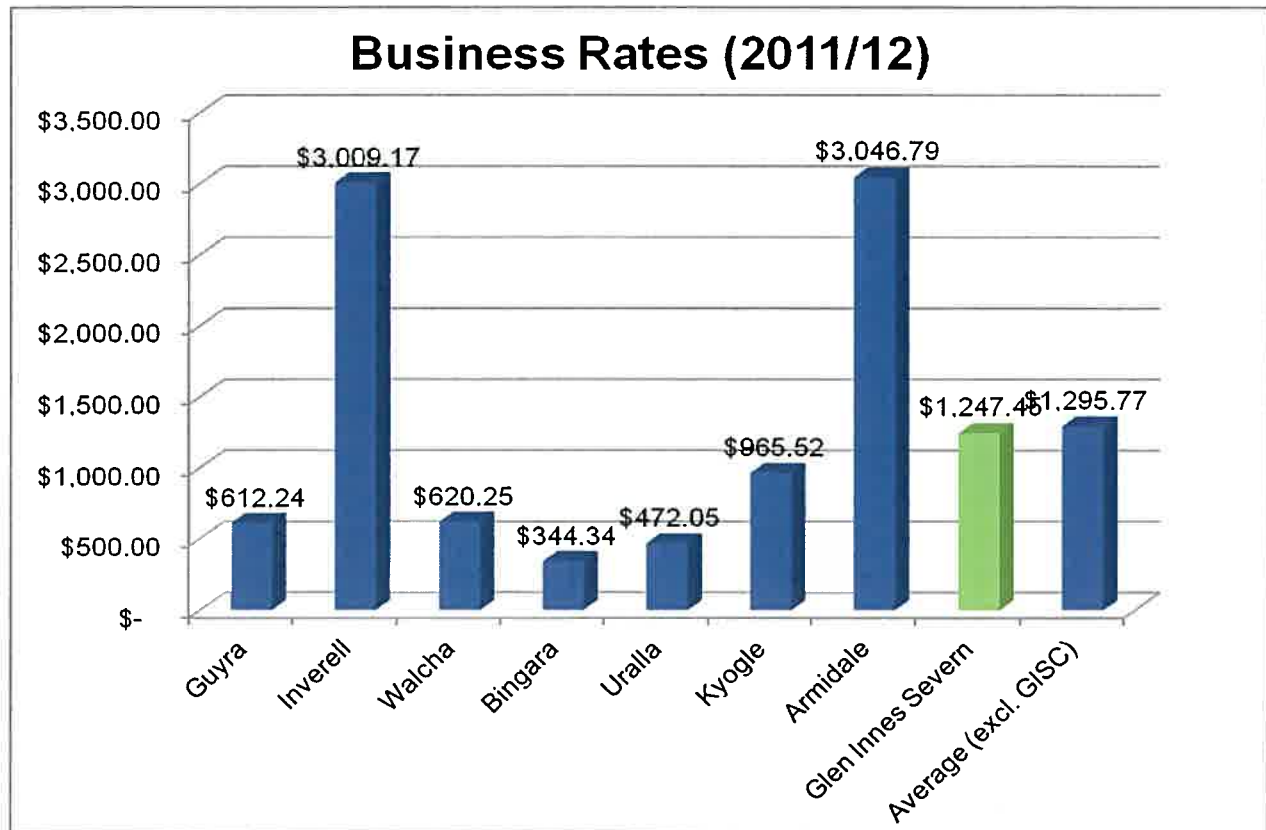


Council's Long Term Financial Sustainability



Business

In 2011/12, the Glen Innes Severn average business rate was \$1,247. The regional average was \$1,295. Therefore Council were below the regional average.



Why is Council suggesting a Special Rate Variation?

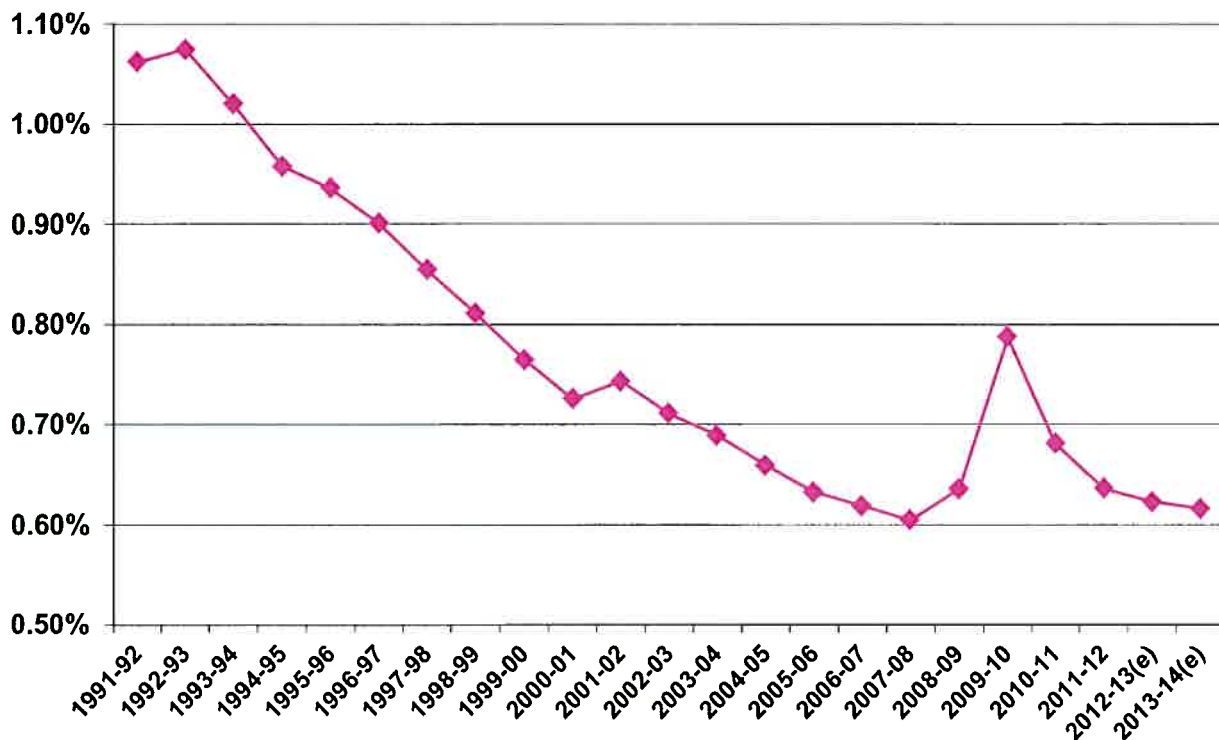
Council has an annual income of around \$24m, of which \$5m is from general rates. Whilst our income has not increased by more than the CPI, our costs continue to rise and the gap between what is needed to be spent on providing services and managing our assets and what is available to be spent continues to increase. Rate pegging, cost shifting from other levels of government and increasing costs have all restricted our ability to meet existing and emerging community priorities for current income.

Most of Council's infrastructure is used for the delivery of services for the community, including roads, parks and buildings. Council has inadequate funds to cover the maintenance and replacement of these assets, with an additional \$1.5m required annually (as a minimum). For this reason Council has approved Scenario 5 of the reviewed Long Term Financial Plan for consultation with the public. This scenario includes a special rate variation.

Council's Long Term Financial Sustainability



If Council is in a good position why do we need a Special Rate Variation?



The graph above indicates the proportion that the Financial Assistance Grant (the most significant grant received by Council) comprises of total Commonwealth revenues. This is across all councils in Australia. This graph shows a clear decrease in the proportion, suggesting that councils are receiving significantly less funding as a proportion of Commonwealth revenue while both the state and Commonwealth government are pushing more responsibilities onto local government (councils).

The total Financial Assistance Grant received from the Commonwealth government by the Glen Innes Severn Council is approximately \$3.6million per annum. At the time of setting the last Long Term Financial Plan it was expected that this grant would increase by (in 2014/15) in the order of \$867,000 per annum. This has not materialised and therefore the previous Long Term Financial Plan had to be reviewed. The new plan indicates that we must source additional revenue to maintain our infrastructure or, we will continue to see deterioration in the infrastructure condition in particular roads, bridges and footpaths.

How much is Council asking for?

- 10% on Residential Properties
- 10% per annum over three years for Farmland
- 0% on Business
- 0% on Mining

This is above the 'rate peg' (or annual rate increase limit set by NSW State government) of around 3% (the 2014/15 rate peg will be 2.3%, while the current 2013/14 rate peg was 3.4%). These increases will remain in the rate base. Therefore your rates will be permanently increased by this percent.

As indicated above (please refer to "How Do Our Rates Compare") farmland rates have traditionally been below the regional average. This has affected Council's ability to address rural road conditions. Council is seeking to raise farmland rates to the regional average.

The average assessment for Farmland and Residential Rates is expected to be impacted as follows:

Council's Long Term Financial Sustainability



Rates category	YEAR					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Residential (RATE PEG)	545.63	565.27	584.49	604.36	624.91	646.16
(SRV)	545.63	565.27	584.49	662.81	685.35	708.65
Variance per year	-	-	-	58.45	60.44	62.49
Average \$/day	0.00	0.00	0.00	\$0.16/day	\$0.17/day	\$0.17/day
Assessments	3,636	3,636	3,636	3,636	3,636	3,636
Revenue Raised	0	0	0	212,524.20	219,759.84	227,213.64
Farmland (RATE PEG)	1,875.85	1,943.38	2,009.45	2,077.78	2,148.42	2,221.47
(SRV)	1,875.85	1,943.38	2,009.45	2,278.72	2,584.06	2,930.33
Variance per year	0.00	0.00	0.00	200.94	435.64	708.86
Average \$/day	0.00	0.00	0.00	\$0.55/day	\$1.19/day	\$1.94/day
Assessments	1,016.00	1,016.00	1,016.00	1,016.00	1,016.00	1,016.00
Revenue Raised	0.00	0.00	0.00	204,151.28	442,614.59	720,200.64
TOTAL ADDITIONAL REVENUE RAISED				416,675.48	662,374.43	947,414.28

Is Council going to raise any other fees?

Each year Council raises its fees as part of the budget process this generally entails an increase of around the consumer price index. The revised Long Term Financial Plan also indicates that water and sewer fund revenues will need to increase marginally above the consumer price index for the funds to maintain an appropriate level of asset renewal. A portion of this will be covered through current developments although a small increase above consumer price index may still be passed on to consumers.

Why should you support a Special Rate Variation?

Council does not have adequate funds to maintain infrastructure. This means that existing infrastructure such as roads, bridges and causeways will continue to deteriorate. A special rate variation is only one (1) element of a strategy to once again make the Glen Innes Severn region sustainable.

If rates are not increased, Council will have to severely reduce the services we currently provide to the community. The community will need to decide what services are removed or reduced.

1. Why can't Council do the work with the money it has?

- Council's rates, fees and charges as a percentage of total revenue are 44.68%, well below the TCORP benchmark of 60%. This benchmark measures the percentage of revenue Council raises from the services it provides, a low ratio suggests Council should be charging more for the services it provides.
- There is not enough money to spend the amount Council requires to maintain and renew assets (Council is 'short' around \$1.5million per annum).
- There is not enough money to cut out from the budget to save the shortfall in annual expenditure of around \$1.5million, without significantly impacting on services, each and every year.
- The rate peg has been too conservative resulting in a deterioration in Council's financial position. For example the Road and Bridge Construction Index in NSW increased by 5.6% in 2012 (as measured by Australian Bureau of Statistics) while Council's rate revenue was limited to an increase of 3.4 %.
- Council currently has \$15.6 million in deferred renewals (backlog) in Public Roads with a further \$2.7 million in Water Infrastructure and \$3.6million in Sewerage Infrastructure.
- Rates represent approximately \$5million of Council's overall \$24million in revenue. Council has a significant road work system and infrastructure base to maintain. Council must act to improve asset renewal to improve the state of assets in the Local Government Area.

- Council could use the unrestricted portion of its \$14million investments (which equates to approximately \$1million); however, the full \$14million will not be able to maintain the current asset base which has a replacement value of \$362million. The unrestricted portion of investments relates to those investments which are not tied to a particular purpose (such as employee leave entitlements).

2. As a ratepayer you will get value for money:

- **We will spend the money on roads, bridges and infrastructure.**
- Council will also apply for an interest subsidy of 3% under the State government Local Infrastructure Renewal Scheme (LIRS) program to bring forward further work of \$4million to address timber bridges (primarily). This results in a loan with an interest rate around 2%, which is less than Council receives for its own cash and investments of more than \$13 million (return of 3.7%). Therefore it is less expensive for Council to use this loan, rather than use its own banked funds.
- Bringing forward \$4million in works will result in Council completing works which would only have been affordable in five (5) or ten (10) years. The interest rate on this loan is expected to be around 2% and the increase in cost, if the work is delayed, is around 5% per annum. Therefore bringing forward the work is a cost saving of approximately 3% per annum.
- TCORP has proven that bringing forward capital works is more cost effective than maintaining assets in a poor condition. For this reason TCORP is encouraging councils to borrow under this scheme. TCORP will do an independent assessment confirming that Council can afford these borrowings.
- Completing a number of bridge projects in one (1) year should allow Council to obtain better value for money (through more competitive tendering).
- Council will also apply for grant funding that assists in addressing the infrastructure backlog (for example the recently announced bridge program).

3. Council will continue to cut costs to allocate more money internally to road works:

- Council will commit to continuing to tighten its own belt to cut costs.
- Council aims to address the difference between the rate increase (approximately \$850,000 in today's money) and the required maintenance (\$1.5 million) by making operational savings.

Why spending the money on roads and bridges matters:

The two (2) following graphs show the difference that the proposed special rate variation and borrowing of \$4million would make in comparison to the status quo (Base case).

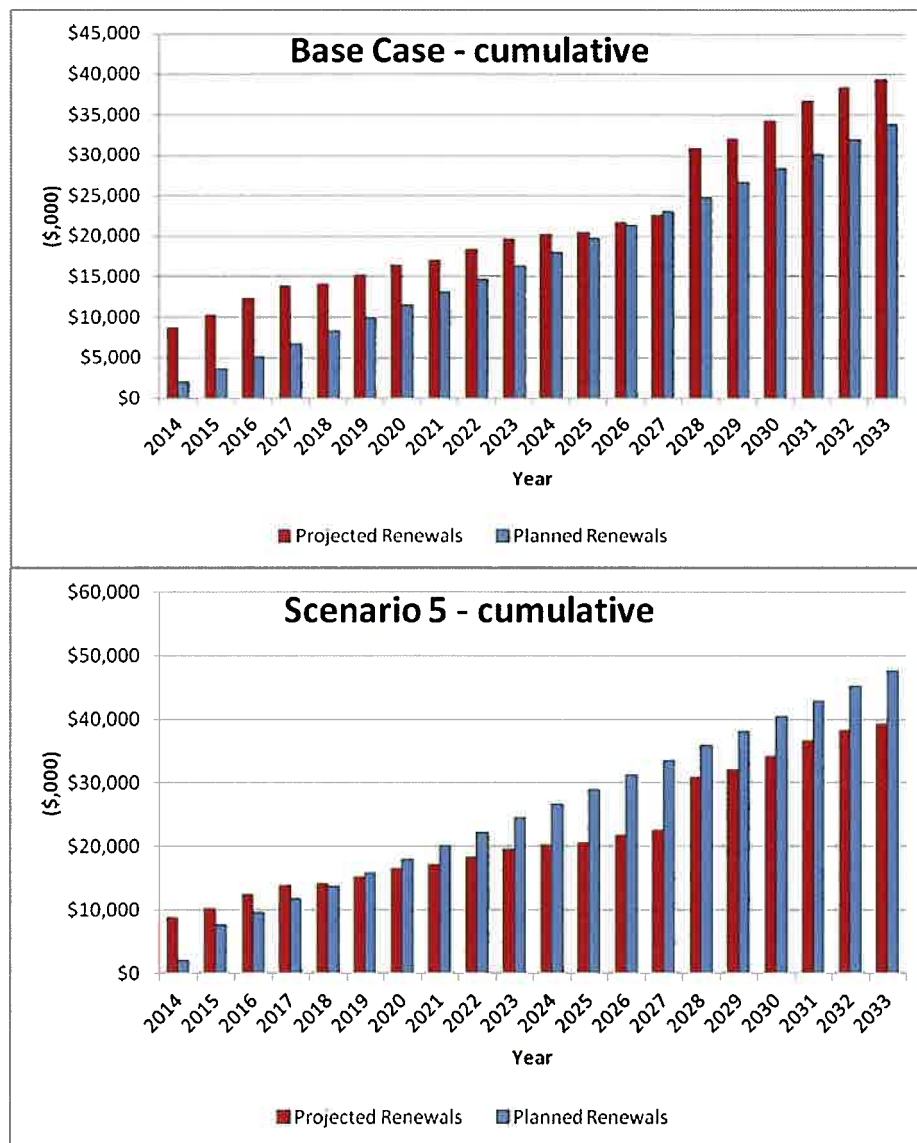
The projected renewals of road and bridge infrastructure (red bars) show how much money we should be spending to meet the service levels we have set for our roads.

The planned renewals (blue bars) show how much we actually plan to spend.

In the Base Case, after 20 years, the actual planned renewals are not keeping up with what we should be spending.

This means that Council would be falling further behind and the backlog would get bigger. Scenario 5 shows that with the special rates variation and the borrowing of \$4million, Council will gradually stop the decline in roads and bridges and be able to meet the service levels that have been set for the road network and also have money to spend to reduce the backlog.

Council's Long Term Financial Sustainability



What is Council doing currently as part of its Continuous Improvement Program?

Council has implemented a number of initiatives, including:

- All budgets have been tightened;
- All positions vacant for six (6) or more months were removed;
- Stricter controls on casual staff and leave accrual as well as the employment of new staff;
- Stricter controls on acting in 'Higher Grade Duties';
- Council is selling properties that are not operationally necessary;
- Reduction of light fleet vehicles by ten (10) vehicles with a review of heavy plant to commence to ensure plant is being used effectively;
- Reduction in non commercial rent agreements and a review of rental properties;
- Controls on overtime and time in lieu have been strengthened;
- Improvements to budgeting processes and systems are being implemented;
- Cessation of the Long Day Care Service at Gum Tree Glen;
- Significant improvements in Council's procurement processes to ensure value for money while maintaining local purchases;
- Review of all non-core functions and reduction in non-core activities and therefore expenditure;

Council's Long Term Financial Sustainability



- Pro-actively applying for grant revenues where available;
- Increase in expenditure on roads and infrastructure to prevent deteriorations of assets.

If There is No Special Rate Variation

Whilst the final report of the Independent local government review panel is not suggesting amalgamation with any adjoining councils, it is recommending that the Boundary Commission review our boundaries in 2018. Financial sustainability will be an important factor on whether Council will become amalgamated with adjoining Councils at that stage. Council has reviewed a large number of options to fairly raise additional revenue while reducing expenditure. There is not enough room in the budget to fund our infrastructure costs without cutting core services.

Council will need to make some big changes to meet rising costs and achieve a balanced budget. To remain sustainable Council needs to fund all of its depreciation costs so as to avoid a deficit budget. To fully fund depreciation without the proposed rate increase, other services would suffer, such as less frequent mowing, weed removal and spraying, reduced road maintenance works and reduced maintenance on Council owned buildings. Provision of community facilities will fall, with a decrease in opening hours or operation of facilities such as the pool, library etc. Staff losses are likely, with a resulting fall in customer service to residents.

As shown above under "Why spending the money on roads and bridges matters", if there is no Special Rates Variation, then Council will never be in a position to maintain and renew roads and bridges to meet community expectations and the infrastructure backlog will continue to grow.

How to Have Your Say

Attend community forums:

Community forums are a chance for community members to ask questions about the special rate variation, what it means and the benefits to their community. Councillors and senior staff will be available to answer your questions and concerns. A facilitator will be present to ensure that the forum is conducted with respect for all views and perspectives. All members of the community are welcome.

• Glencoe	10am Monday	20 January	Glencoe Hall
• Red Range	7am Tuesday	21 January	Red Range Hall
• Deepwater	7am Wednesday	22 January	Deepwater Hall
• Glen Innes	2pm Wednesday	22 January	Library and Learning Centre
• Emmaville	7am Thursday	23 January	Emmaville Hall
• Glen Innes	7.30pm Monday	3 February	Glen Innes Town Hall

Stakeholder Meetings:

Stakeholder groups may wish to discuss particular aspects of the special rate variation. Glen Innes Severn Council will accommodate these requests where ever possible.

To discuss a stakeholder meeting please contact Anna Watt on 6730 2300 or email awatt@gisc.nsw.gov.au

Letters and Submissions:

Glen Innes Severn Council welcome written responses from community members, organisations, businesses and stakeholders groups. Written responses may be forwarded as emails, letters or submissions.

Please forward your written comments before 7 February to:

Email: council@gisc.nsw.gov.au
Fax: (02) 6732 3764
Post: PO Box 61 GLEN INNES, NSW 2370

Survey:

There are several options available to you - complete the survey attached to this mail-out or go to Council's internet site www.gisc.nsw.gov.au which you can complete online and email to the address below. Council will use this information in its application and the results thereof will be communicated to IPART.

Please forward your survey before 7 February to:

Email: council@gisc.nsw.gov.au
Fax: (02) 6732 3764
Post: PO Box 61 GLEN INNES, NSW 2370

Community Survey:

Your feedback on the future of the Glen Innes Severn region and the special rate variation would be greatly appreciated, please complete the following survey and return to Council by 7 February 2014.

1. Listed below are some of the discretionary services that Council provides, please indicate by ticking in the box your opinion of each service currently:

	Stop providing this service	Reduce this service	Increase this service
➤ Public Toilets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Rural Halls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Sporting Fields	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Glen Innes Swimming Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Emmaville Swimming Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Visitor Information Centre	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Village Landfills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Parks and Gardens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Village Libraries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Saleyards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
➤ Festivals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. In your opinion, how would you generally describe the condition of *rural sealed roads* in the Local Government Area?

Very Poor Poor Fair Satisfactory Good Excellent

3. How important are the condition or *rural sealed roads to you?* (1 being not important 5 being very important)

1 2 3 4 5

4. In your opinion, how would you generally describe the condition of *rural unsealed (gravel) roads* in the Local Government Area?

Very Poor Poor Fair Satisfactory Good Excellent

5. How important are the condition or *rural unsealed roads to you?* (1 being not important 5 being very important)

1 2 3 4 5

6. In your opinion, how would you generally describe the condition of *town and village streets* in the Local Government Area?

Very Poor Poor Fair Satisfactory Good Excellent

Council's Long Term Financial Sustainability



7. How important are the condition or *town and village streets to you?* (1 being not important 5 being very important)
- 1 2 3 4 5
8. In your opinion, how would you generally describe the condition of *bridges* in the Local Government Area?
- Very Poor Poor Fair Satisfactory Good Excellent
9. How important are the condition or *bridges to you?* (1 being not important 5 being very important)
- 1 2 3 4 5
10. How do you feel about Council applying for a special rate variation to be spent only on Roads, Bridges and footpaths? (1 being totally disapprove 5 being full approval)
- 1 2 3 4 5
11. Do you support the percentage increase per year proposed over the next three years for Farmland ratepayers (excluding the rate peg)? If your answer is no, please suggest an alternative percentage.
- YES / NO _____
12. Do you support the one year percentage increase Residential ratepayers (excluding the rate peg)? If your answer is no, please suggest an alternative percentage.
- YES / NO _____
13. Like your own house and garden, Local Government's existing assets (which have a replacement value of \$362M) will not last for the next generation unless we spend more money on repairs and maintenance.
- If you do not agree with the special rate variation which of Council's services would you suggest Council cuts.
- | | | |
|--------------------------|--------------------|--------------------|
| Emmaville Library | Glencoe Library | Deepwater Library |
| Environmental Management | Deepwater Landfill | Tourism |
| Events and Festivals | Public Halls | Red Range Landfill |
| Emmaville Landfill | | |
- If you would like, please include your reasons:

Please attach any other comments and return to Council by 7 February 2014.