



Community Engagement Plan

Special Rate Variation

Summary of Results

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INTRODUCTION

Guyra Shire Council recently undertook community consultation, as per the Community Engagement Strategy for the Special Rate Variation, as adopted by Council on 28 October, 2013.

Council endeavoured to inform, consult, involve, collaborate, and empower the community through a variety of engagement methods. Each of the techniques employed by Council is explained in this document, along with they key findings and results of the engagement process.

6.4 Special Rate Variation Application

Ref: GINT/2013/02525

1/13

Moved Cr Vickery

Seconded Cr Martin

- a) **That Council note the Special Rate Variation Report.**
- b) **That Council resolve to apply for a special rate variation commencing in the 2014/15 Financial Year.**
- c) **That Council authorise the General Manager to inform Independent Pricing & Regulatory Tribunal (IPART) of Council's intention to apply for a Special Rate Variation.**

The Motion on being put to the vote was CARRIED.

INFORM STAFF

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Inform	Line managers and supervisors meeting with senior management	CAB, Depot , Kolora, Preschool	Managers and Supervisors	October / November 2013 Depot BBQ, 29 Oct Manex, 13 Nov Consultative, Nov HSR Meeting, 21 Nov
Inform	Staff meetings and notices in the staff newsletter	Depot and Council Chambers	Staff	20 November

A staff meeting was held on Wednesday, 20 November 2013 in order to inform all Council staff about the proposal and the process that will be undertaken over the coming months. 9 staff members in attendance including senior staff.

The information that was provided to the meeting:

- 5 years ago Council applied for a variation on the grounds of sustainability in terms of commitments in assets and services, approximately 8.4% was granted. This variation expires on 30 June, 2013.
- Intensive community consultation program will be conducted in the coming months, Council will be attempting too garnish community support for this application. The community will make representations to Council about their views and ideas.
- This SRV application will be asking for an 8.4% ongoing rise, with the intent of an increase in 2014-2015.
- A survey will be going out next week. We would like staff feedback prior to distribution of this survey.
- A flyer will also be provided that includes a brief survey.
- To get the survey back some boxes should be left at: Kirks, newsagents, schools, Anaiwan, Tingha Café / RSL, Council, Tingha Autoport.

Staff suggested that there was too much information on flyer and that the layout of the flyer would be suitable to use as a half page advertisement in the local newspaper.

COUNCILLOR ENGAGEMENT

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Consult	Run workshops for the elected Council to discuss rating scenarios, service levels, etc.	Council Chambers	Councillors	15 October 2013 13 November 2013 9 December 2013 10 February 2014
Inform	Briefing meeting with Adam Marshall MP (State) Barnaby Joyce (Federal) Sen John Williams (Federal)	Guyra, Armidale, Tamworth, Inverell	State & Federal MP	Meeting request to sent 18 November 2013
Inform	Provide information to the Business Breakfast	Rafters Restaurant	Business owners and managers	19 November 2013

Provided to Councillors as part of the regular Councillor Briefing sessions. Providing the report and updates to Councillors at the Briefing sessions allowed open discussions and consultation between Executive Staff and Councillors.

Invitations were sent to State and Federal Government local members. The Hon Adam Marshall attended the Public Forum on 18 January 2014 to partake in discussions with community members and Councillors.

Cr Hans Hietbrink (Mayor) and Mr Peter Stewart provided a verbal presentation to the New England Mutual Business Breakfast at Rafters Restaurant. Those in attendance indicated that they did not want to see a reduction to services provided to the community and expressed a view that expenditure on roads needed to be increased.

MYGUYRA.COM

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Inform Consult Involve Collaborate	Develop Special Rate Variation Portal on the www.myguyra.com website.		Public	Online

The [myguyra.com](http://www.myguyra.com) website has been developed as a community collaboration tool for the purposes for developing, reviewing, and engaging with the community on Integrated Planning and Reporting. This tool has been extended to provide a portal containing all information pertaining to the Special Rate Variation including:

- Areas for community discussion and comment on the SRV.
- Fact sheet and FAQ
- Comparable rate changes calculations
- A public forum
- Video from the Mayor asking for community input
- Link to the community survey
- Links to IPART for residents to gain a better understanding of the process of applying for a Special Rate Variation
- Links to the Division of Local Government for 'Comparative Information for Guyra Shire Council 2011/12'

This portal has been developed in an attempt to provide a 'one-stop-shop' to all information about the proposed SRV so that the community is well informed.

Visitation to the site between 1 November 2013 and 19 February 2014 is detailed below:



Unfortunately the community did not engage with the public forum section, which would have provided a good opportunity for community members to discuss their issues between one another and to afford Council an opportunity to answer any questions or misconceptions they may have in relation to the SRV.

Where are we now?

Council has developed a ten year financial plan and identified a large gap in the funds we need to maintain things like roads, buildings, stormwater drains, and parks.

NSW is the only state in Australia where State Government controls Local Government rate increases. It's called rate pegging. The State usually approves a general council rate increase of between 3% and 4%. Unfortunately these rate increases haven't kept pace with the real cost of delivering services. Like you, we are paying more for materials and services.

With an annual rate income of under \$3m and a total operational budget of \$12m, it is a big challenge to service and maintain this infrastructure and remain sustainable.

Special Rate Variation Proposal

Council in 2009/10 received a special rate variation of 8.43% (including 3.5% rate pegging).

The special rate variation was approved for a period of 5 years and runs out in June 2014. Council believes that in order to maintain our assets and provide a reasonable level of service it will need to retain this additional rates base. Council has therefore resolved to apply to apply for this variation to remain permanently.

The application however requires community support. To meet the needs of our communities, now and into the future, we must have the discussion with our community on an agreed way forward. We may require further rate variation and/or service level adjustments.

This special rate variation equates to approximately \$180,000 per year for Council to provide ongoing services to our community. These services, and others, may see a dramatic decrease to service levels if the application is unsuccessful. Previously the additional revenue has been allocated to resealing roads (\$100,000/year), drainage (\$50,000/year), and community village plans (\$30,000/year). It is proposed that we continue utilising the additional revenue in accordance with previous years to assist with asset maintenance requirements.

How does this impact on Council's Income?

Income Statement without the Rate Variation Continuing

Income Statement with the Rate Variation Continuing



Roads

Roads Dashboard



Recreation Facilities

Recreation Dashboard



Buildings

Buildings Dashboard



Stormwater

Stormwater Dashboard



Get the Facts

Fact Sheet

FAQ

Rate Changes

Get Involved

Forum

Survey

Would you support the continuation of the current special rate variation to maintain service levels?

- ☐ Yes
☐ No

Vote

Powered by micropoll

Documents on Display

Delivery Program 2013-2023

Currently on exhibition following review to detail specific impacts of the Special Rate Variation proposal.

Links to Further Information

DIVISION OF LOCAL GOVERNMENT

Comparative Information for Guyra Shire Council 2011/2012

IPART INFORMATION

Information and fact sheets about Special Variations and Minimum Rates provided by the Independent Pricing & Regulatory Tribunal (IPART)

INFORMATION PACKAGES

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Inform	Letter to all ratepayers advising of proposal for rate variation and ways they can contribute to the process	All GSC LGA postcodes	Ratepayers	November 2013
Inform	Information for collection at Council's Customer Service Centre	CAB		November – January
Inform	Two week static display at Council CAB / Library. Also possible to move displays to community events.	Library CAB	Community members	December / January 2014
Inform	Print advertising which references website for information, submissions and community forums	NA	Newspaper readers, website	November / December
Consult	Letterbox survey drop, distribution with bulk mail out newsletter.	NA	Residents	2nd Half November

FLYER

A flyer was distributed via an un-addressed bulk mail-out to 1820 households (delivered between 9 -13 December 2013) and addressed to 554 ratepayers who live outside of the Shire as per Council's rating system. The flyer provided information to the community on what the proposed special rate variation is, and how they could get involved in the ongoing discussion with the community. It also included a quick poll survey that directly asked residents about their support of a continuation of the current SRV and whether they would be prepared to pay more or less rates and have service levels adjusted accordingly.

FACT SHEET AND FAQ

A fact sheet and faq were prepared to assist the community in understanding the proposed continuation of the special rate variation. Both of these resources were provided on www.myguyra.com/srv and as part of an information package that was available for collection from Council's Administration Building. This package was also provided to all community members who attended either the public forum or the reference group meeting.

STATIC DISPLAY

A static display was established and placed in the foyer entrance to the Council Administration Building and Library from 18 December 2013 to 18 January 2014. This display included the dashboards which can be downloaded at www.myguyra.com/srv

WOULD YOU BE WILLING TO BE PART OF A REFERENCE GROUP ON THIS SUBJECT?

If you would like to be involved in the ongoing consultation for the Special Rates Variation please complete this form and return to Council.

Name:

Email:

Phone:

Comments:

158 Bradley Street, GUYRA NSW 2365

☎ (02) 6770 7100 📠 (02) 6779 1221

✉ council@guyra.nsw.gov.au

🌐 www.guyra.nsw.gov.au

HAVE YOUR SAY ON THE SPECIAL RATE VARIATION

To meet the needs of our communities, now and into the future, we must have the discussion with our community on an agreed way forward.



myGUYRA.com



02 6770 7100



council@guyra.nsw.gov.au



facebook.com/GuyraShireCouncil



twitter.com/GuyraShire

or Mail

PO 207, GUYRA NSW 2365



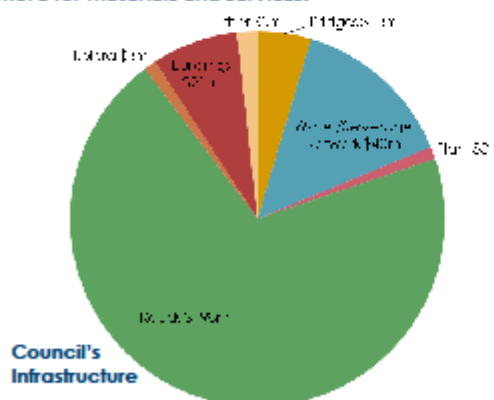
SPECIAL RATE VARIATION

top of the range

WHY DO WE NEED A SPECIAL RATE VARIATION?

Council has developed a ten year financial plan and identified a large gap in the funds we need to maintain things like roads, buildings, stormwater drains, and parks. You can take a closer look at the state and the future of our infrastructure at www.myguyra.com.

NSW is the only state in Australia where the State Government controls Local Government rate increases. It's called rate pegging. The State usually approves a general council rate increase of between 3% and 4%. Unfortunately these rate increases haven't kept pace with the real cost of delivering services. Like you, we're paying more for materials and services.



With an annual rate income of under \$3m and a total operational budget of \$12m, it is a big challenge to service and maintain this infrastructure and remain sustainable.

SPECIAL RATE VARIATION

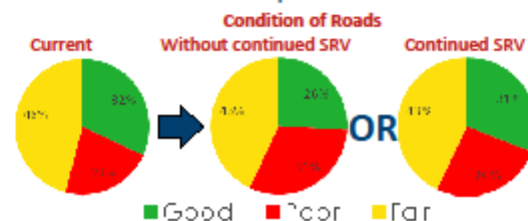
Council in 2009/10 received a special rate variation of 8.43% (including 3.5% rate pegging). This special rate variation equates to approximately \$180,000 per year for Council to provide ongoing services to our community.

The special rate variation was approved for a period of 5 years and runs out in June 2014. Council believes that in order to maintain our assets and provide a reasonable level of service it will need to retain this additional rates base. Council has therefore resolved to apply for this variation to remain permanently.

The application however requires community support. To meet the needs of our communities, now and into the future, we must have the discussion with our community on an agreed way forward. We may require further rate variations and / or service level adjustments.

What have we spent it on previously?
\$100,000 on resealing roads, \$50,000 on drainage throughout the Shire, and \$30,000 on the community village plans each year of the current rate variation.

What we will spend it on?
It is proposed to continue utilising the additional revenue in accordance with previous years to assist with asset maintenance requirements.



QUICK POLL

1. Would you be prepared to continue the current rate variation to maintain current service levels?
☐ Yes
☐ No
2. Would you be prepared to have rates reduced by the amount of the current rate variation and have service levels reduced accordingly?
☐ Yes
☐ No
3. Would you be prepared to pay higher rates to renew roads and other community infrastructure? This option would involve further consultation throughout 2014/2015.
☐ Yes
☐ No

Please place this survey in a collection box at the following locations, or complete a comprehensive survey at:

Online: www.myguyra.com
Guyra: Council Administration Building
Tingha: Tingha Newsagent
Ebor: Fusspots Café

Or by post on request, phone 6770 7100.

fact sheet

Special Rate Variation Proposal

Introduction

Under the Integrated Planning and Reporting Framework (IPR) Council has developed a Community Strategic Plan (CSP) 2013-2023. This plan was developed in consultation with the community and provides a guide to Council about the community's goals and expectations for the Shire in 10 years.

From this plan Council developed a set of integrated plans that show how Council will achieve these goals, and the resources required to fulfil the community's needs and desires.

In preparing and planning for the future, Council has identified an annual shortfall in general fund asset renewal expenditure, of \$2.7m annually. Basically, there isn't enough money available in Council's budget for the maintenance and upgrade of roads, bridges, assets, and other Council facilities (like community buildings, parks, and public reserves).

Special Rate Variation

In 2009/10 Council was successful in securing a special rate variation of 8.43% (which included a rate cap of 3.5%). This special rate variation is set to expire in June 2014, which will result in

a decrease in Council's revenue even further. The additional funds have significantly assisted Council in providing the required maintenance and upgrades to roads, drainage, and village plans.

What your money has been spent on annually:

Road resealing

\$100,000

Drainage

\$50,000

Community Village Plans

\$30,000

Council's proposal is that this special rate variation be continued permanently. This means that rates will remain at the elevated amount and be adjusted according to the NSW State Government rate cap. This year the rate cap is 2.3%.

Implications of not continuing the special rate variation

A decrease in Council's revenue of approximately \$180,000 per year will result in Council not having sufficient funds for the ongoing maintenance and upgrades to community assets.

Service levels will decrease accordingly resulting in a decline in the quality and condition of roads, recreational facilities, and stormwater drains.

Is this the only option?

Council has already significantly reduced its ongoing business processes through sharing services with neighbouring Councils, providing some services online, and through the sale of excess Council land. Cost efficiencies are continually being explored and implemented, however the shortfall still exists.

Who will pay?

If Council is able to retain the Special Rate Variation, ratepayers across the Shire will see an increase in their General Rates of 2.3% for the 2014/15 financial year.

Ongoing sustainability

Long term financial planning has highlighted the need for Council to find additional increases in revenue in the future. Council will need to review its operations and services levels to ensure that it remains financially sustainable.

Either further increases to rates or changes to service levels, or both, may be necessary.

Council will continue to consult with the community to achieve the best results and provide affordable, cost effective services to our community.

faq

Special Rate Variation Proposal

Q. What is a rate cap?

Rates increase every year in line with an amount set by the State Government. This amount is calculated every year and is called the 'rate cap'. It is determined by the Independent Pricing and Regulatory Tribunal (IPART) and is 2.3% for 2014/15.

Q. What is a special rate variation?

Councils can apply to IPART for a Special Rate Variation (SRV) to seek additional funds above the rate cap. Any rate increase above the rate cap amount is called a 'Special Rate Variation' (SRV).

Q. Why is the special rate variation needed?

The special rate variation was first applied in 2009/2010 to reduce the shortfall in maintenance to roads, drainage, and village enhancements. This rate variation is set to expire in June 2014.

Council has developed a ten year financial plan and identified a large gap in the funds we need to maintain things like roads, buildings, stormwater drains, and parks.

It is the view of the Council's elected officials that continuation of the current SRV of 8.43% is critical to the financial sustainability of Guyra Shire Council.

Q. How will my rates be affected?

The NSW State Government has approved a rate cap of 2.3%. This increase only applies to the General Rate Levy on your rates notice. It does not apply to water, sewer, drainage, or waste charges. If the continuation of the special rate variation is granted, rates will only be increased by this amount (2.3%) in 2014-2015.

There are a number of other variables making it difficult to accurately calculate the individual rates changes to each individual property this early in the process. Rates levied have a direct correlation to unimproved land values. Properties will be revalued prior to the 2014/15 rate period. Any changes to your valuation will also be reflected in your rates.

Q. How long do we keep paying the special rate variation?

This proposal is for the current rate variation to be continued permanently. Further rate variations and service level adjustments may be required in the future.

Q. What would change if we didn't get an SRV?

Council's revenue would decrease by approximately \$180,000 annually, commencing in the 2014/15

financial year. As a result there would be a reduction in service levels.

Q. What will the additional money raised be spent on?

Previously the additional revenue has been used to reseal roads (approx. \$100,000 annually), improve drainage throughout the Shire (approx. \$50,000 annually), and develop and maintain villages (approx. \$30,000 annually). It is proposed that Council continues to utilise funds in accordance with previous years to assist with asset maintenance requirements.

Q. How can I have my say about the special rate variation?

Residents and ratepayers are encouraged to have their say about the special rate variation. A community forum will be held on 18 January, 2014, at 10:30am at the Council Chambers. Everyone is welcome to attend.

In addition to the community consultation meetings residents and ratepayers can find information and have their say at, www.myGUYRA.com, subscribe to our eNewsletter at www.guyra.nsw.gov.au, find us on facebook (facebook.com/GuyraShire) or twitter (using @GuyraShire and #GuyraSRV).

PUBLIC AWARENESS

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Inform	eNewsletters to subscribed members	NA	eNewsletter subscribers	November – December 2013
Consult	Social networking Facebook, and Twitter to give information and receive feedback	NA	Youth, Social Media users	October 2013

ENEWSLETTERS

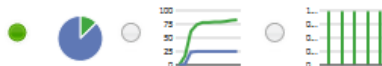
Council sends monthly eNewsletters to subscribed users. This currently has a reach of 308 registered email addresses. Information specific to the SRV was provided in these eNewsletters, commencing on 2 December 2013 (see next page). Council sent the invitation to the public forum via eNewsletter, with a follow up reminder sent the day before the public forum. The combined statistics for this public invitation are shown below:



REMINDER - Public Forum Tomorrow



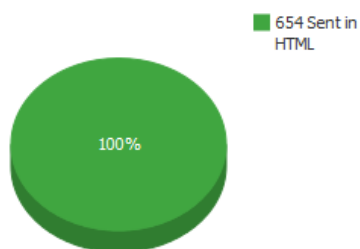
654 e-mails sent
 Send Date : 17 January 2014 09:20
 12.69% users opened the Newsletter (83)
 3.822% users clicked on a link (25)
 0% users unsubscribed (0)
 0% bounced (0)



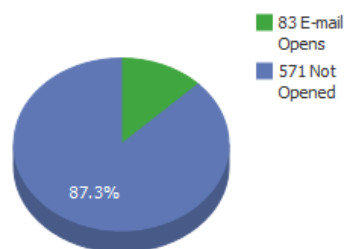
Most popular links

25 users clicked on <http://www.myguyra.com/#!/srv/comf>

Send Process



E-mail Opens





Monday, 2 December, 2013

Welcome,

Guyra's current Rate Variation is 8.43% and will expire on the 30 June 2014. Council has resolved to inform IPART of its intention to apply to extend the current SRV on a permanent basis. The Special Rate Variation of 8.43% will continue from July 2014 and would remain in place permanently.

This Special Rate Variation equates to approximately \$180,000.00 of additional revenue annually, over the 5 year duration of the current SRV Council has spent \$100,000.00 on resealing roads per year, \$50,000.00 on rural road drainage per year, and \$30,000.00 on village development plans per year. Without this additional revenue, service levels in these areas will decrease.

Council is now calling on the community to support our application for a continuation of the Current Special Rate Variation. Council encourages you to get involved and have your say by visiting www.myguyra.com, completing a survey online by [clicking here](#), or by getting involved in the ongoing consultation process, watch this space for more information.

Council is committed to living within its means and operating to a sustainable model. A review of Council operations and 6 month consultation and community engagement will follow the current SRV process. Options may include additional rate variations applications and service level adjustments.

News

Track your walking, running, and Cycling to Win

Guyra Shire Council is taking an innovative approach to surveying residents on their pedestrian and cycling activity. Along with an online survey, available ([click here](#)) , Council is also asking residents to track their walks, runs, and cycles, using an app like runkeeper or strava and sharing their maps and details to Council via email or social media.

[Read More](#)

Australia Day Award Nominations Open

Guyra Shire Council is holding the Australia Day Awards again in 2014. Mayor of Guyra Shire Council Hans Hietbrink said "these awards are the perfect opportunity to recognise and thank those individuals and groups in our Shire for their outstanding contributions and achievements".

[Read More](#)

Featured Programs

Events

Ebor Community Consultation

4 December, 2013

Rotary Street Christmas Carnival

8 December, 2013

You have received this information because you have registered with the Council website, exchanged contact details directly with a team member, or subscribed directly to this newsletter.

The NSW State Government has approved a rate cap of 2.3% for 2014/15



The proposal is for the current rate variation to be continued permanently

You are invited to a

PUBLIC FORUM

To discuss Council's application for a special rate variation commencing the 2014-15 financial year and Council's sustainability into the future.

The additional revenue has been used to reseal roads, improve drainage, and develop villages

If we don't continue the SRV Council's revenue would decrease by **approx** \$180,000 annually

Guyra Council Chambers

Saturday, 18 January, 2014

10am to 11am

myGUYRA

Visit myguyra.com for more information and to have your say

Continuation of the current SRV of 8.43% is critical to the financial sustainability of Council



Thursday, 20 February 2014

Council has been consulting with the community about the proposed Special Rate Variation and Councillors will consider all submissions and make a final determination about the application to IPART at the February Council Meeting, next Monday, 24 February 2014.

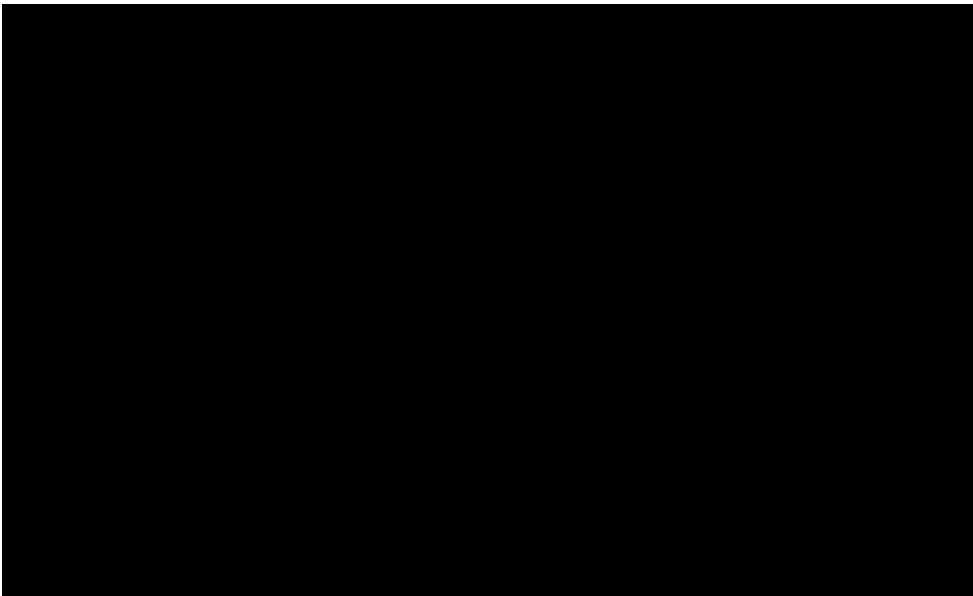
Responses to Council's survey have indicated that 79% of respondents are prepared to continue the current rate variation to maintain current service levels.

Full survey results can be accessed at www.myguyra.com/srv

SOCIAL NETWORKING

Council utilised facebook and twitter to provide information to the community about the SRV, including invitations to attend the Public Forum and to complete the survey online.

Council also used #GuyraSRV to provide live information to community members about the public forum and the information being discussed there to those members of the community who were unable to attend.



Guyra Shire Council @GuyraShire · Jan 18

Council is asking everyone to complete a survey. You can read the information & complete the survey online myguyra.com #GuyraSRV

Expand

↩ Reply 🗑 Delete ★ Favorite ⋮ More



Guyra Shire Council @GuyraShire · Jan 18

2: should Council increase rates in the future, or reduce services? #GuyraSRV

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↩ Reply 🗑 Delete ★ Favorite ⋮ More



Guyra Shire Council @GuyraShire · Jan 18

The proposal is a 2 step process. 1: Council is seeking to retain the current SRV of 8.43%. #GuyraSRV

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Guyra Shire Council @GuyraShire · Jan 18

Council continually reviews value for money to provide services to our community #GuyraSRV

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Guyra Shire Council @GuyraShire · Jan 18

Put simply, Council's costs have gone up significantly, while income (rates) are capped at only 2.3% in 2014/2015 #GuyraSRV

Expand

↩ Reply 🗑 Delete ★ Favorite ⋮ More

MEDIA

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Inform	Briefing for media & distribution of media releases	Mayor's Office	Media	26 November
Inform	Run radio ads calling for submissions. Seek interviews with ABC Regional, 2NZ, and Local FM stations in Inverell and Armidale.	NA	Radio listeners	December

Cr Hans Hietbrink and Mr Peter Stewart (General Manager) had a number of briefings with representatives from the Guyra Argus (Guyra's local newspaper). In addition to the briefings all information provided to the community as part of the SRV engagement process were provided to the Guyra Argus. Paid advertising in the form of the Mayor's Desk (monthly advertisement placed in the Argus) provided the community with information on Councils SRV application, how to access additional content online, and encouraged community members to take part in the process.

EXTRACT 'FROM THE MAYOR'S DESK' GUYRA ARGUS, 7 NOVEMBER 2013

Special Rate Variation Community Engagement

Council was successful in securing a five (5) year special rate variation commencing in the 2009/10 Financial Year running through to the end of the 2013/14 Financial Year. Council in conjunction with Armidale Dumaresq Council has engaged the services of Jeff Roorda & Associates (JRA) to provide expert advice on community consultation and presentation of relevant information to stakeholders in regard to a special rate variation. Councillors met with Jeff Roorda and Executive members of staff yesterday to discuss Council's sustainability, asset conditions and service levels. Council will now embark on an extensive community consultation program to engage residents and ratepayers as it considers options for a special rate variation for Guyra Shire Council.

EXTRACT 'FROM THE MAYOR'S DESK' GUYRA ARGUS, 28 NOVEMBER 2013

Special Rate Variation Community Engagement

What is a Special Rate Variation and a rate cap?

Rates increase every year in line with an amount set by the State Government. This amount is calculated every year and is called the '**rate cap**'. It is determined by the Independent Pricing and Regulatory Tribunal (IPART) and is approximately 3% per year. Councils can apply to IPART for a Special Rate Variation (SRV) to seek additional funds above the rate cap. Any rate increase above the rate cap amount is called a '**Special Rate Variation**' (SRV).

What are Council's funding challenges and why are we proposing an SRV?

Like many other Councils in NSW, our Council is facing significant challenges in continuing to provide the current level of services, facilities and infrastructure across our Local Government Area in a financially sustainable manner. This is primarily due to the fact that costs have been increasing faster than the ability of the Council to generate revenue. Guyra Shire Council was granted a special rate variation of 8.43% over a five year period in 2009. Council's current SRV is due to expire at the end of the 2013/14 financial year.

It is the view of the Council's elected officials that continuation of the current SRV of 8.43% is critical to the financial sustainability of Guyra Shire Council. Accordingly at the October Ordinary Council meeting it was resolved that Council would commence an application with the IPART for an extension of the current (SRV). Whether or not Council proceeds with the final step is subject to the views of the community.

What would change if we didn't get an SRV?

In a nutshell, Council's revenue would decrease commencing the 2014/15 financial year and there would be a reduction in service levels.

Community Engagement.

Council will engage the community in a wide ranging discussion, informing the community of the potential impact on revenue, community facilities and service levels provided by Council. A flyer will be mailed to all postal addresses in the Guyra Local Government Area detailing Council's position.

In addition to the community consultation meetings (below) residents and ratepayers can find information and have their say at, www.myGUYRA.com, subscribe to our eNewsletter at www.guyra.nsw.gov.au, find us on facebook (facebook.com/GuyraShire), or twitter (using @GuyraShire and #GuyraSRV).

Community consultation meetings

Council would appreciate the opportunity to discuss the special rate variation with you; Council will be conducting a number of community consultation meetings over the coming weeks and months.

Public meeting, Ebor 6.00 pm, 4th December 2013, Fusspots Cafe.

Public meeting, Guyra 10.00 am, 18th January 2014, Guyra Council Chambers.

Special Rate Variation Survey

Council would like to consult the community on the provision of community facilities and levels of service that they expect from Council. Council has prepared a comprehensive survey and now seeks assistance from residents by taking a couple of minutes to complete the survey. The survey is available online at www.myGUYRA.com. Council officers will also attend a number of community events over the coming weeks to survey community members present. Additionally copies of the survey can be completed and placed in a returns box at the below listed venues;

- Guyra Shire Council Administration Centre and Library.

- Tingha Newsagent.
- Fusspots Cafe Ebor.

What happens After Consultation

All community feedback will be reviewed and at a Council meeting in January 2014, Council will decide whether to proceed with a SRV application. If Council does decide to proceed, then an application for a SRV will be submitted to the Independent Pricing and Regulation Tribunal (IPART) in February 2014 and we could expect a decision by IPART by mid-June 2014.

ARTICLE 'COUNCIL PUTS ITS CASE ON RATES' GUYRA ARGUS, 16 JANUARY 2013

Council puts its case on rates

Jan. 16, 2014, midnight



Council will hold a public forum on Saturday to discuss its application to retain the special rate variation

As Guyra Shire Council struggles with how to adequately fund services in line with community expectations, they are asking the community to be part of the decision making process.

In the latter stages of 2013 they launched a community survey to gauge community support for their application to retain the special rate variation (SRV) which was granted in 2009.

A public forum is now planned to further inform, and seek input from, the wider community.

General Manager of Guyra Shire Council Peter Stewart has made no secret of the fact that without the continuation of the SRV there will have to be cut backs.

Even with the SRV, council has identified a shortfall and council's ten year financial plan has identified a large gap in the funds needed for maintenance of essential infrastructure.

With annual rate income of under \$3m and a total operational budget of \$12m, Mr Stewart said that it is a big challenge to remain viable.

In 2009/10 rates in Guyra Shire increased by 8.43% after council received approval for a special rate variation over five years. This included the 3.5% allowed under rate pegging in NSW. This was below the 15% that they applied for which created much controversy at the time.

In dollar terms the increase equated to an additional \$180,000 which has been used predominately to maintain roads and improve drainage within the shire. Funds have also been used to great effect for community projects in the shire's smaller village

This expenditure is under threat with the approval due to expire in June 2014 and council is seeking support to retain the increase on a permanent basis.

Mr Stewart said that now is the time to have a 'good, healthy discussion' with the community about their expectations.

"Going forward something has to change if we are to continue provide all our current services," he said. "Current revenue will not give us the financial capacity to provide all the services that the community expects."

Of the surveys already returned to council it is no surprise that roads are considered the number one priority. However few are prepared to nominate areas which could be cut back. 65% said they would not support a decrease if it meant losing services.

"The public forum is an opportunity for council to provide more information to ratepayers, which will mean they have a better understanding of the issues involved," Mr Stewart said. "We will put the case that current services won't be retained without the special rate variation and hopefully get some honest responses."

The public forum to discuss the SRV will be held at the Guyra Shire Council Chambers this Saturday January 18 starting at 10am.

RADIO ADVERTISEMENT

Council ran radio advertisement with radio stations 2ad, 100.3fm and 2nz, the suite of stations covered the entire GSC Local Government Area.

Radio advertisement content:

“Guyra Shire Council invite the community to a public meeting to discuss Council’s application to extend its current special variation to rates. With costs rising faster than revenue Council, is facing significant challenges in continuing to provide the existing level of services, facilities and infrastructure. It is the view of the Council that continuation of Council’s Special Rate Variation is critical to the financial sustainability of Council. The meeting will be held at Guyra Council Chambers on Saturday the 18th January at 10 am. All residents and ratepayers are encouraged to attend.”

COMMUNITY CONSULTATION MEETINGS

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Involve	Community Consultation meetings		Community members	Tingha 25 November Ebor 4 December
Collaborate	Present to the following Council Committees – Sports Council HACC Healthy Highlanders Steering Guyra MPS Lamb and Potato Festival	Council Meeting Rooms		27 November 12 December 6 December
Inform	Discuss with representatives of the following groups: Guyra Lions Guyra Rotary Sporting Clubs TCAI Ben Lomond Landcare Ebor Progress Association Church Groups CWA NSW Farmers Federation		Community groups	November / December
Collaborate	Public Forum to have your say and speak to public submissions	Council Chambers	Residents	December / January Guyra

The Tingha community consultation meeting was the first public meeting, held on 25 November 2013 in Tingha. Following this, the Ebor community was visited by representatives of both Guyra Shire and Armidale Dumaresq Councils, as this community is on the border of the two.

The stakeholder / reference group meeting, held on 18 December 2013, was well attended with approximately 40 invited guests attending the meeting. The targeted group comprised of local business owners, agricultural producers, representatives from community groups, Churches, Not for Profit organisations, Schools, and other community stakeholders and residents.



Above: One of the 4 breakaway groups at the Reference Group meeting on 18 December, 2013.

The public forum, held on 18 January 2014, was attended by approximately 35 community members, some having travelled from Ebor, Black Mountain, and Ben Lomond.



Above: Community members at the public forum on 18 January, 2013.

The community consultation meetings were structured in a manner that allowed the community to get the full suite of information and then discuss and question this information in small groups. This structure was determined to ensure all participants were well informed and each had an opportunity to voice their opinion.

An information pack comprising of Council's Dashboard presentations (summary of asset management plans and SRV application scenarios), Fact and FAQ sheets, and survey, were distributed to all those who attended the Stakeholder meeting, public forum, and consultation meetings.

It was evident that the community understands Council's current position and wants to ensure that Council provides a sustainable, effective solution. They would like to see a more equitable distribution of grant funding that provides essential services like roads.

Some participants would be satisfied if Council decreased services in some areas like animal control, preschool, aged care, and the library; however the group could not reach consensus on any particular area that could be reduced. Council is constantly faced with conflicting representations from the community about service levels and attempts to address everyone's needs and desires.

The comments and ideas from the consultation meetings are summarised below:

- Local businesses and some rural ratepayers indicated that the current operating environment was challenging and that they would find it difficult if rates were increased substantially. *It was explained that Council operates in the same environment and needed to investigate options to ensure its long term financial sustainability.*
- Roads are affected by a number of conditions that impact upon their operating surface and structural integrity. However with the Ebor road it is probably an example where cost cutting was too aggressive.
- Money lost in past overseas investments - the situation was that Council was trying to maximise its income received from interest and this is another desperate grab to improve the situation. The current situation is that Council has recovered some parts and estimated that at the end of the legal actions Council will probably be down \$500k.
- Discussed the inequity between levels of government.
- Council could dispose of unused roads.
- Utilisation of volunteers for undertaking services like mowing and the library.
- There is dissatisfaction from rural ratepayers about the inequality of rate categories. They would like to see more money going toward rural roads.
- Management reinforced that the current issue is the retention of the existing rate variation and that future sustainability will be a much longer conversation.

The following presentation were provided at the Public Forum and the Reference Group meetings.

Guyra Shire Community

Discussion with our community about retaining a special rate variation and our future financial sustainability



Why are we here?

- Council is consulting with the community on the continuation of a special rate levy.
- If the current levy does not continue, Council will lose approximately \$180k from our rates base each year.
- Guyra is not able to maintain current service levels over the coming ten years without additional funding.
- Council will have further consultation in 2014 about what else can be done so Council lives within its means.

What is a Special Rate Variation?

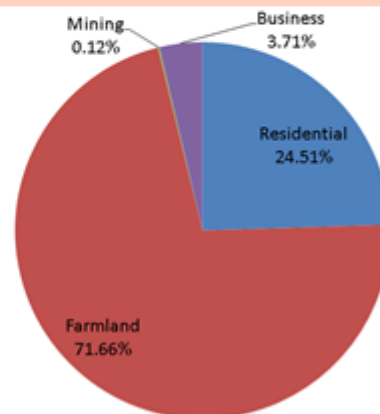
- The State Government 'caps' rates each year.
- Any rate increase above the rate cap amount is called a Special Rate Variation.
- 2009-2014 Guyra Shire SRV - \$180k each year.
- This levy runs out in 2014 and Council must apply to continue it.
- For 2014/15 the rate increase will be continuation of current or minus \$180K plus 2.3%
- From 2015/16 will be based on community consultation in 2014

Council Rates are 21% of Total Revenue

Revenue

- **General rates revenue total - \$2.5m (21%)**
- Water/sewerage rates - \$1.2m
- User charges - \$1.3m
- Grants and contributions - \$6m
- Investment interest / disposal of assets, etc - \$1m
- Total Council revenue - \$12m

Rates Sources

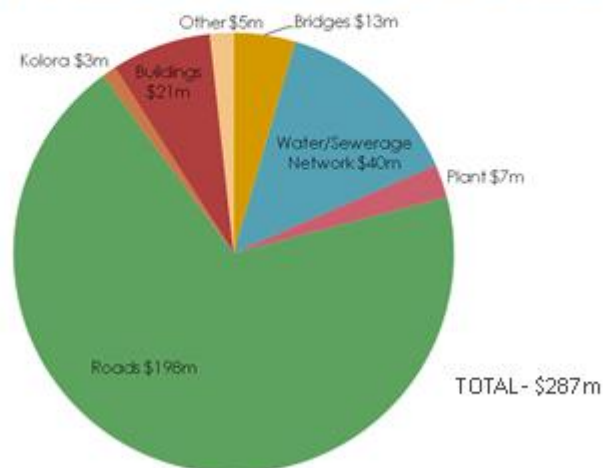


Finance Overview

- 10 Year Forecasts – Operating Deficits - \$250k
- Community Strategic Plan (CSP 2013-2023)
 - Community's goals and aspirations
- Remaining financially sustainable
- Loans / borrowings \$1.2m - Repayments \$200k/year
- Investments - \$8m, but all either committed or restricted

Financially can't deliver without change

Assets / Infrastructure Overview



Roads Guyra Shire

	km	Maintenance	Renewal
Rural Unsealed (gravel)	537km	\$500k Patrol maintenance	\$600k Resheeting, culverts, signs, trees, etc
Rural Sealed	269km	\$520k Maintenance resurfacing, patching, mowing, etc	\$460k Rehabilitation, resurfacing
Urban Roads	36km	\$250k Maintenance	Rehabilitation (further budget)

Other Examples of Services- Guyra Shire

	Revenue	Expenditure	Cost / Resident Annually
Swimming Pool	\$45k	\$180k	\$30
Library	\$29k	\$130k	\$22
Lions Park	\$3k	\$14k	\$2.50
Emergency Services (SES and RFS)	\$0	\$65k	\$14.50



Why Doesn't Council Live within Its Means?

- It tries by continually reviewing value for money and working with other Councils in the region to get the best possible deal on purchase of materials and equipment needed
- Requires ongoing service reviews and setting efficiency targets
- Cost savings / efficiencies
 - Waste management / kerb side collection
 - Shared services
 - IT
 - Road maintenance
 - Contracts / procurement

BUT

- Council's income is limited or "capped" to CPI and external costs are going up faster than that.
- 

Financial Sustainability Challenges – Jeff Roorda – JRA

1. Ageing Infrastructure

- Most infrastructure is approaching the end of life.
- Council has not needed to spend much on renewal in the past
- Asset Management Plans show future expenditure will go up for assets like Buildings, Roads, Structures Water and Sewer
- And these assets cost over \$155M to replace

Costs are going up faster than income because....

1. Infrastructure is ageing
2. Costs going up faster than CPI
3. Regulatory compliance





2. Increasing Costs – Council has been capped to 2.3% increase

- Council has to fund 11% of the expenditure of RFS and SES. Council has no control over this expenditure and has to make provision for this.
- This is 2% of rates or \$50,000 in 2012/13

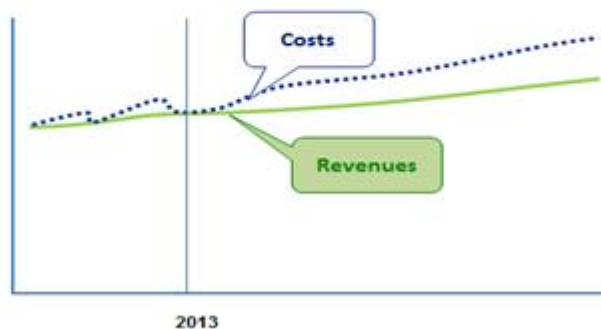


2. Increasing Costs – Council has been capped to 2.3% increase but costs outside councils control are increasing by more

- **Electricity and Street lighting.** The total increase in electricity costs has been approximately 23% per year since 2008/09
- **Roads construction materials** have been increasing by 4% per year, (Fuel, concrete, quarry materials)
- **Materials and contracts for all services** have been increasing by 11% per year

continually reviewing value for money and working with other Councils in the region to get the best possible deal on purchase of materials and equipment needed.

Value for Money Costs Consistently Higher than CPI



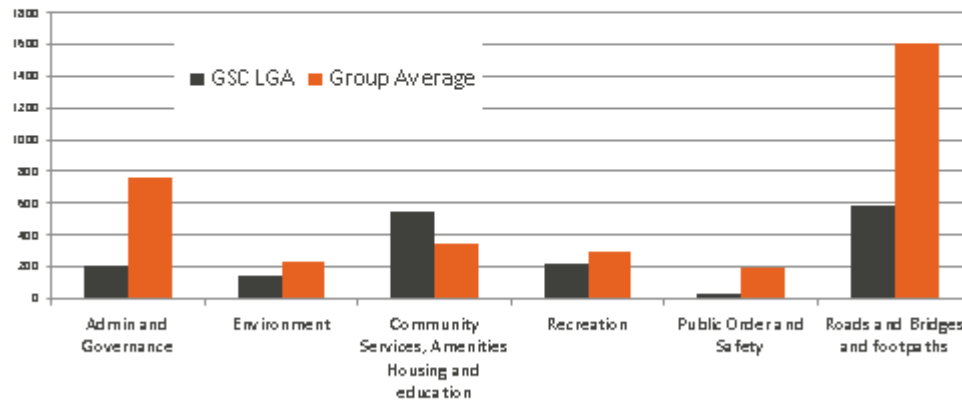
Value for Money Costs Consistently Higher than CPI



Setting efficiency targets for services each year
Council now has a very efficient operation and will continue to be reviewed.

How does Guyra compare with similar Councils?

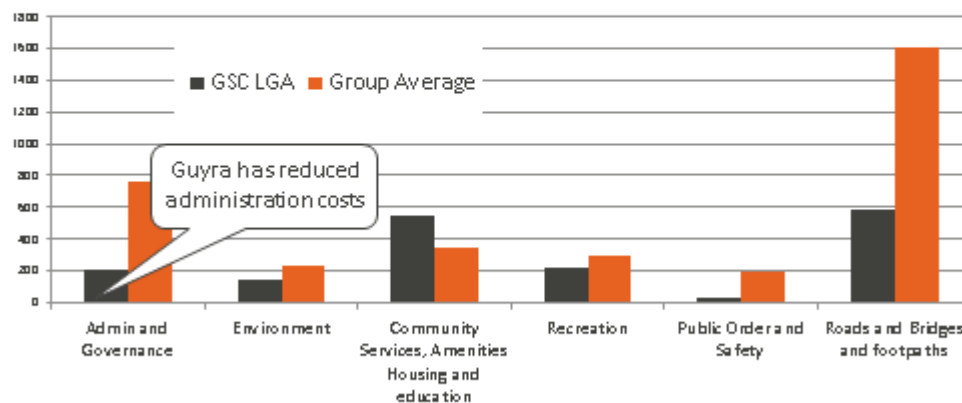
Expenditure per Capita



Source 2012 Comparatives NSW Department of Local Government
DLG – Group 9 Councils

How does Guyra compare with similar Councils?

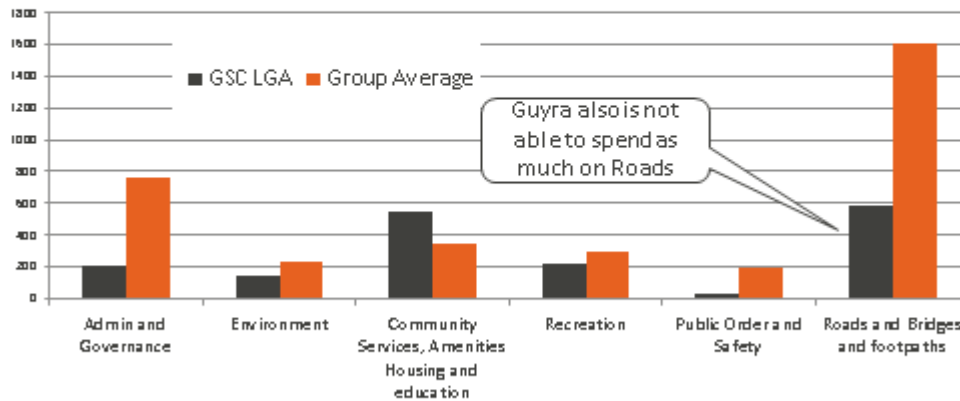
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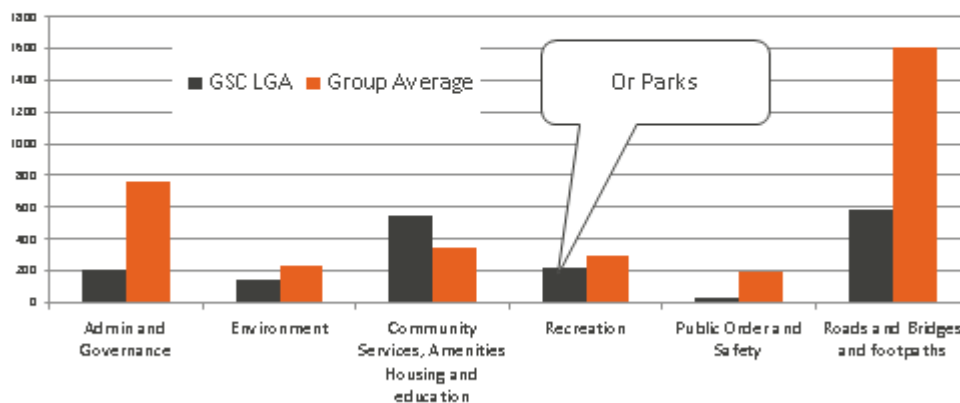
Expenditure per Capita



Source 2012 Comparatives NSW Department of Local Government
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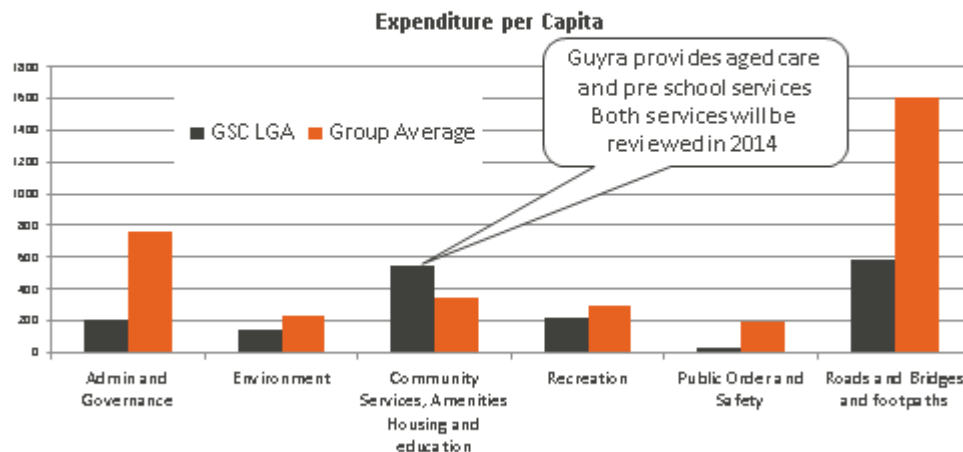
How does Guyra compare with similar Councils?

Expenditure per Capita



Source 2012 Comparatives NSW Department of Local Government
DLG – Group 9 Councils

How does Guyra compare with similar Councils?



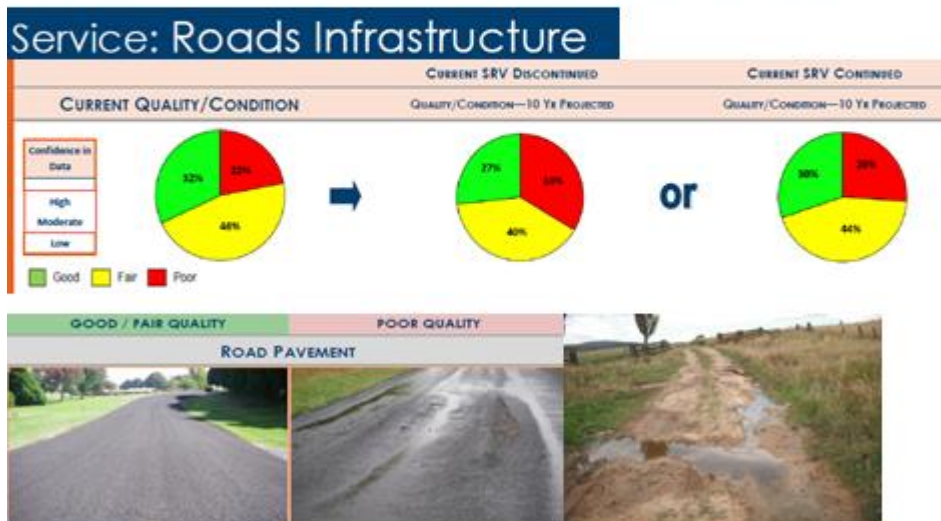
Asset Management Strategy

- Shows funding shortfalls in infrastructure and services in some areas.
- Key findings are:
 - Infrastructure renewal shortfall
 - Continuing restricted revenues will broaden the infrastructure gap, and won't allow for services or service levels that the community have requested

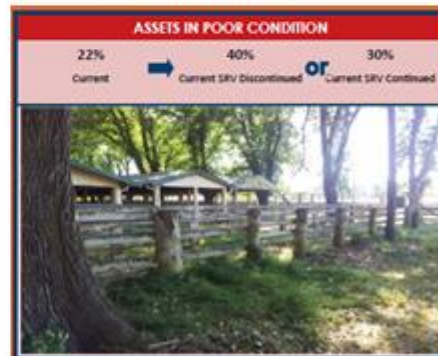
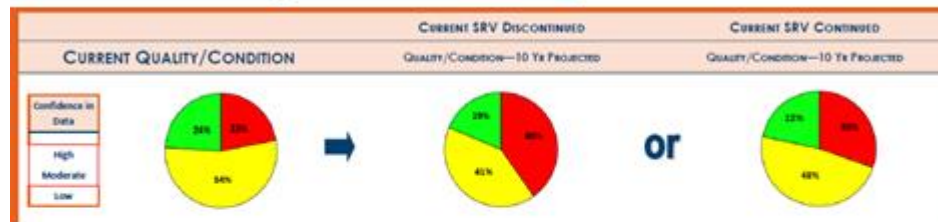
Current State of Assets



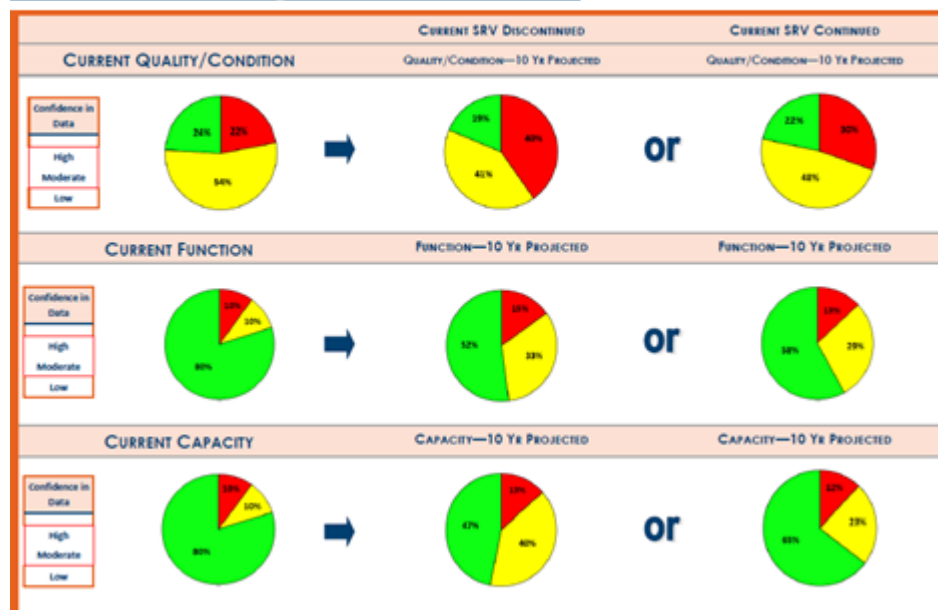
Council has to live within its means by balancing service levels and revenues



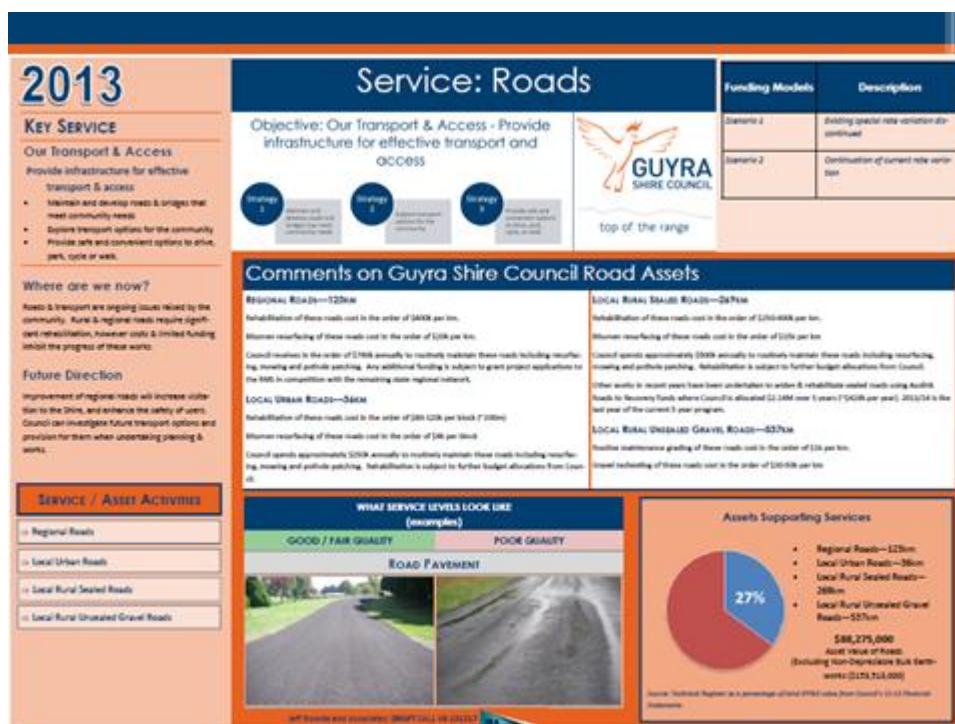
Service: Buildings Infrastructure



Service: Buildings Infrastructure



Overview of Asset Management Plans



2013

KEY SERVICE

Our Transport & Access
Provide infrastructure for effective transport & access

- Maintain and develop roads & bridges that meet community needs
- Explore transport options for the community

Service: Roads

Objective: Our Transport & Access - Provide infrastructure for effective transport and access



Funding Models	Description
Scenario 1	Existing special rate variation discontinued
Scenario 2	Continuation of current rate variation



KEY SERVICE

Our Transport & Access

Provide infrastructure for effective transport & access

- Maintain and develop roads & bridges that meet community needs
- Explore transport options for the community
- Provide safe and convenient options to drive, park, cycle or walk.

Objective: Our Transport & Access - Provide infrastructure for effective transport and access



Regional Roads
Local Urban Roads
Local Rural Sealed Roads
Local Rural Unsealed Gravel Roads



Why does Council provide this service?
This shows the link to the community strategic plan

Assets
Regional Roads—123km
Urban Roads—36km
Rural Sealed Roads—269km
Rural Unsealed Gravel Roads—537km
\$88,275,000 Asset Value of Roads (Excluding Non-Depreciable Bulk Earthworks (\$153,513,000))

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Assets Supporting Services



- Regional Roads—123km
- Local Urban Roads—36km
- Local Rural Sealed Roads—269km
- Local Rural Unsealed Gravel Roads—537km

\$88,275,000
Asset Value of Roads
(Excluding Non-Depreciable Bulk Earthworks (\$153,513,000))

Source: Technical Register as a percentage of total PP&E value from Council's 11-12 Financial Statements

Funding Models	Description
Scenario 1	Existing special rate variation discontinued
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Regional Roads
Local Urban Roads
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Local Rural Unsealed Gravel Roads



What Assets does council manage to deliver this service

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Service: Roads Infrastructure

FUNDING SCENARIO 1—EXISTING RATE VARIATION DISCONTINUED



This Funding Scenario Summary shows the current and projected service levels, budget and expenditure profiles for the current Long Term Financial Plan submitted to the Asset Management Plan.

OVERALL ASSET PROVISION—FUNDING SCENARIO 1 No SRV

Overall - 10 Years



FUNDING SCENARIO DESCRIPTION

Funding scenario 1 is based on the discontinuation of the current rate variation which will stop the levy for road and bridge maintenance which will reduce the revenue by \$200k. Under this scenario Council will not be able to maintain the current service and the condition of Council's road assets will deteriorate over the next 10 years.

This shows the current service levels

SUMMARY OF ASSET COSTS

LONG TERM—LIFECYCLE COSTS

Life Cycle Gap it is estimated that there will be a funding shortfall of \$424,000 each year over the whole of life of the Roads asset class. This is based on the depreciation value from the Asset Register.

Lifecycle Cost (annually)	\$3,981,000
Lifecycle Available Funding (annually)	\$3,557,000
Lifecycle Gap (annually)	-\$424,000
Lifecycle Financing Indicator	89%

MEDIUM TERM—10 YEAR FINANCIAL PLANNING PERIOD

It is estimated that there will be a funding shortfall of \$440,000 each year over the next 10 years to maintain the current level of service for the Roads asset class.

10 Year Cost (annually)	\$3,997,000
10 Year Available Funding (annually)	\$3,557,000
10 Year Gap (annually)	-\$440,000
10 Year Financing Indicator	89%

Proposed Special Rate Variation Allocation

(Cannot be funded without the continuation of the current SRV)

2015 Bitumen Resurfacing: Sections of Tenterden Road, Wandsworth Road, Tubbamurra

2015 Rural Drainage Maintenance: proposed for longitudinal drainage to improve drainage and reduce moisture saturation leading to pavement failure.

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Service: Roads Infrastructure

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This shows the funding shortfall to maintain current service levels

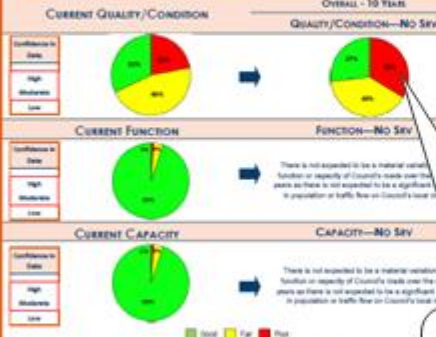
Service: Roads Infrastructure

FUNDING SCENARIO 1—EXISTING RATE VARIATION DISCONTINUED



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OVERALL ASSET PROVISION—FUNDING SCENARIO 1 NO SRV



FUNDING SCENARIO DESCRIPTION

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SUMMARY OF ASSET COSTS

LONG TERM—LIFECYCLE COSTS

Life Cycle Cost is a measure of the total cost of an asset over its life. This is based on the depreciation value from the Asset Register.

Life Cycle Cost (annually)	\$2,000,000
Life Cycle Available Funding (annually)	\$2,000,000
Life Cycle Gap (annually)	\$0
Life Cycle Funding Indicator	0%

MEDIUM TERM—10 YEAR FINANCIAL PLANNING PERIOD

It is assumed that there will be a funding shortfall of \$200,000 each year over the next 10 years to maintain the current level of service for the Road asset class.

10 Year Cost (annually)	\$2,000,000
10 Year Available Funding (annually)	\$2,000,000
10 Year Gap (annually)	\$0
10 Year Funding Indicator	0%

Proposed Special Rate Variation Allocation

(Cannot be funded without the continuation of the current SRV)

- 5 Bitumen Resurfacing Sections of Terenden Road, Wandsworth Road, Tubbamura Road
- 5 Gravel Drainage Maintenance proposed for longitudinal drainage to improve drainage and reduce moisture saturation leading to pavement failure.
- 5 Gravel Drainage Maintenance proposed for longitudinal drainage to improve drainage and saturation leading to pavement failure.
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And what happens to service levels with this scenario

ASSET MANAGEMENT PLAN: Transport Infrastructure

ASSET ACTIVITY: REGIONAL, LOCAL & UNSEALED GRAVEL ROADS



COMMENTS	RISKS	RESPONSES
Guyra Shire Council has no state class roads. The majority of the network is local roads with limited heavy traffic. Typically no more than 300 vehicles per day.	<ul style="list-style-type: none"> Surface defects cause potholes and underlying pavement failures which result in lower travel speed and increased risk of traffic crashes. Pavement defects (roughness and rutting) causing lower travel speed and increased risk of traffic crashes. Potholes and corrugations causing lower travel speed and increased risk of traffic crashes. In severe cases, may restrict all weather access to some properties. 	<ul style="list-style-type: none"> Inspection program, pothole repair program, maintenance grading program. Inspection program, pothole patching program, regular seal program. Inspection program, heavy patching program, regular seal program. Pavement rebates according to capital renewal program.

Current SRV Discontinued

Current SRV Continued

Current SRV Continued

or

Special Rate Variation

Council in 2008/09 received a special rate variation of 0.43% (including 0.3% rate pegging). This special rate variation equates to approximately \$180,000 per year for Council to provide ongoing services to our community.

The special rate variation was approved for a period of 5 years and runs out in June 2013. Council believes that in order to maintain our assets and provide a reasonable level of service it will need to retain this additional rates base. Council has therefore resolved to apply for this variation to remain permanently.

The application however requires community support. To meet the needs of our communities, now and into the future, we must have the discussion with our community on an agreed way forward. We may require further rate variations and/or service level adjustments.

What have we spent it on previously?

\$100,000 on resurfacing roads, \$50,000 on drainage throughout the Shire, and \$30,000 on the community village plans each year of the current rate variation.

What we will spend it on?

It is proposed to continue utilising the additional revenue in accordance with previous years to assist with asset maintenance requirements.

Have Your Say on the Special Rate Variation

To meet the needs of our communities, now and into the future, we must have the discussion with our community on an agreed way forward.

myGUYRA

Facebook

Twitter

LinkedIn

YouTube

Instagram

Nextdoor

OpenTable

Yelp

Hotels.com

Expedia

Travelocity

Booking.com

Agoda

Hotels.com.au

Expedia.co.uk

Travelocity.co.uk

Booking.co.uk

Agoda.co.uk

Hotels.com.hk

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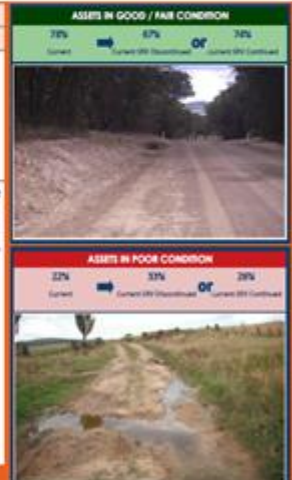
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Agoda.ph



ASSET MANAGEMENT PLAN: Transport Infrastructure

ASSET ACTIVITY: REGIONAL, LOCAL & UNSEALED GRAVEL ROADS



RISKS	RESPONSES
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Special Rate Variation

Council in 2008/09 received a special rate variation of 8.43% (including 5% for the 2009/10 financial year). This special rate variation equates to approximately \$180,000 per year for Council to maintain its services to our community.

The special rate variation was approved for a period of 5 years that in order to maintain our assets and provide a reasonable rate base. Council has therefore resolved to apply this variation permanently.

The application however requires community support. As of our communities, now and into the future, we may require funding on the community side to assist with our services.

Have Your Say on the Special Rate Variation

To meet the needs of our communities, now and into the future, we must have the discussion with our community on an agreed way forward.

myGUYRA

www.guyra.gov.gd

Facebook: Guyana Regional Council

Twitter: GuyanaRegionalCouncil

LinkedIn: Guyana Regional Council

ASSETS IN POOR CONDITION

27% Current | 37% Current life expectancy | 29% Current life expectancy

These are the risks for this scenario and how they will be managed

Service: Buildings Infrastructure

FUNDING SCENARIO 1— EXISTING RATE VARIATION DISCONTINUED



This Funding Scenario Summary shows the current projected service levels, budget and expenditure profiles for the current Long Term Financial Plan balanced to the Asset Management Plan.

OVERALL ASSET PROVISION— FUNDING SCENARIO 1 NO SRV

OVERALL - 10 YEARS

CURRENT QUALITY/CONDITION

High: 10%, Moderate: 40%, Low: 50%

CURRENT FUNCTION

High: 10%, Moderate: 40%, Low: 50%

CURRENT CAPACITY

High: 10%, Moderate: 40%, Low: 50%

FUNDING SCENARIO DESCRIPTION

Funding scenario 1 is based on the discontinuation of the current rate variation. This will reduce the funding available for renewal of Council's buildings by 52%. Under this scenario Council will not be able to maintain the current levels of service and the condition of Council's buildings assets will deteriorate over the next 10 years.

SUMMARY OF ASSET COSTS

LONG TERM—LIFECYCLE COSTS

Life Cycle Gap: It is estimated that there will be a funding shortfall of \$100,000 each year over the whole of life of the buildings asset class. This is based on the depreciation value from the Asset Register.

Life Cycle Cost (annually)	\$100,000
Life Cycle Available Funding (annually)	\$100,000
Life Cycle Gap (annually)	\$100,000
Life Cycle Funding Indicator	84%

MEDIUM TERM—10 YEAR FINANCIAL PLANNING PERIOD

It is estimated that there will be a funding shortfall of \$100,000 each year over the next 10 years to maintain the current level of service for the buildings asset class.

10 Year Cost (annually)	\$100,000
10 Year Available Funding (annually)	\$100,000
10 Year Gap (annually)	\$100,000
10 Year Funding Indicator	82%

Year Projected Operating & Capital Expenditure

Funding Scenario 1—Existing Rate Variation Discontinued

Asset Management Plans show 2 scenarios 1 – Stop current rate variation

Service: Recreation Infrastructure

FUNDING SCENARIO 1— EXISTING RATE VARIATION DISCONTINUED

This Funding Scenario Summary shows the current and projected service levels, budget and expenditure profiles for the current Long Term Financial Plan balanced to the Asset Management Plan.

OVERALL ASSET PROVISION—FUNDING SCENARIO 1 NO SRV

OVERALL - 10 YEARS

CURRENT QUALITY/CONDITION QUALITY/CONDITION—NO SRV



FUNDING SCENARIO DESCRIPTION

Funding scenario 1 is based on the discontinuation of the current rate variation. This will reduce the annual funding available for renewal of Council's recreational assets by \$10k. Under this scenario Council will not be able to maintain the current levels of service and the condition of Council's recreation assets will deteriorate over the next 10 years.

SUMMARY OF ASSET COSTS

LONG TERM—LIFECYCLE COSTS

Life Cycle Cost It is estimated that there will be a funding shortfall of \$24,000 each year over the whole of life of the Recreation asset class. This is based on the depreciation value from the Asset Register.

Lifecycle Cost (annually)	\$227,000
Lifecycle Available Funding (annually)	\$203,000
Lifecycle Gap (annually)	\$24,000
Lifecycle Funding Indicator	90%

MEDIUM TERM—10 YEAR FINANCIAL PLANNING PERIOD

It is estimated that there will be a funding shortfall of \$15,000 each year over the next 10 years to maintain the current level of service for the Recreation asset class.

10 Year Cost (annually)	\$208,000
10 Year Available Funding (annually)	\$193,000
10 Year Funding Indicator	90%

Year Projected Operating & Capital Expenditure Funding Scenario 1—Existing Rate Variation Discontinued



Source: WARD 10-12 Recreation, 2014, 2015 to 2023 (Where not been disclosed the projected expenditure for this funding type is \$0).

Service: Stormwater Drainage Infrastructure

FUNDING SCENARIO 2— CONTINUATION OF CURRENT RATE VARIATION

This Funding Scenario Summary shows the current and projected service levels, budget and expenditure profiles for the current Long Term Financial Plan balanced to the Asset Management Plan.

OVERALL ASSET PROVISION—FUNDING SCENARIO 2 SRV CONTINUED

OVERALL - 10 YEARS

CURRENT QUALITY/CONDITION QUALITY/CONDITION—SRV CONTINUED



FUNDING SCENARIO DESCRIPTION

Funding scenario 2 is based on the current rate variation continuing. With the special rate variation the stormwater drainage renewals are still underfunded by \$5k each year. With current levels of funding condition of Council's drainage assets are still expected to deteriorate over the next 10 years but at a slower rate with council able to channel the additional funding into priority works. This funding scenario seeks to maintain the existing rate variation permanently.

SUMMARY OF ASSET COSTS

LONG TERM—LIFECYCLE COSTS

Life Cycle Cost It is estimated that there will be a funding shortfall of \$15,000 each year over the whole of life of the Stormwater Drainage asset class. This is based on the depreciation value from the Asset Register.

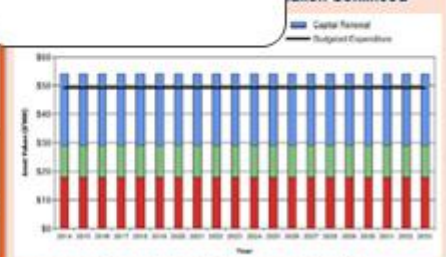
Lifecycle Cost (annually)	\$122,000
Lifecycle Available Funding (annually)	\$107,000
Lifecycle Gap (annually)	\$15,000
Lifecycle Funding Indicator	88%

MEDIUM TERM—10 YEAR FINANCIAL PLANNING PERIOD

It is estimated that there will be a funding shortfall of \$15,000 each year over the next 10 years to maintain the current level of service for the Stormwater Drainage asset class.

10 Year Cost (annually)	\$107,000
10 Year Available Funding (annually)	\$92,000
10 Year Funding Indicator	86%

Year Projected Operating & Capital Expenditure Funding Scenario 2—Continuation of Current Rate Variation



Source: WARD 10-12 Drainage, 2014, 2015 to 2023 (Where not been disclosed the projected expenditure for this funding type is \$0).



Future Rates after 2014

Peter Stewart – General Manager

- Council will need to exhibit a 10 year plan to live within its means during 2014. This will include ongoing community engagement on the best mix of increasing revenues and rebalancing services.
- This will update the resourcing strategy (the 10 year plan for what council can and can't afford to provide)
- The 2014 consultation will include an option for increasing rates or reducing services.



Special Rate Variation

- **Continue Current Infrastructure Levy**

Council's proposal is that this special rate variation be continued permanently. This means that rates will remain as they are and adjusted according to the NSW State Government rate cap. This year the rate cap is 2.3%.



Community Feedback

- Survey Questions
- Group sessions
 - **Everyone complete survey questions**
 - Q7 – Would you be prepared to continue the current rate variation to maintain current service levels?
 - Q10 Comments / suggestions where services could be reduced
 - Q11 Comments / suggestions where services could be increased
 - Would you be interested in future community engagement sessions.?

SURVEYS

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Consult	Telephone Survey 300 people	NA	Residents	November 2013
Consult	Online survey myguyra.com		Residents	November 2013

The quotes received by Council to conduct a telephone survey of 300 people ranged from \$15,000.00 to \$20,000.00. Council considered the expense to be cost prohibitive. As a result the survey was conducted online and surveys were distributed throughout Guyra, Tingha and Ebor. Surveys were provided to all those whom attended stakeholder/ reference group meetings and the public forum. Surveys were distributed to businesses in the main street of Guyra and Council Officers surveyed locals at the Tingha Tin Man festival in November.

The full survey can be found online at www.myguyra.com/srv or [Appendix 2.1](#).

A separate report is provided containing the results from the survey conducted. This can be found online at www.myguyra.com/srv or [Appendix 2.2](#).

LAUNCH

Level of Engagement	Method	Location	Targeted Stakeholders	Dates /Venues
Empower	Launch	Council Chambers	Residents	April 2014

Scheduled for April 2014.