Richmond Valley

Towards 2025

Public Meeting Casino

Proposal for a Special Rate Variation

Note: All calculations are estimates based on financial modelling and assume a 2.5% rate peg across all years.

Agenda

7.00 pm	Start – Welcome by Mayor Cr Ernie Bennett.
7.10 –8.00pm	Council's Position – Mr John Walker GM

Objectives of public meeting.

1. Outline of Councils case. – Integrated Planning Approach – Variation Sought.
2. The external influences– LG Review Committee – Amalgamations
3. The Treasury Corporation Review (Use of Loans and Revenue)
4. IPART and its requirements. (Micromex survey) Capacity and willingness to pay.
5. Council Performance, COMMUNICATION and Organisational change process.
6. The benefits to ratepayers and community
7. Rate increases.

8.00–9.00pm	Questions and Discussion
9.00–9.10pm	Survey
9.15pm	Supper and Close.

Introduction:

- What we would like to achieve at tonight's meeting.

Outline of Council's proposal

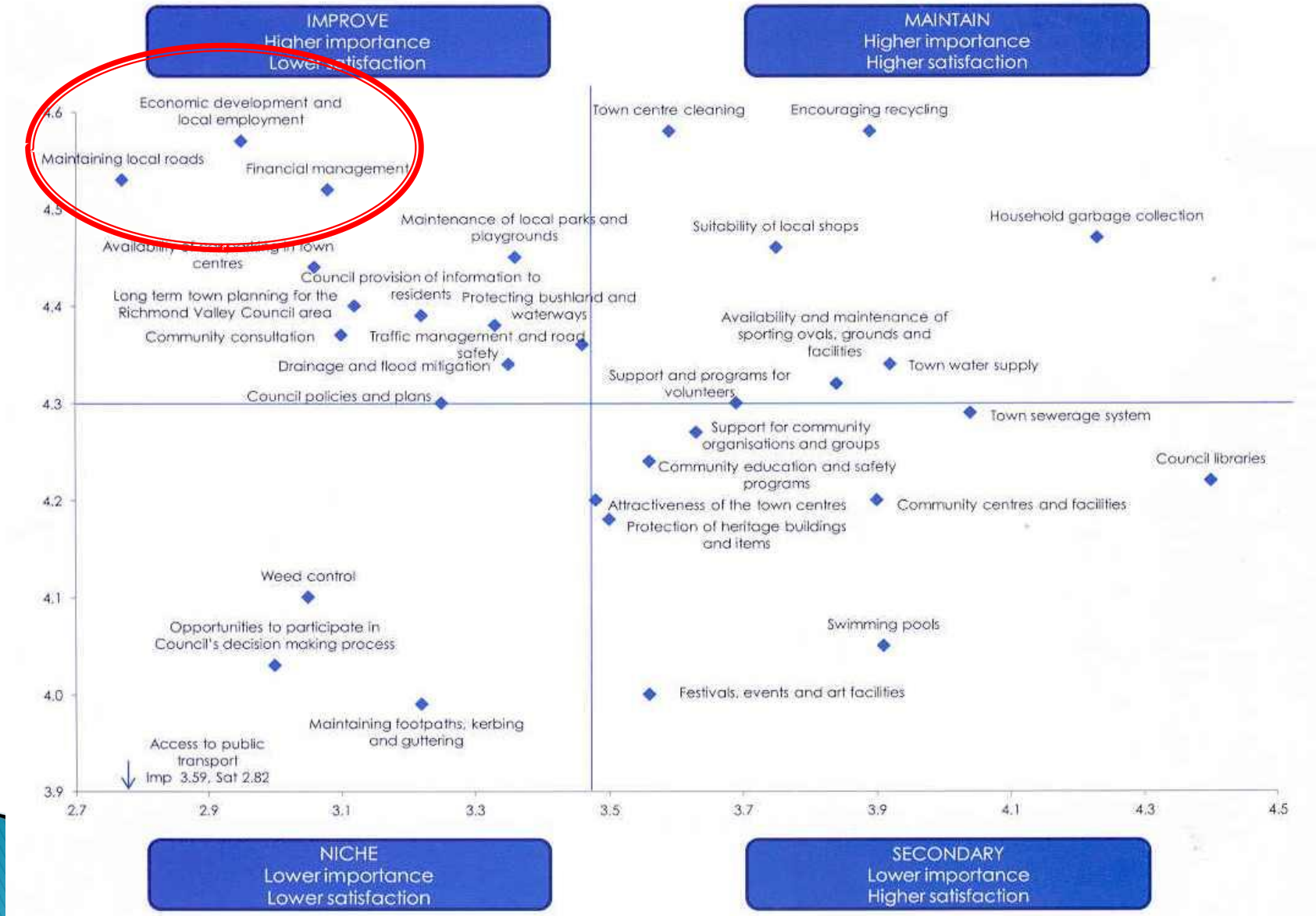
1. Rate Variations to Ordinary Rates only.
2. Rate Pegging- 2.3% cap 2014/15
3. 10% above cap next year, and 3% above for each of four years after that. These are cumulative increases.
4. Will raise revenue of $7.6 million.
5. Funding $6.25million on the Infrastructure backlog of $27 million.
6. Total spending proposed is $13.million.
7. Only applies to Council Ordinary rates not to Water, Sewerage or Waste/

- Over……. INTEGRATED PLANNING and REPORTING Framework

Richmond Valley

Towards 2025

CSP -Survey analysis of 32 Council Functions of Importance and Performance.



Long term strategies and goals

7

Control	Influence	Concern
Policy areas which are in direct control of local government. Direct decision making on these issues is possible and necessary.	Issues which local government does not control but can influence. Action on these issues may be in collaboration with other organisations and other levels of government.	Those areas which are of concern to the community. Local government neither controls nor is likely to influence these issues. However, where relevant, Council may have an advocacy and educative role.

7.1 Generate Revenue to Fund the Operations of Council

Services

Financial Services

7.1.1 Ensure Council's activities and business units operate in a financially sustainable way

Develop budgets which ensure Council remains financially sustainable
Regularly conduct business analysis of projects sustainability based on sound commercial practices
Develop and implement a long term borrowing policy

7.1.2 Examine all revenue generation opportunities within legislative powers

Continually examine different ways to generate income for Council within local government legislative guidelines
Seek approval from the community and IPART for rate variations to produce revenue that will fund improved level of services, infrastructure and maintenance for existing assets

7.1.3 Examine the opportunity to share regional services with other local government agencies

Continue to support forums which can identity business opportunities and partnerships within the region

External Influences on RVC

1. Local Government Review Panel – Reforms
2. Regionalisation.
3. Reliance on grants – New Fed Govt elected – National/State Debt – less money around.
4. Financial Sustainability/Management necessary to survive.
5. Amalgamation.

- Over……TCORP Review.

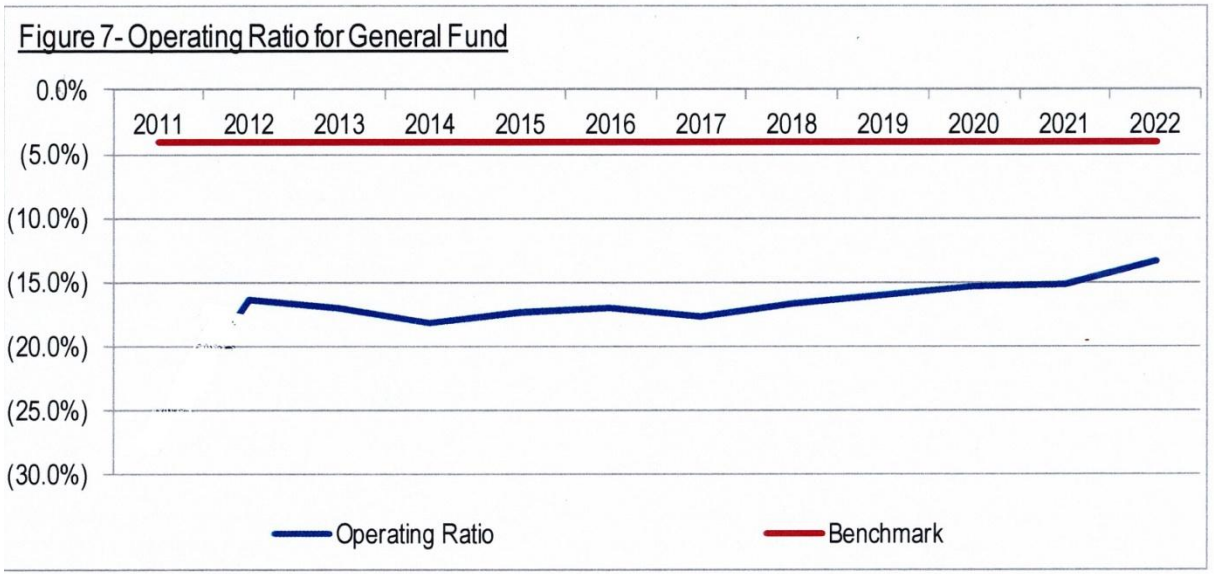
New South Wales Treasury Corporation

Section 4 Review of Financial Forecasts

The financial forecast model shows the projected financial statements and assumptions for the next 10 years. We have focused our financial analysis upon the General Fund as although Council's consolidated position includes both a Water and Sewer Fund these are operated as independent entities, which unlike the General Fund are more able to adjust the appropriate fees and charges to meet all future operating and investing expenses.

4.1: Operating Results

Figure 7- Operating Ratio for General Fund



Council rated "Weak and Deteriorating" TCorp Review. April 2013

The General Fund shows deficit positions are expected in all 10 years when capital grants and contributions are excluded. The increased depreciation charges following the Asset Revaluations are impacting on this ratio.

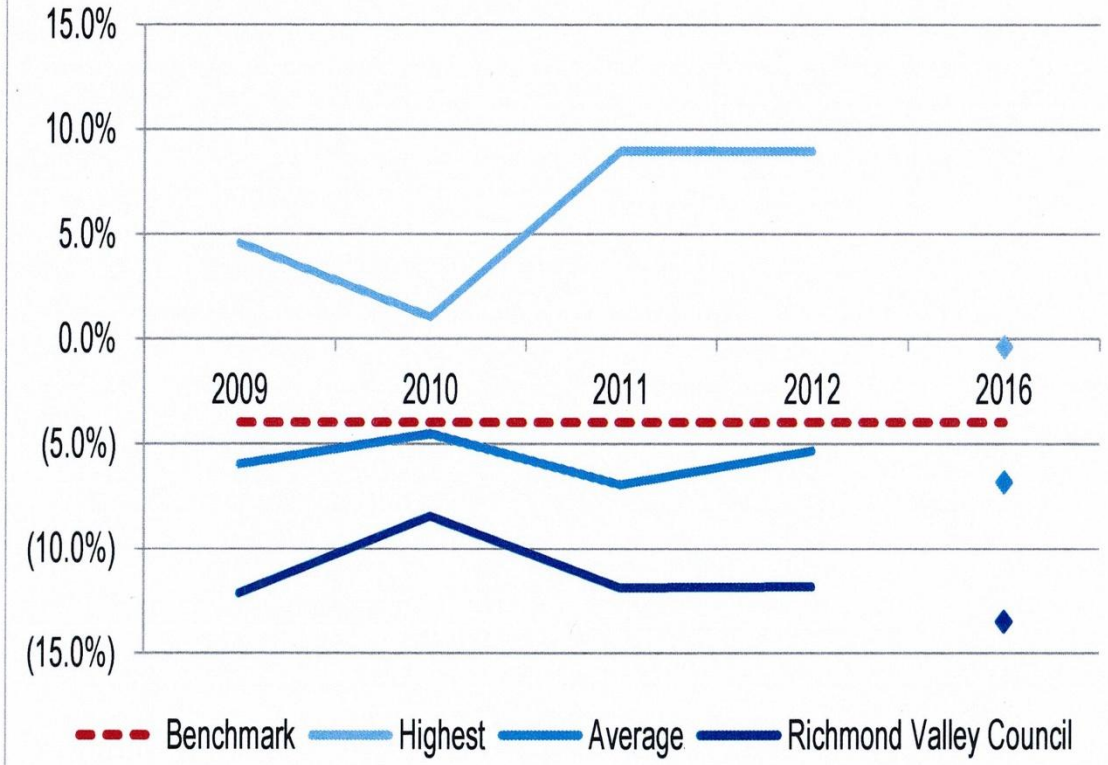
This ratio highlights that over the longer term Council could face financial Sustainability issues although the figure is due to improve throughout the model from the worst ratio deficit in 2011 of negative 26.8% to negative 13.3% in 2022.

New South Wales Treasury Corporation

Financial Flexibility

Council rated "Weak and Deteriorating" TCorp Review. April 2013

Figure 15 - Operating Ratio Comparison



Council's Operating Ratio was consistently below the benchmark and the group average over the review period. Over the medium term, Council's ratio is forecast to remain weak and be below the peer group.

New South Wales Treasury Corporation

In respect of Council's current financial position, we consider Council to be in a weak and deteriorating financial position and can be considered to be unsustainable without significant changes to their financial performance. Our key observations are:

- Council's long term Sustainability from a financial perspective is weak, based on the forecast operating results that are consistently below benchmark
- Council population has increased over the past decade. If this trend continues Council may be able to achieve improving Own Sourced Operating Revenue Ratios
- In recent years, Council did not spend sufficient amounts on asset renewals. Based on the current version of the LTFP, this trend will continue which could lead to a reduction in the quality of the assets and ultimately impact service standards
- Council appear to be in a developing stage of the IP&R documentation, and the Infrastructure Backlog at 19.0% is a key area of concern
- Council has maintained a moderate level of borrowings over time. In the long term, an improving liquidity position could allow Council to take on further borrowings to address the Infrastructure Backlog, but this option may be restricted by consistent operating deficits
- Additional revenue sources are needed by Council to provide further asset renewal funding and Council needs to consider options in this area

Council rated "Weak and Deteriorating" TCorp Review. April 2013

IPART Requirements.

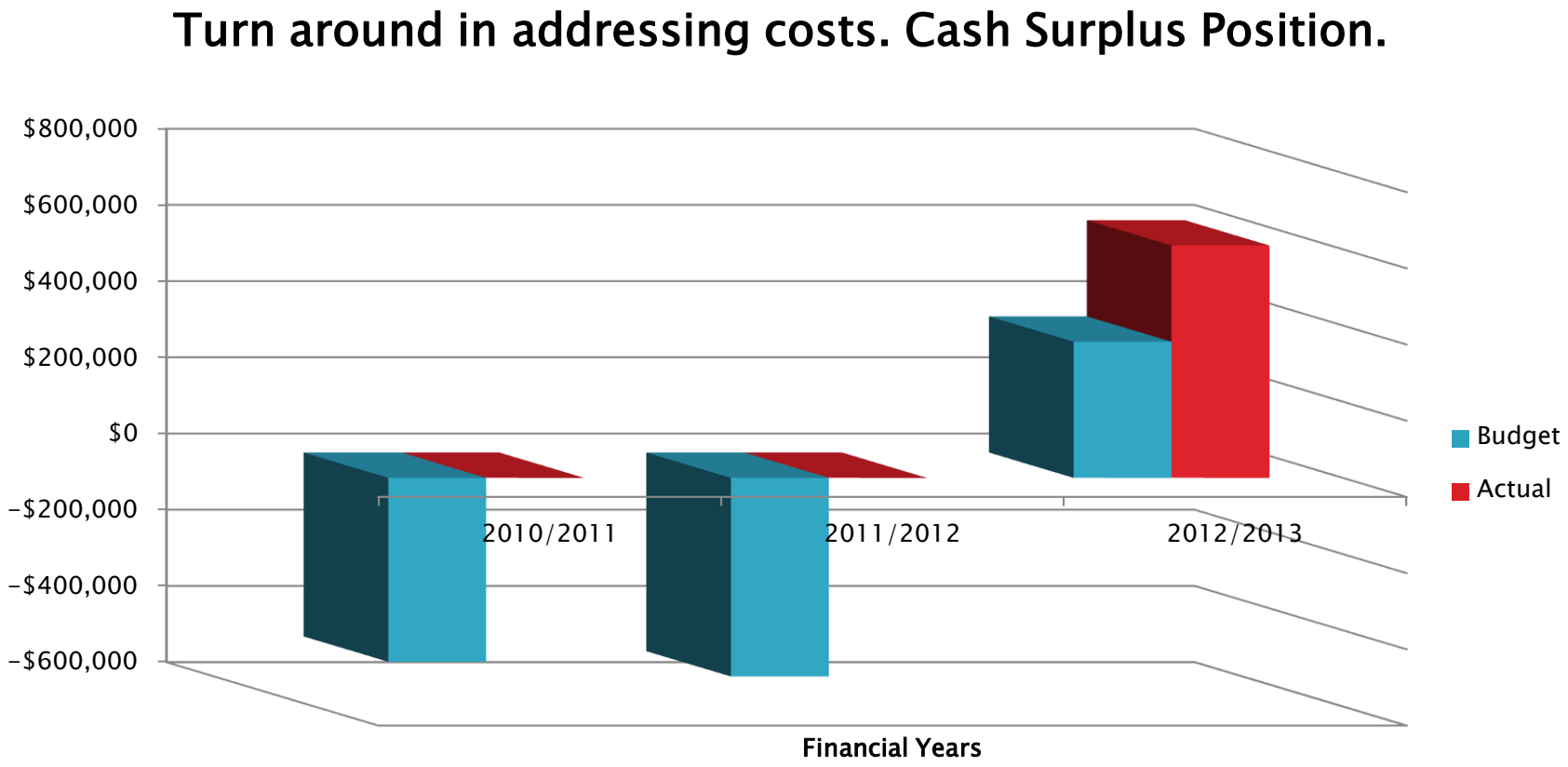
1. **Produce a Long Term Financial Plan and Delivery Plan (with realistic assumptions)**
2. **Demonstrate the need for the proposal.**
3. **It must show evidence the community is aware of the proposal and is supportive.**
4. **Show the financial impact on ratepayers and their capacity to pay.**
5. **Provide an explanation of the productivity improvements and cost containment strategies the Council has realised in past years and plans to realise over the special variation period. .....next**

Is Council spending its money well?

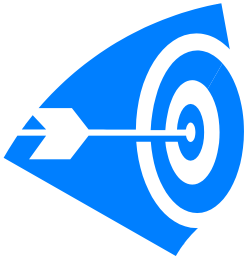
- *"I am not evading tax in any way, shape or form. Of course, I am minimising my tax. Anybody in this country who does not minimise his tax wants his head read. I can tell you as a government that you are not spending it so well that we should be donating extra"*

- Kerry Bullmore Packer to the 1991 Senate Fairfax inquiry when questioned about his tax payments.

Turn around in Financial Management.



Council Performance – Telephone Survey results: 2013

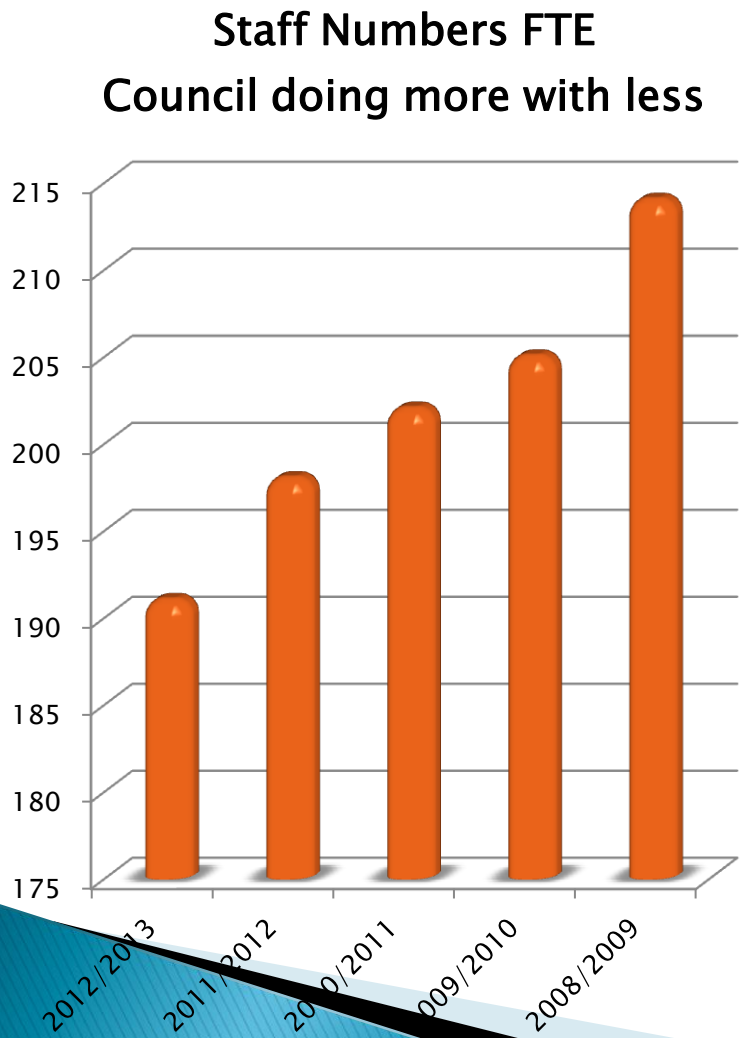


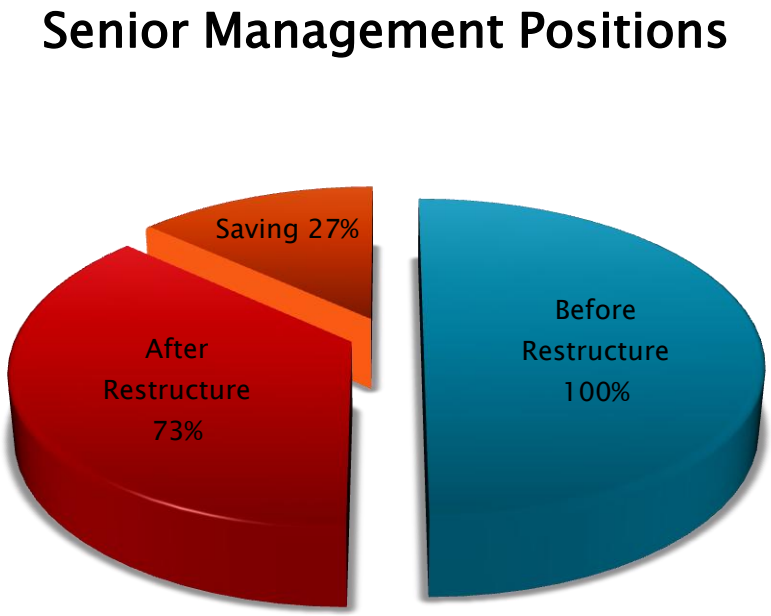
- **82% of residents giving Council overall performance a somewhat satisfied to very satisfied rating. Only 4% of residents indicated they were not at all satisfied.**
- **55% of residents indicated that they had an opportunity to speak out about issues in Richmond Valley Council area.**
- **Two thirds of the population were aware a new GM and Executive Team had been appointed and 79% said were somewhat to very effective in making changes over the last 12 months.**
- **But what has been achieved……..**

Council Record – last 2 years

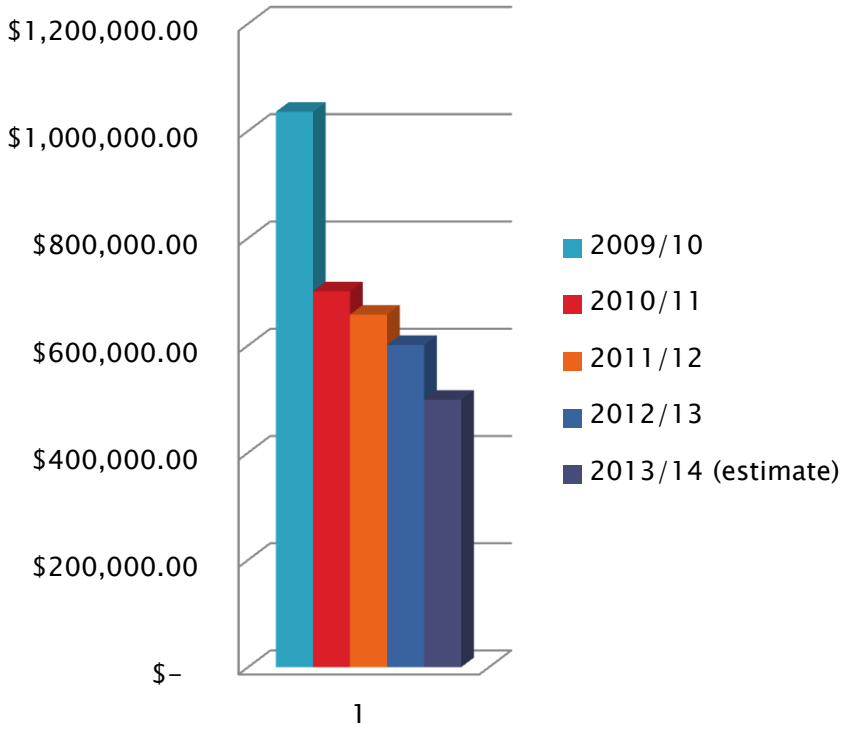
- Financial Management/Cost Cutting
- Surplus Budgets last 2 years.
- Customer Service
- Communications
- Economic Development
- Civic Pride.
- Shut down unprofitable bridge operations.
- Review Contractor Inhouse balance invest in people and plant.

Salary costs savings of over $1 million per year

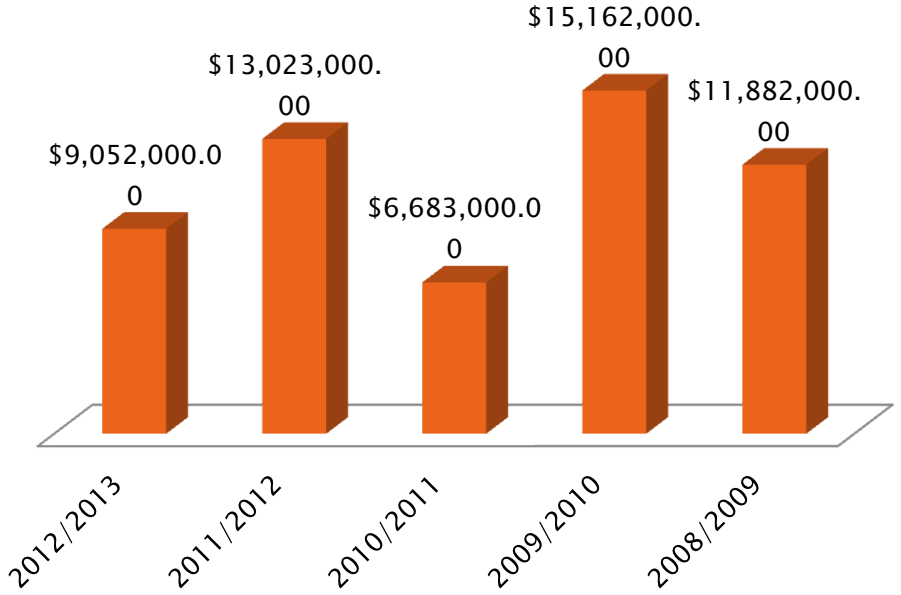




Workers Compensation Premiums Declining.



Grant Funds for Operational Purposes – No Certainty.



How will the Money be Spent?

INFRASTRUCTURE RENEWAL		
Sealed Road Rehabilitation..	$	5,000,000
Gravel Road Re-sheeting	$	500,000
Playground replacement	$	60,000
Public Toilet refurbishment	$	200,000
Renewal Council facilities and parks.	$	500,000
ADDITIONAL SERVICE		
Casino River Bank Presentation	$	250,000
Sealing of unsealed urban roads	$	375,000
Cultural and Art Facilities.	$	120,000
CAPITAL IMPROVEMENTS		
Casino Riverfront Amphitheatre & Footbridge and general access improvements/connectivity	$	1,050,000
Woodburn Riverfront	$	470,000
Evans CBD and environs Carparking and Extension Park St	$	500,000
Coraki Riverfront	$	355,000
Casino Showground Upgrades	$	100,000
Casino Carparking	$	580,000
Evans Head Skatepark	$	100,000
Crawford Square Regional Park.	$	150,000
Woodburn Skatepark.	$	80,000
Casino Skatepark	$	240,000
IMPROVED MAINTENANCE		
Playground maintenance	$	75,000
Toilet Cleaning Maintenance	$	75,000
Rural road drain maintenance	$	250,000
INCREASED CAPACITY		
IT Innovation Fund.	$	250,000
Public Wi Fi in Casino CBD, Woodburn, Evans Head	$	170,000
Capacity Building Youth Traineeship Program	$	300,000
Economic Development Plans (Growth)/Projects	$	330,000
Community Engagement/ Customer Research/Communications.	$	190,000
Industrial Land Development.	$	761,000
TOTAL	$	13,031,000

Unfunded Future Signature Projects agreed in the CSP

Future *signature* Projects




Casino Aerodrome Improvements: project value $500,000

This project involves the construction of taxiways, landing areas, resurfacing of runways, line marking, runway markers and pavement improvements as well as improved connectivity for adjoining aerodrome users. With the creation of the Regional Rural Fire Service Headquarters and the establishment of new businesses adjacent to the aerodrome, these improvements are of great benefit to the growth of the local economy.

Northern Rivers Livestock Exchange: project value $8 million

To develop and expand this regional facility, an $8 million expenditure boost is required to roof part of the complex, address Workplace Health and Safety (WHS) issues, improve environmental issues and animal welfare aspects and improve the operational efficiencies to ensure competitiveness and viability of this facility.

**Australian Government support is required for both the above projects from the Regional Development Australia Funds.*

There were a number of other priorities that were considered before resolving on these two priorities. Council Council has prioritised these significant projects as the priorities for future government grants. The projects in order of priority are as follows:

1

Northern Rivers Livestock Exchange - Project Cost $2,295,000. Should Council not be successful with its funding application for improvements to the Casino Regional Livestock Exchange, there are a number of important WHS, environmental and operational issues which need to be addressed. Focusing on these concerns is essential to the ongoing viability of the exchange.

2

Casino Parking Area Construction (Little Walker Street, Simpson Parade and Tatts Hotel) - Project Cost $500,000. Council has spent more than $2 million in upgrading the CBD to improve the viability and vibrancy of the area to provide a stimulus for growth in the local economy. One of the ongoing issues remaining is the lack of parking in the area. A Council priority is the construction of car parking areas within the CBD. Council will consider building covered parking as a desirable option in any CBD parking plan.

3

Woodburn Riverfront Project - Project Cost $470,000. With the proposed bypassing of Woodburn as a result of the Pacific Highway upgrade, the need to enhance the village is considered critical. A master plan for the development of the riverfront area is seen as a vital component of this process. This will include the upgrading of Riverside Park with footpaths, lighting, picnic facilities, formalised car parking and other amenities which could be undertaken in various stages.

4

Casino Riverbank Improvements - Stage 1 - Project Cost $500,000. One of the major features of Casino is the river, which bisects the town. The clearing and upgrading of the riverbanks and their associated beautification; with the provision of appropriate viewing areas, picnic areas and other related facilities; is seen as an aspect which could provide much improved tourism and economic stimulus to the area. The project would also encompass footbridges to provide connectivity to either side of the river for visitors and residents alike.

Unfunded Future Projects for Towns and Villages. agreed in the CSP

In addition, Council has other numerous projects within the towns and villages which have been identified by the community as a result of ongoing consultation with Council. Further high priority projects identified by the community are as follows:

Evans Head

Cycleway from Evans Head to Riverside Village - Cost $900,000. This project involves the construction of a concrete and bitumen cycleway connecting Evans Head to the Riverside Village Complex.

Evans Head CBD Car Parking (Oak Lane/Park Street) - Project Cost $650,000. This project involves the construction of additional car parking around Park Street and Oak Lane to provide additional car parking spaces and complement recent CBD upgrades.

Stan Payne Oval Tennis Complex - Project Cost $600,000 Council recently relinquished control of the Silver Sands Holiday Park and as part of the redevelopment by the North Coast Property Trust will be relocating the tennis complex. The closure and relocation will only partly be funded by North Coast Property Trust and Council. The Evans Head Tennis Club will be seeking additional funding to allow the relocation to Stan Payne Oval.

Woodburn

Woodburn Oval Skate Park - Cost $80,000. The youth of the area are requesting the development of a skate park at Woodburn Oval. Application has been made for funding under the Community Building Partnership Program, if unsuccessful, the community and Council will work in partnership to seek funding.

Coraki

Coraki Riverfront Project - Project Cost - Up to $820,000. Similar to the Woodburn Riverfront Project, Council and the community are attempting to revitalise the Coraki foreshore with a major improvement program. The work involves the construction of pathways, playground equipment, foreshore and jetty improvements, biodiversity management projects and other amenities. This work can be undertaken in a number of stages.

Casino

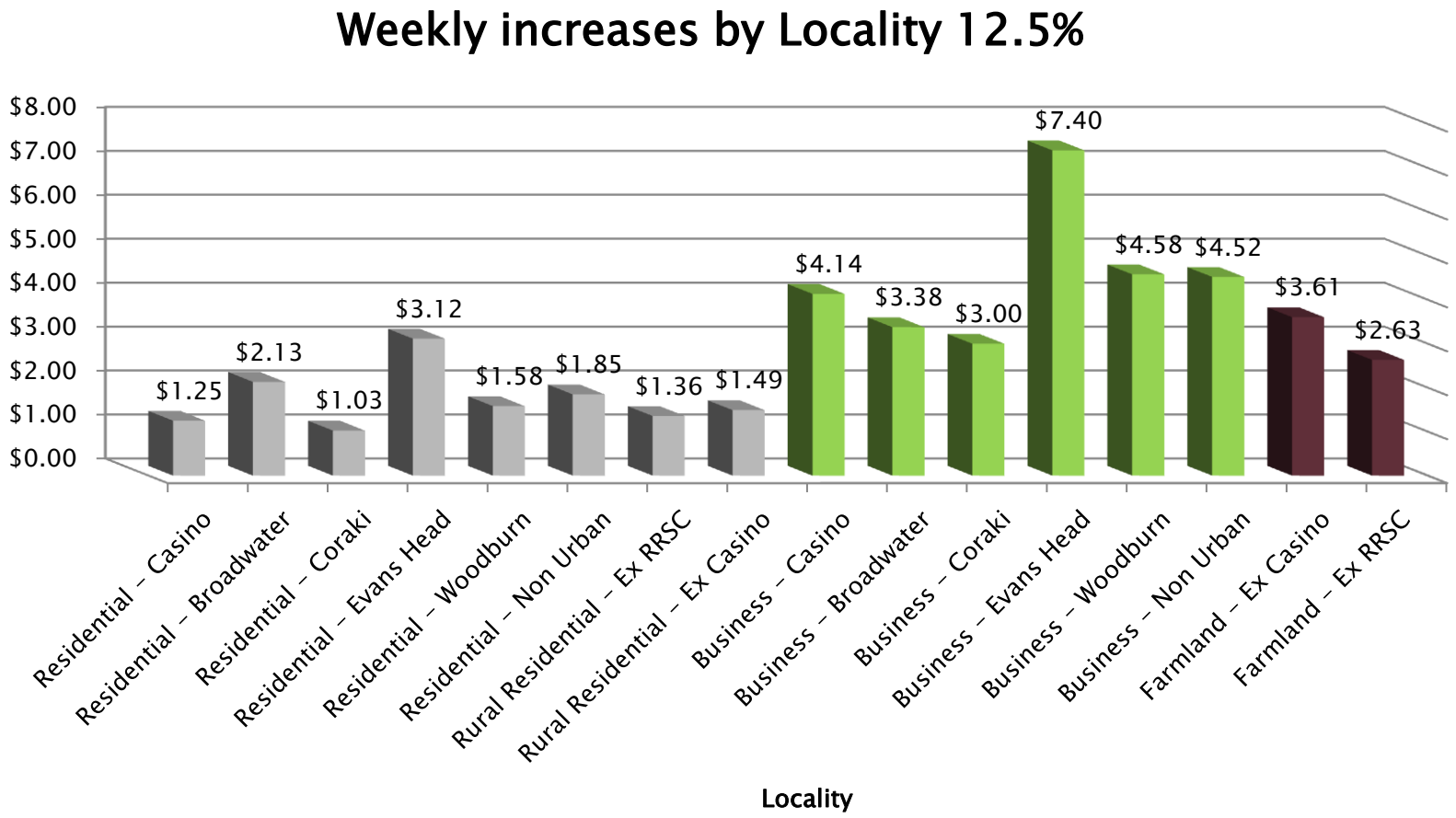
Crawford Square Regional Park - Cost $150,000. As part of Council's Park Rationalisation Program, the opportunity exists to develop Crawford Square as a regional park which would serve as a focus for recreation for the Casino community and tourists travelling through town along the Summerland Way.

Colley Park Oval Improvements - Project Cost $100,000. As Casino's soccer team utilises Colley Park for its Premier League games, a major upgrading of the main oval is required, including reshaping, turfing and irrigating to allow the facilities to be developed to a standard necessary to meet the requirements of a premier team.

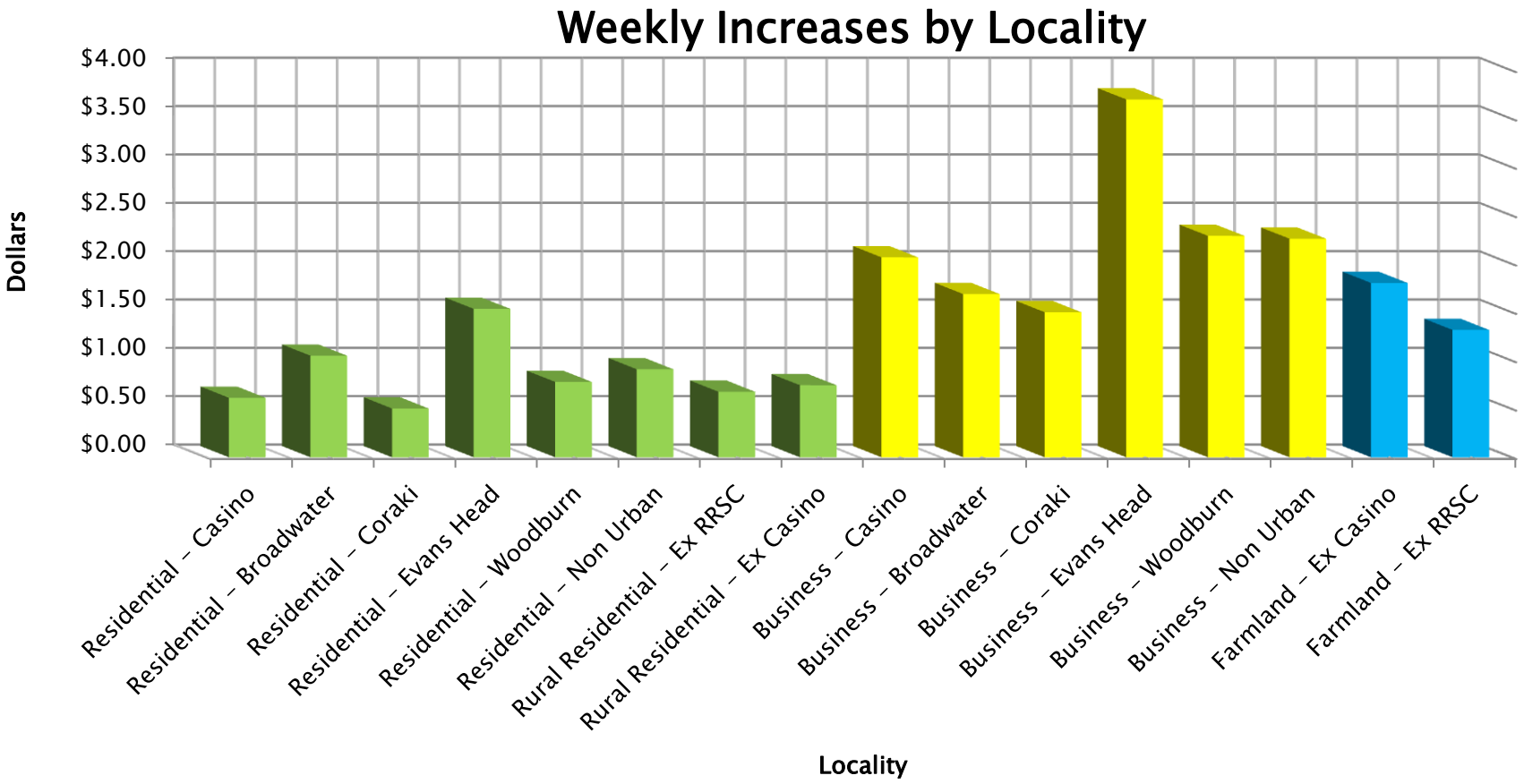
Crawford Square Skate Park - Project Cost $100,000. The youth of Casino are also requesting improvements to the skate park to provide adequate facilities for youth.

Casino Showground Improvements - Project Cost $100,000. The Casino Show Society, Richmond Valley Riding Club and other users are working enthusiastically in a voluntary manner to assist Council in undertaking maintenance and improvements at the Showground to ensure its ongoing viability. Improvements are needed to fencing, toilet facilities, grandstand and canteen areas. Elements of this project can be undertaken in stages.

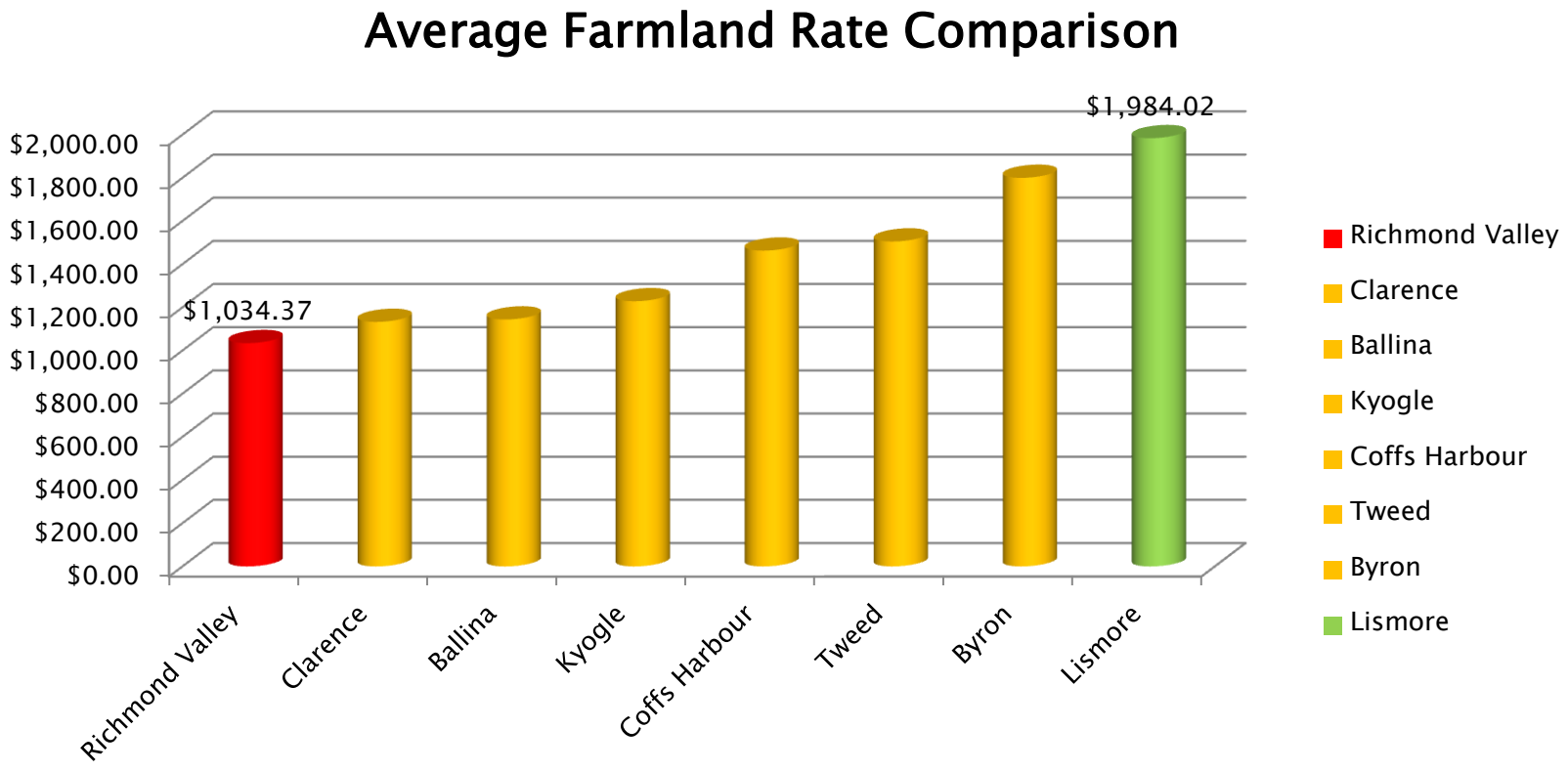
How much extra will I pay in year 1?



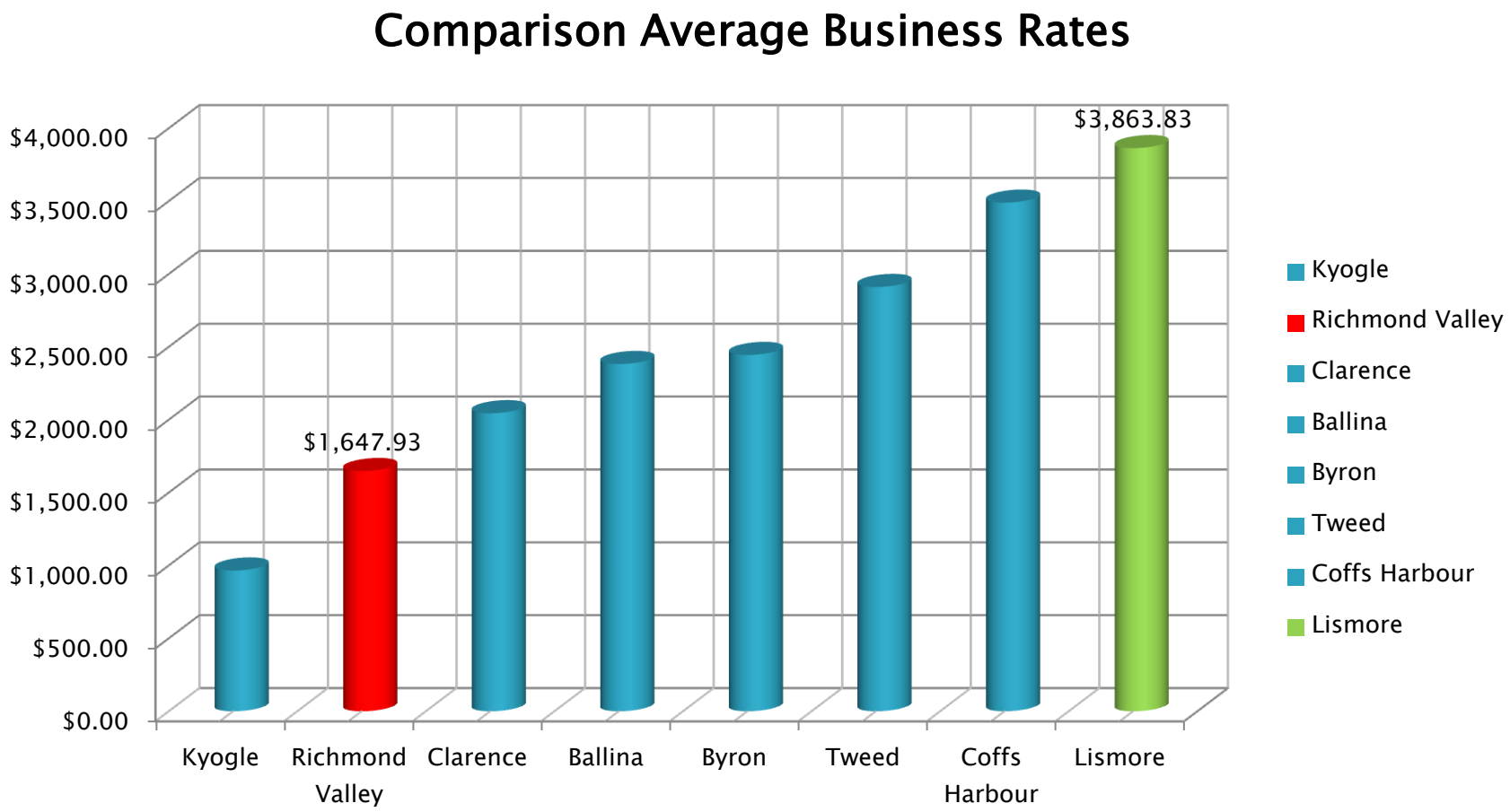
How much extra will I pay in Year 2-5?



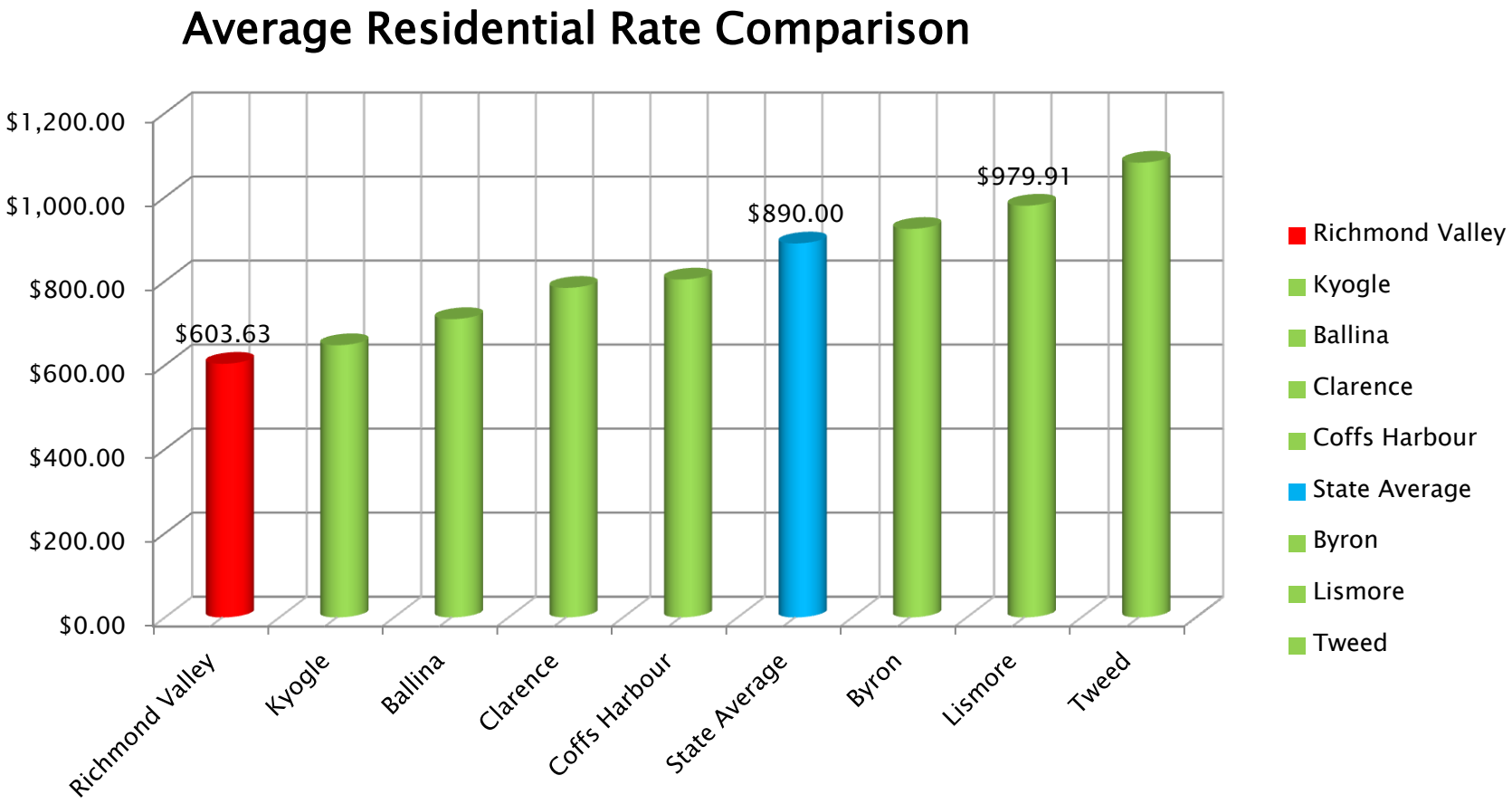
Comparison to Neighbouring Councils



Comparison to Neighbouring Councils



Comparison to Neighbouring Councils



Have your Say:

- Council Survey.

Answers to the most common asked questions:

1. *What do I get for my rates?*
2. *Why do I have to pay rates for something I don't use?*
3. *My locality has less services than in the towns, why should we have to pay for facilities in Casino or Evans Head?*
4. *Evans Head pays more rates that Casino why is this fair?*