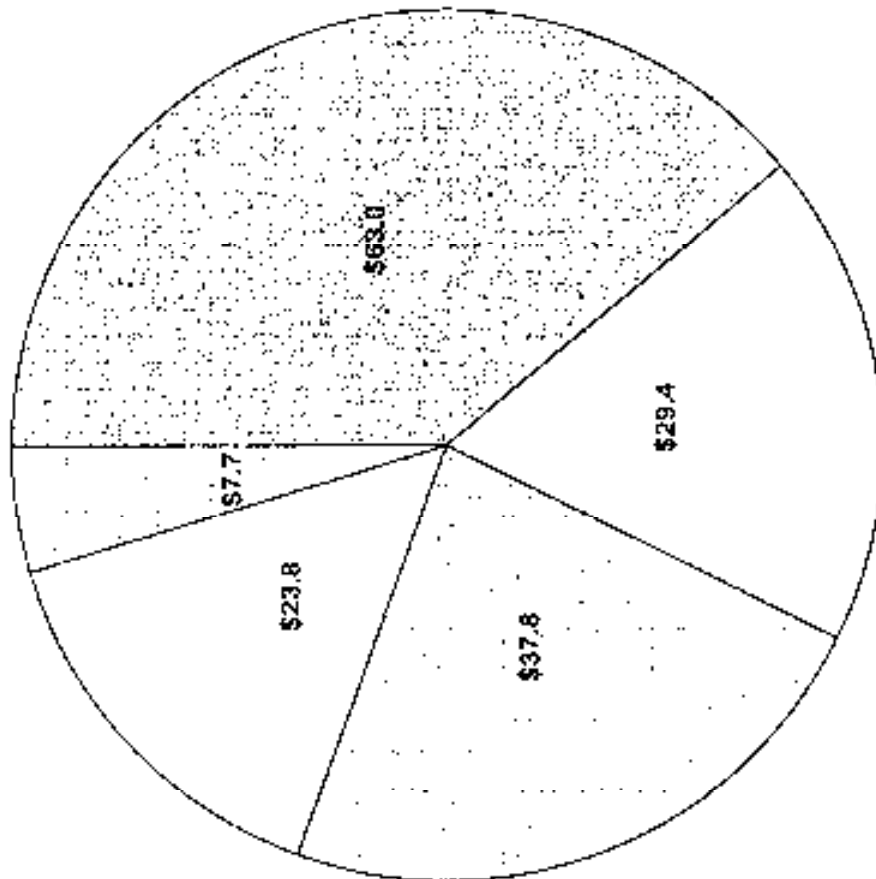
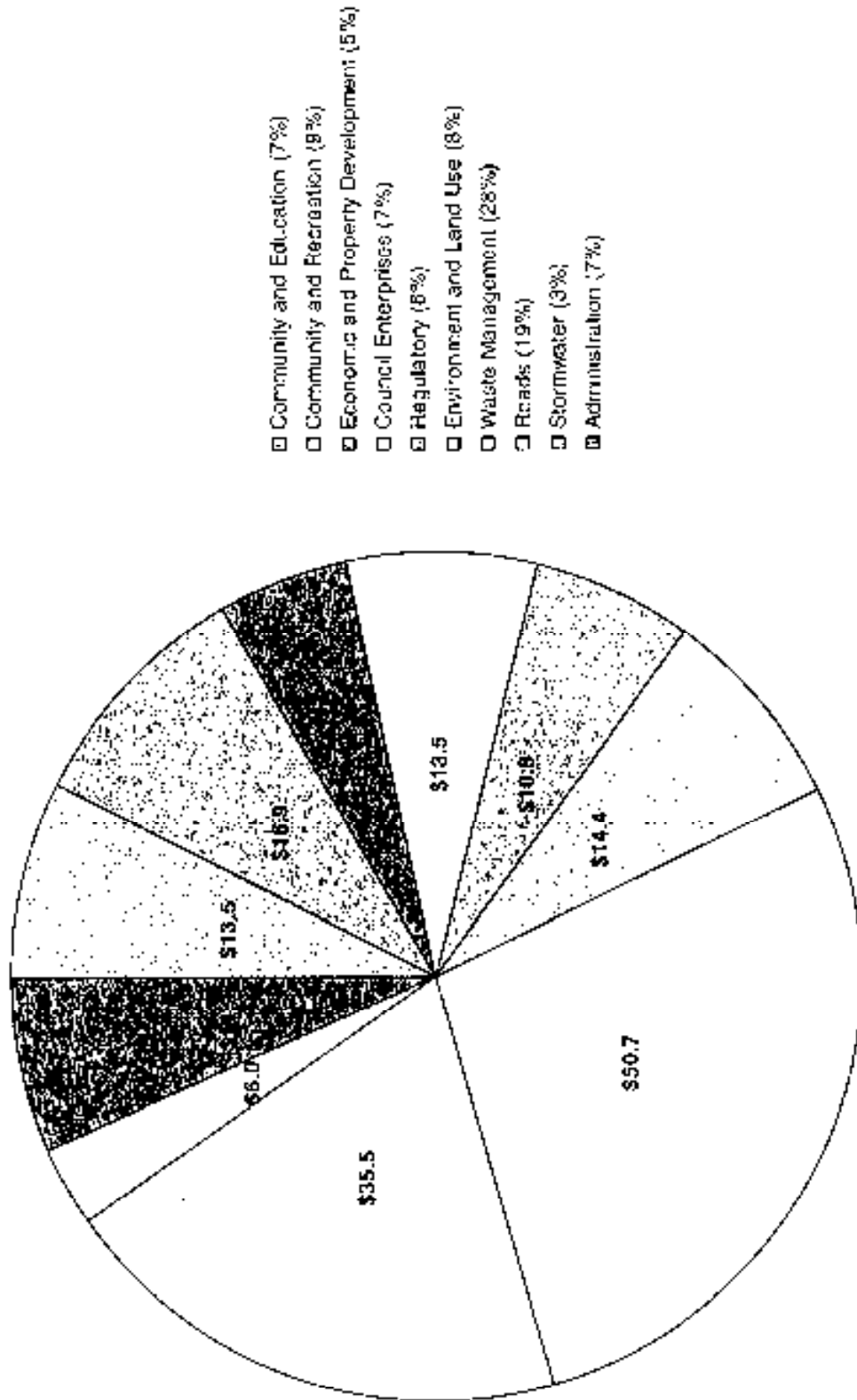


# General Fund Income (2012/13 - \$'m)

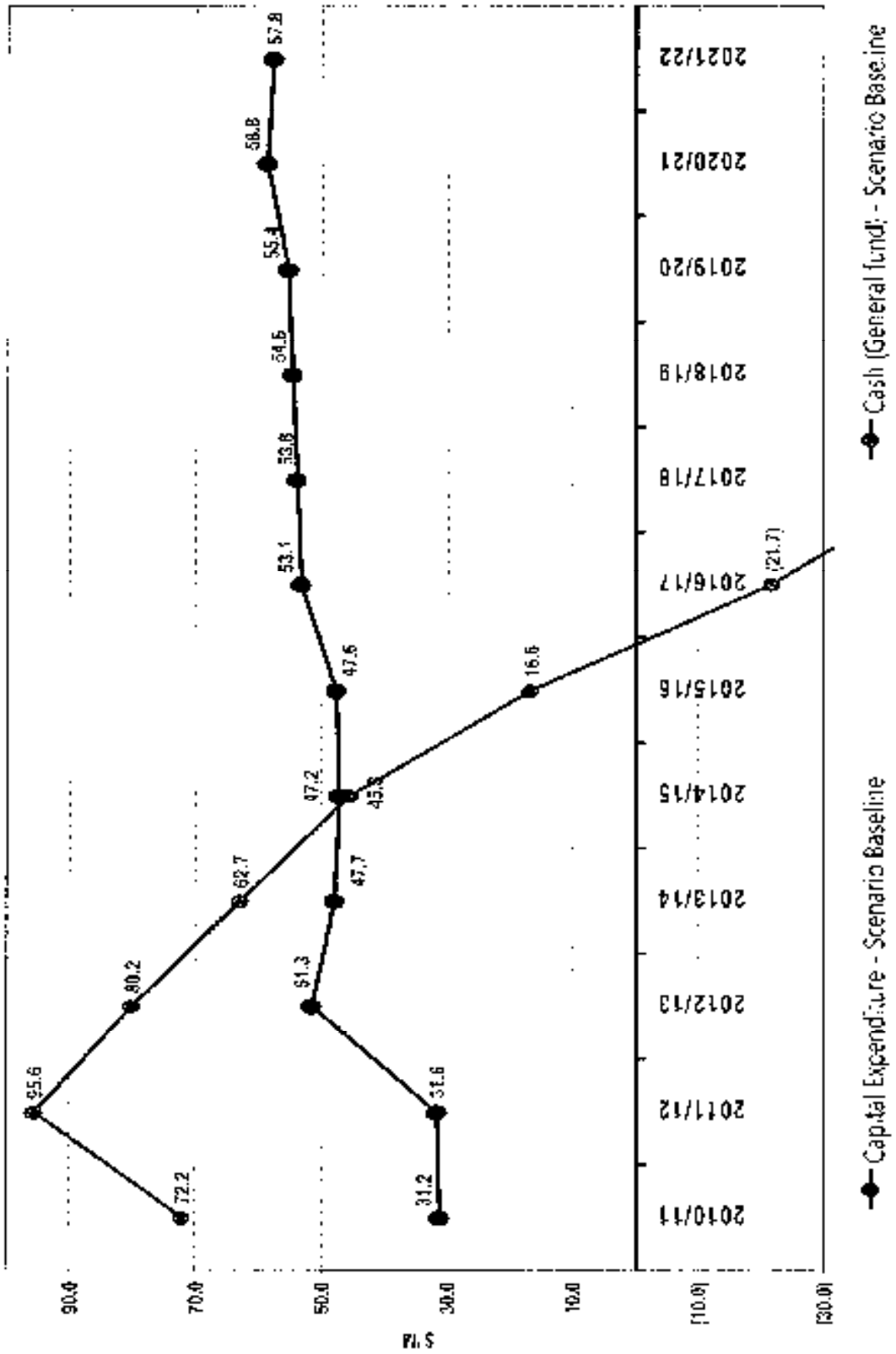


- Ordinary Rates (39%)
- Annual Charges - Waste Management (18%)
- Fees and User Charges (23%)
- Operating Grants and Contributions (15%)
- Interest and Other Income (5%)

**General Fund Expenditure by Principal Activity (2012/13 \$'m)**

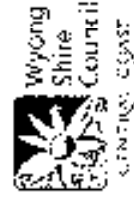


General Fund - Impact of Capital Spend on Cash Reserves

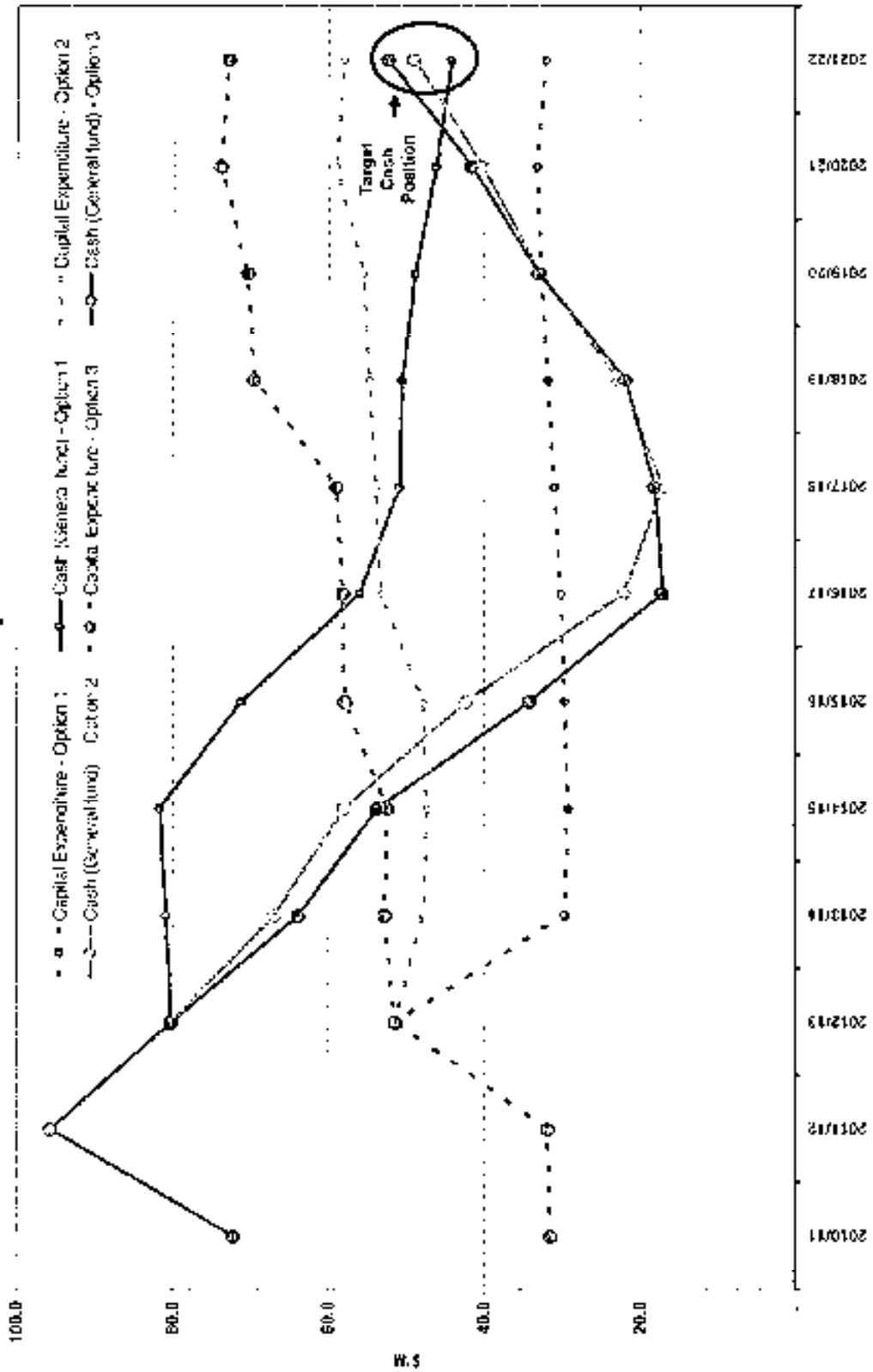


**NSW Treasury (T-Corp) Report Confirmed the Management View that Something had to Change – Direct Quote:**

- Although Council has strong debt servicing abilities, as indicated by its high forecast DSCR and Interest Cover Ratios, its **cash and investment levels are forecast to be exhausted by 2016.**
- This is a **serious liquidity issue** which Council needs to consider, develop options and remodel. Should Council consider **adjusting its capital expenditure program to an affordable level, source additional operating cash flow or reduce operating cash expense**, then additional borrowing could be considered.



**Numerous options were examined.  
3 were chosen as preferable.**



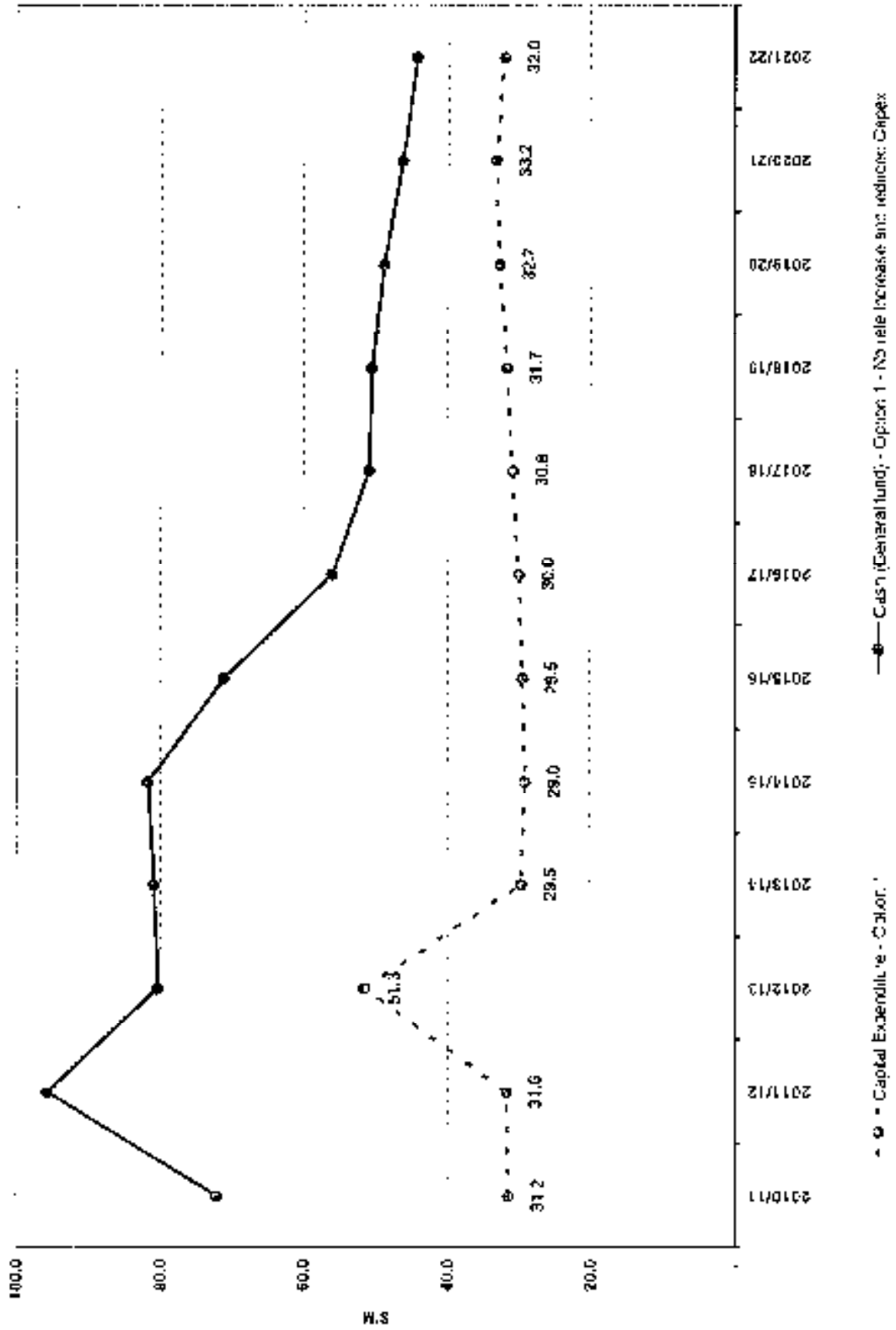
Focus on sustainability and having appropriate cash reserves to cater for unforeseen risks in the long term

## Option 1: Reduce services, maintain rates

- The asset gap will not close and maintenance costs will rise as the asset condition worsens
- Asset condition will deteriorate – e.g. roads will return to the downward trend of pre 2008
- Reduced services
- Asset spending level is not affordable
- No capacity to close the asset gap
- No capacity to fund work on natural assets
- No significant new works



**Option 1: Reduce services, maintain rates  
(no new income, but reduced capital spend levels)**

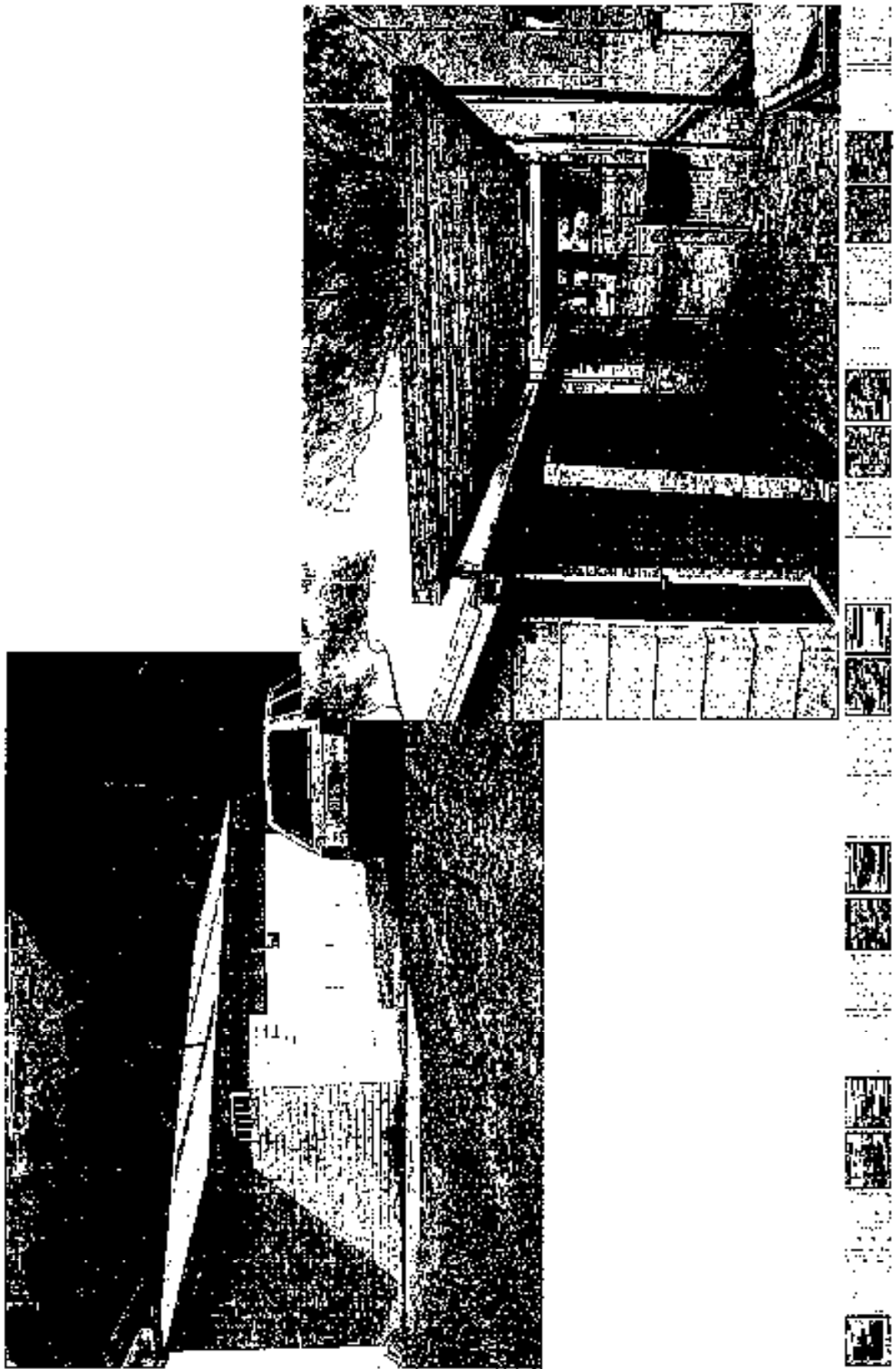


**Option 1: What will it look like**





**Option 1: What will it look like**



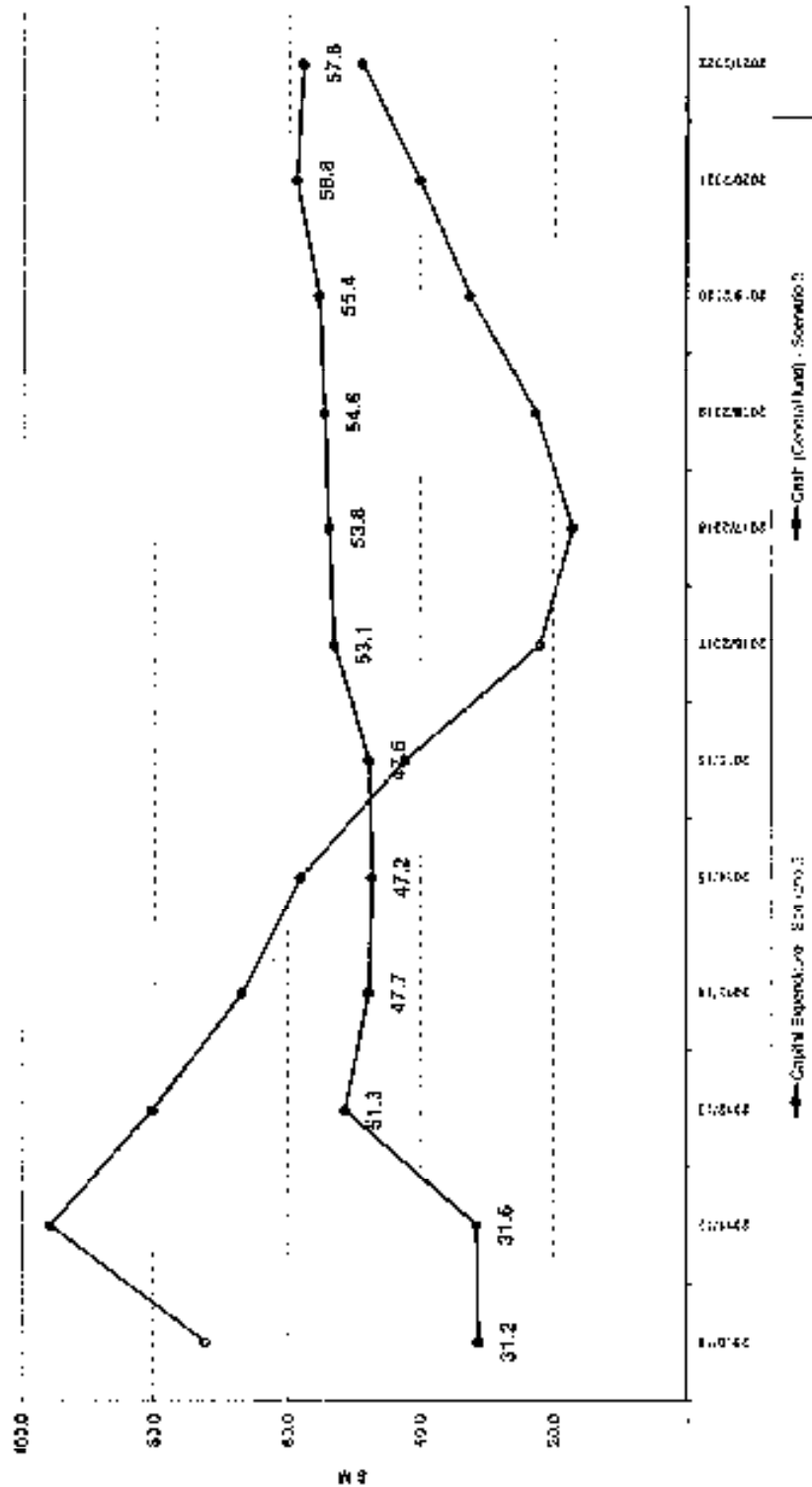
**Option 2: Maintain assets, increase rates 9.5% increase (inclusive of Rate Peg), Each Year Over 7 Years**

- Asset spending is affordable
- Allows for necessary new and upgrade work
- Asset condition will improve
- Allows some spending on natural assets
- After 7 years, when the asset gap is closed
- Asset maintenance can be reduced from \$17M to \$14M
- The \$17M previously spent on closing the gap may be able be spent on new work



### Option 2: Reduced services, maintain rates (9.5% annual increase in rates)

General Fund - Impact of Capital Spend on Cash Reserves  
Scenario 2



Option 2: What will it look like

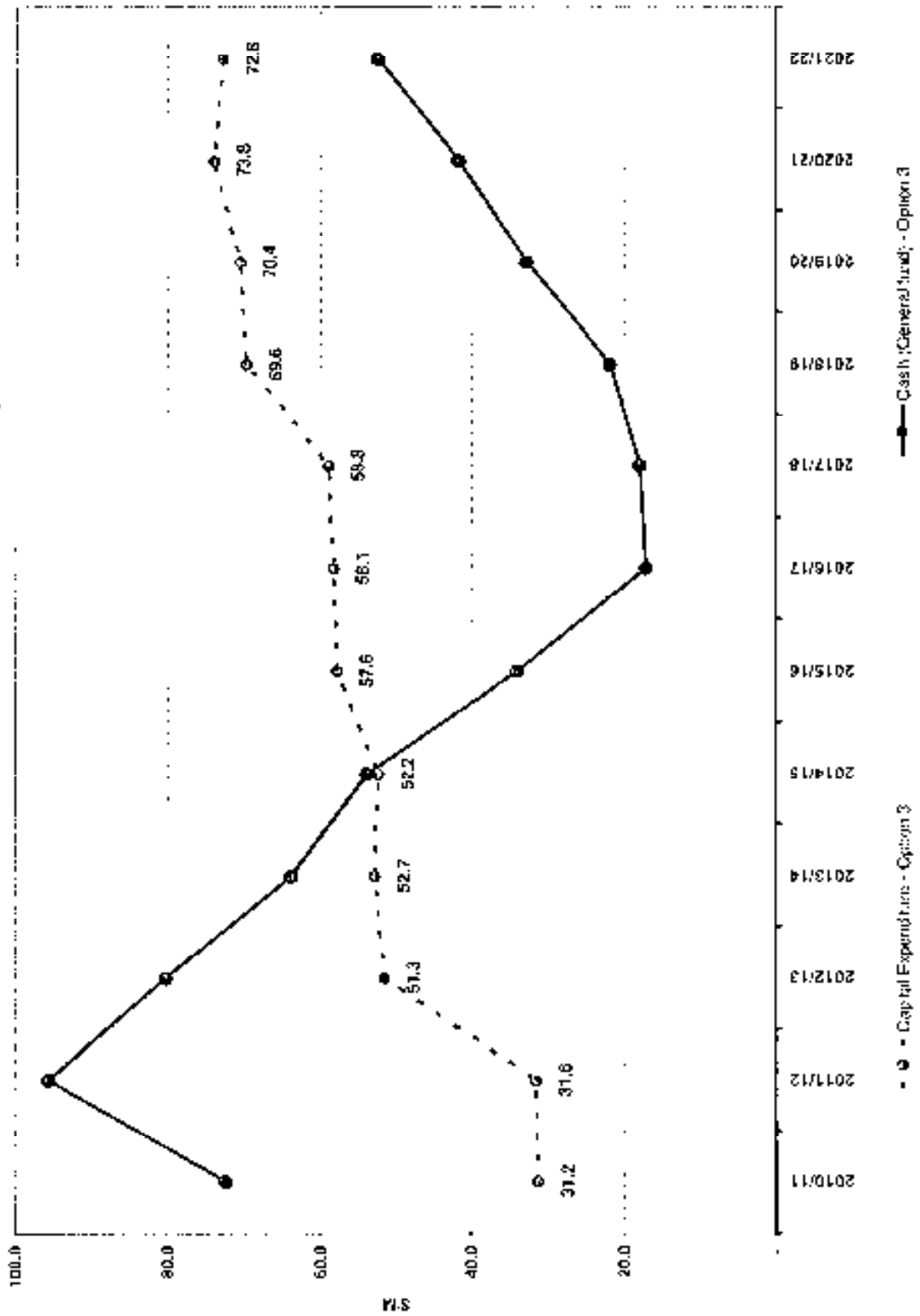


**Option 3: New assets, increase rates  
12.5% increase (inclusive of Rate Peg), Each Year Over 7 Years**

- Asset spending is affordable
- As per Option 2 but can now spend a further \$5.0M per year on new assets



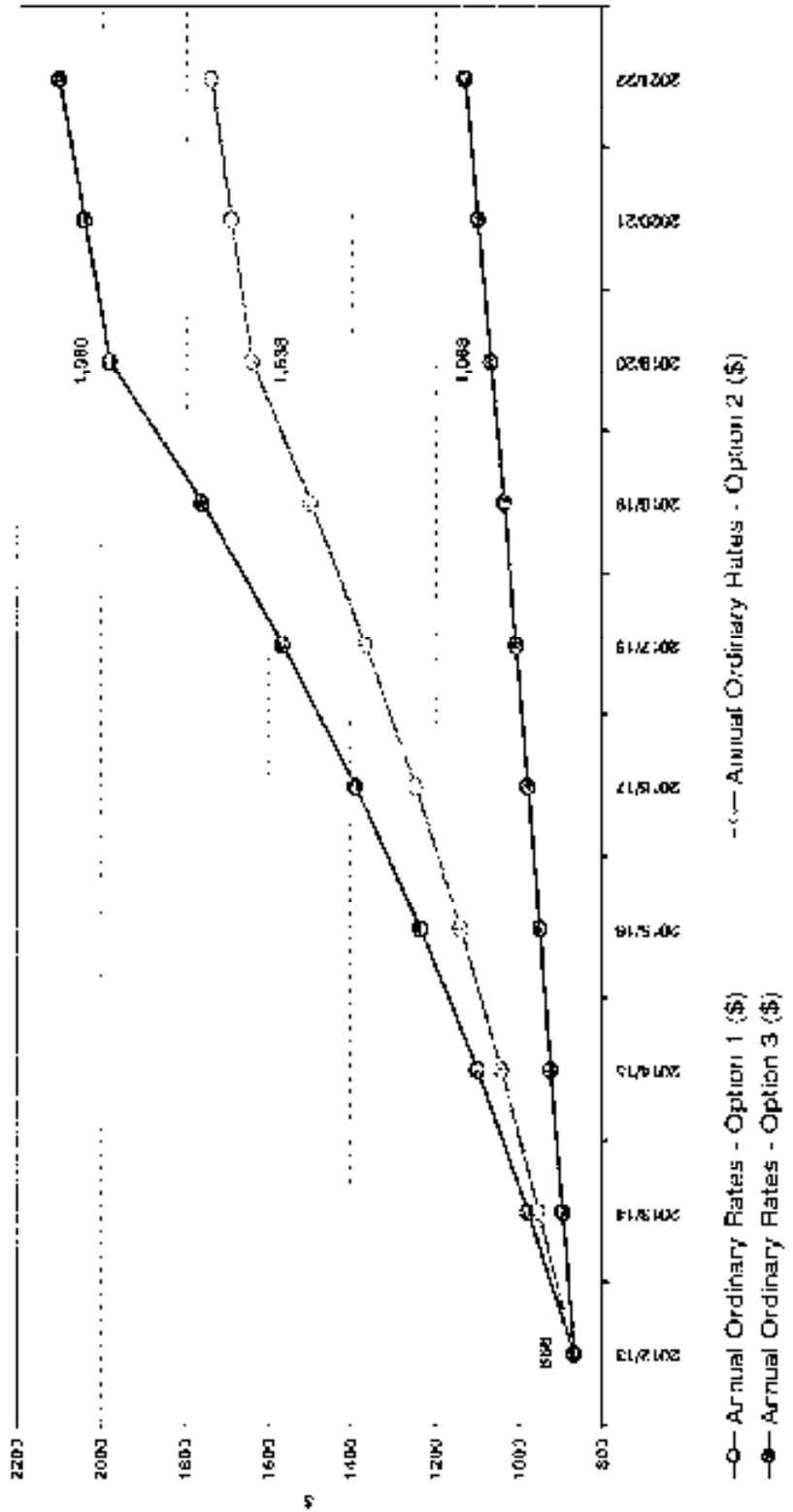
**Option 3: New assets, increase rates  
(12.5% annual increase in rates)**



### What does this mean to my Annual Ordinary Rates?

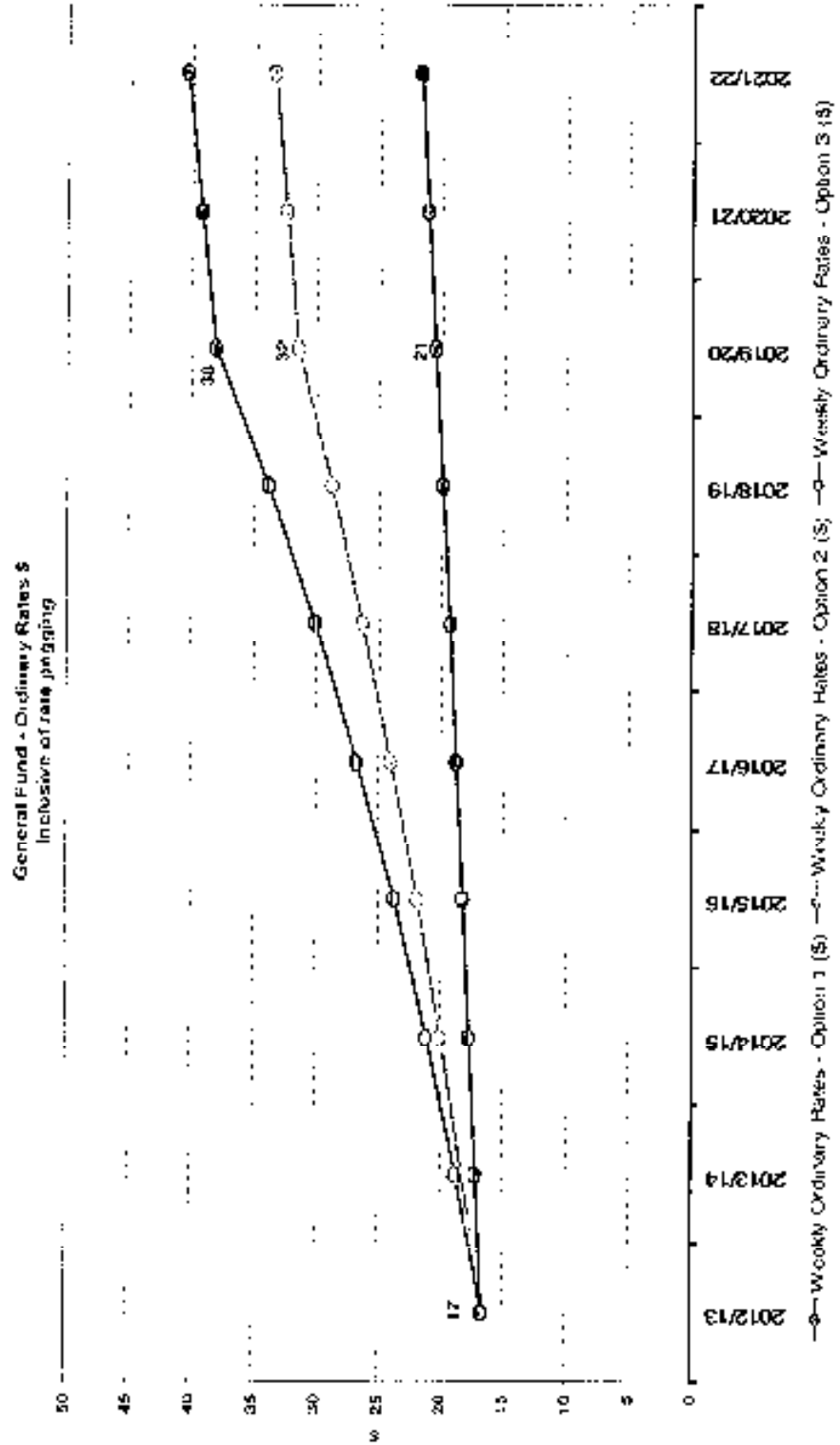
Average Ordinary rates	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Annual Ordinary Rates - Option 1 (\$)	868	894	921	948	977	1,006	1,036	1,068	1,100	1,133
Annual Ordinary Rates - Option 2 (\$)	868	950	1,041	1,140	1,248	1,366	1,496	1,638	1,888	1,738
Annual Ordinary Rates - Option 3 (\$)	868	977	1,099	1,236	1,390	1,564	1,760	1,980	2,039	2,100

General Fund - Ordinary Rates \$  
Inclusive of rate pegging



### What does this mean to my WEEKLY Ordinary rates cost?

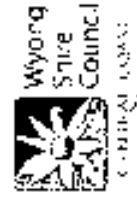
Average Ordinary rates	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Weekly Ordinary Rates - Option 1 (\$)	17	17	18	18	19	19	20	21	21	22
Weekly Ordinary Rates - Option 2 (\$)	17	18	20	22	24	26	29	32	32	33
Weekly Ordinary Rates - Option 3 (\$)	17	19	21	24	27	30	34	38	39	40





## Small Group Discussion

- What stood out for you about the dilemma the Wyong community faces?
- What one thing have you learned about Council's finances?



## Reflection on the Priorities

- Can you identify one priority that your group thinks is most important to the Wyong community?



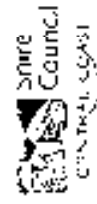
## The Decision-Making Criteria

- Cost and affordability
- Level of benefit to the community
- Cost-effective use of the funds
- Meeting community needs.



**Funding Option One: Rate Peg Only**

Criteria	Definition	Positives	Negatives	Score out of 10 (10 is high)	Comments
1. Cost and affordability	How affordable is the proposed cost increase to the community?	Lowest cost Affordable	Raises least money	9	
2. Level of benefit to the community	Are the benefits spread across the community? Are there spin-off benefits such as employment, recreation, community capacity building?	Least impact on low income earners	Doesn't close the gap	9	
3. Cost effective use of the funds	Will this allow for best use of funds? Will results be financially sustainable?			9	
4. Meeting community needs.	Does this meet demonstrated community needs			9	
Total Score				9	



## Positives and Negatives - Striking the Balance

- What are the positives and negatives of each scenario?
- As a group, can you agree on which scenario strikes the best balance between:
  - Closing the asset gap
  - Affordability
  - Meeting the aspirations of the community
  - Willingness to pay
- Try for a consensus position
- Write your reasoning and onto sticky wall



## Which option do you support

- Option 1
- Option 2
- Option 3



Wyong Shire Council  
COMMUNITY COUNCIL



## Group Feedback

- Comments and questions



## Wrap-Up

- Where to next
- Goodnight







It's time to have **YOUR SAY** about

- Future planning for the place where you live
- What your rates can pay for
- How much your rates will be

Important information about your Council rates and services



Have your say and **WIN!**  
 One of 10 Double Passes for  
**Central Coast Mariners**  
 New Year's Eve game



Council Civic Centre 2 Hely St Wyong | PO Box 20 Wyong NSW 2259 | Open 8.30am - 5.00pm,  
 Monday to Friday | E [wsc@wyong.nsw.gov.au](mailto:wsc@wyong.nsw.gov.au) | T 4350 5555 | General Manager Michael Whittaker

# YOUR PLACE

## What are we doing and why?

Council must find a balance between our community's aspirations and providing appropriate assets and services.

We face some tough decisions and we need the community's help to decide the best option to deliver what is needed to take our Shire forward.

Our efforts to be more efficient by streamlining the organisation are almost complete. Over the last two years, we have reduced Council's operating deficit from \$30 million to just over \$12 million.

We continue to look at every option to reduce our costs without compromising services. We have started reviewing the standard of our services including examining our income options and looking at the capacity and the readiness of the community to pay, in order to maintain the current rate of service.

Rate pegging has a severe impact on our income, and funding from other levels of Government is becoming increasingly hard to get.

Without looking for an additional source of income, we face the prospect of having to cut some services to which the public has become accustomed, in an effort to improve others.

# YOUR FUTURE

## What you need to know

Wyong Shire Council is considering three different futures as part of a Service Standards Review.

Council is facing the situation of managing more than \$2 billion in ageing assets, as well as continuing to provide services the community has become accustomed to.

So we are proposing a special rate variation increase to ensure our levels of service are maintained and our assets such as roads can continue to be renewed and improved to the standard our community has come to expect.

**No decision has yet been made in relation to sourcing additional income for Council.**

## We want to hear from you

We are currently not spending enough money to renew our existing assets. But if we increase our spending on assets and don't find extra income, Council will face a cash crisis by 2016/2017.

We need you to tell us what option is the best for the future of our community.

This booklet helps to explain the current issue and what we need to do to fix the problem.

There are three funding options we have developed in consultation with some of our community.

## We need you to tell us the best way forward

# YOUR SAY

*"There are 3 options"*



- Reduce Services - Maintain Rates {01
- Maintain Assets - Increase Rates {02
- New Assets - Increase Rates {03

*Read about each option, and tell us which one you prefer before 2 December 2012.*

# THE CURRENT SITUATION



## What have we done so far?

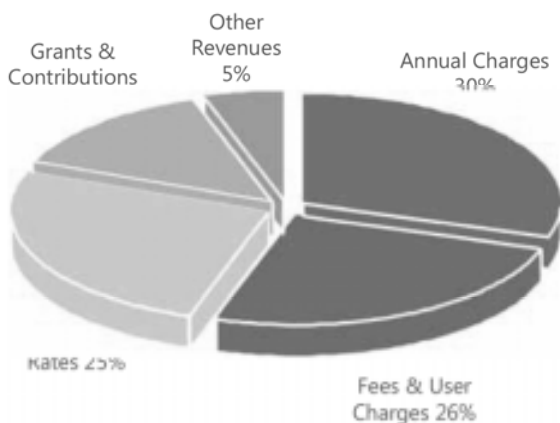
- Council has worked hard to save money, improve its business and increase other sources of income (such as grants).
- By doing this, we have reduced our annual operating deficit by nearly \$18M in just two years, to \$12.4M at the end of 2011/12.
- So far, existing levels of service have been maintained.
- This can't continue. Cost shifting from other levels of government, and increasing costs mean we will need to either reduce services OR increase income.
- Reality: We are currently not spending enough renewing our existing assets. But, if we increase our spending on assets and don't find extra income, Council will face a cash crisis by 2016/17.

## What is the situation with our assets?

- The fact is, our assets are wearing out quicker than the rate we can renew them.
- Older assets are not only more costly to maintain, but also more costly to operate and replace.
- Some of our assets are deteriorating at a rate that means we have no way to maintain them without cutting off money to other services.
- Getting our assets up to an acceptable standard will impact on the services we can provide, such as how often we can maintain our parks and how many sports fields or community buildings we can use to accommodate organisations who deliver programs to our community.
- The cost to take our assets to even a satisfactory standard is \$121 million.

## How do we get our income?

- Council is always looking for new grants and subsidies to supplement income.
- We are also governed by the Independent Pricing and Regulatory Tribunal (IPART) for our annual charges.



## What is rate pegging?

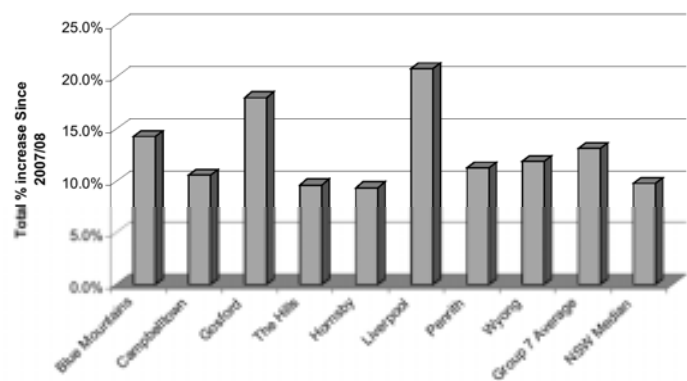
Rate pegging is the limit by which all councils in NSW may increase the total income they will receive from rates. The rate peg is set annually by the Independent Pricing and Regulatory Tribunal of NSW (IPART). The rate peg amount for the 2012/13 financial year is 3.6%.

**Can Council increase rates?**  
If NSW councils want to increase rates beyond the rate peg amount they have to apply to IPART for a special rate variation, and must demonstrate extensive consultation and significant support from the community. Your Place, Your Say, Your Future is a six-month consultation process Council is running before deciding on whether to make an application to IPART in 2013.

**How does it apply to my rates bill?**  
The type of increase that Council is considering only applies to the portions of your rates bill that are your Ordinary Residential or Ordinary Business Rates. It will not apply to the separate Waste Management Charge, Stormwater Management Charge, Water Service Charge, Sewer Service Charge or Drainage Service Charge or other charges.

## How our rates compare

Our rate revenue per capita is low in comparison to similar NSW councils, as is our average residential rate. The Department of Local Government groups together councils with similar socio-economic characteristics and similar capacity to deliver a range of services to the community. The Group 7 councils are detailed on the graph below.



## Average Overall Rate Increase Per Residence

Source for tables above: Division of Local Government, Comparative Information on NSW Local Government Councils from 2007/08 to 2010/11 - DLG Snapshot of NSW Councils. Australian Bureau of Statistics, Population Estimates by Local Government Area, 2001 to 2010.

### What are Council's options?

Some of the options Council has are:

- **Reduce services and maintain rates:** Continue along the same path and do nothing, keep to the rate peg increase of around three per cent set each year by the State Government.
- **Maintain assets and increase rates:** Seek an increased income of 9.5 per cent (including the rate peg) each year for seven years.
- **New assets and increase rates:** Seek a 12.5 per cent increase (including the rate peg) each year for seven years.

### How do we know Council is doing a good job?

Our efforts to be more efficient by streamlining the organisation are almost complete ... over the last two years, we have reduced Council's operating deficit from \$30 million to just over \$12 million.

We continue look at every option to reduce our costs without compromising services. We continue to find ways to be more efficient, we are reviewing the standard of our services and we are now looking at our income options.



### Why is Council looking to increase rates now?

The fact is, our assets are wearing out quicker than the rate we can renew them and older assets are not only more costly to maintain, but also more costly to operate and replace.

Some of our assets are deteriorating at a rate that means we have no way to maintain them without cutting off money to other services.

We need to hear from you about what is the right future for our Shire. After hearing what the community has to say, Council will consider over the next month if a special rate variation submission will be made to IPART.

If a submission is made, IPART will determine if a rate increase will occur, and the community will have another opportunity to provide their feedback directly to IPART.

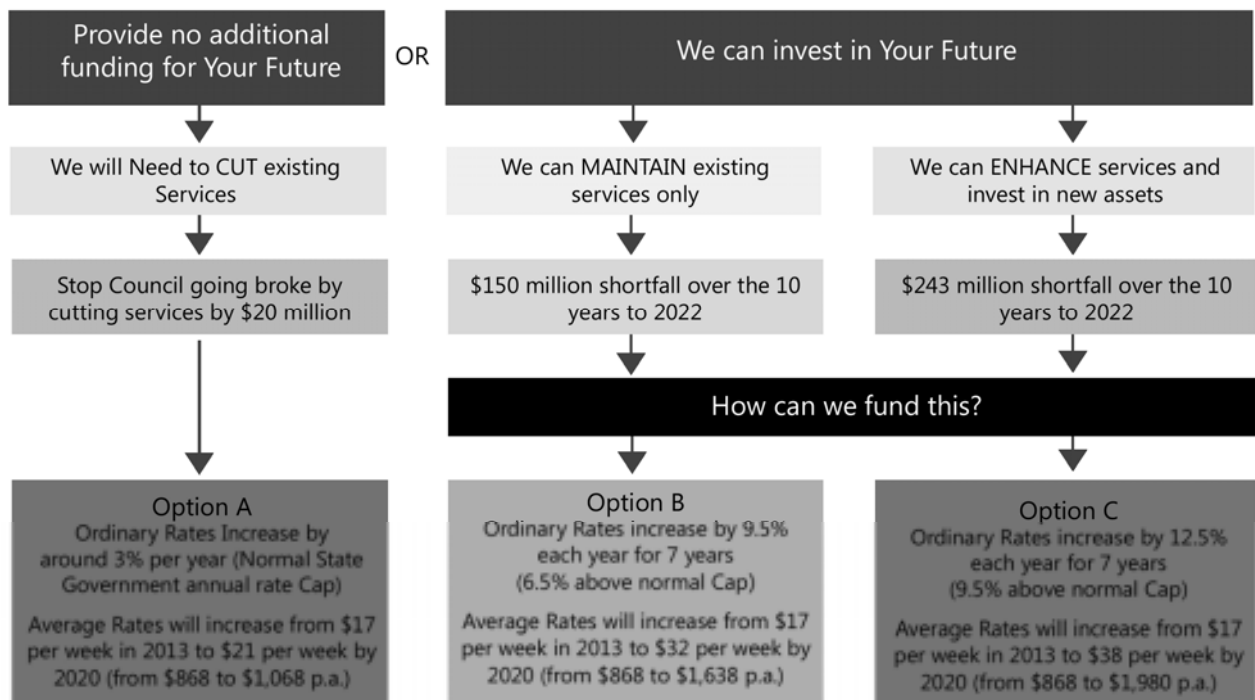
### How were these three funding Options developed?

Many different funding options were considered before identifying and developing three final Options. We asked what people thought through:

- community workshops
- direct feedback to Council
- people answering the survey on our online consultation hub
- a working group of demographically representative people.

People were asked to tell us which Council assets and services they valued most and what they would prioritise for future spending. From there we developed the three options we are now presenting to the community for consideration.

### Funding Options Flowchart



## Reduce Services - Maintain Rates

# 01

Reduce services and maintain rates: Continue along the same path and do nothing, keep to the rate peg increase of around three per cent set each year by the State Government.

*Option one means Council has no capacity to close the asset gap or to fund work on natural assets. It also means Council could undertake no significant new asset works, and maintenance costs will rise as the condition of assets deteriorates.*

## 1 OPTION



- Little spent on improving town centres
- Reduced construction and maintenance of footpaths, cycleways, and traffic facilities
- Reductions in service levels
- Limited new capital projects
- Decline in condition of roads and drains

### Financial Outcomes – Impact of Option 1

Council's maintenance and infrastructure backlog will increase significantly.  
Services would be removed or reduced.

**1 Option 1:**  
Average Rate will increase from \$17 per week in 2013 to \$21 per week in 2020 (from \$868 to \$1,068 p.a)



### Option 1: Do nothing

Think about this in terms of your own house. If we have Option One this is the likely impact. In the house, the holes in the walls get bigger because they need patching. Those marks on the wall get dirtier because they need paint. Your carpet starts to rip in time. Your shower screen loosens, eventually breaking. Plants start to die in your garden, with weeds taking over and your lawn is overgrown, and full of bindies, clover and weeds. The exterior paint on your house fades, and your gutters begin to come loose and corrode. Your house is starting to deteriorate.

### Residential Rates Calculator

Option 1: Reduce Services Maintain Rates

			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Increase on previous year				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Rateable Value	Number of Properties	Land Value For Rates Calc.								
\$0 to \$99,999	6,426	50,000	357.45	368.17	379.22	390.60	402.31	414.38	426.81	439.62
\$100,000 to \$149,999	19,364	125,000	641.63	660.87	680.70	701.12	722.15	743.82	766.13	789.12
\$150,000 to \$199,999	21,063	175,000	831.08	856.01	881.69	908.14	935.38	963.44	992.35	1,022.12
\$200,000 to \$299,999	8,418	250,000	1,115.25	1,148.71	1,183.17	1,218.66	1,255.22	1,292.88	1,331.67	1,371.62
\$300,000 to \$499,999	4,759	400,000	1,683.60	1,734.11	1,786.13	1,839.72	1,894.91	1,951.75	2,010.31	2,070.62
\$500,000 to \$999,999	1,196	750,000	3,009.75	3,100.04	3,193.04	3,288.84	3,387.50	3,489.13	3,593.80	3,701.61
\$1,000,000 to \$1,999,999	183	1,500,000	5,851.50	6,027.05	6,207.86	6,394.09	6,585.91	6,783.49	6,987.00	7,196.61
\$2,000,000 and greater	19	2,000,000	7,746.00	7,978.38	8,217.73	8,464.26	8,718.19	8,979.74	9,249.13	9,526.60

## Maintain Assets - Increase Rates

# 02

Maintain assets and increase rates: Seek an increased income of 9.5 per cent (including the rate peg of around three percent) each year for seven years.

*Option two will allow increased expenditure on necessary upgrade work, which will improve asset conditions. Asset maintenance costs will be reduced as the condition of assets improves, meaning money can then be spent on new works.*

- There are no likely closures of assets under this model.
- Road condition slightly improved over seven years, minimal new road infrastructure.



## 2 OPTION



- Environmental programs and works maintained, with new gross pollutant traps for Tuggerah Lakes
- Current playgrounds are maintained, but no new playgrounds
- Town centre conditions improve
- Jetties and boat ramps maintained, may see slight improvement in condition
- Minor increase in spending on community facilities
- Sporting and recreation facilities have minimal improvements

### Financial Outcomes – Impact of Option 2

The Shire's infrastructure backlog of \$121M will be closed within seven years.

Beyond seven years, there will be \$17M available that could be spent on new assets.

# 2

## Option 2:

Average Rate will increase from \$17 per week in 2013 to \$32 per week in 2020 (from \$868 to \$1,638p.a)



### Option 2: Asset condition will improve

Think about this in terms of your own house. If we have Option Two those holes in your walls are fixed. The marks on the walls are scrubbed off and you add a new coat of paint. The carpet is replaced throughout. You get that new shower screen and the tiles are re-grouted. You can afford those new curtains, the flyscreens are fixed and you get some new light fittings. The broken tiles on your roof are replaced, your garden is weeded and new plants added. Your house has been restored to a comfortable, satisfactory level.

### Residential Rates Calculator

Option 2: Maintain Assets - Increase Rates

			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Increase on Previous Year				9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Rateable Value	Number of Properties	Land Value For Rates Calc.								
\$0 to \$99,999	6,426	50,000	357.45	391.41	428.59	469.31	513.89	562.71	616.17	674.71
\$100,000 to \$149,999	19,364	125,000	641.63	702.58	769.32	842.41	922.44	1,010.07	1,106.03	1,211.10
\$150,000 to \$199,999	21,063	175,000	831.08	910.03	996.48	1,091.15	1,194.80	1,308.31	1,432.60	1,568.70
\$200,000 to \$299,999	8,418	250,000	1,115.25	1,221.20	1,337.21	1,464.25	1,603.35	1,755.67	1,922.46	2,105.09
\$300,000 to \$499,999	4,759	400,000	1,683.60	1,843.54	2,018.68	2,210.45	2,420.45	2,650.39	2,902.18	3,177.88
\$500,000 to \$999,999	1,196	750,000	3,009.75	3,295.68	3,608.77	3,951.60	4,327.00	4,738.07	5,188.18	5,681.06
\$1,000,000 to \$1,999,999	183	1,500,000	5,851.50	6,407.39	7,016.09	7,682.62	8,412.47	9,211.66	10,086.77	11,045.01
\$2,000,000 and greater	19	2,000,000	7,746.00	8,481.87	9,287.65	10,169.97	11,136.12	12,194.05	13,352.49	14,620.97

# New Assets - Increase Rates }03

New assets and increase rates: To seek a 12.5 per cent increase (including the rate peg of three percent) each year for seven years.

*Option three will allow Council to achieve the same improvement in existing assets and spend an extra \$5 million a year on new assets.*

*Under this option, Council would also be able to undertake and complete a number of new projects.*



## 3 OPTION



- More capital works in key lifestyle areas: The increased funding in Option Three will allow Council to spend an extra \$5M on new works each year, creating new infrastructure for playgrounds, footbridges, jetties and boat ramps, sports and recreation community buildings, parks and playgrounds.
- Spending would remain the same as in Option Two for roads renewal funding, Tuggerah Lakes programs, drainage and public buildings.

### Financial Outcomes – Impact of Option 3

The infrastructure backlog of \$121M will be closed within seven years.

There will be an extra \$5M per year for new assets

**3** Option 3: Average Rate will increase from \$17 per week in 2013 to \$38 per week in 2020 (from \$868 to \$1,980p.a)



### Option 3: Improving assets, and putting money into new ones

Think about this in terms of your own house. If we have Option Three your house now would look a lot better and be maintained in the future. You are able to now settle down and know that there is a house that has had the necessary maintenance to ensure it will stand up for years to come. You have money available to ensure that if you need to add on a new porch or add in a pool you can do that. Or if you family grows you can add on that extra bedroom.

### Residential Rates Calculator

Option 3: New Assets - Increase Rates

			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Increase on Previous Year				12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Rateable Value	Number of Properties	Land Value For Rates Calc.								
\$0 to \$99,999	6,426	50,000	357.45	402.13	452.40	508.95	572.57	644.14	724.65	815.24
\$100,000 to \$149,999	19,364	125,000	641.63	721.83	812.06	913.56	1,027.76	1,156.23	1,300.76	1,463.35
\$150,000 to \$199,999	21,063	175,000	831.08	934.96	1,051.83	1,183.31	1,331.22	1,497.62	1,684.83	1,895.43
\$200,000 to \$299,999	8,418	250,000	1,115.25	1,254.66	1,411.49	1,587.92	1,786.41	2,009.72	2,260.93	2,543.55
\$300,000 to \$499,999	4,759	400,000	1,683.60	1,894.05	2,130.81	2,397.16	2,696.80	3,033.90	3,413.14	3,839.78
\$500,000 to \$999,999	1,196	750,000	3,009.75	3,385.97	3,809.21	4,285.37	4,821.04	5,423.67	6,101.63	6,864.33
\$1,000,000 to \$1,999,999	183	1,500,000	5,851.50	6,582.94	7,405.80	8,331.53	9,372.97	10,544.59	11,862.67	13,345.50
\$2,000,000 and greater	19	2,000,000	7,746.00	8,714.25	9,803.53	11,028.97	12,407.59	13,958.54	15,703.36	17,666.28

# HAVE YOUR SAY

We want you to tell us which of the three Options you prefer.

You can do this in a variety of ways:

**Attend a** Your Place, Your Say, Your Future Community Workshop in your area:

**Monday 19 Nov 2012 - 6.30 - 9.30pm**

Colongra Bay Hall, 1 Colongra Bay Road, Lake Munmorah

**Wednesday 21 Nov 2012 - 6.30 - 9.30pm**

Blue Haven Community Centre  
Apsley Court, Blue Haven

**Thursday 22 Nov 2012 - 6.30pm - 9.30pm**

Tuggerah Lakes Community Centre  
1 Bay Village Road, Bateau Bay

Talk to our staff at the following shopping centres between 3pm-6pm:

**Lake Haven Shopping Centre - Wed 21 Nov and 28 Nov**

**Tuggerah Westfield - Thursday 22 Nov and 29 Nov**

**Bateau Bay Square - Friday 23 Nov and 30 Nov**

Go online and complete a survey or tell us what you think at the opinion poll.

<http://consultation.wyong.nsw.gov.au>

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**YOUR PLACE**

**YOUR SAY**

**YOUR FUTURE**

**Please post your completed form in an envelope.**

No postage stamp is required if addressed as follows:

**Your Place. Your Say. Your Future Project  
Wyong Shire Council  
Reply Paid 20  
WYONG NSW 2259**

Considering the impact on your rates and on services in each of the three options, which option do you prefer most? (please tick the box next to your preferred option)

Comments:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Age:  Gender:  F  M

Suburb:

\_\_\_\_\_

Email:

\_\_\_\_\_

Reduce Services - Maintain Rates

**01**

Maintain Assets - Increase Rates

**02**

New Assets - Increase Rates

**03**

Do you wish to enter the draw to win the **Central Coast Mariners Double Pass to New Year's Eve game?** If you do you need to provide your email address above





# FACTSHEET

## What is Council doing?

Council is carrying out community consultation during November. It follows on from some previous consultation in May this year where we talked to the community about their service needs and what they value. We have used that information to start planning future service levels. It's clear that we need to change the way we fund this work, or go down the path of making some serious cuts to services and assets repair in the future.

### ...why?

- Based on what the community has told us, we know there is a gap in the services we provide. We are not spending enough on our valuable assets to keep them in a satisfactory condition to provide the right services to the community.
- We know that as at 30th June 2012, we need to spend \$121m over the next few years to keep our assets in the right condition. If we don't they will continue to run down, leading to increased maintenance and operating costs.
- That money isn't available from our existing income base, we can't borrow much more and other options such as government grants won't be sufficient.
- Council has made significant internal savings in the last two years to improve our financial position and we will continue to look for efficiency savings. Again, that won't provide enough for the asset funding.
- We are now at the stage where we have to find additional income to renew our assets or cut some services to improve others.
- We have developed three different options for providing the necessary funds to renew our assets. (See details on the back of this fact sheet)
- The next step is to discuss the options in detail with the community to see which one is preferred.

## Some questions and answers.

### Why are we carrying out the Service Standards Review?

Council is working towards a healthy financial future for Wyong Shire. We need to provide the best level of services across the most appropriate areas at the least cost to current and future rate payers. As good financial management, Council has committed to reducing its operating deficit to break-even in two years' time. We have already reduced the budget deficit by 50 percent through internal savings. It is hard to find more internal efficiencies so we are now looking at services. Services cost money to provide and can be provided at different levels. By understanding what services you value we can make good financial decisions about helping the community in the long term.

### Where will the extra money come from?

Council is considering an increase in general rates over the next 7 years as the most reliable and fair method of raising the extra income needed. Other options have been considered but they won't provide the amount needed.

### What will it be spent on?

You have told us what your high priority services are. Our asset management systems tell us the condition of each asset type and how much needs to be spent on them. Using all that information we know the key areas are:

- Roads and Drainage
- Open Space
- Sporting, Leisure and Recreation Facilities
- Community Buildings
- Town Centres
- Natural Environment e.g. Tuggerah Lakes Estuary



Any extra income will be spent on these assets over the next 7 years. The community will be able to monitor how Council is achieving the asset renewal program through regular reports that will be provided.

### Can Council just increase rates?

No. Each year the NSW Government sets a maximum rate increase level for all councils. Any Council that wants to increase rates above that has to submit an application to the Independent Pricing and Regulatory Tribunal (IPART), which will consider the application and decide to approve it or not. Council needs to consult with the community before deciding to submit an application.

### What happens next?

- The next step is to discuss the funding options in detail with the community to see which one is preferred. That means providing details of each option and asking the community what option they would support.
- This consultation is taking place during November and early December. There will be a large promotional campaign to encourage as many people as possible to have their say, giving details of how and when they can be involved.

- A booklet setting out the background information will be available and similar information will also be on Council's website.
- Opportunities to have input will include an online survey on Council's Consultation Hub, three community workshops and a hard copy survey. There will also be a random telephone survey. Council will also be out and about in the community at different times and places to help answer any questions.
- Based on the community feedback, Council then will decide if it wants to submit an application for a Special Rate Increase to IPART. If that happens, there will still be time for further public input.
- IPART doesn't decide on applications until June next year. Even if we do submit an application there is no guarantee it will be approved.
- If we do get an increase in rate income, there will be strict control to ensure it is spent for the right purposes and the community is well informed as to how it is spent.

**It is really important that people use this opportunity to have their say on this issue. It affects the future level of services that will be provided to the community.**

How can I have my say?

# HAVE YOUR SAY

We want you to tell us which of the three Options you prefer.

#### You can do this in a variety of ways:

**Attend a Your Place, Your Say, Your Future Community Workshop in your area:**

**Monday 19 Nov 2012 - 6.30 - 9.30pm**

Colongra Bay Hall, 1 Colongra Bay Road,  
Lake Munmorah

**Wednesday 21 Nov 2012 - 6.30 - 9.30pm**

Blue Haven Community Centre  
Apsley Court, Blue Haven

**Thursday 22 Nov 2012 - 6.30pm - 9.30pm**

Tuggerah Lakes Community Centre  
1 Bay Village Road, Bateau Bay Attend

Talk to our staff at the following shopping centres between 3pm-6pm:

**Lake Haven Shopping Centre – Wed 21 Nov and 28 Nov**

**Tuggerah Westfield – Thursday 22 Nov and 29 Nov**

**Bateau Bay Square – Friday 23 Nov and 30 Nov**

Go online and complete a survey or tell us what you think at the opinion poll.

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## Reduce Services - Maintain Rates

# 01

Reduce services and maintain rates: Continue along the same path and do nothing, keep to the rate peg increase of around three per cent set each year by the State Government.

*Option one means Council has no capacity to close the asset gap or to fund work on natural assets. It also means Council could undertake no significant new asset works, and maintenance costs will rise as the condition of assets deteriorates.*

- Little spent on improving town centres
- Reduced construction and maintenance of footpaths, cycleways, and traffic facilities
- Reductions in service levels
- Limited new capital projects
- Decline in condition of roads and drains

# 1

### Option 1:

Average Rate will increase from \$17 per week in 2013 to \$21 per week in 2020 (from \$868 to \$1,068 p.a)

## Maintain Assets - Increase Rates

# 02

Maintain assets and increase rates: Seek an increased income of 9.5 per cent (including the rate peg of around three percent) each year for seven years.

*Option two will allow increased expenditure on necessary upgrade work, which will improve asset conditions. Asset maintenance costs will be reduced as the condition of assets improves, meaning money can then be spent on new works.*

- Environmental programs and works maintained, with new gross pollutant traps for Tuggerah Lakes
- Current playgrounds are maintained, but no new playgrounds
- Town centre conditions improve
- Jetties and boat ramps maintained, may see slight improvement in condition
- Minor increase in spending on community facilities
- Sporting and recreation facilities have minimal improvements

# 2

### Option 2:

Average Rate will increase from \$17 per week in 2013 to \$32 per week in 2020 (from \$868 to \$1,638p.a)

## New Assets - Increase Rates

# 03

New assets and increase rates: To seek a 12.5 per cent increase (including the rate peg of three percent) each year for seven years.

*Option three will allow Council to achieve the same improvement in existing assets and spend an extra \$5 million a year on new assets. Under this option, Council would also be able to undertake and complete a number of new projects.*

- More capital works in key lifestyle areas: The increased funding in Option Three will allow Council to spend an extra \$5M on new works each year, creating new infrastructure for playgrounds, footbridges, jetties and boat ramps, sports and recreation community buildings, parks and playgrounds.
- Spending would remain the same as in Option Two for roads renewal funding, Tuggerah Lakes programs, drainage and public buildings.

# 3

### Option 3:

Average Rate will increase from \$17 per week in 2013 to \$38 per week in 2020 (from \$868 to \$1,980p.a)