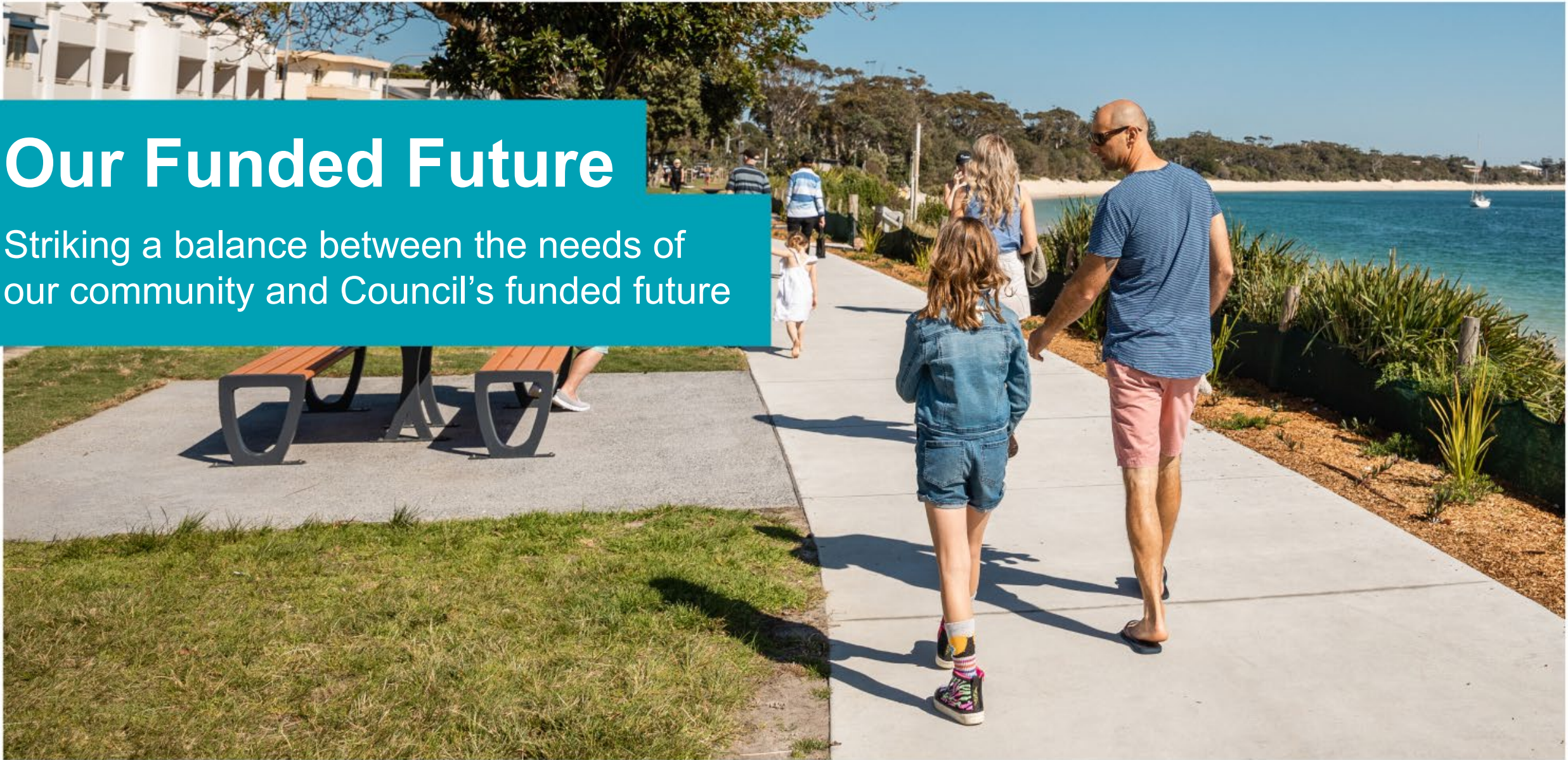


Our Funded Future

Striking a balance between the needs of our community and Council's funded future



It's time to look at how we do business, where Council can improve revenue, find savings and strike a balance between the needs of our community and Council's funded future.

Today's conversation

The journey so far



10 Year Financial Forecast



What have we been doing



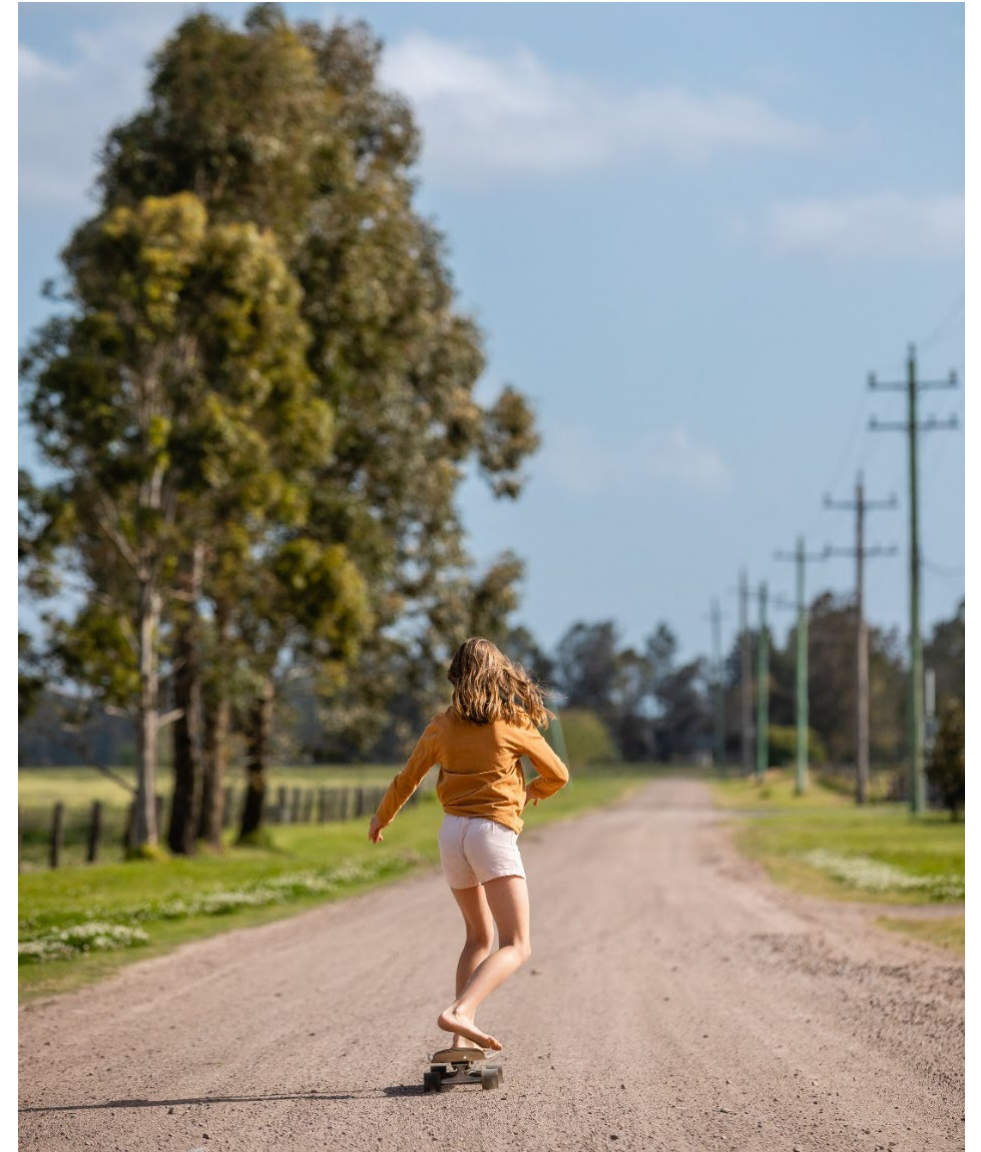
Our Funded Future Options



Special Rate Variation Options

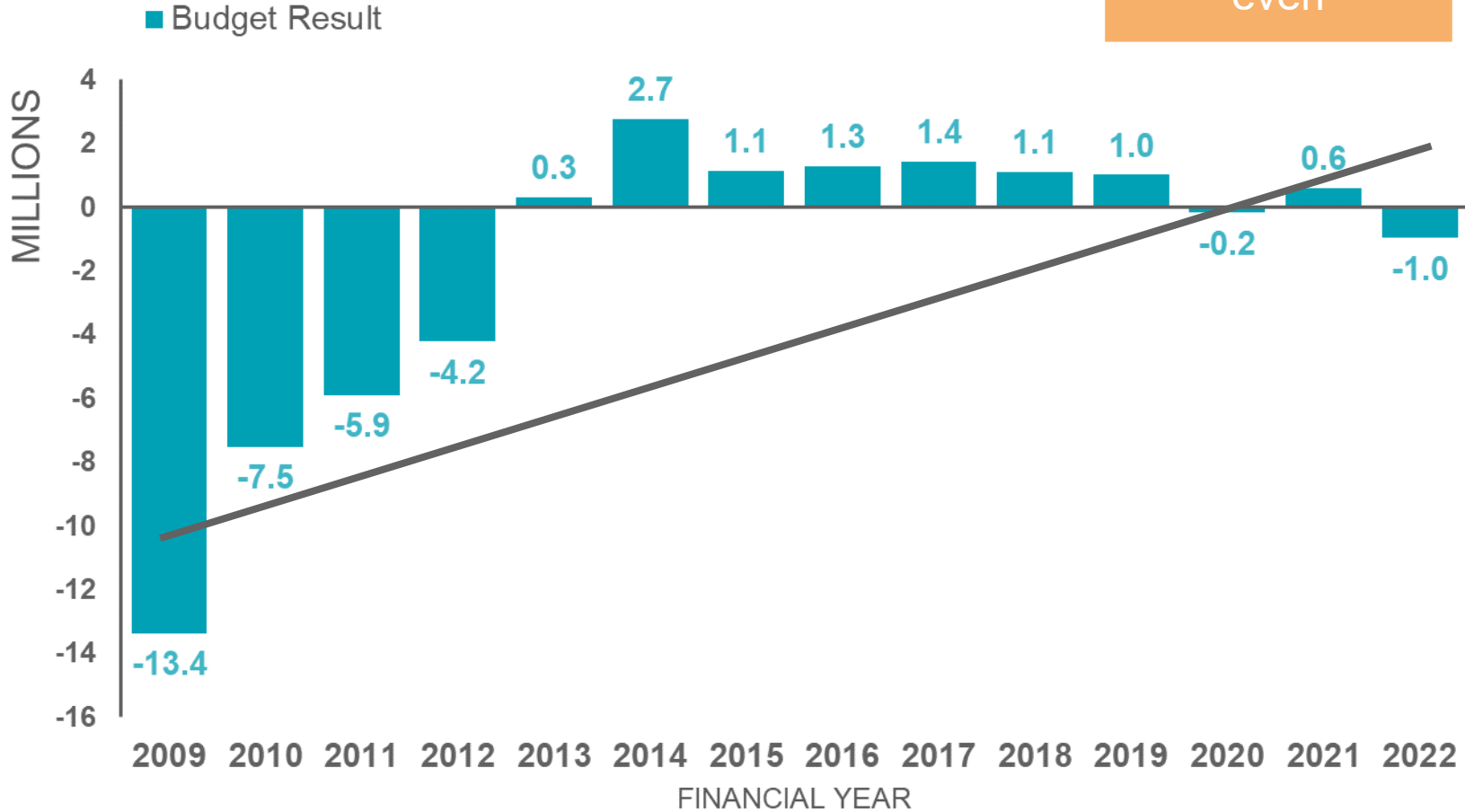


Have your say & Next Steps



The journey so far

Level 1 Metric
1% or break even



Airport Dividend



Holiday Parks



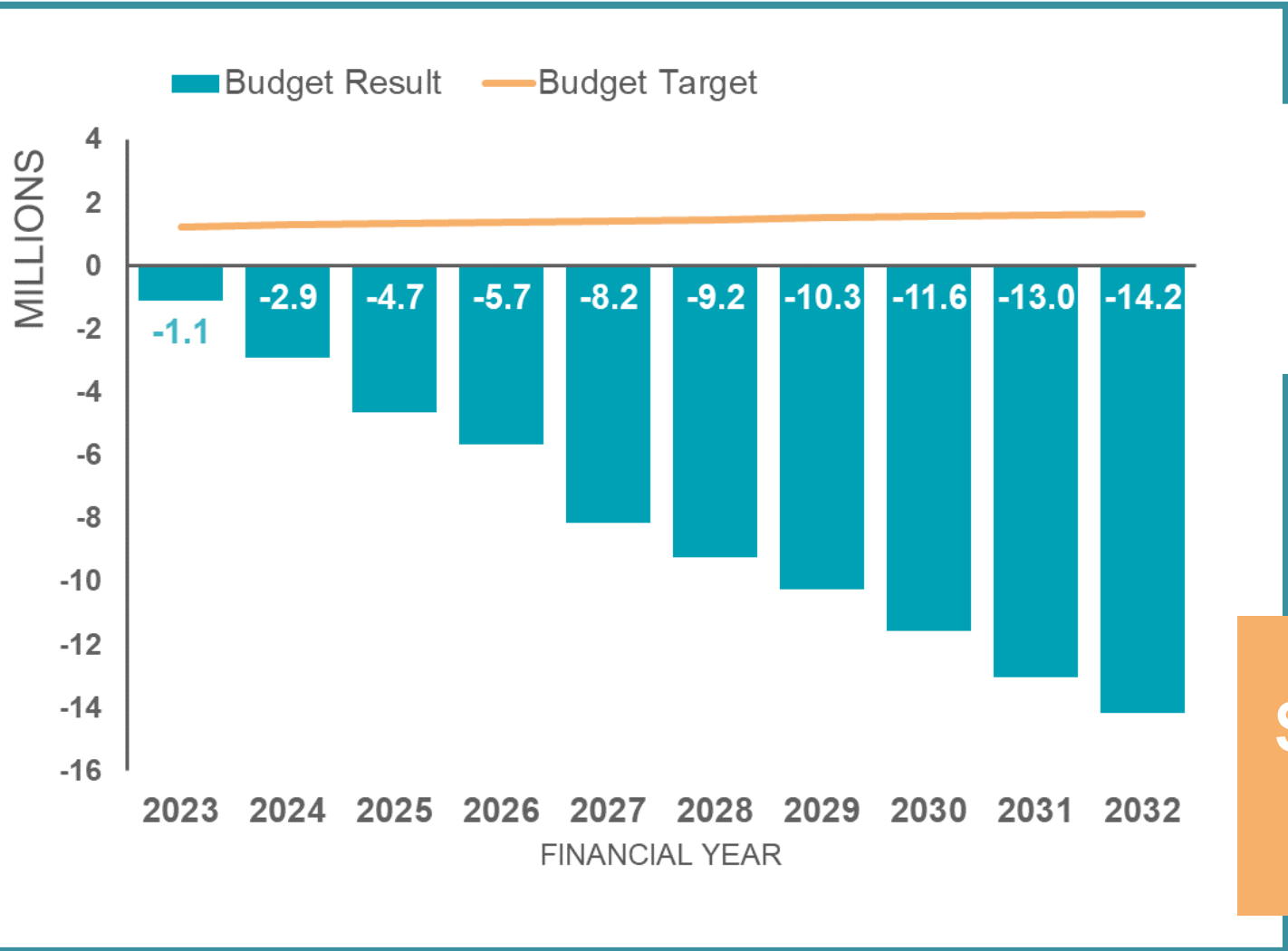
Continuous Reviews



Tightened our budgets



10 Year forecast



5.1%



Inflation

2.5%



Rate Peg

\$80 Million Shortfall

What we've been doing

One-off 10% Increase Fees & Charges	✓
Additional paid parking	✓
Locked in loans record low interest rates	✓
Identified surplus land	✓
Deferred projects & debt	✓



Emeritus
Professor
Brian
Dollery



Professor
Joseph
Drew

Independent Reports



Our funded future options



Another 10% Increase to Fees and Charges

\$400,000
Once-Off
2023-2024



Remove Residential Parking Exemption

\$1 million
Annually



Continue Efforts for Grant Funding

62% increase
since dedicated
officer



Sell Underperforming Assets

Up to \$5 million
Up to 5 years



Reduce Service Levels

Discussion with the
community



Why is Council considering a Special Rate Variation (SRV)



Community Engagement



Revise Plans
Public Exhibition



Submit Application
Community Consultation



IPART
Determination



What are we trying to achieve?

Financial Sustainability

Eliminate
Budget Shortfalls

Covering
increasing costs

Additional Funds

2 Years
of community
feedback

Grants Co-Contribution

Natural Disasters

Roads

Natural Environment

Public Space

Pathways

Foreshores & Waterways

Further Community Consultation



SRV Options

10.38%

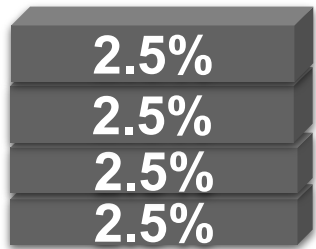
38.56%

34.92%

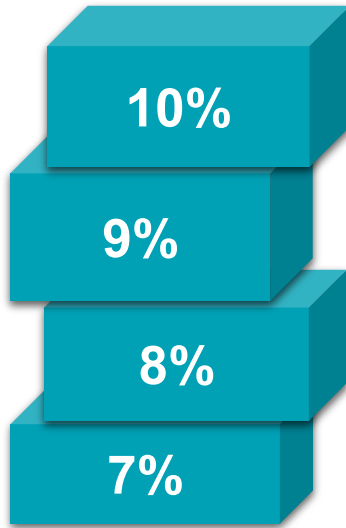
29.68%

26%

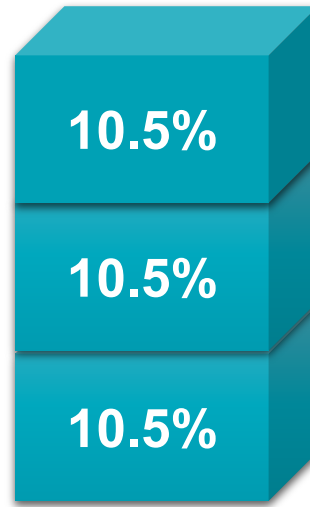
45.08%



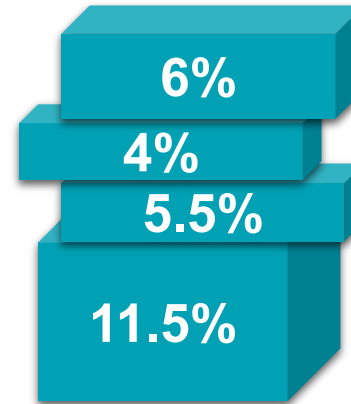
Base



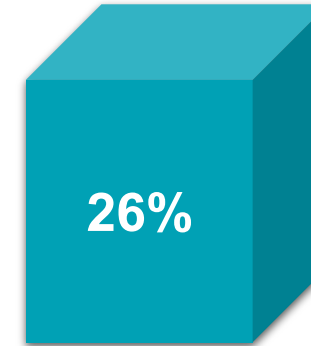
Option 1



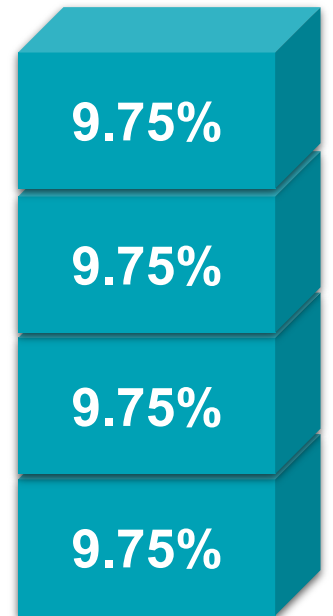
Option 2



Option 3



Option 4



Option 5



Option 1 – Steady Growth

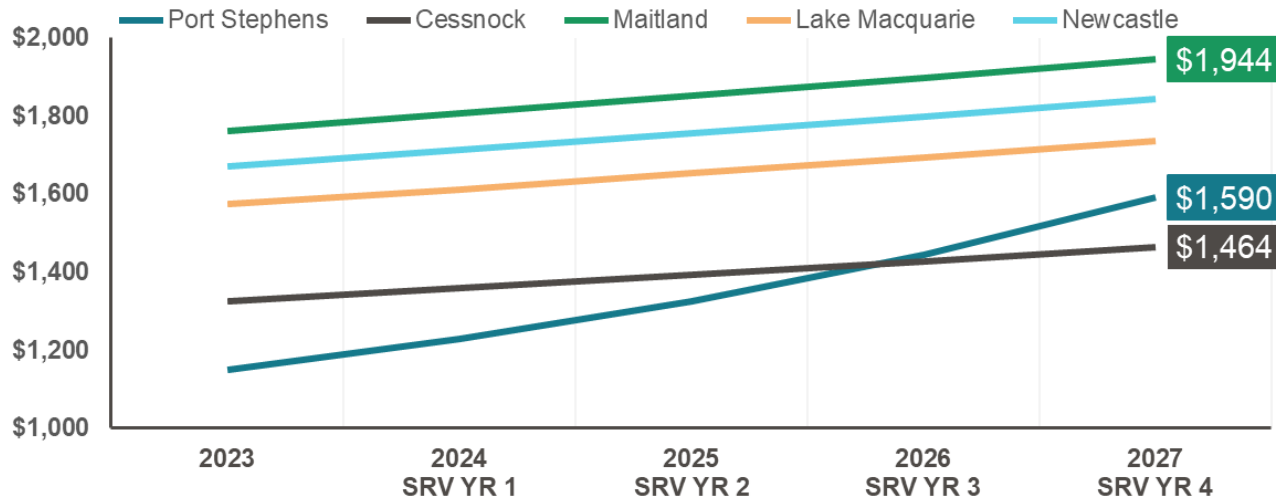
38.56%

CUMULATIVE

\$433 OR **\$9** PER WEEK
AVERAGE RESIDENTIAL

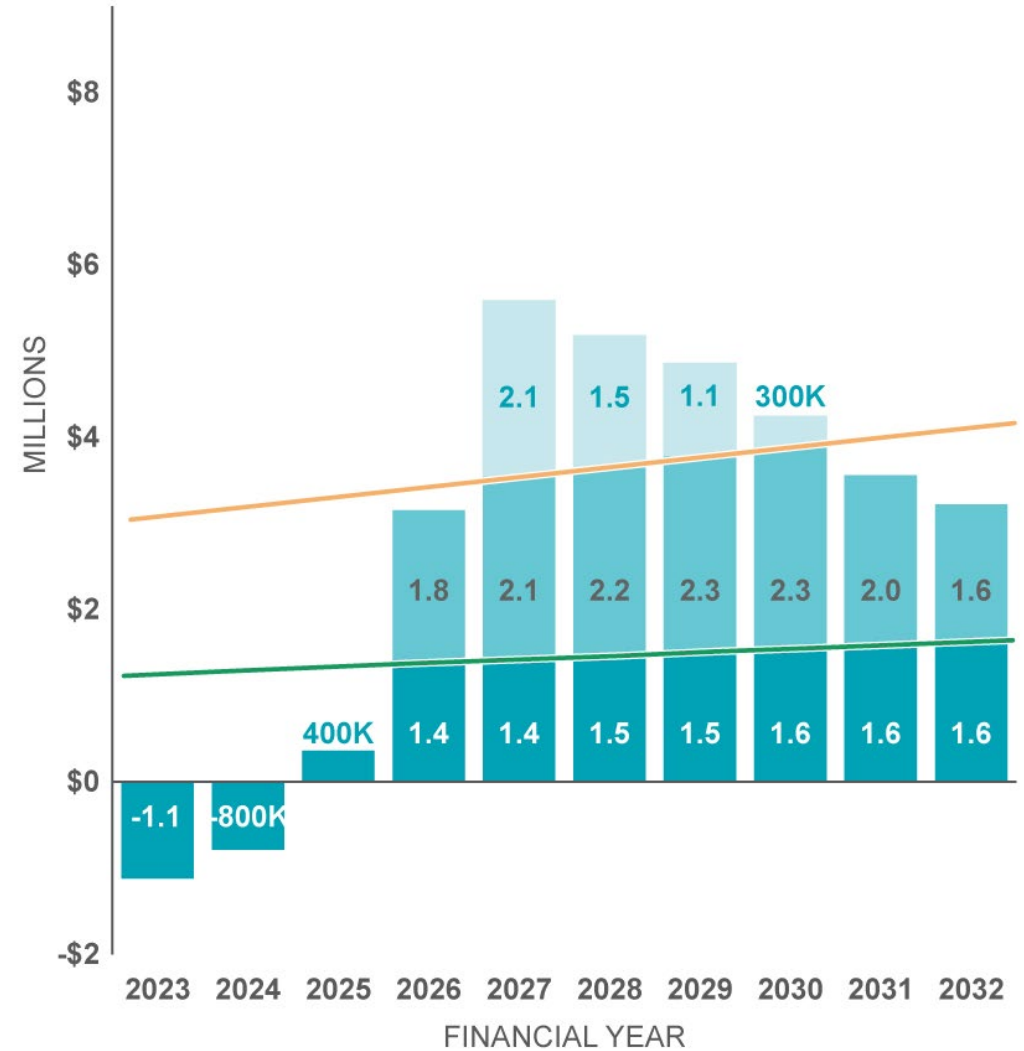
YEAR 1	7%
YEAR 2	8%
YEAR 3	9%
YEAR 4	10%

Average Residential Rates Projection



Option 1 - Steady Growth

■ 1% Reached
 ■ 2.5% Reached
 ■ Additional funds
— 1% Budget target
 — 2.5% Budget target



Option 2 – Independent

34.92%

CUMULATIVE

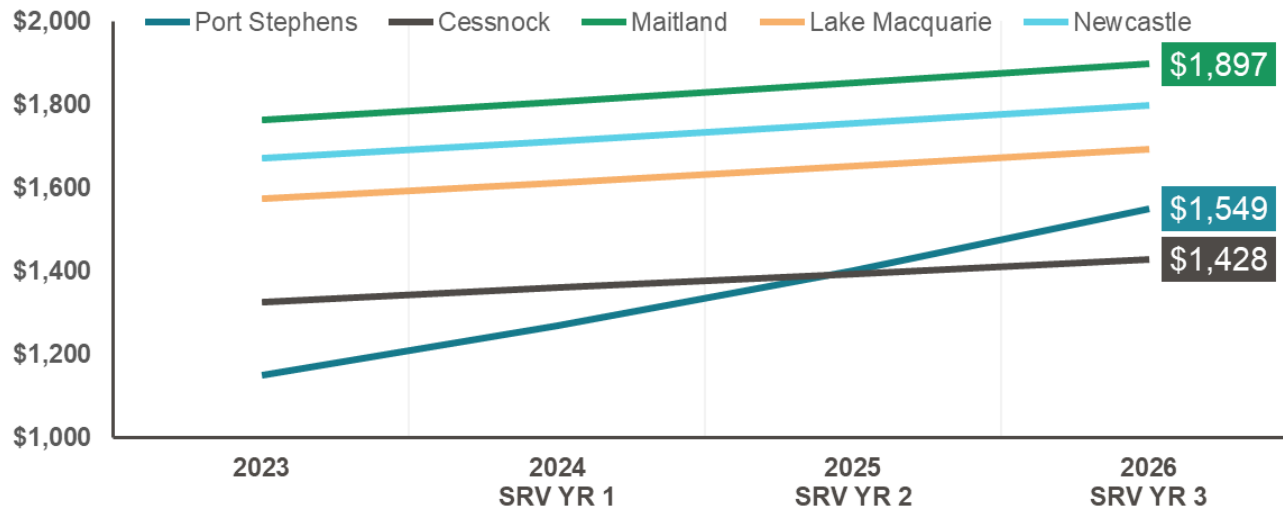
\$401 OR **\$8** PER WEEK
AVERAGE RESIDENTIAL

YEAR 1 **10.5%**

YEAR 2 **10.5%**

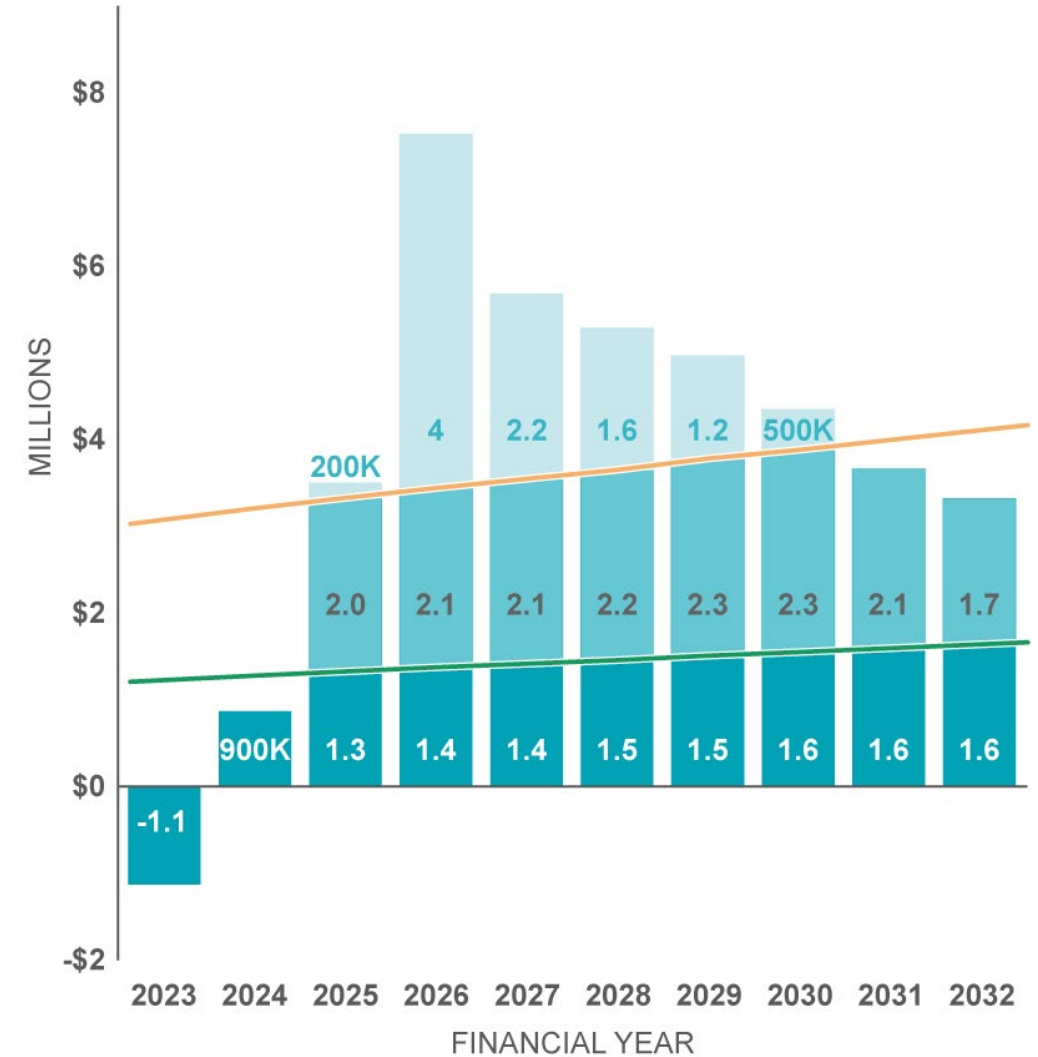
YEAR 3 **10.5%**

Average Residential Rates Projection



Option 2 - Independent Recommendation

■ 1% Reached ■ 2.5% Reached ■ Additional funds
— 1% Budget target — 2.5% Budget target



Option 3 – Short Term

29.68%

CUMULATIVE

\$341 OR **\$7** PER WEEK
AVERAGE RESIDENTIAL

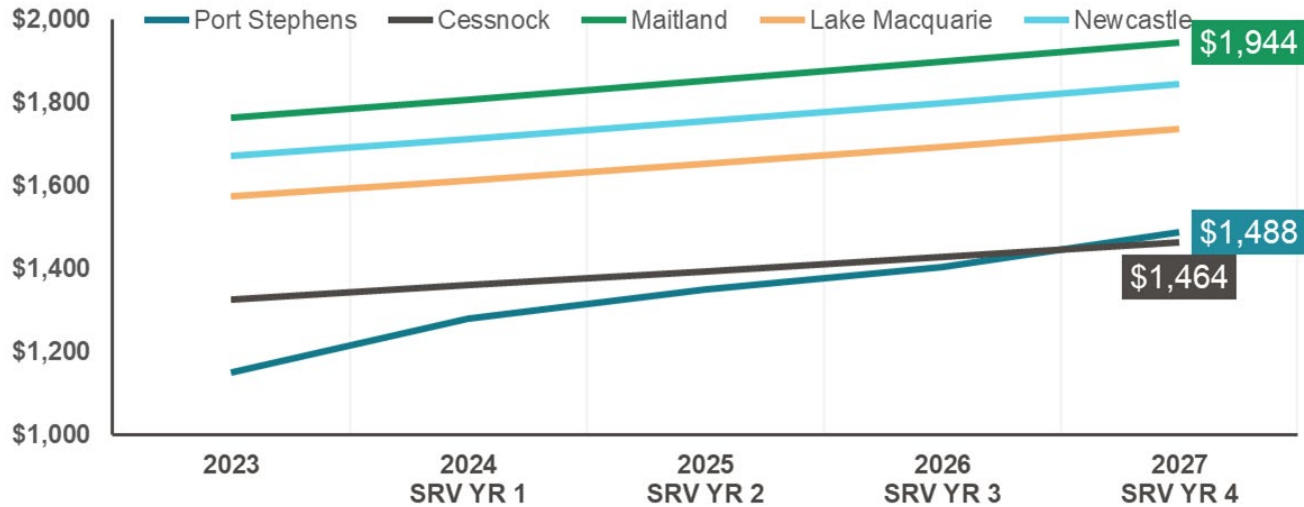
YEAR 1 **11.5%**

YEAR 2 **5.5%**

YEAR 3 **4%**

YEAR 4 **6%**

Average Residential Rates Projection



Option 3 - Short Term Solution

■ 1% Reached ■ 2.5% Reached ■ Additional funds
— 1% Budget target — 2.5% Budget target



Option 4 – Single Year

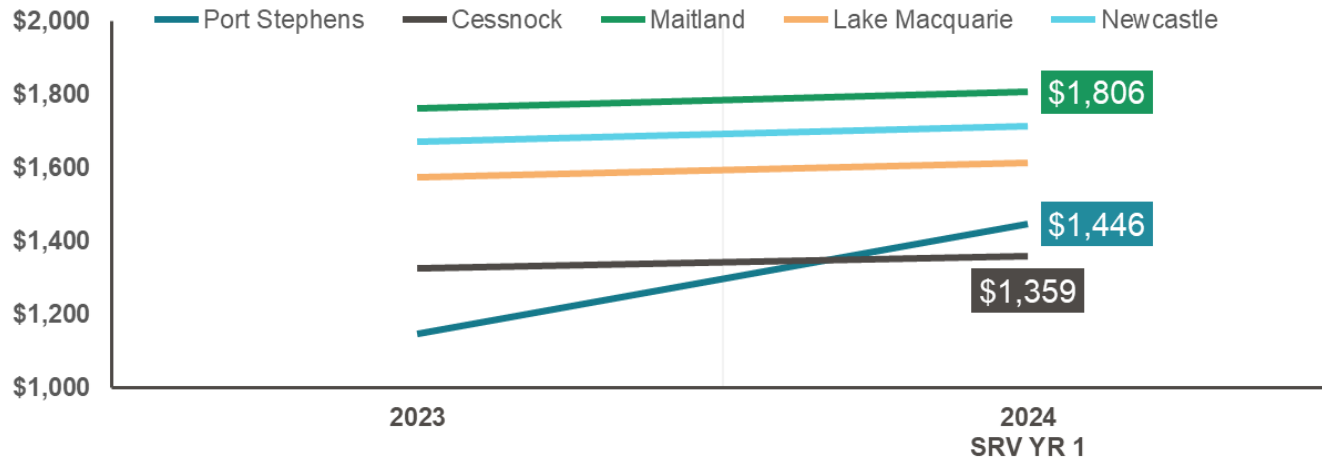
26%

CUMULATIVE

YEAR 1 **26%**

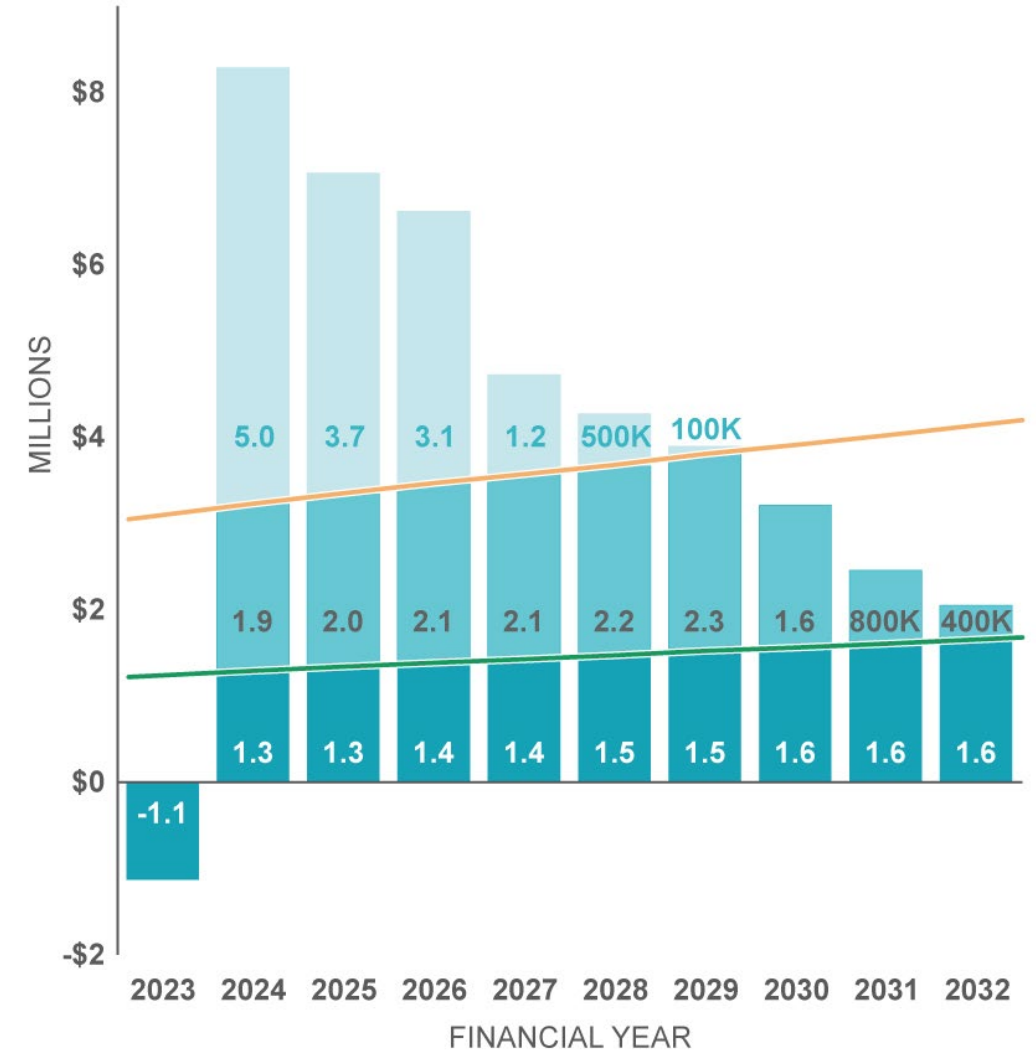
\$298 OR **\$6** PER WEEK
AVERAGE RESIDENTIAL

Average Residential Rates Projection



Option 4 - Single Year

■ 1% Reached ■ 2.5% Reached ■ Additional funds
— 1% Budget target — 2.5% Budget target



Option 5 – Long Term

45.08%

CUMULATIVE

\$518 OR **\$10** PER WEEK
AVERAGE RESIDENTIAL

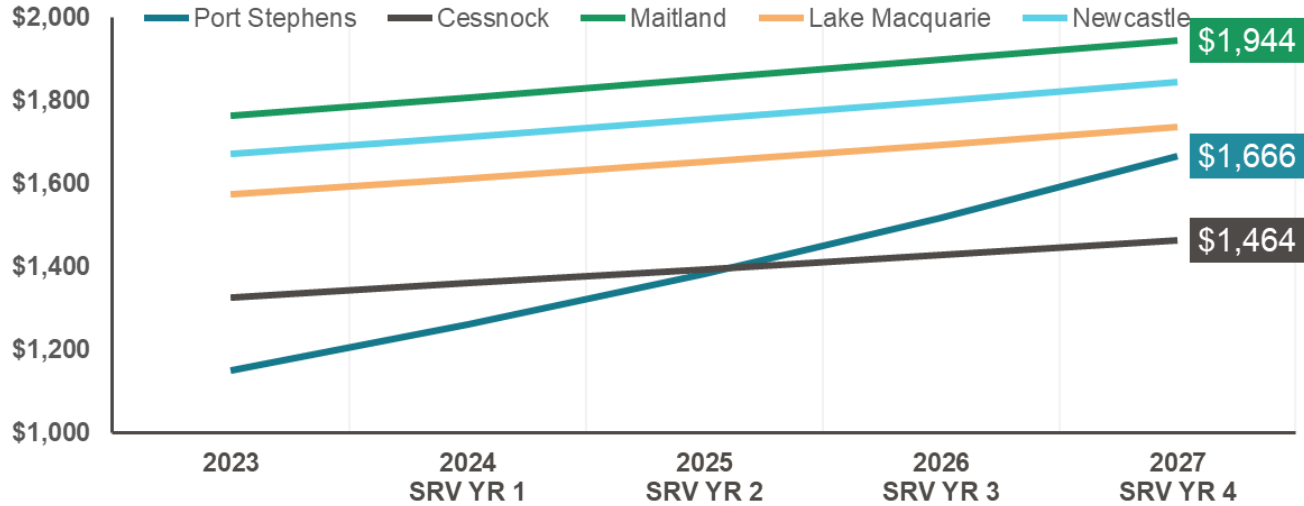
YEAR 1 **9.75%**

YEAR 2 **9.75%**

YEAR 3 **9.75%**

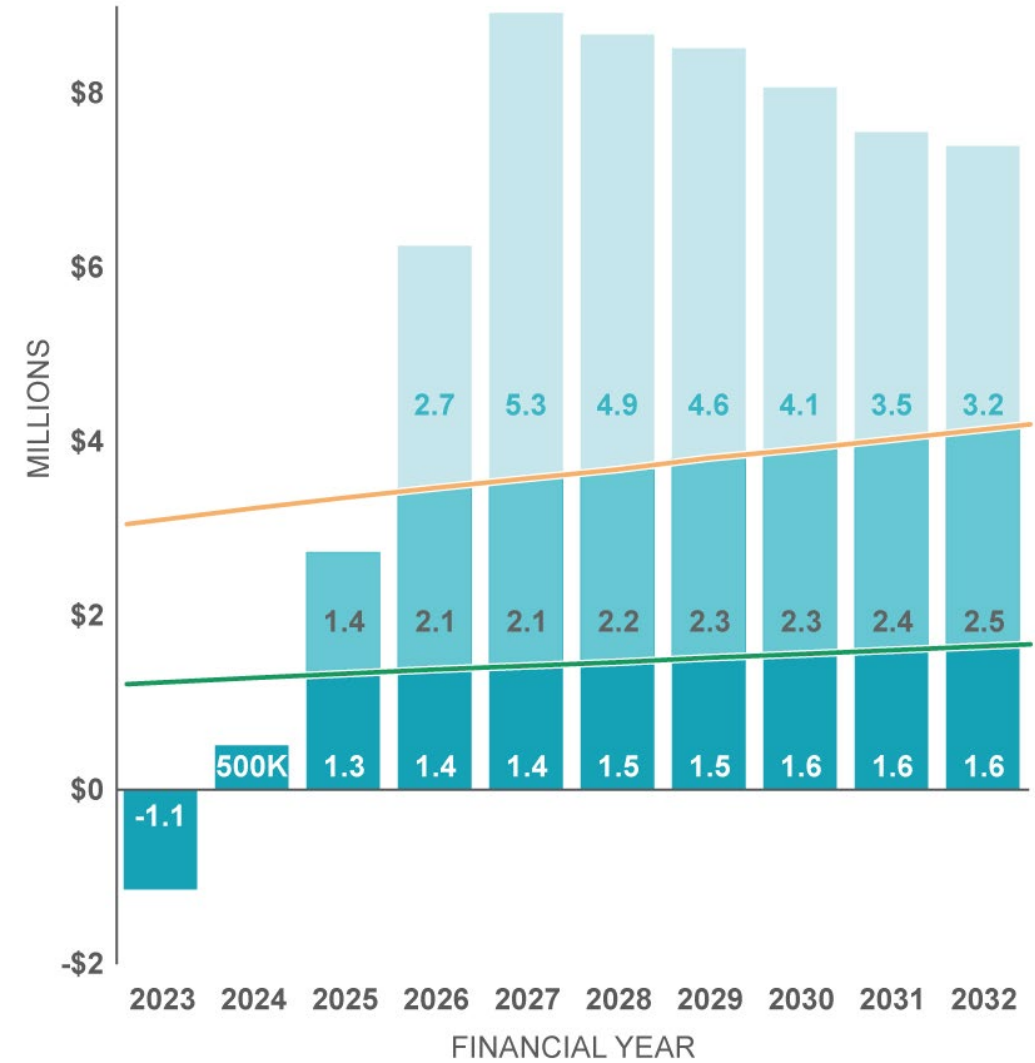
YEAR 4 **9.75%**

Average Residential Rates Projection



Option 5 - Long Term Solution

■ 1% Reached ■ 2.5% Reached ■ Additional funds
— 1% Budget target — 2.5% Budget target



How to have your say and next steps

Webpage



FAQs, Webinar &
Rates Calculator

Facebook Live



Recorded

Community Sessions



Face-to-Face
& Online

Online Survey



Give your feedback
on all options

Early August

Engagement
Wrap Up

Late August

Engagement
Results

September

Path forward



Our Funded Future



PORT STEPHENS
COUNCIL