



## **Extraordinary Meeting of Council**

**Thursday 11 May 2023**

**4.00pm**

**Council Chambers**

**209 Comur Street, Yass**

**ATTACHMENTS TO LATE REPORT**

# Extraordinary Meeting of Council

## Attachment to Report

Page No.

**4.3 Supplementary Report: Public Exhibition - IP&R Documents**

Attachment A. Draft 2023/24 Operational Plan and Long Term Financial Plan Assumptions .....	3
--	---



This page has been left blank

DRAFT

## Contents

<b>Income Statement and Assumptions</b> .....	4
Rates and Annual Charges .....	5
Fees and Charges .....	5
Interest and Investment .....	5
Other Revenues .....	5
Employee Benefits and On-Costs.....	6
Borrowing Costs .....	6
Capital and Operational Projects .....	6
Councillor Remuneration .....	10
Provision of Long Service Leave.....	10
Section 356 Financial Assistance Grants.....	10
<b>Long Term Financial Plan Assumptions</b> .....	12
Consolidated Long Term Financial Plan: Income Statement .....	13
Consolidated Long Term Financial Plan: Cash Flow Statement .....	14
Consolidated Fund Long Term Financial Plan: Balance Sheet .....	15
General Fund Long Term Financial Plan: Income Statement.....	16
General Fund Long Term Financial Plan: Cash Flow Statement .....	17
General Fund Long Term Financial Plan: Balance Sheet.....	18
Water Long Term Financial Plan: Income Statement .....	19
Water Long Term Financial Plan: Cash Flow Statement .....	20
Water Long Term Financial Plan: Balance Sheet .....	21
Water Long Term Financial Plan: Equity Statement .....	22
Sewer Long Term Financial Plan: Income Statement .....	23
Sewer Long Term Financial Plan: Cash Flow Statement .....	24
Sewer Long Term Financial Plan: Balance Sheet Statement.....	25

## Income Statement and Assumptions

### Income Statement

	2022 - 23 Adopted Budget \$'000	2023 - 24 Forecast Budget \$'000
<b>Income from Continuing Operations</b>		
Rates and Annual Charges	19,426	20,803
User Charges and Fees	6,191	6,835
Interest and Investment Revenues	240	1,868
Rental Revenue	284	220
Grants & Contributions for Operating	4,798	2,092
Grants & Contributions for Capital	14,682	14,643
Other Revenues	394	378
Net Gains from Disposal of Assets	310	1,121
<b>Total Income</b>	<b>46,325</b>	<b>47,960</b>
<b>Expenses from Continuing Operations</b>		
Employee Benefits & On-costs	15,018	17,492
Borrowing Costs	837	447
Materials & Contracts	12,460	17,864
Depreciation & Amortisation	9,694	9,500
Other Expenses	1,139	1,213
<b>Total Expenses</b>	<b>39,148</b>	<b>46,516</b>
<b>Operating Result from Continuing Operations</b>	<b>7,177</b>	<b>1,444</b>
<b>Net Operating Result Before Grants and Contributions provided for Capital Purposes</b>	<b>(7,505)</b>	<b>(13,199)</b>

The following assumptions are to be read in conjunction with the Income Statement. As Australia continues to grapple with COVID-19, Council has had to address the previous assumptions used in the Long Term Financial Plan to consider the affect this will have during 2023/24 and over the next 10 years.

Council has made assumptions in accordance with the accounting standards.

### Rates and Annual Charges

Rates for 2023/24 have been increased overall by a Rate Peg of 4.2%. [Rate Pegging is a term used by IPART it is the “maximum” percentage amount by which a council may increase its general rateable income for the year].

Annual charges will increase in accordance with the following table. Domestic waste has a substantial increase of 19% due to the fire at the Hume MRF Canberra waste facility in late 2022. Refer to the table below for details.

	Description	Actual FY22	Actual FY23	Budget FY23	Budget FY24	Budget FY24 vs Budget FY23 %	
Annual Charges	Annual Charges	1,890,438	1,959,398	1,991,845	2,109,812	6%	
		Water Supply Network- Annual Charges					
		Sewer Network - Access Charges	2,426,619	2,513,668	2,498,705	2,624,771	5%
		Domestic Waste - Annual Charges	1,804,894	1,862,090	1,835,256	2,188,180	19%
	Annual Charges Pension Rebate (Council)	Financial Management- Annual Charges Pension Re	(60,143)	(2,371)	(122,000)	(122,000)	-
		Water Supply Network- Annual Charges Pension Rebate (Council)	(21,187)		(22,000)	(22,000)	-
		Sewer Network- Access Charges - Pension Rebate (Council)	(17,240)		(18,000)	(19,000)	6%
		Domestic Waste - Annual Charges Pension Rebate (Council)	(21,306)		(24,000)	(24,000)	-
	Annual Charges Pension Rebate (Govt)	Financial Management- Annual Charges Pension Re	(73,503)	(2,895)	(150,000)	(150,000)	-
		Water Supply Network- Annual Charges Pension Rebate (Govt)	(25,901)		(26,000)	(26,000)	-
		Sewer Network- Access Charges - Pension Rebate (Govt)	(21,076)		(22,000)	(23,000)	5%
		Domestic Waste - Annual Charges Pension Rebate (Govt)	(26,046)		(30,000)	(30,000)	-
	Annual Charges Write Off	Financial Management- Annual Charges Write Off			(500)	(500)	-
	Domestic Waste Charges - Environmental	Domestic Waste - Annual Chgs - Domestic Waste M	986,224	1,035,258		1,054,080	
		General Waste Management - Annual Chgs - Waste Mgmt Services			1,025,545		- (100%)
	OSSM	Public Health & Environment - OSSM	138,012	138,179	139,000	148,730	7%
	Stormwater Levy	Stormwater- Annual Charges - Drainage	59,187	59,712	42,500	50,000	18%
	<b>Annual Charges Total</b>	<b>7,038,972</b>	<b>7,563,039</b>	<b>7,118,351</b>	<b>7,759,073</b>	<b>9%</b>	
Rates	General Purpose Rates	Financial Management- Rates - Residential	6,818,931	6,736,172	6,585,694	7,019,089	7%
		Financial Management- Rates - Farmland	4,440,689	4,510,531	4,499,524	4,699,974	4%
		Financial Management- Rates - Business	844,679	886,130	854,542	923,347	8%
	General Purpose Rates Write Off	Financial Management- Rates Write Off- Resident	(47,039)	(52)	(250)	(250)	-
		Financial Management- Rates Write Off - Farmlan	(2,555)	(4,460)	(1,500)	(4,750)	217%
	Special Rate Variation	Financial Management - Special Rate Variation			130,073		- (100%)
	<b>Rates Total</b>	<b>12,054,705</b>	<b>12,128,321</b>	<b>12,068,083</b>	<b>12,637,410</b>	<b>5%</b>	
	<b>Grand Total</b>	<b>19,093,677</b>	<b>19,691,360</b>	<b>19,186,434</b>	<b>20,396,483</b>	<b>6%</b>	

### Fees and Charges

The schedule of “Fees and Charges” has been increased by a 7% consumer price index (CPI). Council also takes into account that “Statutory” Fees and Charges that fall under this category, for example, Development & Planning Applications. Council is bound by legislation in this instance and will adjust the charges upon notification from the appropriate sources. Refer to the draft 2023/24 Revenue Statement for details.

### Interest and Investment

Council has budgeted for the current investment rate to continue to grow during 2023/24FY. Council will review this type of revenue during the required quarterly budget reviews to assess any movement that may occur as a result of decisions made by the Australian Reserve Bank.

### Other Revenues

Other revenues include items such as Legal Fees Recovered from debt recovery, Fuel Tax Credits, Insurance Claims, Lease Back Vehicles, Library and Visitor Information Centre revenue, RFS revenue, Heritage revenue, and sale of assets and equipment.

Grants are provided to Councils for roads, such as the Financial Assistance Grant (FAG), Roads2Recovery (R2), and the Roads Block Grant.

Community activities over the last 12 months have only been possible due to State Government grant funding. Community activities have been so well received by the Yass Valley residents, that they are now a standard item in the budget. For 2023/24FY we have budgeted 50% of expenditure of the

previous programs. Staff will continue to source grant funding to enable Council to provide a variety of fun, educational, and wellbeing programs for all ages.

### Employee Benefits and On-Costs

A proposed 4.5% increase in the LG Award negotiations currently taking place, plus performance increases for staff have been included. Superannuation increases by 0.5% to 10.5% at 1 July 2023.

The budget figure for Employee Benefits and On-Costs has increased due to some additional staff position bids and other appropriate expenses that have transferred into this budget line, such as recruitment, workers compensation insurance, and training, in accordance with standard financial reporting.

The Yass Valley local government area is growing with developments and Council needs to increase its resources to match to growth to ensure we can meet appropriate compliance and requirements for our residents. Below is a list of positions, estimated at \$1.86M, which Council staff have bid for inclusion in the 2023/24FY:

- 1 full time equivalent (FTE): Records Officer
- 15% increase to Financial Accountant rate
- 0.4 FTE: Community/Grants Office (increase current role 16 hours to create 1 FTE)
- 0.5 FTE: Library Mobile Van Driver
- 1 FTE: Coordinator Building Certification
- 1 FTE: Trainee Strategic Planner
- 1 FTE: Compliance Officer
- 1 FTE: Environmental Health Officer
- 1 FTE: Flood Engineer
- 1 FTE: Waste Manager
- 1 FTE: Waste & Waste Water Support Engineer
- 1 FTE: Water and Waste Water Labourer
- 1 FTE: Recr Operations Project Manager
- 1 FTE: Recreational Operations Arborist
- 2 FTE: Transfer Station Operators

Protective clothing, and travel expenses have increased by 7% CPI.

Current field staff PPE and uniforms have increased by 7% CPI. Additional funding has been included for the introduction of a new corporate uniform allowance. Yass Valley Council is currently the only Council in NSW that does not have a corporate uniform.

### Borrowing Costs

Council has four loans with a balance of \$14.59M owing on 30 June 2022. These are for the Sewer Infrastructure, Dam Wall, Yass to Murrumbateman Water Supply, and Water Main & Pump Station Upgrades. This will reduce by \$745,599 during this financial year to \$13.85M on 30 June 2023.

Following many years of discussions and planning, Council resolved at its April 2023 meeting to borrow up to \$50M for the Crago Mill Precinct project, upon approval of the development application by the Regional Planning Panel. The estimated repayment schedule has been included in the *Borrowing Costs* of the 2023/24 Operational Plan.

### Capital and Operational Projects

The table below outlines the proposed capital and operational projects for 2023/24FY. The table includes of where the funding for each of the projects will be sourced.



4.3 Supplementary Report: Public Exhibition - IP&R Documents  
Attachment A Draft 2023/24 Operational Plan and Long Term Financial Plan Assumptions

Capital Projects	Project description	New or Renewal	Funding source				
			Total	Grant	Reserves	General	Bank Loan
Local Roads	Back Creek Road Bridge Replacement	Renewal	3,384,475	2,280,067	712,521	391,887	
	Murrumbateman Creek Bridge Replacement	Renewal	2,964,509	1,997,142	624,107	343,260	
	Nanima Road (Jeir Creek) Low Level Crossing Replacement	Renewal	1,002,922	984,802	410,334	-392,214	
	Stage 2 Back Creek Road Rehab (no project no. issued yet)	New	3,366,174	2,383,288	540,112	442,774	
	Yass River Bridge Replacement	Renewal	2,964,509	1,997,142	624,107	343,260	
<b>Local Roads Total</b>			<b>13,682,589</b>	<b>9,642,441</b>	<b>2,911,181</b>	<b>1,128,967</b>	<b>0</b>
Recreational Assets	Bookham Rec Grounds Cricket pitch replacement	New	25,000	25,000			
	Bowling Playground	New	60,000	60,000			
	Caravan Park electronic Boom gates	New	80,000	80,000			
	Caravan Park Shelter	New	20,000	20,000			
	Female Friendly Community Sport Facilities	New	220,624	220,624			
	Murrumbateman Adventure Playground Study	New	200,000	200,000			
	Replace Binalong Pool Pump house	New	75,000	75,000			
	Stage 1 'Signage as remote Supervision'	New	25,000	20,000		5,000	
	Tree inspection system 'QTRA'	New	20,000	20,000			
	Victoria Park Field Lighting Upgrade in the 2023/24	New	115,312	115,312			
<b>Recreational Assets Total</b>			<b>840,936</b>	<b>835,936</b>	<b>0</b>	<b>5,000</b>	<b>0</b>
Parks Gardens & Recreations	20-21 Murrumbateman Rec Ground Amenities	Renewal	2,100,000	2,100,000			
	O'Connor Park Yass (Yass River) - Boat ramp re-construction	Renewal	50,000	50,000			
<b>Parks, Gardens &amp; Recreations Total</b>			<b>2,150,000</b>	<b>2,150,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
Sewer Network	Integrated Water Cycle Management Plan (Capital)	Renewal	55,000	55,000			
	Murrumbateman STP Irrigation System (Capital)	Renewal	750,000			750,000	
	Sewer Main Upgrade Program (Capital)	Renewal	50,000			50,000	
	Sewerage Reticulation - Backlog Area (Capital)	Renewal	60,000			60,000	
	Telemetry Upgrade Sewer (Capital)	Renewal	60,000			60,000	
	Wastewater Pump Station Upgrade Program (Capital)	Renewal	250,000			250,000	
	Wastewater Treatment Plant Upgrade Program (Capital)	Renewal	250,000			250,000	
	Yass STP Augmentation (Capital)	Renewal	275,000	165,000	110,000		
<b>Sewer Network Total</b>			<b>1,750,000</b>	<b>220,000</b>	<b>110,000</b>	<b>1,420,000</b>	<b>0</b>
Regional Roads	Regional Roads - Construction	Renewal	30,000	30,000			
	Regional Roads - Drainage Rural	Renewal	10,000	10,000			
	Regional Roads - Footpaths	Renewal	30,000	30,000			
	Regional Roads - Grading	Renewal	55,000	55,000			
	Regional Roads - Lines and Signs	Renewal	55,000	55,000			
	Regional Roads - Pothole Repairs	Renewal	5,000	5,000			
	Regional Roads - Quick Response	Renewal	24,000	24,000			
	Regional Roads - Safety Barriers	Renewal	50,000	50,000			
	Regional Roads - Sealing	Renewal	35,000	35,000			
	Regional Roads - Slashing and Spraying	Renewal	50,000	50,000			
	Regional Roads - Trees and Vegetation	Renewal	20,000	20,000			
RRRP project - Sutton Road rehab Seg 38	Renewal	700,000	700,000				
<b>Regional Roads Total</b>			<b>1,064,000</b>	<b>1,064,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
Water Supply Network	Integrated Water Cycle Management (capital)	Renewal	55,000	55,000			
	Telemetry System Upgrade Upgrade - Water (Capital)	Renewal	60,000			60,000	
	Village Water Main Extensions (Capital)	Renewal	20,000			20,000	
	Water Meter Upgrade Program (Capital)	Renewal	250,000			250,000	
	Water Pump Station Upgrade Program (Capital)	Renewal	100,000			100,000	
	Water Reservoir Upgrade Program (Capital)	Renewal	150,000			150,000	
	Water Reticulation Upgrade Program (Capital)	Renewal	150,000			150,000	
WTP Improvement (Capital)	Renewal	100,000			100,000		
<b>Water Supply Network Total</b>			<b>885,000</b>	<b>55,000</b>	<b>0</b>	<b>830,000</b>	<b>0</b>
<b>Capital Projects Total</b>			<b>20,372,525</b>	<b>13,967,377</b>	<b>3,021,181</b>	<b>3,383,967</b>	<b>0</b>

4.3 Supplementary Report: Public Exhibition - IP&R Documents  
Attachment A Draft 2023/24 Operational Plan and Long Term Financial Plan Assumptions

Operational Projects	Project description	New or Renewal	Total	Funding source			
				Grant	Reserves	General	Bank Loan
Local Roads	Council - Administration	Renewal	13,500			13,500	
	Council - Depot	Renewal	1,800			1,800	
	Council - Events - ANZAC Day	Renewal	6,300			6,300	
	Council - Fleet	Renewal	27,000			27,000	
	Council - Illegal Dumping	Renewal	4,500			4,500	
	Council - Traffic Committee	Renewal	18,000			18,000	
	Council - Waste and Tip	Renewal	4,500			4,500	
	Fund for completing overdue projects from Future Works Ledger (beyond normal maintenance)	New	90,000			90,000	
	Funds to re-establish an annual Kerb and Gutter program	New	45,000			45,000	
	Gravel for Resheeting for long-term asset management	New	540,000			540,000	
	Improvements to new plant orders (i.e. LED lights, etc)	New	18,000			18,000	
	Internal - Department Overhead	Renewal	46,800			46,800	
	Internal - Emergency Response	Renewal	9,000			9,000	
	Unscheduled Renewal Work	Renewal	90,000			90,000	
	Local Roads - Construction	Renewal	18,000			18,000	
	Local Roads - Drainage Rural	Renewal	9,000			9,000	
	Local Roads - Drainage Urban	Renewal	9,000			9,000	
	Local Roads - Footpaths	Renewal	18,000			18,000	
	Local Roads - Grading	Renewal	130,500			130,500	
	Local Roads - Inspections	Renewal	4,500			4,500	
	Local Roads - Kerb and Gutter	Renewal	4,500			4,500	
	Local Roads - Lines and Signs	Renewal	31,500			31,500	
	Local Roads - Patching Truck	Renewal	103,500			103,500	
	Local Roads - Pothole Repairs	Renewal	18,000			18,000	
	Local Roads - Quick response	Renewal	5,500			5,500	
	Local Roads - Safety Barriers	Renewal	45,000			45,000	
	Local Roads - Slashing and Spraying	Renewal	45,000			45,000	
Local Roads - Trees and Vegetation	Renewal	18,000			18,000		
	<b>Local Roads Total</b>		<b>1,374,400</b>	<b>0</b>	<b>0</b>	<b>1,374,400</b>	<b>0</b>
Planning & Environment	Bookham Masterplan - detailed designs town entrances (p8 of MP)	New	40,000			40,000	
	Chemicals - weeds	New	45,000			45,000	
	DCP	New	10,000			10,000	
	Flood Study review	New	50,000			50,000	
	Ginnindery Reserve - future planning resources	New	150,000			150,000	
	Heritage Interpretation Plan	New	80,000			80,000	
	Heritage Program	Renewal	13,000		13,000		
	Interpretative signs - Sutton	New	15,000			15,000	
	North Murrumbateman Strategic Planning Project	New	200,000			200,000	
	Surveillance cameras	New	5,000			5,000	
	Village Masterplan	Renewal	20,000			20,000	
	Wayfinding Strategy	New	80,000			80,000	
	Yass Mainstreet Masterplan, incl. detailed designs	New	160,000			160,000	
	<b>Planning &amp; Environment Total</b>		<b>868,000</b>	<b>0</b>	<b>13,000</b>	<b>855,000</b>	<b>0</b>
Community & Economic Development	Australia Day 2023	New	10,000	10,000			
	Brand Development	Renewal	60,000	60,000			
	Community Christmas Parade/Markets: Traffic Management	New	15,000			15,000	
	NAIDOC Week	New	2,500	2,500			
	NSW Small Business Week	New	5,000			5,000	
	Regional Marketing	Renewal	137,500			137,500	
	Seniors Festival	New	2,500			2,500	
	Spring Break	New	5,000	5,000			
	Summer Break Grant Jan 2023 - Economic Development & Tourism	New	5,000	2,500		2,500	
	VFR Marketing	Renewal	21,000			21,000	
	Visitor Guide	Renewal	65,000			65,000	
	Visitor Information Centre Retail	Renewal	65,000		65,000		
	Winter Break	New	5,000	2,500		2,500	
Youth Week	New	2,500	2,500				
	<b>Community and Economic Development Total</b>		<b>401,000</b>	<b>85,000</b>	<b>65,000</b>	<b>251,000</b>	<b>0</b>

4.3 Supplementary Report: Public Exhibition - IP&R Documents  
Attachment A Draft 2023/24 Operational Plan and Long Term Financial Plan Assumptions

Operational Projects	Project description	New or Renewal	Total	Funding source			
				Grant	Reserves	General	Bank Loan
Caravan Park	Caravan Park Amenities Upgrade (Capital)	Renewal	280,484	280,484			
	New hot water systems	New	25,000		25,000		
	New Linen and Mattresses	New	12,000		12,000		
	Park / Carpark Dividing	New	15,000	15,000			
Caravan Park Total			332,484	295,484	37,000	0	0
Plant & Equipment	Cyber Security uplift	New	50,000		50,000		
	MagiQ transition (Removal from MagiQ)	New	175,000	25,000	150,000		
	Monitoring Hardware	New	2,500		2,500		
	Monitoring software	New	30,000		30,000		
	Public Cloud Hybrid Redundancy Investigation project	New	10,000		10,000		
	Team viewer	New	2,000		2,000		
	Vulnerability Management software, Defender endpoint Protection or Qualys	New	22,000		22,000		
Plant & Equipment Total			291,500	25,000	266,500	0	0
Parks, Gardens & Recreation	Funding to allow new or upgraded footpath, kerb & gutter, culvert projects to be delivered from the Future Works ledger	New	200,000			200,000	
	Plant & Equipment Total			558,000	25,000	333,000	200,000
Domestic Waste	Cover over Yass & Murrumbateman Waste Pitts	New	160,000		160,000		
	Yass Shed Laser Light panel replacement	New	14,400	14,400			
Domestic Waste Total			174,400	14,400	160,000	0	0
Property Management	Contamination reports 116 laidlaw street 2nd stage testing	New	30,000			30,000	
	Discovery Drive Subdivision	New	30,000			30,000	
	Faulder Avenue stage 1 subdivision	New	30,000			30,000	
	Gold Gas Works EPA monitoring as per VMP & two extra wells	New	35,000			35,000	
	SES Building	New	15,000			15,000	
	SES Building requested remediation works	New	15,000			15,000	
Crago Mill	Renewal	12,500,000				12,500,000	
Property Management Total			12,655,000	0	0	155,000	12,500,000
Stormwater	Stormater - Construction	Renewal	60,000			60,000	
	Stormater - Drainage Rural	Renewal	10,000			10,000	
	Stormater - Drainage Urban	Renewal	25,000			25,000	
	Stormater - Kerb and Gutter	Renewal	5,000			5,000	
Stormwater Total			100,000	0	0	100,000	0
Swimming Pools	Chlorine Shed	New	30,000		30,000		
	Fencing Repair works	New	5,000			5,000	
	Light Towers make Safe	New	11,000			11,000	
	Yass Pool	New	6,000			6,000	
Swimming Pools Total			52,000	0	30,000	22,000	0
Corporate & Community	Council On Call After Hours Contractor	New	20,000		20,000		
Corporate & Community Total			20,000	0	20,000	0	0
Operational Projects Total			\$ 16,535,284	\$ 419,884	\$ 658,000	\$ 1,583,000	\$ 12,500,000
Total Projects			\$ 36,907,809	\$ 14,387,261	\$ 3,679,181	\$ 4,966,967	\$ 12,500,000





































