
Public exhibition: Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy)

Responsible Officer: Group Manager Corporate and Commercial (Geoff Ward)

Recommendation

That:

1. Council endorses the draft Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy) attached to this report, for public exhibition.
2. Council note that adjustments approved at this meeting as part of the March 2023 Quarterly Budget Review Statement report will be included in the exhibited Operational plan as appropriate.
3. If public submissions are made during the public exhibition period, a report be furnished to Council's June 2023 meeting, including staff comment on how the submissions have been considered, for Council to determine a position on endorsement of the Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy).
4. If no public submissions are made during the public exhibition period, the version of the draft Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy) placed on public exhibition, is deemed to be adopted by Council.

Draft 2023/24 Budget

This section of the report is presented with the following structure:

- Financial information on the organisation as one combined entity (consolidated).
- Financial information in respect to each Reporting Unit: Bulk Water, Retail Water, Flood Mitigation, Weed Biosecurity, Properties, and Fleet.

It is noted that the 10-year Long-Term Financial Plan (LTFP) presented in this report includes budget adjustments presented to Council as part of the March 2023 Quarterly Budget Review Statement (see separate report). If those adjustments are not approved by Council, the LTFP will need to be revised prior to public exhibition.

The report presents financial information in a consistent format for each of the Reporting Units and the whole organisation. Detailed information is provided on each Reporting Unit in terms of assumptions on which the budget is based, including a breakdown of the main streams of income and expense for both operating and capital items.

The transfers to and from reserve represent the net cash movement for the Reporting Unit. The transfer to or from reserve is used to balance the cash movement to zero. This results in the cash surplus or loss being retained within the Reporting Unit.

Rous is currently providing administrative services to the Northern Rivers Joint Organisation under a fee for service arrangement.

Long-Term Financial Plan (LTFFP) Caveat

The financial plan incorporates significant expenditure associated with the Future Water Program (FWP). The current LTFFP reflects Council's decision from its February 2022 meeting [5/22] which continues with the basic assumptions as of the July 2021 Council resolution [39/21] but accommodates the change relating to the Dunoon Dam investigation studies.

The FWP estimates within the LTFFP include expenditure to construct and run new and expanded groundwater sites. To finance these the LTFFP includes external borrowings and increases to the contributions required from constituent councils. Future borrowings are significant, and the impact of estimated loan rates are evident in the LTFFP.

The viability and estimated costs of the new water source solutions continues to be investigated. It is likely, that core assumptions will continue to evolve as investigations progress.

Therefore, the LTFFP includes significant assumptions in respect to future capital works which are currently 'proposals' that continue to be actively investigated. The LTFFP is presented based on the available information as of March 2023.

Whole Organisation

The table below details the forecast Operating Performance of the organisation together with capital movements and estimated cash reserve.

Table 1: Whole Organisation Forecast Operating Performance

Description	2024 Estimate \$	2025 Estimate \$	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$
Operating Income	31,145,700	31,153,500	32,854,000	34,837,300	36,993,700	39,388,000	41,947,700	44,729,000	47,596,600	48,169,800
Operating Expense	38,790,500	38,353,200	40,072,300	41,349,800	43,070,800	45,060,200	46,703,400	47,255,400	47,792,300	47,012,200
Operating Result	(7,644,800)	(7,199,700)	(7,218,300)	(6,512,500)	(6,077,100)	(5,672,200)	(4,755,700)	(2,526,400)	(195,700)	1,157,600
Less: Depreciation	8,305,100	8,756,500	9,039,400	9,333,300	9,834,800	10,099,500	10,268,300	10,569,100	10,723,000	10,853,600
Operating Result Excluding	660,300	1,556,800	1,821,100	2,820,800	3,757,700	4,427,300	5,512,600	8,042,700	10,527,300	12,011,200
Add: Capital Income	4,386,000	7,912,100	7,597,600	7,761,900	5,032,200	5,212,500	5,390,800	5,579,100	5,774,400	5,774,700
Add: Loan Drawdown	15,000,000	30,000,000	35,000,000	10,000,000	30,000,000	35,000,000	15,000,000	10,000,000	0	0
Less: Loan Repayment	4,191,300	5,034,700	6,032,200	5,807,400	4,797,600	5,632,100	6,387,100	7,030,600	7,405,800	7,802,000
Less: Capital Expense	25,802,400	33,491,000	37,383,500	15,467,000	31,029,600	40,242,400	16,570,800	14,513,100	12,879,900	3,882,800
Transfer to Reserve	1,500,000	1,730,000	1,003,000	3,669,300	3,003,500	406,700	2,994,700	2,591,400	877,200	6,117,300
Transfer from Reserve	11,447,400	786,800	0	4,361,000	40,800	1,641,400	49,200	513,300	4,861,200	16,200
Net Cash Movement	0	0	0	0	0	0	0	0	0	0
Estimated Cash Reserve \$	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	18,604,600	19,547,800	20,550,800	19,859,100	22,821,800	21,587,100	24,532,600	26,610,700	22,626,700	28,727,800

The outlook depicts an organisation heavily invested in capital works. The operating result in the early years of the LTFP shows losses, with gradual improvements resulting in a surplus in 2032/33. It should be noted that operating losses are considered appropriate given the nature of the organisation and the significant capital works program being undertaken. Further improvements to the operating result would need to be sourced from significant increases to the bulk water price paid by Constituent Council's and would represent a negative impact to their operations. Capital expense over the ten years is forecast to be approximately \$231 million supported by external borrowings of approximately \$180 million. Cash reserves remain relatively stable as funds are applied to capital works and then replenished by new borrowings.

The outlook for the whole organisation tends to be dominated by the Bulk Water Reporting Unit and more detailed information is provided in this section of the report.

Bulk Water

Future Water Program

Modelling indicates that Council requires additional water supply to accommodate population growth and the effects of climate change. Demand will exceed secure yield in 2024. The FWP seeks to secure the regions water supply in the medium term primarily through augmenting the water system with ground water. The table below shows the proposed works program to provide new water sources for the region.

Table 2: Future Water Program Forecast Expenditure

Task/Cost		Total	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		Cost	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Alstonville Groundwater	Capital	35,705,000	2,705,000	13,500,000	16,500,000	3,000,000	-	-	-	-	-	-
	Operating	7,518,700	-	-	876,100	893,200	911,100	929,800	948,500	967,100	986,600	1,006,300
Alstonville Groundwater Renewals	Renewals	1,289,400	-	-	-	-	187,100	193,900	200,800	269,900	215,100	222,600
Woodburn Bores	Capital	11,119,900	1,119,900	4,000,000	2,000,000	4,000,000	-	-	-	-	-	-
Tyagarah Groundwater	Capital	50,535,600	600,000	603,000	1,000,000	500,000	10,535,800	22,329,600	8,164,400	6,802,800	-	-
	Operating	5,435,100	-	-	-	-	-	-	1,318,900	1,344,900	1,371,900	1,399,400
	Renewals	582,900	-	-	-	-	-	-	-	-	286,600	296,300
Groundwater Source Land Acquisition	Capital	18,969,800	200,000	3,000,000	-	-	5,520,000	3,941,000	3,703,400	2,605,400	-	-
IPR Investigations	Operating	841,600	565,700	275,900	-	-	-	-	-	-	-	-
Stage 3 Source Planning	Capital	2,293,300	-	-	-	-	-	-	-	2,293,300	-	-
DPR Pilot Scheme	Capital	5,673,000	50,000	-	-	-	2,208,000	2,252,000	1,163,000	-	-	-
	Operating	1,811,200	-	-	-	287,000	292,800	298,800	304,800	310,800	317,000	-
Water Loss Implementation	Capital	1,425,000	475,000	300,000	300,000	350,000	-	-	-	-	-	-
Consultation on Cultural Heritage Dunoon Dam Council Land	Operating	392,000	392,000	-	-	-	-	-	-	-	-	-
Drought Management Planning	Operating	144,000	-	-	-	144,000	-	-	-	-	-	-
Demand Forecasting (incl. Data Acquisition)	Operating	191,700	-	-	45,000	-	-	96,000	-	-	50,700	-
Secure Yield Assessment	Operating	172,000	54,000	-	-	57,000	-	-	61,000	-	-	-
IWCM Strategy Review	Operating	1,404,000	-	221,000	-	-	585,500	597,500	-	-	-	-
Emergency Desalination Investigation	Operating	140,000	140,000	-	-	-	-	-	-	-	-	-
RCD Dead Storage Investigation	Operating	50,000	50,000	-	-	-	-	-	-	-	-	-
Wilsons River Emergency Supply Studies	Operating	100,000	100,000	-	-	-	-	-	-	-	-	-
Richmond Area Coastal Floodplain Alluvial Groundwater Source	Operating	500,000	250,000	250,000	-	-	-	-	-	-	-	-
Other Total Principals Program Costs	Capital	10,050,000	800,000	1,500,000	1,900,000	800,000	1,765,000	1,827,000	822,000	315,000	321,000	-
Totals		156,344,200	7,501,600	23,649,900	22,621,100	10,031,200	22,005,300	32,465,600	16,686,800	14,909,200	3,548,900	2,924,600

Note that the forecasts in the table above have been adjusted to represent the future cost required due to cost of living (CPI) increases.

In the period 2023/24-2032/33 it is proposed to expend approximately \$156 million on Alstonville, Woodburn, and Tyagarah Groundwater systems plus various demand management projects. This estimate includes both operating and capital expenses.

Bulk Water Reporting Unit comments

There is significant activity in this Reporting Unit and the variables and assumptions used in the model are subject to change as new and improved information becomes available.

The aim of this section of the report is to provide some basic information on the larger financial elements relating to the Reporting Unit. Unless otherwise stated the estimates refer to the 2023/24 year.

- Operating Income
 - The primary income source is contributions from constituent Councils with income forecast at \$21.8 million.
 - Interest income from funds invested is forecast to return \$910,100. Income from this source will fluctuate as reserves are used to support capital works.

- Operating Expense
 - Interest on borrowings will be \$2.2 million.
 - Depreciation is forecast at \$6.7 million.

- Capital Income
 - Section 64 income is Council’s second largest income stream. The amount of income received in any given year can vary significantly depending on the amount of development that occurs in the County. The 2023/24 forecast of \$4.2 million is based on growth projections derived from historical trends. However, this income source can be volatile and could be influenced by other external factors.
 - External borrowings: the table below shows the proposed borrowings for 2023/24-2032/33. The majority of the loans relate to the FWP.

It should be noted that these forecasts have been prepared under the assumption that these works will be fully funded by Rous (i.e., no additional grant funding).

Table 3: Estimated Borrowings 2023/24 – 2032/33

Year	2024	2025	2026	2027	2028	2029	2030	2031	Total
Amount \$	15,000,000	30,000,000	35,000,000	10,000,000	30,000,000	35,000,000	15,000,000	10,000,000	180,000,000
Estimated Rate	7.00%	6.50%	6.00%	5.50%	5.00%	5.00%	5.00%	5.00%	5.63%

Interest rates are predicted to decrease over time however it is difficult to predict exactly just what will occur and when.

All loans have been calculated based on a standard principal and interest repayment over 20 years. Rous staff will negotiate loans over longer terms i.e. 30-years if possible.

Given the amount of borrowings proposed the assumptions in terms of rates and loan terms have a significant impact on the LTFP and these assumptions will be fine-tuned annually.

- Capital Expense
 - Forecast capital expenditure over the life of the model amounts to approximately \$153.1 million. Apart from the FWP detailed above, major projects include:
 - \$7.0 million – Coraki 225 bulk water main renewal
 - \$8.7 million – Knockrow 450 bulk water main
 - \$8.3 million – St Helena 375 bulk water main
 - \$11.1 million – Nightcap Water Treatment Plant Bulk Chemical Storage
 - \$6.1 million – Gallans Road Workplace Consolidation

A detailed list of the capital works program is included in both versions (i.e. concise and detailed) of the Long-Term Financial Plans.

- Assets/Liabilities
 - As at 30 June 2022 the Reporting Unit had assets valued at \$402 million.
 - As at 30 June 2022 debt holdings were \$28.9 million.
 - A new loan of \$15 million is forecast for 2023/24.

Council contributions

Four constituent councils and the Rous Retail Water Reporting Unit pay contributions to the Bulk Water Reporting Unit based on the previous year’s water consumption. One of the key issues for the constituent councils is having time to include accurate forecasts for the cost of Bulk Water in their Integrated Planning and Reporting frameworks.

The calculation to determine the annual contribution for this year has been based on water consumption for the eleven months from 1 April to 28 February. Normally the baseline period would be 1 March to 28 February, however March was excluded due to anomalies in water consumption following the 2022 floods.

The table below shows the forecast percentage increase to contributions to 2032/33. The percentage is the total increase including adjustment for inflation.

Table 4: Forecast % Increase to constituent councils’ contributions for Bulk Water

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Cumulative Total
Proposed % Increase	6.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	1.0%	83.9%

The forecast is for greater than the cost-of-living increases and these will be required for the ten-year LTFP. The main issue driving the increase is the large capital works program and the increase to annual operational costs that comes with the new infrastructure and debt servicing.

It is considered that given the magnitude of the capital works program over the next decade, the proposed price increases are reasonable. The Reporting Unit is starting from a position of strength, which is supported by the fact that at the start of 2022/23 financial year \$40.7 million was held in reserves that have been accumulated in advance for capital works.

It is also relevant to point out that the contribution increases for the constituent councils were confined to the rate peg increase from 2012/13 to 2018/19.

The following table shows the constituent council contributions in the current 2022/23 financial year and the proposed contributions in 2023/24.

Table 5: Proposed Bulk Water contributions constituent councils and Retail Water

	2022/23	2023/24	Movement	Movement
	\$	\$	%	\$
Lismore City Council	6,430,000	6,542,200	1.74	112,200
Byron Council	4,987,900	5,571,300	11.70	583,400
Richmond Valley Council	1,280,100	1,348,700	5.36	68,600
Ballina Council	7,893,900	8,334,500	5.58	440,600
Rous Retail	1,896,500	2,041,000	7.62	144,500
Total	22,488,400	23,837,700	6.00	1,349,300

The above table identifies that while the total increase to income is 6.0%, there is considerable variance between the entities on a percentage basis. This is attributable to the gross water consumed in each local government area compared to each other and relative to the previous year.

Rous Retail consumption is considered to be at a normal level.

Bulk Water Operating Performance

The Reporting Unit is forecast to make operating losses until 2032/33. This occurs because expenses associated with new loans and new groundwater operations increase faster than additional contribution income.

The LTFP has attempted to smooth out Council contributions rather than impose significant increases early in the period. This approach is preferred as it allows the constituent councils and their consumers an opportunity to build the increased expense into their budget over several years.

The Reporting Unit remains sustainable despite the recurrent deficits as external borrowings are used to keep cash reserves at an adequate level. It should be noted that the reserve balances do not meet the internal target of six months operating expenditure throughout the ten-year LTFP. The gradual increase to contributions results in an operating surplus being achieved by 2032/33.

An alternative pricing strategy would be to increase contributions in the LTFP which would result in operating surpluses and less borrowings. This could be achieved by an increase of 30.0% in 2024/25 with future increases set at rate pegging. However, it is noted that such an approach would create a significant burden on retail water customers. This option is not recommended at this stage and has not been discussed with the constituent councils. It is included here for information purposes only.

Table 6: Bulk Water Reporting Unit Forecast Operating Performance

Description	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Income	24,427,700	24,254,800	25,700,500	27,312,200	29,095,900	31,112,600	33,264,900	35,618,700	38,024,100	38,403,700
Operating Expense	30,132,300	30,468,400	32,144,700	33,191,200	34,733,400	36,437,700	37,702,500	37,970,700	38,139,000	37,223,300
Operating Result	(5,704,600)	(6,213,600)	(6,444,200)	(5,879,000)	(5,637,500)	(5,325,100)	(4,437,600)	(2,352,000)	(114,900)	1,180,400
Less: Depreciation	6,709,100	7,036,600	7,293,700	7,561,400	8,036,300	8,274,000	8,415,400	8,688,400	8,814,200	8,916,200
Operating Result Excluding	1,004,500	823,000	849,500	1,682,400	2,398,800	2,948,900	3,977,800	6,336,400	8,699,300	10,096,600
Add: Capital Income	19,371,000	34,524,000	39,682,000	14,846,000	35,016,000	40,192,000	20,374,000	15,562,000	5,757,000	5,757,000
Less: Loan Repayment	4,191,300	5,034,700	6,032,200	5,807,400	4,797,600	5,632,100	6,387,100	7,030,600	7,405,800	7,802,000
Less: Capital Expense	20,175,300	29,809,100	34,130,700	14,582,000	29,928,100	39,123,000	15,563,400	13,536,700	11,897,600	2,893,600
Less: Internal Loan	0	0	0	0	0	0	0	0	0	0
Add: Internal Loan Principal R	0	0	0	0	0	0	0	0	0	0
Transfer to Reserve	0	1,003,200	368,600	500,000	2,689,100	0	2,401,300	1,831,100	0	5,158,000
Transfer from Reserve	5,491,100	0	0	3,861,000	0	1,614,200	0	0	4,847,100	0

Estimated Cash Reserve \$	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	15,455,800	16,459,000	16,827,600	13,466,600	16,155,700	14,541,500	16,942,800	18,773,900	13,926,800	19,084,800

Operating losses are forecast to 2030/31 before the forecast result improves in 2032/33.

The existing loans for the Wilson’s River Source are completed by 2027/28 which will significantly improve the results. Council is currently repaying just over \$4 million for these loans each year and part of the contribution pricing strategy is to only inflate prices to the level required given that these loans will be fully repaid by 2027/28.

There is significant activity in this Reporting Unit and the variables and assumptions used in the model are subject to change as new and improved information becomes available.

Retail Water

Retail Water Reporting Unit Comments

This section of the report is to provide some basic information on the larger financial elements relating to the Reporting Unit. Unless otherwise stated the forecasts refer to the 2023/24 year.

- Operating Income
 - The primary income source is from a facility and usage charge levied on approximately 2,000 customers. The facility charge is forecast to derive \$475,000 and usage income \$2.3 million.
 - Water sales from filling stations are predicted to be \$407,300. These income sources contribute 91.7% of total income for the Reporting Unit.
- Operating Expenditure
 - The largest expense for the Reporting Unit is the purchase of Bulk Water which amounts to approx. \$2.0 million or 56.4% of total expense.
 - Smart metering and backflow devices are being installed for Retail Water customers.
 - Other expense includes administration and maintenance of infrastructure.
- Capital Expenditure
 - Forecast expense in 2023/24 is \$2.7 million as compared to an average of \$248,100 over the next nine years. 2023/24 includes \$1.8 million on smart metering and backflow devices.
- Assets/Liabilities
 - As at 30 June 2022 total assets were valued at \$13.3 million.
 - There is no outstanding debt, no borrowings are envisaged, however, a temporary transfer of Bulk reserves will be required in 2023/24.

Price of Water

It is important to note that the Retail Reporting Unit operates independently of the Bulk Water Reporting Unit. Rous endeavours to provide water to retail customers at a competitive price that is relative to other Councils in the region having regard to differing service standards as a result of connecting directly into the Bulk network. The table below shows the proposed price path for retail customers. However, future increases are primarily driven by the corresponding cost of bulk water, along with costs associated with smart metering and backflow.

Table 7: Forecast Price Path for Charges to Rous Retail Customers

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Proposed % Increase	7.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	2.00%

The installation of smart metering and backflow devices represents a significant capital cost which reduces the cash reserve. There is a relatively small number of customers to pay for these services which will see the introduction of a new fee for backflow devices at \$196.00 per annum for 2023/24.

The table below compares the Rous Retail Water charges to other councils in the region. It should be remembered that the level of service provided to Rous' customers is different to that provided by the Constituent Councils to their customers, due to the design of the supply network.

Table 8: Comparison of 2022/23 Prices for Retail Water Supply (20mm Meter)

Comparison of Regional Pricing	Fixed fee	Usage charge	Typical bill (\$ p.a.)	Typical bill (\$ p.a.)
	(\$ p.a.)	(\$ per KL)	based on 200kL	based on 395kL
Lismore*	334.83	4.56	1,247	2,136
Richmond Valley*	189.00	2.88 & 4.38 over 200kL	765	1,619
Byron*	203.00	2.98	799	1,380
Ballina*	224.00	2.52 & 3.78 over 350kL	728	1,276
Rous (2023/24)	201.30	3.04	809	1,402
<i>Regional average</i>			870	1,563

* 2022/23 fees

The 2022/23 fees for Rous were: a fixed charge of \$196.80 and usage charge of \$2.84.

Retail Water Operating Performance

The table below shows the forecast operating result, capital movements and cash reserves for the Reporting Unit.

Table 9: Retail Water Reporting Unit Forecast Operating Performance

Description	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate	2031 Estimate	2032 Estimate	2033 Estimate
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Income	3,497,700	3,880,700	4,136,800	4,407,200	4,699,800	5,020,300	5,368,100	5,738,100	6,140,300	6,272,400
Operating Expense	3,617,400	4,214,900	4,419,900	4,629,700	4,851,800	5,087,000	5,336,400	5,600,800	5,881,100	5,968,200
Operating Result	(119,700)	(334,200)	(283,100)	(222,500)	(152,000)	(66,700)	31,700	137,300	259,200	304,200
Less: Depreciation	420,200	526,500	534,400	542,400	550,500	558,800	567,200	575,700	584,300	593,100
Operating Result Excluding	300,500	192,300	251,300	319,900	398,500	492,100	598,900	713,000	843,500	897,300
Add: Capital Income	15,000	15,300	15,600	15,900	16,200	16,500	16,800	17,100	17,400	17,700
Less: Capital Expense	2,782,400	297,600	221,000	228,400	233,800	239,300	244,800	250,300	255,900	261,500
Internal Loan	0	0	0	0	0	0	0	0	0	0
Internal Loan Principle Repaym	0	0	0	0	0	0	0	0	0	0
Transfer to Reserve	500,000	0	45,900	107,400	180,900	269,300	370,900	479,800	605,000	653,500
Transfer from Reserve	2,466,900	90,000	0	0	0	0	0	500,000	0	0
Estimated Cash Reserve \$	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	507,300	417,300	463,200	570,600	751,500	1,020,800	1,391,700	1,371,500	1,976,500	2,630,000

The forecast is for operational deficits until 2028/29. The Reporting Unit is forecast to have cash surpluses in every year of the LTFP.

The ten-year operating forecast is weaker than would be preferred, particularly regarding the level of cash reserves. The 2023/24 financial year impacts the reserve significantly with the smart metering and backflow device projects accounting for much of the expense.

The reserve is below the internal cash reserve target over the LTFP and will require careful monitoring, particularly given that the primary income source, water consumption, is liable to vary depending on rainfall. The outlook could be improved by higher price increases than those proposed, and it could be argued that this is a reasonable position to take because Rous Retail Water customers currently have the lowest charges in the County. However, this option is not recommended at this stage given the already high increases proposed.

Flood Mitigation

Flood Mitigation Reporting Unit Comments

Flood Mitigation is responsible for maintaining an extensive network of infrastructure including floodgates, drains and levees.

This section provides some basic information on the larger financial elements relating to the Reporting Unit. Unless otherwise stated, the forecasts refer to the 2023/24 financial year.

- Operating Income
 - Contribution income of \$995,800 amounts to approximately 85% of total income. This includes contributions from constituent councils for Flood and Drainage.
 - The maintenance grant of \$84,600 has not been increased by the State Government since it was first provided in the 1980's and unfortunately there appears little likelihood of this grant being increased.
 - Other grants are also received that are less predictable. Examples include natural disaster recovery and strategy plans. The LTFP does not endeavour to predict these grants in future years. The grant conditions typically require the funds to be acquitted via additional expenditure such as contract labour and purchases. Hence the extra income is effectively cancelled out by the extra expenditure.
- Operating Expenditure
 - Wages are forecast at approximately \$490,600.
 - The majority of expense relates to maintenance and repair of infrastructure.
- Capital Expenditure
 - Average annual expenditure over the life of the model is approximately \$253,600.
 - Details of the capital works are included in the enclosed attachment.
- Assets/Liabilities
 - As at 30 June 2022 the Reporting Unit has infrastructure assets valued at \$132.0 million.
 - The Reporting Unit has no net debt and no new borrowings are envisaged, however, if natural disaster funding is not received prior to expenditure reserves may be needed from unrestricted cash.

Council contributions

The table below shows the projected price path of Flood Mitigation contributions. Note that this excludes contributions in respect of 'Drainage' (ex-Drainage Union Councils) which is proposed to be equal to rate peg increases.

Table 10: Forecast Price Path for Constituent Council Flood Mitigation Contributions

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Proposed % Increase	10.0%	8.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.5%	2.5%	2.5%

The following table shows the forecast contributions by the constituent councils (excludes drainage contribution) in a dollar format. The maximum dollar increase per council contribution is \$27,500 in 2023/24.

Table 11: Forecast Dollar Increase to Council Flood Mitigation contributions

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Percentage Increase	10.0%	8.0%	5.0%	4.0%	4.0%	3.0%	3.0%	2.5%	2.5%	2.5%
Total Flood Contribution \$	908,100	980,748	1,029,785	1,070,977	1,113,816	1,147,230	1,181,647	1,211,188	1,241,468	1,272,505
Total Contribution Increase \$	82,500	72,648	49,037	41,191	42,839	33,414	34,417	29,541	30,280	31,037
Contribution per Council \$	302,700	326,916	343,262	356,992	371,272	382,410	393,882	403,729	413,823	424,168
Increase per Council \$	27,500	24,200	16,300	13,700	14,300	11,100	11,500	9,800	10,100	10,300

It is acknowledged that the proposed increases are significant, however the income base of the Reporting Unit is small, and the asset base is comparatively, quite large. The intent is to improve the cash operating results to ensure that the cash reserve is maintained. If current service levels are to be maintained the proposed increases are necessary to remain sustainable.

The tables below show the council contributions in the current 2022/23 financial year compared to the proposed 2023/24 contribution for both flood and drainage. The proposed increase from 2022/23 to 2023/24 is 10.0%.

Table 12: Proposed Flood Mitigation council contributions 2023/24

Service Area	2022/23	2023/24	Increase
Ballina Shire Council	275,200	302,700	27,500
Lismore City Council	275,200	302,700	27,500
Richmond Valley Council	275,200	302,700	27,500
	825,600	908,100	82,500

Table 13: Proposed Drainage council contributions 2023/24

Service Area	2022/23	2023/24	Increase
Ballina Shire Council	40,300	41,800	1,500
Lismore City Council	40,300	41,800	1,500
Richmond Valley Council	3,900	4,000	100
Totals	84,500	87,600	3,100

Flood Mitigation Operating Performance

The table below shows the forecast operating performance of Flood Mitigation for the ten-year LTFP. The table also shows capital movements, reserve transfers and the cash reserve balance at year's end.

Table 14: Flood Mitigation Reporting Unit Forecast Operating Performance

Description	2024 Estimate \$	2025 Estimate \$	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$
Operating Income	1,174,200	1,186,700	1,222,500	1,267,800	1,313,400	1,350,600	1,387,200	1,419,100	1,453,500	1,489,700
Operating Expense	1,922,700	1,719,300	1,694,900	1,705,800	1,729,800	1,756,500	1,854,400	1,835,900	1,863,600	1,866,600
Operating Result	(748,500)	(532,600)	(472,400)	(438,000)	(416,400)	(405,900)	(467,200)	(416,800)	(410,100)	(376,900)
Less: Depreciation	705,700	716,300	727,000	737,900	749,000	760,200	771,600	783,200	794,900	806,800
Operating Result Excluding	(42,800)	183,700	254,600	299,900	332,600	354,300	304,400	366,400	384,800	429,900
Add: Capital Income	0	0	0	0	0	4,000	0	0	0	0
Less: Capital Expense	156,400	214,700	164,400	175,100	270,800	296,500	343,200	304,900	304,700	305,500
Transfer to Reserve	0	0	90,200	124,800	61,800	61,800	0	61,500	80,100	124,400
Transfer from Reserve	199,200	31,000	0	0	0	0	38,800	0	0	0
Estimated Cash Reserve \$	259,700	228,700	318,900	443,700	505,500	567,300	528,500	590,000	670,100	794,500

Over recent years the Reporting Unit has recorded operating losses and the forecast is that this will continue throughout the ten-year LTFP. The gradual improvement over the life of the model is primarily due to increases to Council Contributions. The increased cost is attributable to additional resources that have been used to improve service levels in recent years.

The forecast is that the reserve will be less than the internal cash reserve benchmark of five months operating expenditure consistently until 2030/31. From this year on the internal cash reserve benchmark is forecast to be met.

It is important to note that the depreciation included in the table above includes the Lismore Levee. The Levee depreciation must be included as the asset is on the Rous asset register. However, Lismore City Council must pay any operational or capital costs associated with the Levee. Therefore, it is more realistic to look at the outcome excluding forecast Levee depreciation of \$393,200 for 2023/24.

Table 15: Flood Mitigation Reporting Unit Operating Result Excluding Lismore Levee depreciation

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Operating Result	(748,500)	(532,600)	(472,400)	(438,000)	(416,400)	(405,900)	(467,200)	(416,800)	(410,100)	(376,900)
Less Lismore Levee Depreciation	393,200	399,100	405,100	411,200	417,400	423,700	430,100	436,600	443,100	449,700
Revised Operating Result	(355,300)	(133,500)	(67,300)	(26,800)	1,000	17,800	(37,100)	19,800	33,000	72,800

In the above table the Reporting Unit does not achieve operating surpluses throughout the ten-year LTFP. The financial outlook of the Reporting Unit needs to be monitored closely as any unplanned expenditure will significantly impact the cash reserves.

An alternative to price increases may be to reduce service levels. However, the current service levels provided by the Reporting Unit indicate that existing assets are being maintained to a satisfactory standard. Staff continue to improve interaction and engagement with landowners serviced by the Reporting Unit.

Therefore, the strategy proposed is to maintain existing service levels and improve the financial performance via price increases. However, this is subject to the review of flood mitigation currently being undertaken as per [84/22] from the December 2022 Council meeting.

Weed Biosecurity

Weed Biosecurity Reporting Unit Comments

This section provides some basic information on the larger financial elements relating to the Reporting Unit. Unless otherwise stated, the forecasts refer to the 2023/24 year.

- Operating Income
 - Contribution income of \$861,500 amounts to 50.0% of the total income. This includes fee for service payments from Kyogle and Tweed Shires \$320,100.
 - Grant income is forecast at \$778,500.
- Operating Expenditure
 - Activities are organised into agreed elements of the Weed Action Program (WAP)
 - Salaries and wages are anticipated to be in the order of \$1,457,400.
 - Other expenses include administration, insurance, depot, fleet and training.
- Capital Expenditure
 - Average annual spend over the life of the model is \$21,100.
 - Details of works are included in the enclosed attachment. Works include GIS equipment renewals and depot upgrades.
- Assets/Liabilities
 - As at 30 June 2022 total assets were valued at \$2.1 million.
 - There is no outstanding debt and no borrowings are envisaged.

Weed Biosecurity has minimal assets to manage and as such, recurrent income and expense form the primary financial elements of this Reporting Unit.

Council contributions

The table below shows the projected price path for Council Contributions which are in line with rate peg increases.

Table 16: Forecast Price Path for Constituent Council Contributions

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Proposed % Increase	3.70%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

The projected price path indicates that the Reporting Unit is operating comfortably, and little intervention is required in the way of price or service delivery adjustments. There are many assumptions embedded within this forecast, but based on current information, cost of living adjustments is a reasonable position to adopt.

The following table shows the constituent council contributions in the current year 2022/23 financial year compared to the proposed 2023/24 contribution.

Table 17: Proposed Weed Biosecurity council contributions

Service Area	2022/23	2023/24	Increase
	\$	\$	\$
Ballina Shire Council	118,600	123,000	4,400
Byron Shire Council	118,600	123,000	4,400
Lismore City Council	155,900	161,700	5,800
Richmond Valley Council	129,000	133,800	4,800
Total Contributions	522,100	541,500	
Kyogle Shire Council *	130,100	134,900	4,800
Tweed Shire Council *	178,600	185,200	6,600
Total Fees	308,700	320,100	
Total Contributions and Fees	830,800	861,600	30,800
Total % Increase			3.7%

* Indicates local government areas under a fee-for-service arrangement.

Weed Biosecurity Operating Performance

The table below shows the forecast operating performance of the Reporting Unit.

Table 18: Weed Biosecurity Reporting Unit Forecast Operating Performance

Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Income	1,722,200	1,610,100	1,588,900	1,603,900	1,617,900	1,638,700	1,660,400	1,682,600	1,704,700	1,726,400
Operating Expense	2,667,100	1,601,900	1,522,200	1,525,600	1,535,200	1,552,600	1,576,700	1,606,700	1,660,100	1,697,100
Operating Result	(944,900)	8,200	66,700	78,300	82,700	86,100	83,700	75,900	44,600	29,300
Less: Depreciation	31,000	31,500	32,000	32,500	33,000	33,500	34,000	34,500	35,000	35,500
Operating Result Excluding	(913,900)	39,700	98,700	110,800	115,700	119,600	117,700	110,400	79,600	64,800
Add: Capital Income	0	0	0	0	0	0	0	0	0	0
Less: Capital Expense	0	21,000	0	22,000	44,000	44,000	20,000	20,000	20,000	20,000
Transfer to Reserve	0	18,700	98,700	88,800	71,700	75,600	97,700	90,400	59,600	44,800
Transfer from Reserve	913,900	0	0	0	0	0	0	0	0	0
Estimated Cash Reserve \$	1,187,900	1,206,600	1,305,300	1,394,100	1,465,800	1,541,400	1,639,100	1,729,500	1,789,100	1,833,900

The Reporting Unit is forecast to record recurrent operating surpluses from 2023/24 onwards which is a positive outlook. Cash reserves remain adequate throughout the life of the model and are forecast to exceed the internal cash reserves benchmark of four months operating expenditure.

Property

Property Reporting Unit comments

The aim of this section of the report is to provide some basic information on the larger financial elements relating to the Reporting Unit. Unless otherwise stated the forecasts refer to the 2022/23 year.

- Operating Income
 - Rental income is estimated at \$159,800 which is 80.8% of forecast operating income.
- Operating Expenditure
 - Forecast expenditure for rental properties is \$164,100 which excludes salaries, depreciation and overheads.
 - Staff, administration and depreciation expenses amount to approximately \$107,500.
 - Operating expense associated with Perradenya is anticipated to be \$50,000.
- Capital Income
 - Sales income from Stage 7 at Perradenya is expected to be \$3.4 million in 2024/25.
 - Forecast income in 2025/26 of \$2.9 million and 2026/27 of \$2.9 million relates to the integrated lots and commercial lots at Perradenya.
- Capital Expenditure
 - Estimated expenditure on Stage 7 at Perradenya is \$2.2 million in 2023/24.
 - Estimated cost to complete the development is \$2.5 million in 2024/25 and \$2.5 million in 2025/26.
- Assets/Liabilities
 - As at 30 June 2022 non-current assets were valued at \$3.1 million which includes inventory, properties and buildings.
 - There is no outstanding debt, however due to the timing of expenditure and sales a temporary transfer of Bulk reserves will be required in 2023/24.

The Property Reporting Unit includes three different sections:

1. Commercial property in the Lismore CBD. A property is owned and leased by Rous to provide a commercial rate of return although this has not been possible since damage sustained in the 2022 flood events. Rous is the master lessee of the Administration Office in Molesworth Street with the current lease due to expire in August 2023. This lease has the option to be extended for another 6 months if required. There are two sub leases of that space for which rental income is received.
2. Thirteen rural properties with a combined area of some 220 hectares were originally purchased for the Proposed Dunoon Dam. Leases include both residential houses and agistments. These properties are currently being held until all investigations relating to the proposed Dunoon Dam are completed.
3. Perradenya Estate is being progressively subdivided and sold as residential allotments.

Property Pricing Strategy

In respect to property owned by Rous, both the commercial and rural leases are managed by licenced agents who act on Rous' behalf. Lease arrangements look to provide the best commercial advantage to Council.

The sub leases of the Administration Office are managed by Council staff who negotiate arrangements with tenants.

Perradenya Estate is marketed by local agents.

Property Operating Performance

The table below shows the forecast operating result, capital movements and cash reserve for the Property Reporting Unit.

Table 19: Property Forecast Operating Performance

Description	2024 Estimate \$	2025 Estimate \$	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$
Operating Income	197,800	105,200	95,300	138,600	164,700	164,500	164,200	163,800	163,400	162,900
Operating Expense	321,600	245,100	198,700	196,400	147,400	146,900	147,500	148,900	149,500	151,300
Operating Result	(123,800)	(139,900)	(103,400)	(57,800)	17,300	17,600	16,700	14,900	13,900	11,600
Less: Depreciation	43,200	43,800	44,500	45,200	45,900	46,600	47,300	48,000	48,700	49,400
Operating Result Excluding	(80,600)	(96,100)	(58,900)	(12,600)	63,200	64,200	64,000	62,900	62,600	61,000
Add: Capital Income	0	3,372,800	2,900,000	2,900,000	0	0	0	0	0	0
Less: Capital Expense	2,266,900	2,568,600	2,569,400	70,200	71,900	73,600	74,400	76,200	76,700	77,200
Transfer to Reserve	1,000,000	708,100	271,700	2,817,200	0	0	0	0	0	0
Transfer from Reserve	2,347,500	500,000	0	500,000	8,700	9,400	10,400	13,300	14,100	16,200
Estimated Cash Reserve \$	61,900	270,000	541,700	2,858,900	2,850,200	2,840,800	2,830,400	2,817,100	2,803,000	2,786,800

The Reporting Unit is forecast to make recurrent operating losses. Income from renting rural properties is slightly less than direct expenses (excludes overheads and depreciation) whilst Perradenya operating expenses are included in the operating result, but the income is capital in nature.

Exclusive of rural properties and Perradenya operating expenses, properties is a marginal exercise involving one commercial property and sub-leases of the Molesworth Street administration building. A surplus is difficult to achieve once depreciation, staff time and administration expenses are brought to account. If or when opportunities for sales arise, they would be considered.

The forecast improves in the later years of the model, as the Perradenya operating costs decline once the lots are sold.

Perradenya Estate has capital expense associated with construction costs and capital income from the land sales. Over the life of the model, three separate releases are proposed being stage 7, the integrated lot and a commercial lot. There is a positive cash balance forecast at the end of the ten-year LTFF.

Once the property portfolio excludes Perradenya and Rural properties, Council may take the decision to eliminate the Property Reporting Unit. Any remaining financial transactions including cash reserves would become part of Bulk Water Reporting Unit. The rural properties are located around the previously proposed Dunoon Dam site and as such are connected to the FWP.

Fleet Reporting Unit

Fleet Reporting Unit comments

Unless otherwise stated the forecasts refer to the 2023/24 year.

- Operating Income
 - Interest on funds invested, fuel tax credit rebates and staff contributions for private use of vehicles account for total operating income, forecast at \$126,100.
 - Note that plant hire income is viewed as a negative expense.
- Operating Expense
 - Total operational expense is expected to be around \$764,100 plus \$395,900 for depreciation. Plant hire income (\$1,030,600) is calculated to approximately offset anticipated expenses once operating income has been brought to account.
- Capital Expense
 - Average annual spend over the life of the model is \$393,600 which is the net cost of vehicle turnovers. i.e. includes trade value.

The role of the Fleet Reporting Unit is to provide all other Reporting Units with fit-for purpose fleet at an economical rental. The Reporting Unit manages vehicles, boats, trailers and heavy plant. There are approximately 90 items within the Fleet.

General Operations

The intent is for the Fleet Reporting Unit to operate on a stand-alone basis. All expenses relating to management of the fleet are costed to Fleet Reporting Unit including fuel, maintenance, registration, insurance and capital purchases.

Vehicle types and length of service are varied to identify the best approach for Council to minimise the net holding cost. That cost is annualised and recovered from the Reporting Unit that uses the item based on hire rates.

The hire rate is designed to generate sufficient internal revenue to keep the fleet well maintained and replaced prior to a loss in service potential. The hire rate does not include any provision for fleet expansion.

Fleet Reporting Unit Operating Performance

The forecast is for an essentially break-even operating result and relatively stable cash reserves.

Table 20: Fleet Reporting Unit Forecast Operating Performance

Description	2024 Estimate \$	2025 Estimate \$	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$
Operating Income	126,100	116,000	110,000	107,600	102,000	101,300	102,900	106,700	110,600	114,700
Operating Expense	129,400	103,600	91,900	101,100	73,200	79,500	85,900	92,400	99,000	105,700
Operating Result	(3,300)	12,400	18,100	6,500	28,800	21,800	17,000	14,300	11,600	9,000
Less: Depreciation	395,900	401,800	407,800	413,900	420,100	426,400	432,800	439,300	445,900	452,600
Operating Result Excluding	392,600	414,200	425,900	420,400	448,900	448,200	449,800	453,600	457,500	461,600
Add: Capital Income	0	0	0	0	0	0	0	0	0	0
Less: Capital Expense	421,400	580,000	298,000	389,300	481,000	466,000	325,000	325,000	325,000	325,000
Transfer to Reserve	0	0	127,900	31,100	0	0	124,800	128,600	132,500	136,600
Transfer from Reserve	28,800	165,800	0	0	32,100	17,800	0	0	0	0
Estimated Cash Reserve \$	1,132,000	966,200	1,094,100	1,125,200	1,093,100	1,075,300	1,200,100	1,328,700	1,461,200	1,597,800

Plant hire income is treated as a negative expense, so operating expenses are essentially cancelled out by internal hire income. It is important that the Reporting Unit does not make a significant profit or loss. Either outcome indicates that the other Reporting Units are being over or under charged and the hire rates need to be adjusted.

The cash surplus is designed to approximate depreciation which should be roughly equal to the net annual capital expense. This means that the cash surplus is being reinvested into the fleet in the form of replacing and updating existing fleet items. The reserve will meet its internal cash reserves target of four-month operating expenditure throughout the ten-year LTFP.

Other matters

– Overhead Charges

Financially the organisation is split into different Reporting Units. This is done so that the financial performance and position of each Reporting Unit can be evaluated and policies, practices and pricing strategies can be designed to suit. Further, it is a means of being transparent and minimising cross subsidies between the Reporting Units.

Expenses commonly termed as 'overheads' are charged to Bulk Water Reporting Unit and then distributed to the smaller Reporting Units. These costs include items such as Information Technology, Finance, Human Resources and Governance. Bulk Water Reporting Unit has been accepting a greater share of these costs than is equitable.

Strategies are in place to improve this distribution such as increasing the annual contribution by arbitrary amounts plus cost of living. However, it is a work in progress and it will be some years before it is complete.

– Statement of Revenue policy - 2023/24

Proposed fees and charges for the 2023/24 financial year include: -

- Bulk water sales revenue – an increase of 6.0% to \$2.28 per kilolitre.
- Retail water sales – an increase of 7.0% to \$3.04 per kilolitre for water usage. The fixed facility charges will also increase by 7.0%.
- Developer charges – an increase of 7.5% to \$9,951.00 per equivalent tenement (based on the revised Development Servicing Plans that were adopted by Council in February 2023 [6/23] adjusted for CPI).
- A developed charge for Retail customers of \$384.00 has also been introduced as part of the revised Development Servicing Plans.
- Weed biosecurity contributions – an increase of 3.70% in line with rate pegging.
- Flood mitigation contributions – an increase of 10.0%.
- Ex-drainage union contributions - an increase of 3.70% in line with rate pegging.
- Backflow device annual charge – a fee of \$196.00 (this charge will only be applied on a pro-rate basis after installation and has not increased from last year).
- Property information certificates – no increase to fee of \$90.00 as prescribed by section 603 of the Local Government Act 1993.
- Interest on overdue water accounts – remains at 6.0% as prescribed by section 566(3) of the Local Government Act 1993.
- Other fees have generally increased by CPI of 7.8% or less and in many cases have not been increased at all.

Governance

Council adopted the current Integrated Planning and Reporting Framework in 2022. That Framework is applicable for a 3 year period to 30 June 2025 (not the usual 4 year period) due to various changes implemented by the NSW Government in response to COVID19.

The key themes of the Integrated Planning and Reporting Framework were the product of a range of consultative processes which included input from constituent councils. The themes remain current and applicable for 2023/24:

(i) Sustainable delivery

Delivery priorities include:

- (a) Contributing to the protection and enhancement of our region's environment and natural resources.
- (b) Responding to climate change impacts and reducing our carbon emissions.
- (c) Planning for a water-secure future and responding to the demands of regional population growth.
- (d) Sustainably using our human, financial and other resources through sound business planning and ongoing improvements.

(ii) External relationships

Delivery priorities include:

- (a) Proactive and positive engagement with our constituent councils to support the achievement of shared objectives.
- (b) Building community understanding of the breadth of functions and results that Council delivers across the region.
- (c) Maintaining strong relationships with others to promote positive business, environment and community outcomes.
- (d) Being well-positioned to win Government funding opportunities.

(iii) Our people

Delivery priorities include:

- (a) Forecasting future workforce skill needs and finding solutions to fill skills gaps.
- (b) Further enhancing our leadership culture.
- (c) Crafting opportunities for our staff to learn and develop skills that are needed for achieving our organisation objectives.
- (d) Being an employer our employees are proud to work for.

(iv) Leadership and innovation

Delivery priorities include:

- (a) Confirming our leadership role in the region for water supply, weed biosecurity and flood mitigation.
- (b) Providing a more consistent and cohesive service delivery model to our constituent councils.
- (c) Exploring new technologies and approaches as solutions to addressing service delivery issues.
- (d) Responding proactively to a change regulatory environment.

The actions in the draft Operational plan reflect the themes, delivery priorities and objectives set out in the Integrated Planning and Reporting Framework.

No substantial changes to the Delivery program are recommended. Two minor changes are however recommended:

- 1.4.2: 'Implement Richmond Water Laboratories Strategic Plan': delete Y2 dot (action no longer relevant due to the closure of the laboratory).
- 4.2.1: Reword to reflect the Digital Strategy and Digital Transformation body of work (endorsed by Council at its 14 December 2022 meeting).

Council has until 30 June 2023 to endorse the draft Operational plan and its supporting elements.

Consultation

If approved, the draft Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy) will be publicly exhibited for at least 28 days and public submissions invited. Advice regarding any public submissions received will be reported to Council's June 2023 meeting. Otherwise, if no public submissions are made, it is proposed that the documents, as placed on public exhibition, be deemed to be adopted.

The proposed changes to the Delivery program are considered minor in nature and do not require public exhibition.

Conclusion

The proposed draft Operational plan (incorporating the 2023/24 Budget and 'Revenue' policy) is recommended to Council for public exhibition.

Attachments:

1. Long-Term Financial Plan 1 July 2023 to 30 June 2033 (concise)
2. Statement of Revenue policy 2023-2024
3. Draft Operational plan 2023-2024
4. Delivery program 2022-2025 (incorporating minor amendments)