



BUSINESS PAPER

**Economic and Community
Sustainability Committee Meeting
Wednesday, 12 April 2023**

INVERELL SHIRE COUNCIL**NOTICE OF ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MEETING**

6 April, 2023

An Economic and Community Sustainability Committee Meeting will be held in the Committee Room, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 12 April, 2023, commencing at **10.30am**.

Your attendance at this Economic and Community Sustainability Committee Meeting would be appreciated.

Please Note: Under the provisions of the Code of Meeting Practice the proceedings of this meeting (including presentations, deputations and debate) will be recorded. The audio recording of the meeting will be uploaded on the Council's website at a later time. Your attendance at this meeting is taken as consent to the possibility that your voice may be recorded and broadcast to the public.

I would like to remind those present that an audio recording of the meeting will be uploaded on the Council's website at a later time and participants should be mindful not to make any defamatory or offensive statements.

P J HENRY PSM

GENERAL MANAGER

Agenda

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Ethical Decision Making and Conflicts of Interest

A guiding checklist for Councillors, officers and community committees

Ethical decision making

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Do you stand to gain personally at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

Conflict of interest

A conflict of interest is a clash between private interest and public duty. There are two types of conflict:

- **Pecuniary** – regulated by the *Local Government Act 1993* and Office of Local Government
- **Non-pecuniary** – regulated by Codes of Conduct and policy. ICAC, Ombudsman, Office of Local Government (advice only). If declaring a Non-Pecuniary Conflict of Interest, Councillors can choose to either disclose and vote, disclose and not vote or leave the Chamber.

The test for conflict of interest

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of 'corruption' – using public office for private gain.
- Important to consider public perceptions of whether you have a conflict of interest.

Identifying problems

- 1st** Do I have private interests affected by a matter I am officially involved in?
2nd Is my official role one of influence or perceived influence over the matter?
3rd Do my private interests conflict with my official role?

Local Government Act 1993 and Model Code of Conduct

For more detailed definitions refer to Sections 442, 448 and 459 or the *Local Government Act 1993* and Model Code of Conduct, Part 4 – conflicts of interest.

Disclosure of pecuniary interests / non-pecuniary interests

Under the provisions of Section 451(1) of the *Local Government Act 1993* (pecuniary interests) and Part 4 of the Model Code of Conduct prescribed by the Local Government (Discipline) Regulation (conflict of interests) it is necessary for you to disclose the nature of the interest when making a disclosure of a pecuniary interest or a non-pecuniary conflict of interest at a meeting.

A Declaration form should be completed and handed to the General Manager as soon as practicable once the interest is identified. Declarations are made at Item 3 of the Agenda: Declarations - Pecuniary, Non-Pecuniary and Political Donation Disclosures, and prior to each Item being discussed: The Declaration Forms can be downloaded at [Disclosure of pecuniary interests form](#) or [non-pecuniary interests form](#)

Quick Reference Guide

Below is a legend that is common between the:

- Inverell Shire Council Strategic Plan;
- Inverell Shire Council Delivery Plan; and
- Inverell Shire Council Operational Plan.

OUR DESTINATIONS



01 LEADERSHIP



We will be an accountable and responsible Council that will be involved with the community and responsibly manage public resources.

02 PROSPERITY



The Shire has a diverse, strong local economy that provides opportunities that contribute to the quality of life for the community.

03 LIVEABILITY



Our community is healthy, safe, educated and offers opportunities for people of all ages and abilities. We value our natural and built environment.

04 SERVICES & INFRASTRUCTURE



Our community is enhanced by the provision of civic services and infrastructure. These services are planned and financially sustainable.

1 APOLOGIES

2 CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Economic and Community Sustainability Committee Meeting held on 8 March, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.

**MINUTES OF INVERELL SHIRE COUNCIL
ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MEETING
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 8 MARCH 2023 AT 12.10 PM**

PRESENT: Cr Paul King OAM (Chair), Cr Kate Dight, Cr Nicky Lavender and Cr Jo Williams.

IN ATTENDANCE: Cr Stewart Berryman, Cr Jacko Ross and Cr Wendy Wilks.

Paul Henry (General Manager), Brett McInnes (Director Civil & Environmental Services) and Paul Pay (Director Corporate and Economic Services).

1 APOLOGIES

COMMITTEE RESOLUTION

Moved: Cr Kate Dight

Seconded: Cr Nicky Lavender

That the apology received from Cr Paul Harmon and Cr Baker for personal reasons be accepted and leave of absence granted.

CARRIED

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Nicky Lavender

Seconded: Cr Jo Williams

That the Minutes of the Economic and Community Sustainability Committee Meeting held on 8 February, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

3 DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

Nil

4 DESTINATION REPORTS

4.1 EXPIRING LICENCE AGREEMENT - MR IAN VIVERS S5.10.164

COMMITTEE RESOLUTION

Moved: Cr Kate Dight

Seconded: Cr Jo Williams

The Committee recommends to Council that:

- i) Council renew the Licence Agreement with Ian Vivers for Lot 287 DP 750076 Eastern Feeder Road, Inverell, for a two (2) year period with a further two (2) year option;
- ii) the Licence fee be \$225.11 per annum (GST Inclusive) with a 3% increase per annum; and
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

CARRIED

4.2 EXPIRING LICENCE AGREEMENT - MR GEORGE HUNT, YETMAN GENERAL STORE - SUPPLY AND SALE OF FUEL S5.4.7

COMMITTEE RESOLUTION

Moved: Cr Nicky Lavender

Seconded: Cr Jo Williams

The Committee recommends to Council that:

- i) Council renew the licence agreement with Mr George Hunt for the supply and sale of fuel at the Yetman General Store located at 40 Warialda Street, Yetman (Lot 1, DP335538);
- ii) The Licence Agreement be for a (5) year term with a further five (5) year option under the same terms and conditions;
- iii) The Licence fee be a 'peppercorn' rental; and
- iv) The Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

CARRIED

4.3 2023 GENERAL LAND REVALUATION (2022 BASE DATE) S25.12.11

COMMITTEE RESOLUTION

Moved: Cr Kate Dight

Seconded: Cr Nicky Lavender

The Committee recommends to Council that the report be received and noted.

CARRIED

4.4 MEMBERSHIP OF ABORIGINAL CONSULTATIVE COMMITTEE S2.14.1

COMMITTEE RESOLUTION

Moved: Cr Paul King OAM

Seconded: Cr Kate Dight

The Committee recommends to Council that Council appoint Vicky Duncan, Leroy Connors, Belinda (Natalie) Delaney, Darren Finn, Amelia Kellner, Sue Blacklock, James Sheather and Melanie (Jane) Blair as community representatives to the Inverell Shire Aboriginal Consultative Committee for a period of two (2) years.

CARRIED

5 GOVERNANCE REPORTS**5.1 GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2****COMMITTEE RESOLUTION**

Moved: Cr Kate Dight

Seconded: Cr Nicky Lavender

The Committee recommends to Council that:

- i) the report indicating Council's Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

CARRIED

The Meeting closed at 12.24PM.

3 DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

4 DESTINATION REPORTS

4.1 2025 AUSTRALIAN LOCAL GOVERNMENT WOMENS ASSOCIATION (ALGWA) CONFERENCE

File Number: S4.3.1 / 23/9569

Author: Paul Henry, General Manager

SUMMARY:

Information has been gathered regarding the cost of possibly hosting the 2025 ALGWA NSW Branch Conference.

RECOMMENDATION:

A matter for the Committee.

COMMENTARY:

At a recent briefing session, the possibility of Inverell Shire Council submitting an Expression of Interest for hosting rights for the 2025 ALGWA Conference was raised. Information was sought from the Secretary of the Association regarding the host responsibilities.

The following information was supplied by the Association:

1. Essential Criteria

A host must be able to provide facilities that meet this standard:

- Accommodation: 80 rooms with private facilities
- Conference Venue: Auditorium (200 Seated); separate rooms for ALGWA office, trade display area, a 'break out' area' for ALGWA committee members.
- ALGWA office to have space for 2 desks, laser printer, photocopier, 6 chairs and space for counting of ballots.
- A dinner venue which is a maximum 15 minutes from conference venue.
- Child care facilities for use during conference and social functions.

General Manager's Note: No venue in Inverell would meet these requirements.

2. Host's Responsibilities

The host Council is responsible for ensuring that arrangements for all facets of the conference are completed to the highest possible standard. All the elements of the conference must be agreed to by the ALGWA Executive.

Specific responsibilities are:

- Organise social and partners programs
- Securing business and social venues
- Securing and arranging accommodation bookings
- Arrange Conference Program

- Design and distribute registration forms
- Staff enquiry desk
- Arrange trade displays and sponsorship of Conference.

3. Who Pays

A host Council must meet the following costs:

- Mayoral reception for delegates, sponsors and trade exhibitors and other guests.
- Venue hire
- Partners program costs including meals
- Printing services
- Council staff costs – registration, returning officer and ‘troubleshooting’ tasks
- Optional – if Council engages a professional conference organiser these costs are to be met by the host, not be charged back to the conference budget.

General Manager’s Note: The information supplied by the Association does not provide an indicative cost for these responsibilities. Therefore, contact was made with Forbes Shire Council (host of the 2023 function) to seek guidance on this issue. The conference coordinator advised that a budget of \$150,000 has been set aside to meet these responsibilities.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

4.2 REQUEST FOR DONATION - NULLAMANNA RESERVE LAND MANAGER - COUNTRY HALLS TOUR**File Number:** S12.22.1/16 / 23/9675**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

A request for donation application form has been received by Council from the Nullamanna Reserve Land Manager for the upcoming Country Halls Tour.

RECOMMENDATION:

That Council decline the opportunity to sponsor the Country Halls Tour.

COMMENTARY:

Council is requested to provide a donation of \$500 towards the cost of hosting the 10^{-year} anniversary Country Halls tour.

On Sunday, the 7th of May, 2023, Fanny Lumsden, winner of 5 CMAA Golden Guitar awards including the 2021 album of the year and an ARIA for best Country Album of the year in 2020 and her band will be performing at the Nullamanna Hall as part of the first leg of the [2023 Country Halls Tour](#). The Country Halls Tour have been putting on shows for the last 10 years in regional and remote Australia.

The cost to the Nullamanna Reserve Land Manager for hosting the concert is \$2,300. This includes a \$1110 payment to Red Dirt Road Productions, BBQ lunch and dinner (\$995) and the cost of meals for the production crew (\$150). This does not include the cost for accommodation; support for this will be sought elsewhere. Red Dirt Road Productions will pay the hire fee of the hall, which is \$150.

The ticket cost is \$35 per adult and all monies from ticket sales go to Red Dirt Road Productions.

The Nullamanna Reserve Land Manager and local volunteers will assist with the set up and pack up on the day along with manning the door and supporting ticket sales and promotion prior to the event.

Red Dirt Road productions will include 'shout outs' of sponsors in the media promotion of the event and there is the option to have sponsor's logos added to printed media.

The Committee is requested to determine if it wishes to provide a donation towards the cost of the Country Halls Tour, and if so, in what capacity.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Should Council choose to support this event sufficient funding is available in Council's Donation budget - \$28,543.39

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

4.3 REQUEST FOR SPONSORSHIP - DISTRICT 90 TOASTMASTERS**File Number:** S12.22.1/16 / 23/10583**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

A request for sponsorship including a Request for Donation Application Form has been received by Council from the District 90 Toastmasters Group.

RECOMMENDATION:

That Council decline the opportunity to take out a sponsorship package.

COMMENTARY:

A letter and an accompanying Request for Donation Application Form has been received at Council by Janet Coleman, the Chairperson of the District 90 Toastmasters Group. A request has been made for Council to provide sponsorship at one of the tiered levels for their annual conference being held at the Inverell RSM Club on the 19th, 20th and 21st May, 2023.

The tiered sponsorship package are \$100, \$250, \$500 or \$1500.

It is expected that approximately 100 people from northern NSW and Southern QLD will be in attendance at the conference and organisers see the event as an opportunity to show case the Inverell shire to those in attendance.

A copy of the correspondence received including the program and the sponsorship opportunities is attached. Please note: a budget has been requested but has not been received at the time of finalising this report.

The Committee is requested to determine if sponsorship of the event will be provided, and if so, at what tiered level.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Should Council choose to support this event sufficient funding is available in Council's Donation budget - \$28,543.39.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

1. Request for Sponsorship - District 90 Toastmasters Annual Conference. [↓](#)

INVERELL SHIRE COUNCIL

29 MAR 2023

To whom it may concern,



On the 19/20/21 May there will be approximately 100 Toastmasters from across the Northern half of NSW and southern Queensland in Inverell for our Annual Conference.

It is the intention of the Organising Committee to showcase the awesome region that is our Sapphire City. The committee would like to invite you to support our Annual Conference, by sponsoring the conference at one the tiers, attached.

There are a number of items that you could assist with – the printing of program booklets, cost of trophies, and the very useful gift cards for thank you gifts and to raffle

In return, we will promote your business in the Conference program book, satchels and during the weekend of the conference. Your sponsorship will allow us to successfully run the conference, and minimise the cost to members, so that they can spend more in our town.

If you are able to assist, please contact me on email or mobile, as noted below and I will send you an invoice with all the details on it.

Our sincere thanks for your consideration.

Kind regards

J L Coleman

"Integrity Respect Service Excellence"

Jan Coleman DTM

0429307975

janetlcoleman@gmail.com

Area 17 Director 2022-2023

District 90 Annual Conference Chair 2022-2023



D90 ANNUAL CONFERENCE

INVERELL 19th 20th 21st MAY 2023



Friday 4pm

Registration and Information Desk
Opens

Banner Parade

Grazing Boards

Evaluation Speech Contest

Saturday 7am

Registration and Information Desk
Opens

Buffet Breakfast - Candidate Showcase

Morning Tea – Educational/Workshop

Table Topics Contest

Lunch – Educational/Workshop

Afternoon Tea – District Council
Meeting

Gala Dinner

International Speech Contest

Keynote Speaker

...and more

“IGNITE THE PASSION WITHIN YOU”

REGISTRATION NOW OPEN

<https://www-d90toastmasters-org-au.cgi-data.com/webform/886797.cgi>

VENUE INVERELL RSM

Full Conference Cost

\$180 Early Bird

\$200 after 28 April 2023

\$25 On Line

Conference Chair Jan Coleman annconf@D90toastmasters.org.au

Registration Officer Charmaine Priestley confrego@d90toastmasters.org.au

Sunday 7-30 am

Registration and Information Desk
Opens

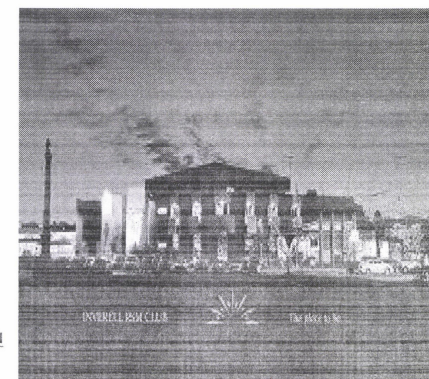
Buffet Breakfast

Educational/Workshop – Morning Tea

Humorous Speech Contest

Presentations and meet the new team

Lunch - Close



District 90 Annual Conference

“IGNITE THE PASSION WITHIN YOU”

19th – 20th – 21st May 2023
Inverell RSM Club



Sponsorship opportunities

	Sponsor	Bronze sponsor	Silver sponsor	Gold sponsor
Investment	\$100	\$250	\$500	\$1,500 plus
Free tickets for first-time attendees	20% discount off 1 x event ticket	1 gala dinner ticket	2 gala dinner tickets	2 event tickets+ 2 gala dinner tickets
Promotional opportunities	Logo on event program	Logo on event program	Logo on event program	Logo on event program
		Brochures/branded merchandise in attendee packs	Brochures/branded merchandise in attendee packs	Brochures/branded merchandise in attendee packs
			Still ad on electronic noticeboard	Still ad on electronic noticeboard
			Features in D90 newsletter in lead-up to conference	Features in D90 newsletter in lead-up to conference
			Microphone time (provide script to emcee)	Microphone time (provide script to emcee)
			Display banners/signage in event space	More prominent display banners/signage in event space
				Features on D90 social media in lead-up to conference
				Logo on title/holding slides

4.4	2023/2024 DRAFT ESTIMATES AND OPERATIONAL PLAN, AND LONG TERM FINANCIAL PLAN
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File Number: S12.5.3 / 23/10628

Author: Paul Pay, Director Corporate and Economic Services

SUMMARY:

The purpose of this report is to consider the draft 2023/2024 Operational Plan and Budget, the Long-Term Financial Plan, and to make a recommendation to Council on this matter.

RECOMMENDATION:

1. That the following works be funded from the Urban Works Vote and be included in the 2023/2024 Budget:

i) Inverell and Villages - Urban Renewal and Upgrade General Fund, Water Fund

		General Fund	Water Fund
A	Inverell and Villages - Urban Renewal and Upgrade <i>Project subject to a further report to Civil and Environmental Committee</i>	\$531.14K	\$ 0K
B	Urban Work Contribution to Pool Loan	\$78.75K	
C	Footpaths and Cycleway Construction \$ for \$ Contribution to PAMP Program (Subject to RMS approving the 2023/2024 Program)	\$48.69K	
D	Village Works – Community suggested projects		
	Ashford	\$ 7.70K	
	Delungra	\$ 7.70K	
	Gilgai	\$ 7.70K	
	Yetman	\$ 7.70K	
	Tingha	\$ 7.70K	
	Oakwood	\$ 1.17K	
	Bonshaw	\$ 1.17K	
	Graman	\$ 1.17K	
	Nullamanna	\$ 1.17K	
	Elsmore	\$ 1.17K	
	Stannifer	\$ 1.17K	
	Gum Flat	\$ 1.17K	
TOTALS		\$ 705.06K	\$0K

2. That:

- i) the budget allocations of \$2.563M for the 2023/2024 ACRD Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the funding allocations and individual works proposed to be undertaken under this program;
- ii) the budget allocations of the \$160K RMS Supplementary Block Grant Program be the subject of a further report to the Civil and Environmental Services Committee Meeting;
- iii) the budget allocation of \$2.972M for the 2023/2024 Block Grant Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded; and
- iv) the budget allocation of \$1.402M for the 2023/2024 Roads to Recovery Program be

endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded; and

- v) the budget allocation of \$544.99K for the RMS Repair Program be endorsed and a report on the projects for the RMS approved Repair Program for 2023/2024 be presented to the Civil and Environmental Services Committee once advice has been received.*

3. That Council utilises the maximum permissible rate increase allowed by IPART of 3.7%.

4. That:

- i) Council provide an allocation of \$105K for joint industry promotions and assistance;*
- ii) the 2023/2024 Strategic Capital Infrastructure Fund of \$650K be utilised for loan repayments for the Inverell Aquatic Centre Redevelopment;*
- iii) The budget allocation of \$324K for the 2023/2024 Special Projects – Roads Infrastructure Fund be endorsed;*
- iv) A further report be presented to the Civil and Environment Committee in respect of the specific projects to be funded under the Special Projects – Roads Infrastructure Fund;*
- v) the transfers to and from Internally Restricted Assets be endorsed; and*
- vi) the list of inclusions as included in the 2023/2024 draft Operational Plan/Budget and listed in section 5.2.2 & 5.2.3 of the report be endorsed.*

5. That:

- i) The following rating categories be utilised for the 2023/2024 rating year:*

Residential – Inverell

Residential – General

Residential – Ashford

Residential – Delungra

Residential – Gilgai

Residential – Yetman

Residential - Tingha

Residential – Rural

Business – Inverell Industrial/Commercial

Business – Other

Farmland

Mining

- ii) A General Base Amount of \$235 plus an Ad Valorem Rate be determined for the categories detailed in above.*

6. *The Interest Rate applicable to Outstanding Rates and Charges for 2023/2024 be the maximum allowable as advised by the Office of Local Government.*
7. *That the following Waste Management Charges be adopted:*

i)	<i>Waste Management Charge – All Properties</i>	<i>\$96.00</i>
ii)	<i>Domestic Waste Management - Occupied Charge: per service per assessment</i>	<i>\$398.00</i>
iii)	<i>Domestic Waste Management - Occupied Charge</i>	<i>\$398.00</i>
	<i>Tingha Boundary Adjustment – properties with 140lt garbage bin per service per assessment</i>	
iv)	<i>Domestic Waste Management – Unoccupied Charge</i>	<i>\$72.00</i>
v)	<i>Weekly Commercial Waste Management Charge</i>	<i>\$398.00</i>
	<i>(This Charge is levied per Service, and GST is charged if applicable)</i>	
vi)	<i>Weekly Commercial Recycling Charge (ex GST)</i>	<i>\$150.00</i>
vii)	<i>Fortnightly Commercial Recycling Charge (ex GST)</i>	<i>\$80.00</i>
	<i>(These Charge are levied per Service, and GST is charged if applicable)</i>	
8. *That the Fees and Charges, as recommended, be adopted.*
9. *That:*
 - i) *the Stormwater Management Service Charge be set at the maximum amount allowable of \$25.00 per Residential Premises, \$12.50 per Residential Strata lot, and \$25.00 for Business Premises for each 350 square metres or additional part thereof, subject to a maximum charge on Business Premises of \$200.00; and*
 - ii) *the Stormwater Management Program as recommended being Gilgai Drainage Project as per the adopted Gilgai Drainage Upgrade Plan, be adopted.*
10. *That:*
 - i) *the report on the balanced budget be noted;*
 - ii) *the draft estimates (incorporating the Operational Plan and Long-Term Financial Plans) for the General Activities for 2023/2024 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*
11. *That:*
 - i) *the Sewerage Charges as listed below be adopted for 2023/2024:*

Charge	\$
Sewerage Charge Occupied	612.00
Sewerage Charge Unoccupied	385.00
Sewerage Charge Flats/Units	385.00
Sewerage Charge Nursing Homes	2,870.00
Sewerage Charge Inverell Showground	3,882.00
Sewerage Charge Hotel/Licensed Clubs	1,830.00

Number of Services per Assessment	Annual Charge Per Assessment \$
1	612.00
2	997.00
3	1,382.00
4	1,767.00
5	2,152.00
6	2,537.00
7	2,922.00
8	3,307.00
9	3,692.00
10	4,077.00
11	4,462.00
12	4,847.00
13	5,232.00
14	5,617.00
15	6,002.00
16	6,387.00

Charge Structure for Non-Rateable Properties

Charge	\$
Non-ratable - Schools - wc's	116.00
Non-ratable - Other - wc's	146.00
Non-rayable - Urinals	116.00

Charge Structure for Motels and Caravan Parks

In accordance with the charge structure for Motels and Caravan Parks the following charges are proposed for 2023/2024:

Charge	\$
Motel Residence	1,830.00
Motel Restaurant	612.00
Motel Ensuite	193.00
Caravan Park Residence	612.00
Caravan Park Amenities Block	1,830.00
Caravan Park Ensuite Cabins	193.00

Charge Structure for Showgrounds

In accordance with the charge structure for Inverell Showgrounds the following charges are proposed for 2023/2024:

Charge	\$
Inverell Showgrounds	3,882.00

- ii) The Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2023/2024 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

12. *That:*

- i) a water availability base charge of \$430.00 per assessment (includes first water meter) be adopted for 2023/2024;*
- ii) a water charge of \$430.00 per additional water meter, per assessment be adopted for 2023/2024;*
- iii) a water charge of \$430.00 per assessment (includes first water meter) be adopted for properties within the Tingha Boundary Adjustment area for 2023/2024;*
- iv) a water charge of \$430.00 per additional water meter, per assessment be adopted for properties within the Tingha Boundary Adjustment area for 2023/2024;*
- v) a charge of \$2.02 per kilolitre be adopted for commercial water consumption for 2023/2024;*
- vi) a charge of \$2.02 per kilolitre, 0 to 600 kilolitres and \$2.33 per kilolitre over 600 kilolitres be adopted for residential water consumption for 2023/2024;*
- vii) a charge of \$1.08 per kilolitre be adopted for water consumption - Abattoirs, plus a 20 per cent early settlement discount for 2023/2024;*
- viii) a charge of \$1.08 per kilolitre be adopted for Community Facilities water consumption; eligible entities include: Inverell Minor League, Inverell Golf Club, Inverell Tennis Club, Inverell Rugby Club, Gilgai Tennis Club, Inverell Equestrian Council and Inverell Shire Council (Sporting fields and Parks) for 2023/2024;*
- ix) a charge of \$0.53 per kilolitre be adopted for Raw Water consumption for 2023/2024; and*
- x) the draft Estimates (incorporating Operational Plan) for the Water Fund for 2023/2024 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

COMMENTARY:

Enclosed with this Business Paper is a copy of the draft 2023/2024 Operational Plan and Budget and Long-Term Financial Plan.

The draft Operational Plan indicates the “major” actions which will be undertaken by Council during the financial year 2023/2024, and the draft Budget indicates how these activities will be funded.

1. Draft Operational Plan and Budget guiding principles

Council has a policy of applying the following principles to the preparation of the Draft Operating Plan and Budget and Long-Term Financial Plan:

- Principle 1:** A “Balanced Budget” for all activities is to be presented for consideration.
- Principle 2:** Ensure the provisions of funds to meet operation costs of approved services is at a sustainable level, prior to allocating funds for capital projects.
- Principle 3:** The Draft Budget is to utilise the full “Rate Peg” approved by IPART for consideration.

These principles have been applied to the preparation of this document. However, the following matters are highlighted:

- i. Some votes have been reduced below the 2022/2023 level due to “special one off” expenditure being included in the votes in that year being excluded and also due to ongoing cost savings being identified.

The Budget has been predicated on the principle that the maintenance of existing facilities should be paramount and therefore maintenance votes in the works area have been maintained.

- ii. The continuation of Council’s “Strategic Capital Infrastructure and Projects Fund” as a vehicle for Council to be able to undertake strategic projects which enhance the amenity of the community and which provide Council with a capacity to attract grant funding (most grant funding now requires \$ for \$ matching contributions).

Council’s “Strategic Capital Infrastructure and Projects Fund” has been allocated to loan repayments for the Inverell Aquatic Centre Redevelopment.

- iii. A full “Rate Peg” of 3.7% has been utilised in the preparation of this budget.

2. Operational Plan and Budget Summary

The preparation of this budget can be summarised as:

1. Presents a balanced budget for all activities;
2. It is an “Operationally Sound” Budget. That is, this budget document provides for the continuation of all Council’s existing programs and services at their existing service levels with no service cuts;
3. No “Surplus funds” have been identified for allocation later in 2023/2024 as needs arise, with all revenues being matched to expenditure to maintain the Budget in balance; and
4. The Budget provides substantial funding for the ongoing implementation of Council’s Asset Management Program, which is a major requirement of the State Government under the Integrated Planning and Reporting Guidelines.

3. Factors Impacting the Budget:

When preparing the Budget, it was necessary for the following external factors (beyond Council's ability to control income/expenditure) to be considered. The factors include:

- Rate pegging limit – IPART has advised Council of the maximum permissible increase. The draft estimates have been prepared on the basis of Council utilising the full 3.7% increase in the General Activities rate income for 2023/2024. This is consistent with Council's Long-Term Financial Plan. The 3.7% increase yields Council additional revenue of \$556K additional rate income to that which was raised in 2022/23;

It is recommended that Council again take the maximum permissible increase allowed. Failure to do so will negatively impact Council's long-term sustainability;

- Total Fixed Cost increases in the General Fund of \$1.586M, Water Fund of \$590K and in Sewer Fund of \$126K;
- The electricity costs included in the draft Budget are \$529K General Fund, \$1.2M Water Fund and \$261K Sewer Fund for a total of \$1.990M, being an increase of \$684K on the 2022/2023 budget. Council's new two-year electricity contracts resulted in a significant increase in electricity costs;
- Wage and salary increase, averaging 5% (Local Government State Award commencing 1 July, 2023 has not yet been released), have been allowed for, including increases in respect of staff movements within Council's Salary System. The Superannuation Guarantee Charge has been allowed for at the legislated 11%, an increase of 0.5%.
- Insurance Premiums increased across the three (3) Funds by \$166K. Insurance expenditure now totals \$1.168M across the three (3) funds and is increasing at an alarming rate.
- The Financial Assistance Grant has been included at \$4.728M, the ACRD Road Grant at \$2.563M, the Roads to Recovery Grant at \$1.402M, RMS Repair Program at \$0.544M and the Regional Roads Block Grant at \$3.132M.
- The official Australia Cash Rate as set by the Reserve Bank (RBA) has increased significantly over recent months to 3.6% at the time of writing this report. The increase to previously seen low interest rates has increased Council's ability to generate interest revenue to offset Council's works program. The 2023/2024 budget has allocated \$884K in the General Fund, \$182K for the Water Fund and \$130K for the Sewer Fund.

Most Economists, including Council's investment advisor, Imperium Markets, and TCorp Local Government Services, have all indicated that interest rates will plateau during 2022/2023 with potential rate decreases in late 2023;

- Cost shifting is now reported by Local Government New South Wales (LGNSW) to be costing councils 6% of their Total Annual Revenues (in the General Fund this equates to \$2.147M or a 13.76% Rate Increase). Cost Shifting occurs when Federal and State Governments transfer the costs of delivering services and infrastructure onto Local Government, without providing the funding to Local Government to fund the service and infrastructure delivery.

Accordingly, Council does not have the financial capacity to fund new services or any capital projects other than those detailed in the budget report in the General Fund 2023/2024 draft Budget. The Water and Sewer Fund (these funds are restricted in their use by legislation and cannot be utilised outside of these activities) continue to have the capacity to fund new services and capital projects on a priority basis; however, the major focuses within the Water and Sewerage Funds are asset management and asset renewal.

On a cash basis, the General Fund will return a cash surplus of \$2,918, Water Fund a cash surplus of \$2,835 and Sewerage Fund a cash surplus of \$2,081 for a combined fund cash surplus of \$7,834.

4. 2023/2024 Budget Programs

The Budget contains a number of programs that require Council to include specific projects for funding during the budget period. The following matters are submitted for Council's determination:

4.1 Urban Works Program:

The Urban Works program is a multi-component joint program involving the General Fund and the Water Fund, supplemented by some minor grant funds. The General Fund funds drainage, kerb and gutter, road works, pedestrian works and beautification works. The Water Fund funds the replacement and relocation of the water mains out of the road into the footpath. Councillors will be aware that General Fund monies can be used for any purpose while Water Fund monies can only be utilised for activities associated with the maintenance and improvements of Council's Water Fund infrastructure.

In previous years, it has been the practice of Council to allocate \$1.0M from the General Fund (funded directly from rates collected in the Inverell Residential and Business area) for certain works in the Asset Renewal and Upgrade Works in the urban areas (Inverell and villages – the villages are subsidised by the Inverell residential ratepayers in respect of the Urban Works Program).

These works were carried out in the following areas:

- i) Urban improvement works/kerb and gutter;
- ii) Pavement widening;
- iii) Sealing of village streets/village works/beautification;
- iv) Footpath construction; and
- v) Urban drainage reconstruction.

In late 2009, Council adopted a new 10-year Road Infrastructure Financial and Asset Management Plan and with its adoption, it was determined that 2010/2011 would be a transition year and 2011/2012 would be the first year that the full amended categorisation of works would be undertaken. This transition saw the available funds for the Urban Works Construction/Asset Renewal Program reduce to \$517K, with the remainder (\$483K) of the Urban Works Construction/Asset Renewal funding being transferred to Rural Local Roads.

The 2023/2024 budget continues to use this financial plan. However, it is noted that under the Long-Term Financial Plan, the Urban works vote has increased by CPI each year to the current \$658.58K in 2023/2024. Plus, an allocation for Village Works of \$45.54K in 2023/2024.

It is also noted that under the current Long-Term Financial Plan the Urban Works Program will receive additional funding from 2023/2024 to 2032/2033 providing \$953K for the Urban works program in 2032/2033.

The following major work categories are now used as sub-components of the Urban Works Program:

A	Inverell and Villages - Urban Renewal and Upgrade	\$531.14K per annum allocation
B	Urban Work Contribution to Pool Loan	\$78.75K per annum allocation
C	Footpaths and Cycleway (PAMP)	\$48.69K per annum allocation
D	Village Works – community suggested projects	\$46.48K per annum allocation

The recurrent Urban Construction Budget allocation at \$658.58K represents only 4.7% of Council's 2023/2024 total Roads Budget and is 100% funded from the General Rates collected in the Inverell urban area.

It is recommended that the 2023/2024 Urban Works Program be allocated as follows:

		General Fund	Water Fund
A	Inverell and Villages - Urban Renewal and Upgrade <i>Project subject to a further report to Civil and Environmental Committee</i>	\$531.14K	\$ 0K
B	Urban Work Contribution to Pool Loan	\$78.75K	
C	Footpaths and Cycleway Construction \$ for \$ Contribution to PAMP Program (Subject to RMS approving the 2023/2024 Program)	\$48.69K	
D	Village Works – Community suggested projects		
	Ashford	\$ 7.70K	
	Delungra	\$ 7.70K	
	Gilgai	\$ 7.70K	
	Yetman	\$ 7.70K	
	Tingha	\$ 7.70K	
	Oakwood	\$ 1.17K	
	Bonshaw	\$ 1.17K	
	Graman	\$ 1.17K	
	Nullamanna	\$ 1.17K	
	Elsmore	\$ 1.17K	
	Stannifer	\$ 1.17K	
	Gum Flat	\$ 1.17K	
	TOTALS	\$ 705.06K	\$0K

COPY OF RECOMMENDATION:

That the following works be funded from the Urban Works Vote and be included in the 2023/2024 Budget:

- i) *Inverell and Villages - Urban Renewal and Upgrade General Fund, Water Fund*

		General Fund	Water Fund
A	Inverell and Villages - Urban Renewal and Upgrade <i>Project subject to a further report to Civil and Environmental Committee</i>	\$531.14K	\$ 0K
B	Urban Work Contribution to Pool Loan	\$78.75K	
C	Footpaths and Cycleway Construction \$ for \$ Contribution to PAMP Program (Subject to RMS approving the 2023/2024 Program)	\$48.69K	
D	Village Works – Community suggested projects		
	Ashford	\$ 7.70K	
	Delungra	\$ 7.70K	
	Gilgai	\$ 7.70K	
	Yetman	\$ 7.70K	
	Tingha	\$ 7.70K	
	Oakwood	\$ 1.17K	
	Bonshaw	\$ 1.17K	
	Graman	\$ 1.17K	
	Nullamanna	\$ 1.17K	
	Elsmore	\$ 1.17K	
	Stannifer	\$ 1.17K	
	Gum Flat	\$ 1.17K	
	TOTALS	\$ 705.06K	\$0K

4.2 2023/2024 Grant Funded Road Programs

Council receives financial support from the State and Federal Governments for the maintenance and enhancement of Council's road network. These support programs are:

A. Finance and Assistance Grants – Local Roads Component (ACRD)

The Financial Assistance Grant – Local Roads Component (Formerly ACRD) Grant is a Federal Government grant which provides approximately \$2.563M per year. The grant is not tied. However, Council has traditionally allocated the grant exclusively for expenditure on Rural and Urban Roads within the Shire. Council is one of the few Councils who continue to allocate this grant entirely to roads.

B. Roads to Recovery Program

The allocation of funds for 2023/2024 will be \$1.402M. The works to be completed under this program require Federal Government approval in accordance with the program guidelines. The program as proposed for 2023/2024 being entirely on the Rural Local Road Network, despite 22.39% of the grant being provided on the basis of the Shire's urban population and road length (ie \$314K provided on the basis of the Shire's urban population and road length).

It is noted that these matters will be subject to a report to the Civil and Environmental Services Committee and then adoption by Council prior to any works commencing.

Councillors should note that the funding provided to Council under this program is not ongoing. Funding is only guaranteed under Federal legislation for this program to the end of the current program in 2024. If this program is not continued, the impacts on Council's rural shire road assets and workforce will be significant.

C. RMS Supplementary Block Grant Program

The RMS Supplementary Block Grant Program (previously 3x4 Program) provides tied funds of \$160K to be utilised on the Regional Road Network for upgrade/major maintenance works. This amount has not increased in over 20 years.

It is proposed that the allocation of these funds in 2023/2024 be the subject of a further report to the Civil and Environmental Services Committee once this review is completed.

D. Block Grant Program – Regional Roads

Council will receive \$2.972M from NSW Roads and Maritime Services (RMS) Block Grant Program in 2023/2024 and \$544K from the RMS Repair Program for the carrying out of maintenance and improvement works on the regional road network. These funds cannot be expended outside of the regional road network and this program is subject to ongoing RMS audit.

A report on the projects for the Roads and Maritime Services approved Repair Program for 2023/2024 will be provided to the Civil and Environmental Services Committee once advice has been received in this matter.

Summary – Grant Funded Roads Program

The 2023/2024 Budget includes total income from these grant funded programs of \$7.642M.

In late 2009, Council adopted a new 10 Year Road Infrastructure Financial and Asset Management Plan and with its adoption it was determined that 2010/2011 would be a transition year and 2011/2012 would be the first year that the full amended categorisation of works would be undertaken. Accordingly, the 2023/2024 budget continues to allocate expenditure in the same proportions as outlined in the 10 Year Road Infrastructure Financial and Asset Management Plan.

The following table of grant funded road projects are made in the same proportions as the adopted 10 Year Road Infrastructure Financial and Asset Management Plan for each work category.

It is recommended that Council adopt the following budget allocations for 2023/2024 Grant Funded Roads Programs as per Table 1 below.

As stated above, the specific projects that will be funded from these allocations will be the subject of a further report to the Civil and Environmental Services Committee once priority of works have been determined in accordance with Council's Asset Management System.

TABLE 1**2023/2024 GRANT FUNDED ROADS PROGRAMS**

WORKS CATEGORY	DESCRIPTION	FUNDING SOURCE					TOTAL \$
		ACRD \$	BLOCK \$	BLOCK SUPP \$	R2R \$	REPAIR \$	
RESEALS	Regional Roads		444,340.00				444,340.00
	Repair Program Final Seals		104,920.00				104,920.00
	Urban	202,600.00					202,600.00
	Local/Rural	97,000.00			693,280.00		790,280.00
	Village	47,000.00					47,000.00
	Sub Total	346,600.00	549,260.00	-	693,280.00	-	1,589,140.00
GRAVEL RESHEETING	North	637,000.00					637,000.00
	South	641,000.00					641,000.00
	Sub Total	1,278,000.00	-	-	-	-	1,278,000.00
ROAD INFRASTRUCTURE	Other Programs		173,277.00				173,277.00
	Bitumen Renewal [#]	274,000.00	544,993.00	160,000.00	427,691.00	544,993.00	1,951,677.00
	Heavy Patching / Stabilisation		154,260.00		281,084.00		435,344.00
	Culverts/Causeways/Bridges						-
	Culverts - North	130,700.00					130,700.00
	Culverts - South	130,700.00					130,700.00
	Sub Total	535,400.00	872,530.00	160,000.00	708,775.00	544,993.00	2,821,698.00
OTHER PROGRAMS	Black Spot	27,860.00					27,860.00
	Environmental Works	6,330.00					6,330.00
	Traffic Facilities		164,000.00				164,000.00
	Pavement Mgt / Risk Management	30,430.00	16,140.00				46,570.00
	Sub Total	64,620.00	180,140.00	-	-	-	244,760.00
ROAD MAINTENANCE	Maintenance **	338,280.00	1,370,070.00				1,708,350.00
TOTALS		2,562,900.00	2,972,000.00	160,000.00	1,402,055.00	544,993.00	7,641,948.00

[#] Block Grant Bitumen Renewal is Councils matching allocation to the RMS Repair Program

^{**} Maintenance (Mtc) includes Shoulder Mtc, Bitumen Mtc, Roadside Growth Control, Roadside Furnishings, Structure Mtc, Gravel Patching, Grading, Heavy Patching

COPY OF RECOMMENDATION:

That:

- i) *the budget allocations of \$2.563M for the 2023/2024 ACRD Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the funding allocations and individual works proposed to be undertaken under this program;*
- ii) *the budget allocations of the \$160K RMS Supplementary Block Grant Program be the subject of a further report to the Civil and Environmental Services Committee Meeting;*
- iii) *the budget allocation of \$2.972M for the 2023/2024 Block Grant Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded;*
- iv) *the budget allocation of \$1.402M for the 2023/2024 Roads to Recovery Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded; and*
- v) *the budget allocation of \$544.99K for the RMS Repair Program be endorsed and a report on the projects for the RMS approved Repair Program for 2023/2024 be presented to the Civil and Environmental Services Committee once advice has been received.*

5. Revenue and Expenditure Matters

5.1 Revenue

A key principle applied to the preparation of a General Activity was the 'Operationally Sound' principle, which ensures all existing services were delivered, maintained and renewed to Council's service standards.

The key features of the 2023/2024 Budget are:

- A general rate increase allowable in terms of Section 506 of the Act (Ratepegging Section) for the 2023/2024 rating year is 3.7% and has been included to fund the increase in fixed costs in the General Fund. Revenue generated from levying the estimated maximum permissible increase of 3.7% is \$556K;
- Increases in Council's fixed cost, as detailed in section 5.2.1 below, are funded;
- It's a continuation of the existing rating structure ie Base amount and an ad valorem rate;
- A base rate of \$235.00; and
- The maximum permissible rate increase enables Council to meet all the State Government required benchmarks at 30 June, 2024, and also place Council in a sound position to maintain its existing service and infrastructure levels, and continue to address the infrastructure backlog on its road network.

Failure to take the maximum increase allowed will impact negatively on Council's sustainability in future years. The following table illustrates the long-term impact of not taking 2023/2024 rate peg increase of 3.7%. Council's budgeted revenue would decrease by \$557K in 2023/2024 increasing to \$704K in 2032/33. The accumulated loss in revenue over ten (10) years would be approximately \$6.3M.

Year		Rate Peg	Lost Revenue each year	Accumulated Total
1	2023/24	3.70%	\$ 556,511	\$ 556,511
2	2024/25	3.25%	\$ 574,597	\$ 1,131,108
3	2025/26	3.00%	\$ 591,835	\$ 1,722,943
4	2026/27	2.50%	\$ 606,631	\$ 2,329,574
5	2027/28	2.50%	\$ 621,797	\$ 2,951,371
6	2028/29	2.50%	\$ 637,342	\$ 3,588,713
7	2029/30	2.50%	\$ 653,275	\$ 4,241,988
8	2030/31	2.50%	\$ 669,607	\$ 4,911,595
9	2031/32	2.50%	\$ 686,347	\$ 5,597,943
10	2032/33	2.50%	\$ 703,506	\$ 6,301,449

Rate Peg from 2024/25 as per Long Term Financial Plan

COPY OF RECOMMENDATION:

That Council utilises the maximum permissible rate increase allowed by IPART of 3.7%.

5.1.1 Interest Revenue

The 2023/2024 budget allows for an interest rate of 2.6% and has allocated \$884K in the General Fund, \$182K for the Water Fund and \$130K for the Sewer Fund. Most Economists, including Council's investment advisor, Imperium Markets and TCorp Local Government Services, have all indicated that interest rates will plateau during 2022/2023 with potential rate decreases in late 2023.

Council Interest Equalisation Reserves can be used to supplement Council's interest revenue should interest rates fall below 2.6%.

During the 2021/2022 and 2022/2023 budget periods interest rates fell to historic lows. To fund the reductions in interest revenue Council made reductions to a number of non-operational budget allocations. Now that interest rates have returned to satisfactory levels the following budget allocations received a one-off allocation to restore their budgets to pre-2021/2022 levels:

	\$
Minor Community Infrastructure Assets	100,000
Community Building Partnership Program	60,000
Industrial Development	40,000
Joint Industry Promotions	35,000
Recreation/cultural Grants	10,000
Community Activities	10,000

5.2 Expenditure

In respect of the core budget, a continuation of all Council's existing services and infrastructure levels are maintained for 2023/2024. That said, Council will still need to take actions to ensure it continues to be sustainable in the long term. It will also be required going forward, that Council continue to carefully consider the impact that any new project, infrastructure or initiative will have on Council's Operational Budget. While Council has been able to absorb a range of cost increases in the past due to cost savings realised as a direct result of its operational efficiency and effectiveness program, this is now becoming very difficult.

5.2.1 Increases in Council's Fixed Costs

The increases in fixed costs across Council's budget have largely been in the areas of employment costs, contracts, materials, electricity/gas and fuel, insurances and legislative compliance. Examples of these cost increases are as follows:

i) Insurance:

Council's insurances increased significantly over the last decade. The following costs are expected in 2023/2024:

BUDGET		2022/2023 \$	2023/2024 \$	VARIANCE Increase/(Decrease) \$
Property Insurance	General Fund	631,220	738,290	107,070
	Water Fund	82,420	96,550	14,130
	Sewer Fund	44,720	52,360	7,640
Public Liability	General Fund	243,580	280,550	36,970
TOTALS		1,001,940	1,167,750	165,810

Note: As shown, Council's insurance costs are increasing by \$165,810. This increase reflects a general increase in insurance across Australia of approximately 16.5%. It is noted that the above table includes fleet insurance \$333,010 (up from \$304,890). Fleet insurance is funded by Council's Fleet Program.

ii) Legislative Compliance/State Government Charges:

It is difficult to calculate the current cost to Council for legislative compliance, as it is now a significant factor in almost all of Council's operations, especially in respect of the *WHS Act*.

The following fixed costs incurred by Council in respect of environmental legislative compliance costs are as follows:

	2021/2022 \$	2022/2023 \$	2023/2024 \$
EPA Licence	4,010	4,100	4,050
Environmental Monitoring	39,270	39,570	39,660
Environmental Works - Maintenance/Construction Programs	5,610	5,890	6,330
TOTALS	48,890	49,560	50,040

Fortunately, Council's waste operations are not subject to the state-based waste levies at this time. Should these become applicable to Council, a very substantial cost would apply which would need to be passed directly onto ratepayers.

Council also pays a load-based license fee for discharge from the Sewerage Treatment Works of approximately \$109K per annum.

Council continues to pay the following substantial increase in State Government charges incurred over recent years which are paid from Council's limited General Revenues:

- Increase contribution to NSW Rural Fire Service	\$ 172K
- Increase in Flood Gauge Maintenance Costs	\$ 50K
- Increase in Audit Fees (includes Internal Audit)	\$ 66K
TOTAL	\$ 288K

iii) Employment Costs – Combined Fund:

	General \$	Water \$	Sewer \$	TOTAL \$
Wages/Oncost	16,341,801	1,225,568	414,667	17,982,036
Superannuation	1,694,558	129,509	42,062	1,866,129
TOTAL 2023/2024	18,036,359	1,355,077	456,729	19,848,165
Wages/Oncost	15,224,907	1,157,294	393,932	16,776,133
Superannuation	1,514,539	115,872	44,270	1,674,681
TOTAL 2022/2023	16,739,446	1,273,166	438,202	18,450,814
Increase/(Decrease)	1,296,913	81,911	18,527	1,397,351

As shown above, the total net cost increase in employment costs for 2023/2024 will be \$1.397M across the three (3) funds, with an estimated award increase of 5% plus a legislated superannuation increase of 0.5%. Superannuation rates will increase from 9.5% in 2020/2021 to 12% in 2025/2026. This legislative increase will have a cumulative impact of approximately \$250K on Council's 2025/2026 budget.

The continuing large deficit in the now closed Defined Benefits Superannuation Scheme continues to impact Employer Superannuation Contribution Costs.

iv) Electricity

Electricity costs have increased significantly over the last twelve months and Council has not been immune to these increases. In the 2023/2024 Budget the following costs have been provided for in the Combined Fund:

BUDGET	2022/2023 \$	2023/2024 \$	VARIANCE Increase/(Decrease) \$
General Fund	438,710	529,040	90,330
Water Fund	706,400	1,200,300	493,900
Sewer Fund	160,900	260,600	99,700
TOTALS	1,306,010	1,989,940	683,930

Electricity increases in Water Fund of \$494K relate to water pumping costs. These increases will be funded by a significant rise in the water consumption charge with the per kilolitre (KL) charge increasing from \$1.78 to \$2.02 per KL for the first 600KL of water per year.

v) Contracts

The following Contract expenses are expected in 2023/2024.

BUDGET	2022/2023 \$	2023/2024 \$	VARIANCE Increase/(Decrease) \$
General Fund	972,300	1,026,410	54,110
Water Fund	11,300	11,300	0
Sewer Fund	5,500	5,500	0
TOTALS	989,100	1,043,210	54,110

The General Fund Contract costs have increased due to new cleaning contracts commencing in November 2022.

vi) Plant Charges

Council's Plant hire charges were increased in July 2022 by 3.58% to cover fixed operating costs, plus an additional increase of 13% to reflect the significant increase in fuel (Fuel Levy). Fuel represents the second largest cost to fleet expenditure behind depreciation. This increase will have significant impacts on the cost of delivering Council services.

Council's plant hire charges will increase on 1 July, 2023 by 5.15% to cover increases in wages, insurances, cost of parts and depreciation. Council's fuel levy will be adjusted to reflect the cost of fuel at July 2023.

Council was able to purchase diesel late March 2023 for \$1.75 per litre excluding GST. Council staff will continue to monitor fuel prices over the coming months and plant hire rates will be adjusted each month based on the price movement of fuel. Each five (5) cent movement (+/-) will result in plant hire rates being adjusted by (+/-) 0.81%.

Summary

The fixed cost increases / (decreases) by Fund are as follows:

	General Fund	Water Fund	Sewer Fund	TOTALS
	\$	\$	\$	\$
Insurance Premiums	144,040	14,130	7,640	165,810
Salaries/Wages	1,116,894	68,274	20,735	1,205,903
Superannuation	180,019	13,637	(2,208)	191,448
State Government Charges	480			480
Contracts	54,110			54,110
Electricity	90,330	493,900	99,700	683,930
TOTALS	1,585,873	589,941	125,867	2,301,681

5.2.2 Other Budget Increases/Decreases – Administrative and Other Programs:

In respect of Council's revenue funded administrative and other programs, outside of increases in the Budget to cover increases in fixed costs, the only increases provided have been provided to the following Budgets:

	\$
Contribution to NSW Fire Brigades	(8,725)
Contribution to RFS	29,860
Contribution to NSW SES	15,780
Reduction in Telephone expenses	(9,125)
TOTALS	27,790

All of the above costs are required due to either legislative obligations or to meet ongoing operational costs.

The Operational Plan and Budget provides for a continuation of Council's financial support of the Inverell Art Gallery, Pioneer Village and the National Transport Museum, being the major cultural and tourism assets of the Shire. Tourism is worth \$60.7M p.a. to the Shire economy.

All other budget allocations outside of fixed cost increases were increased by a maximum of 2% with many budget allocations receiving no budget increase. For example, computer equipment did not increase.

In accordance with Council's adopted funding strategy the following budget allocations have been reduced to fund loan repayments for the Inverell Aquatic Centre Redevelopment:

	\$
Minor Community Infrastructure Assets	(28,774)
Community Building Partnership Program	(60,000)
Recreation/cultural Grants	(10,000)
TOTALS	(98,774)

5.2.3 Existing Service Levels – Works and Maintenance Programs

The 2023/2024 budget scenario provides for all of Council's existing service levels to be met and for Council to renew its existing assets. This budget also provides for the infrastructure backlog to be removed over the next 14 years.

In respect of Council's revenue funded works and maintenance programs, outside of increases in the budget to cover increases in fixed costs, the majority of revenue funded road maintenance budgets have been increased by 5% with all other maintenance budgets increasing by 2.5% - 5%.

Additional one-off increases/decrease have been provided to the following Budgets:

	\$
CBD Maintenance	11,220
CBD Upgrade works (operational)	(11,220)
Dog Pound Maintenance	8,000
Reduction in Telephone expenses	(4,040)
TOTALS	3,960

5.2.4 Industry Assistance and Promotion:

The 2023/2024 Operational Plan includes an allocation for the assistance and promotion of Business and Industry of \$105K. These funds may be utilised, subject to a resolution of Council,

for works on Private Lands or for the provision of direct financial assistance to private individuals and businesses during 2023/2024.

5.2.5 Strategic Capital Infrastructure Fund

Council recognises the need to ensure it has the capacity to facilitate the growth of its Community, and that substantial funds must be available for strategic projects which enhance and strengthen the Shire community economically, culturally and socially. The expenditure of funds in these areas may result in a flow on increase in Council's general revenues. Council also recognises that any new project or initiative undertaken must not negatively impact financially or otherwise on Council's ability to meet its current and future service and infrastructure maintenance and renewal needs.

In this regard, Council has quarantined the funds previously allocated to loan repayments specifically for projects which would have otherwise been funded by way of loans or which assist the economic, cultural and social growth of the community. This strategy has enabled this Council to undertake a range of very successful projects (e.g. CBD redevelopment, Visitors Centre, Campbell Park Upgrade, Library Redevelopment, new rural bitumen seals and accelerating the Urban Works Program) which have resulted in Inverell Shire Council moving towards its Strategic objectives.

In 2010/2011, Council, following the adoption of a 10-year Road Infrastructure Financial Plan and Asset Management Plan, allocated an amount of \$250K from this fund on a continuing basis to Council's Road and supporting Infrastructure Maintenance Program. A further \$250K was allocated into Council's Road Asset Renewal Program, the majority of which was allocated to gravel resheeting on local and minor roads (budget allocation to roads etc. increased by 25% over four (4) years to end of 2010/2011). This reduced the annual quantum of funds available in 2010/2011 from \$1M to \$560K. This amount has declined in subsequent years (\$515K in 2017/2018) due to a need to fund operational expenses in essential services areas. The fund is predicted to grow to \$990K by 2042.

From 2022/2023 it is proposed that the fund be used to fund the Inverell Aquatic Centre redevelopment loan of \$10M over 20 years. Further information on this project is provided later in the report (refer section 12). As a result of this proposed allocation, the Strategic Capital Infrastructure Fund will not be able to fund other capital projects until 2034 as indicated in the table below:

STRATEGIC CAPITAL INFRASTRUCTURE FUND (SCIF)					
		Fund Allocation	Pool Loan Repayment s	Restore Urban Works Budget	Residual SCIF
		\$	\$	\$	\$
Year 1	2023	630,000.00	630,000.00		-
Year 2	2024	650,000.00	650,000.00		-
Year 3	2025	670,000.00	670,000.00		-
Year 4	2026	690,000.00	690,000.00		-
Year 5	2027	710,000.00	710,000.00		-
Year 6	2028	735,000.00	728,760.00	6,240.00	-
Year 7	2029	765,000.00	728,760.00	36,240.00	-
Year 8	2030	780,000.00	728,760.00	51,240.00	-
Year 9	2031	796,000.00	728,760.00	67,240.00	-
Year 10	2032	812,000.00	728,760.00	83,240.00	-
Year 11	2033	828,000.00	728,760.00	99,240.00	-
Year 12	2034	845,000.00	728,760.00		116,240.00
Year 13	2035	862,000.00	728,760.00		133,240.00
Year 14	2036	879,000.00	728,760.00		150,240.00
Year 15	2037	896,000.00	728,760.00		167,240.00
Year 16	2038	914,000.00	728,760.00		185,240.00
Year 17	2039	933,000.00	728,760.00		204,240.00
Year 18	2040	951,000.00	728,760.00		222,240.00
Year 19	2041	970,000.00	728,760.00		241,240.00
Year 20	2042	990,000.00	728,760.00		261,240.00

5.2.6 **Special Projects – Road Infrastructure Fund**

Since September 2017, the Valuer General issued separate valuations for the turbine sites installed on farming land within the Inverell Shire. The NSW rating legislation requires Council to classify these valuations as Business-Other instead of Farmland. This rating process generated a significant increase in rates during 2017/2018. Given that these land valuations are based on wind turbine leases, there is a strong possibility that these leases will lapse in future years resulting in a reduction in rating income at that time. Council has been financially responsible and quarantined this revenue so these funds cannot be utilised in funding re-occurring expenditure. Council has resolved to allocate these funds to its road asset renewal and maintenance programs.

The Budget contains an amount of \$324K for allocation by Council.

It is proposed that the allocation of these funds in 2023/2024 be the subject of a further report to the Civil and Environmental Services Committee in respect of the funding allocations for individual works to be undertaken under this program.

5.2.7 **Internally Restricted Assets (formerly Reserves) all Funds (IRA)**

This Budget recommends net transfers from Internally Restricted Assets of \$16.777M to fund specific capital expenditure items. That said, further actual transfers will occur in the Water, Sewerage and Waste Funds as ongoing projects are completed.

The 2023/2024 budgeted net transfers to/(from) reserves are:

FINANCIAL RESERVE	Net Movement \$ 000
Plant Purchases (funded from accumulated plant depreciation charges)	(126)
Gravel Pit Restoration	10
Waste Management Services	425
Domestic Waste Management	11
Inverell Aquatic Centre (includes \$10M unexpended loan funds)	(17,097)
TOTAL Net Movements	(16,777)

A table showing the Internally Restricted Assets and movements proposed by the Budget is shown in **Attachment 6** of the 2023/2024 Operational Plan, with the balance at 30 June, 2024 expected to be \$21.73M in General Fund (dependent on the completion of Internally Restricted Funded Projects – see the notes on **Attachment 6** for details), \$7.72M in Water Fund and \$3.58M in Sewer Fund. The interest that accrues on these funds contributes substantially to the funding of Council's continuing Works Programs. As these funds reduce, so does the quantum of funds available to the annual Works Program.

A review of Council's Internally Restricted Assets will indicate a significant reduction in the quantum of funds held in this area from the levels of previous years, with substantial commitments against the remaining funds.

COPY OF RECOMMENDATION:

That:

- i) Council provide an allocation of \$105K for joint industry promotions and assistance;*
- ii) the 2023/2024 Strategic Capital Infrastructure Fund of \$650K be utilised for loan repayments for the Inverell Aquatic Centre Redevelopment;*
- iii) The budget allocation for \$324K for the 2023/2024 Special Projects – Roads Infrastructure Fund be endorsed;*
- iv) A further report be presented to the Civil and Environment Committee in respect of the specific projects to be funding under the Special Projects – Roads Infrastructure Fund;*
- v) The transfers to and from Internally Restricted Assets be endorsed; and*
- vi) The list of inclusions as included in the 2023/2024 draft Operational Plan/Budget and listed in section 5.2.2 & 5.2.3 of the report be endorsed.*

6 Rating Structure

The following matters regarding the rating structure are recommended for 2023/2024:

- The continuation of the existing rating structure, utilising a base amount and ad valorem rates.
- A base rate of \$235.00 (on 8672 Assessments, up from 8617 in 2022/2023, up from 8584 in 2021/2022, up from 8533 in 2020/2021, 8529 in 2019/2020, and 7963 in 2018/2019 – Rate base growth has been consistent but relatively limited over the last five (5) years). The

increase in 2019/2020 largely represents the inclusion of properties from the Tingha Boundary Adjustment.

REVENUE RAISED FROM EACH CATEGORY:

When determining the distribution of the rate burden for the 2023/2024 rating year, the existing policy of collecting a certain percentage of rate revenue from each category is noted.

The percentage proposed to be collected from each category is as follows, which closely approximates previous years:

% OF REVENUE FROM CATEGORIES	
RESIDENTIAL	39.99%
BUSINESS	20.76%
RURAL RESIDENTIAL	7.38%
FARMLAND	31.87%
MINING	0.00%
100.00%	

In respect of distribution of the rate burden, it is advised that if the Council believes that additional funds should be expended in the rural area for example, then the percentage of rates collected from the rural area should increase as a percentage of the total rate burden (ie by more than the Rate Peg amount, with rates in other categories increasing by a lesser amount). The same would apply in respect of the urban area and each of the villages. Conversely, if Council believes that additional funds should be expended in the villages, then the percentage of rates collected from the villages, which are already subsidized, should increase as a percentage of the total rate burden.

A summary of Council's proposed rating structure is shown below. It is worth noting that the 2023/2024 rates structure is based on new land values as provided by the Valuer General. A separate report has been provided to Council on the impact of these valuation changes.

The 2023/2024 total revenue shown below is subject to change should Council receive any further supplementary valuations changes from the Valuer General before 30 June, 2023.

2023/2024 RATES SUMMARY																	
Category	2022/2023		2023/2024			2023/2024	2022/2023			2023/2024			2023/2024				
	No of Assess	Rateable Land Value	No of Assess	Rateable Land Value	% Change in Rateable Land Value	Recomm Cents in \$	Base Amount \$225	Advalorem	Total Revenue	Base Amount \$235	Advalorem	Total Revenue	% of Total Revenue	% Increase of Total Revenue	% levy from base amount	AVERAGE INCREASE	
Residential - Inverell	4225	281,578,486	4225	441,225,619	56.70%	0.98063	950,625.00	4,179,469.47	5,130,094	992,875.00	4,326,790.79	5,319,666	34.10	3.70	18.66%	44.87	
Residential - General	499	26,090,780	499	45,057,240	72.69%		112,275.00	263,686.47	375,961	117,265.00	272,591.80	389,857	2.50		30.08%	27.85	
Residential - Ashford	252	3,087,480	253	8,767,670	183.97%		56,700.00	91,972.94	148,673	59,455.00	94,711.88	154,167	0.99		38.57%	21.72	
Residential - Delungra	152	3,003,470	153	4,531,480	50.87%		34,200.00	58,312.07	92,512	35,955.00	59,975.50	95,930	0.62		37.48%	22.34	
Residential - Gilgai	108	3,531,400	108	7,181,800	103.37%		24,300.00	49,633.83	73,934	25,380.00	51,286.67	76,667	0.49		33.10%	25.30	
Residential - Yetman	66	906,180	66	1,504,840	66.06%		14,850.00	24,905.45	39,755	15,510.00	25,714.56	41,225	0.26		37.62%	22.26	
Residential - Tingha	279	1,125,130	279	2,320,300	106.23%		62,775.00	92,275.29	155,050	65,565.00	95,220.47	160,785	1.03		40.78%	20.56	
Residential Rural	993	127,410,590	992	215,209,300	68.91%		223,425.00	886,344.51	1,109,770	233,120.00	917,609.41	1,150,729	7.38		3.69	20.26%	41.29
Farmland	1496	1,215,898,286	1497	2,282,631,149	87.73%		336,600.00	4,456,996.76	4,793,597	351,795.00	4,619,817.18	4,971,612	31.87		3.71	7.08%	118.91
Business - Inverell Industrial / Commercial	411	60,520,719	412	84,143,011	39.03%		92,475.00	2,421,893.92	2,514,369	96,820.00	2,510,575.02	2,607,395	16.72		3.70	3.71%	225.79
Business - Other	188	20,391,721	188	28,035,541	37.48%	42,300.00	565,605.17	607,905	44,180.00	586,195.13	630,375	4.04	3.70	7.01%	119.52		
Mining	-	-	-	-		7.45925	-	-	-	-	-	-	-	-	-	-	
TOTALS	8669	1,743,544,242	8672	3,120,607,950			1,950,525.00	13,091,095.87	15,041,621	2,037,920.00	13,560,488.40	15,598,408	100.00				

Attachment 1 to this document, provides an indicative impact on individual rate assessment utilising a rate peg of 3.70%.

Ratepayers who are suffering genuine financial hardship and pensioners have access to a range of concessions to enable them to meet their rate payments obligations. These are included in Council's "Write-offs – Rate, Charges and Debt Hardship Policy, Council's "Write-offs – Extra Charges (Pensioners) Hardship Policy and Council's Debt Collection Policy.

COPY OF RECOMMENDATION:

That:

- i) *The following rating categories be utilised for the 2023/2024 rating year:*

Residential – Inverell

Residential – General

Residential – Ashford

Residential – Delungra

Residential – Gilgai

Residential – Yetman

Residential - Tingha

Residential – Rural

Business – Inverell Industrial/Commercial

Business – Other

Farmland

Mining

- ii) *A General Base Amount of \$235 plus an Ad Valorem Rate be determined for the categories detailed in above.*

7 Interest Rate on Outstanding Rates and Charges

The maximum allowable Interest Rate applicable to outstanding rates and charges is set by the Office of Local Government. Council has historically applied the full maximum rate. At the time of writing this report the OLG have not advised Council of the maximum rate for 2023/2024. The current rate for 2022/2023 is 6%.

Council has the ability to set this rate at any level between zero and the allowable maximum rate as set by the OLG. It is recommended that Council set the Interest Rate on Outstanding Rates at the maximum allowable rate as advised by the Office of Local Government.

COPY OF RECOMMENDATION:

The Interest Rate applicable to Outstanding Rates and Charges for 2023/2024 be the maximum allowable as advised by the Office of Local Government.

8 Waste Management Charges

Waste Management continues to be a significant issue for Council. It is recommended under Council's Long-Term Financial Plan that the 2023/2024 waste charges increase as follows:

- Waste Management Charge remain at \$96.00 and levied on all ratable properties;
- Domestic Waste Management – Occupied Charge increase to \$398.00 (was \$363.00);
- Domestic Waste Management – Unoccupied Charge increase to \$72.00 (was \$66.00);
- Commercial Waste Management Charge increase to \$398.00 (was \$363.00) plus GST if applicable;
- Weekly Commercial Recycling Collection Charge increase to \$150.00 (was \$135.00); and
- Fortnightly Charge increase to \$80.00 (was \$70.00); and
- Tingha Domestic Waste Management – Occupied Charge \$398.00 (was \$363.00) for ratepayers with 140 litre garbage bin.

The above charge structure enables Council to fully meet its operational and legislative obligations in regard to its adopted Waste Management Strategy. This structure sees the cost burden for waste management equitably distributed across the entire Shire. The transfer to Internally Restricted Assets is estimated at \$436K, however, substantial costs will be incurred in 2023/2024 and beyond, in respect of the continuing implementation of Council's new Waste Management Strategy.

Council will note that a "Commercial Waste Management Charge" is levied for the provision of a commercial garbage collection service to businesses in the Inverell CBD. This charge is levied per bin collection on a user pays basis.

9 Fees & Charges

Also included with the draft Budget is the proposed 2023/2024 Fees and Charges.

A number of fees and charges have been retained at their present level. Where an increase is recommended, these fees are highlighted. It will be noted that GST has been added to those charges to which the tax applies.

A copy of Council's Fees and Charges can be found in the Draft Operational Plan and Budget document.

COPY OF RECOMMENDATION:

That the Fees and Charges, as recommended, be adopted.

10 Stormwater Management Service Charge

The draft Budget as indicated in the Urban Works Program, proposes the continuation of a Stormwater Management Service Charge, the funding mechanism put in place for Councils outside of the Notional Yield Calculation by the State Government for the funding of Stormwater Management and Drainage Works in urban areas. The charge has, since its inception been applied to all land within the Inverell, Ashford, Delungra, Yetman and Gilgai urban areas that fall within the residential or business categories for rating purposes (except vacant land) to which stormwater services are provided. The charge has previously been set by Council at the maximum unit charge of \$25.00 for all residential properties (generates \$97,375) and business properties (generates \$9,625). While \$25.00 is the maximum charge for Residential Properties, the Regulation states for business properties that:

“The maximum annual charge for stormwater management services that may be levied in respect of a parcel of rateable land is, for land categorised as business, \$25.00 plus an additional \$25.00 for each 350 square metres or part of 350 square metres by which the area of the parcel of land exceeds 350 square metres”.

Staff undertook a review of business properties in the urban areas. This review indicated that of the 287 business properties within the urban area only 50 should be paying the \$25.00 charge and the remainder should be charged a higher amount under the regulation. The review also indicated, however, that if Council were to apply the full charges under the Regulation that some business properties would be paying a charge of up to \$2,100.00 per annum.

Noting Council’s significant funding needs in respect of stormwater management and drainage services in the urban areas, and being mindful of the ability of ratepayers to pay, Council in 2015 resolved to implement the provisions of the Regulation in respect of business premises, but limit the maximum amount levied as follows:

- Businesses Stormwater Levy Maximum Total Levy 2015/2016 \$100.00;
- Businesses Stormwater Levy Maximum Total Levy 2016/2017 \$150.00; and
- Businesses Stormwater Levy Maximum Total Levy 2017/2018 and beyond \$200.00.

The current Stormwater Management Levy will generate the following amount:

- 2023/2024 \$146K (Residential \$105,400 and Business \$40,600).

It is recommended to raise \$146K from the charge in 2023/2024 to be utilised on the following projects:

- Gilgai Drainage Project \$146K (in accordance with Gilgai Drainage Upgrade Plan as adopted by Council).

Once the Gilgai Drainage Project is complete, it is proposed to return to undertake additional works in the Inverell commercial and industrial areas.

COPY OF RECOMMENDATION:

That:

- the Stormwater Management Service Charge be set at the maximum amount allowable of \$25.00 per Residential Premises, \$12.50 per Residential Strata lot, and*

\$25.00 for Business Premises for each 350 square metres or additional part thereof, subject to a maximum charge on Business Premises of \$200.00; and

- ii) *the Stormwater Management Program as recommended being Gilgai Drainage Project as per the adopted Gilgai Drainage Upgrade Plan, be adopted.*

11 Performance Benchmarks

The New South Wales Local Government has established a number of Sustainability Benchmarks to review the performance of Councils.

These indicators are used as financial health checks to monitor the operational liquidity (short term focus), fiscal responsibility (elected term focus) and financial sustainability (long term/intergenerational focus) of the Council. These ratios for the Combined Fund and the General Fund (detailed in the following tables) are monitored by Council to ensure its long-term financial sustainability.

The following tables indicate that Council will meet all of the performance benchmarks in the Combined Fund except for the Real Operating Expenditure Per Capita Result. In 2023/2024 this ratio is impacted by the 5% wage increase, .5% increase in superannuations and significant increases in electricity and insurances. Council complies with this ratio from 2024/2025 as it declines overtime.

Council's General Fund will meet all of the performance benchmarks except for the Own Source Revenue in 2023/2024. Own Source Revenue is impacted by government grants during 2023/2024 for the Inverell Aquatic Centre Redevelopment.

COMBINED FUND (GENERAL, WATER & SEWER)

RATIO	BENCHMARK	ACTUALS				CURRENT BUDGET	PROPOSED BUDGET									
		2019	2020	2021	2022	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Debt Service Cover Ratio	Greater than 2	18.29	16.51	20.05	16.98	9.52	11.01	11.50	13.45	17.35	17.74	18.15	18.55	18.98	19.40	19.84
Own Source Operating Revenue Ratio	Greater than 60% average over 3 years	66.78%	62.00%	56.94%	51.30%	70.16%	62.77%	70.88%	71.05%	71.15%	71.16%	71.24%	71.33%	71.41%	71.49%	71.58%
Operating Performance Ratio	Greater or equal to break even average over 3 years	14.00%	11.00%	12.91%	5.42%	0.31%	0.33%	0.11%	0.18%	0.29%	0.53%	1.06%	1.54%	2.05%	2.52%	3.00%
Cash Expense Cover Ratio	Greater than or equal to 3 months	22.71	23.15	21.65	23.15	26.98	22.26	20.22	19.09	19.44	19.09	18.87	17.90	18.46	18.10	17.39
Building & Infrastructure Asset Renewal Ratio	Greater than 100% average over 3 years	152.66%	93.92%	163.73%	99.29%	224.88%	337.07%	166.76%	147.51%	115.74%	136.91%	134.44%	132.21%	142.18%	144.92%	159.16%
Infrastructure Backlog Ratio	Less than 2%	0.84%	1.00%	0.86%	0.89%	0.49%	0.64%	0.57%	0.65%	0.59%	0.53%	0.48%	0.42%	0.36%	0.30%	0.25%
Asset Maintenance Ratio	Greater than 100% average over 3 years	100.53%	100.82%	101.50%	112.01%	101.50%	101.50%	102.00%	100.50%	100.50%	101.00%	101.50%	102.00%	102.00%	101.50%	101.00%
Real Operating Expenditure Per Capita Result	A decrease in Real Operating Expenditure per capita over time	1.5610	1.5142	1.7045	1.6753	1.59	1.6243	1.6196	1.6105	1.5943	1.5712	1.5485	1.5268	1.5051	1.4841	1.4636
Debt Service Ratio	Greater than 0% and less than or equal to 20% average over 3 years	1.78%	2.24%	1.90%	1.81%	3.28%	2.86%	2.66%	2.21%	1.69%	1.65%	1.62%	1.58%	1.55%	1.51%	1.48%

**Meets
Benchmark**

**Does Not Meet
Benchmark**

GENERAL FUND ONLY

INDICATOR	BENCHMARK	ACTUALS				CURRENT BUDGET 2022/2023	PROPOSED BUDGET									
		2019	2020	2021	2022		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Debt Service Cover Ratio	Greater than 2	36.61	38.56	18.98	31.01	10.95	10.89	10.82	10.77	13.85	14.32	14.51	14.84	15.19	15.53	15.89
Own Source Operating Revenue Ratio	Greater than 60%	60.84%	55.31%	50.40%	44.50%	62.96%	54.47%	63.47%	63.70%	63.80%	63.76%	63.84%	63.93%	64.01%	64.09%	64.18%
Operating Performance Ratio	Greater or equal to break even average over 3 years	18.00%	14.00%	16.55%	7.77%	0.26%	0.34%	0.01%	0.01%	0.02%	0.20%	0.75%	1.25%	1.78%	2.26%	2.77%
Cash Expense Cover Ratio	Greater than or equal to 3 months	21.80	23.20	16.47	16.42	24.19	18.34	15.79	14.68	15.20	14.99	14.84	14.97	14.37	14.15	13.83
Building & Infrastructure Asset Renewal Ratio	Greater than 100% average over 3 years	177.78%	130.86%	108.56%	116.96%	267.18%	417.84%	189.87%	161.62%	118.80%	146.25%	142.32%	138.73%	151.24%	154.17%	172.22%
Infrastructure Backlog Ratio	Less than 2%	1.07%	1.22%	1.20%	1.07%	0.91%	0.82%	0.73%	0.68%	0.62%	0.56%	0.50%	0.45%	0.39%	0.33%	0.27%
Asset Maintenance Ratio	Greater than 100% average over 3 years	98.78%	100.90%	99.76%	113.67%	102.50%	101.50%	102.00%	100.50%	100.50%	101.00%	101.50%	102.00%	102.00%	101.50%	101.00%
Real Operating Expenditure Per Capita Result	A decrease in Real Operating Expenditure per capita over time	1.1524	1.1682	1.3852	1.5206	1.2850	1.2721	1.2712	1.2660	1.2540	1.2351	1.2166	1.1989	1.1811	1.1639	1.1472
Debt Service Ratio	Greater than 0% and less than or equal to 20% average over 3 years	0.72%	0.73%	0.77%	1.06%	2.86%	2.98%	2.90%	2.82%	2.15%	2.11%	2.07%	2.02%	1.98%	1.93%	1.89%

Meets Benchmark	Does Not Meet Benchmark
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12 Asset Management Planning

Council staff completed Council's Road Infrastructure Asset Management Plans in 2015. The plans have been informed by the Roads Asset Infrastructure Data capture which was conducted in 2015. These plans were updated as part of the 2020 Road Infrastructure Revaluation.

In respect of the Water and Sewerage Funds, plans for these activities were previously prepared by NSW Public Works. These plans are supplemented by Council's Water and Sewerage Fund Works priorities as adopted by Council.

For buildings and other structures, Council has engaged CT Management Group, who are specialists in this area, to prepare the Asset Management Plans.

Council has expended significant funds over the last 10 years on its buildings and other structures, resulting in these assets being assessed as being in a "satisfactory condition" with no infrastructure backlog in this area.

Capital Expenditure on Assets

The following table indicates Council's level of Capital Expenditure on Asset Renewal, Asset Upgrade and New Assets over the next five (5) years.

	2023/2024 \$'000 Estimated	2024/2025 \$'000 Estimated	2025/2026 \$'000 Estimated	2026/2027 \$'000 Estimated	2027/2028 \$'000 Estimated
Capital Asset Expenditure	37,274	18,814	16,970	13,542	16,016
Annual Depreciation	13,605	13,691	13,777	13,861	13,945
Surplus /(Deficit)	23,669	5,123	3,193	(319)	2,071

As shown, Council is budgeting to spend \$33.7M more on Asset Renewals and Upgrades over the next five (5) years than the Depreciation Expense. This includes the redevelopment of the Inverell Aquatic Centre of \$25.77M.

A schedule of proposed capital expenditure over the next 10 years is included at **Attachment 2** to this document.

Inverell Aquatic Centre (IAC) Redevelopment

Council has entered into contracts with Hines Construction for the redevelopment of the Inverell Aquatic Centre. Demolition is scheduled to commence in May 2023 with a final completion date of October 2024. Council's 2023/2024 Operational Plan and Budget and Long-Term Financial Plan includes the funding required to complete this project.

The initial IAC Funding Strategy was presented to Council in the 2022/2023 Draft Operational Plan and Budget in April 2022. Council adopted the 2022/2023 Operational Plan and Budget in June 2022. The initial IAC Funding Strategy provided funding of \$25,770,000 for this project.

A revised IAC Funding Strategy providing funding up to \$30,000,943 was adopted by Council at a Special Council meeting on 25 January, 2023. The increase of \$4,230,943 allows for inflationary cost increases, Council project management, contingencies, and other fit out (moveable furnishings etc) not allowed for in the tender.

The adopted IAC Funding Strategy is an evolving financial solution which will be impacted by the final IAC design, future grant applications and financial interest rates. Therefore, Council will receive an updated funding strategy as circumstances change.

Based on the quantum of funds required, it was agreed that a combination of Internally Restricted Assets, Revenue Funds, Grants and Loan Borrowings be utilised as funding streams to carry out

the works to redevelop the Inverell Aquatic Centre. The table below provides a summary of the adopted funding strategy detailing the source and quantum of funds to be utilised to fund the IAC redevelopment.

FUNDING SUMMARY	
INTERNALLY RESTRICTED ASSETS	
Swimming Pool Upgrades IRA	\$ 8,380,514.00
Reallocation of other IRA	\$ 1,867,434.00
REVENUE FUNDS	
2022-2023 Unused loan repayments for IAC	\$ 456,185.00
2022-2023 additional interest on Investments	\$ 860,000.00
2023-2024 Pool Maintenance Budget	\$ 421,830.00
50% - 2024/2025 Pool Maintenance Budget	\$ 239,980.00
2022/2023 Budget Savings from employee turnover	\$ 315,000.00
GRANT FUNDS	
State Government -Multi-Sport Community Facility Fund	\$ 5,000,000.00
State Government - Stronger Country Communities Fund	\$ 1,060,000.00
Federal Government - Local Roads and Community Infrastructure Program	\$ 1,400,000.00
LOAN FUNDS	
20 Year Loan	\$ 10,000,000.00
TOTAL	\$ 30,000,943.00

Key features of the above strategy are:

- Council accumulated significant internal reserves over a number of years due to asset condition reports indicating that the pool was reaching the end of its useful life;
- None of Council's core works and services programs and associated capital expenditure has been impacted by the inclusion of this project in the Long-Term Financial Plan (LTFP);
- When considering the implications of the adopted funding strategy on Council's broader ongoing financial sustainability, the financial impacts are not anticipated to compromise Council's ability to meet its ongoing key financial ratios targeted benchmarks, excluding the Own Source Revenue Ratio.

Own Source Revenue Ratio will not meet the State Government benchmark during 2023/2024 due to additional grant funding;

- Utilising the Strategic Capital Infrastructure Fund (SCIF) (a discretionary budget allocation) to fund the loan repayments does not negatively impact financially or otherwise on Council's ability to meet its current and future service and infrastructure maintenance and renewal needs;

However, as SCIF is the primary source of funds used for strategic projects which enhance and strengthen the Shire community economically, culturally and socially, allocating 100% of this budget item to loan repayments will mean that Council will have no available funding or the flexibility for future strategic projects, until 2034.

- e) Loan borrowings provides for intergenerational equity which is important for an asset that will have a 50-60-year life span.
- f) An independent company, Otium Planning Group Pty Ltd, in their February 2022 IAC Business Case – Detailed Analysis Resource, indicated the redevelopment of the Inverell Aquatic Centre will provide a range of health and economic benefits to the Inverell Community.
- g) Council will continue to seek government grants throughout the detailed design phase making this funding strategy a fluid situation.

13 Summary

An operationally sound draft Budget has again been delivered for 2023/2024 in the General Fund.

The following matters are highlighted:

- Despite very substantial cost pressures, a balanced budget has been achieved.
- The Budget provides for a CONTINUATION OF ALL of Council's existing services and works/asset management programs, however the cost of delivering these services are increasing at a rate that is not being matched by increases in Council's allowed income.
- Cost savings following Council's efficiency initiatives have had to be applied to fixed cost increases and no funds are available for new or expanded services or increased service levels.

COPY OF RECOMMENDATION:

That:

- i) the report on the balanced budget be noted;*
- ii) the draft estimates (incorporating the Operational Plan and Long-Term Financial Plans) for the General Activities for 2023/2024 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

14 Sewerage Activities

This activity's budget is based on:

- i) a "Balanced" Budget;
- ii) A 5.48% - 5.52% increase in sewerage charges for 2023/2024;

Sewer charges did not increase for three years during the implementation of Council's Special Rate Variation. The Fund will still maintain significant funds to fund the substantial major Asset Renewal and Upgrade Works being undertaken.

- iii) A -7.59 to 22.11% increase in Non-Rateable sewerage charges for 2023/2024.

Under Council's current sewer rating structure, Non-Rateable Properties are levied sewer charges based on the number of water closet (WC) and urinals. Council's 2022/2023 structure provided a lower WC rate for Non-Rateable Schools (\$95.00) compared to Other Non-Rateable properties (\$158.00) for the same service. Historically schools were provided a lower rate to assist them with their budgetary pressures.

This budget proposes to normalise these charges over a three-year period by reducing the Other Non-Rateable charge and increasing the Non-Rateable School charge as noted in the table below.

- iv) New Inverell Showground Charge has been introduced;

Several times over recent years the Inverell Showground Land Managers have sought Council's assistance to reduce sewer charges levied on the Inverell Showground noting that amenities at the showground are infrequently used with the majority of amenities building only being used during special events such as the Inverell Show. Council resolved to provide a donation on each of those occasions varying from 15%-50%.

Upon review, the Inverell Showground has 50 WC and 4 urinals which would incur an annual charge of \$7,764 under the proposed 2023/2024 rating structure, noting that the majority of these amenities are infrequently used.

While Inverell Public School has 48 WC and 4 urinals which incurs a charge of \$6,032 with high utilisation of their amenities.

The variance between these charges are significant given the differences in utilisation. To provide a more equitable solution, it is proposed to establish a new Showground Charge which recognises the infrequent use of amenities and the benefit that the Showground provides to the local community.

A Showground sewerage charge of \$3,882 is proposed for 2023/2024. This charge represents a 50% discount off the current charging methodology.

Sewer			2022/2023	2023/2024	Increase	% Inc
Sewer – Residential Dwellings						
S	Sewerage - Occupied	Per Year	\$ 580.00	\$ 612.00	\$ 32.00	5.52%
S-T	Sewerage - Occupied - Tingha	Per Year	\$ 580.00	\$ 612.00	\$ 32.00	5.52%
S2	Sewerage - Vacant	Per Year	\$ 365.00	\$ 385.00	\$ 20.00	5.48%
S2-T	Sewerage - Vacant - Tingha	Per Year	\$ 365.00	\$ 385.00	\$ 20.00	5.48%
Sewer – Flats and Units						
S4	Sewerage – Flats/Units – 1 service	Per Year	\$ 580.00	\$ 612.00	\$ 32.00	5.52%
S4	Sewerage – Flats/Units – 2 services	Per Year = S+(S4 x no of units)	\$ 365.00	\$ 385.00	\$ 20.00	5.48%
Sewer – Hotels and Motels						
S3	Sewerage – Hotels/Licensed Clubs	Per Year	\$ 1,735.00	\$ 1,830.00	\$ 95.00	5.48%
S6	Sewerage – Motel Residence	Per Residence per year	\$ 580.00	\$ 612.00	\$ 32.00	5.52%
S7	Sewerage – Motel Restaurant	Per Restaurant per year	\$ 580.00	\$ 612.00	\$ 32.00	5.52%
S8	Sewerage – Motel Ensuite Room/Unit	Per Unit per year	\$ 183.00	\$ 193.00	\$ 10.00	5.46%
Sewer – Caravan Parks						
S9	Sewerage – Caravan Park Residence	Per Residence per year	\$ 580.00	\$ 612.00	\$ 32.00	5.52%
S10	Sewerage – Caravan P Amenities Block	Per Amenities per year	\$ 1,735.00	\$ 1,830.00	\$ 95.00	5.48%
S11	Sewerage – Ensuite Cabin	Per Cabin per year	\$ 183.00	\$ 193.00	\$ 10.00	5.46%
Sewer – Aged Care						
S5	Nursing Homes/Supported Aged	Per Year	\$ 2,720.00	\$ 2,870.00	\$ 150.00	5.51%
Sewer - Inverell Showground						
	Showgrounds	Per Year		\$ 3,882.00		
Sewer – Non Rateable						
SA	Non-rateable - Schools - wc's	Per Service	\$ 95.00	\$ 116.00	\$ 21.00	22.11%
SB	Non-rateable - Other wc's	Per Service	\$ 158.00	\$ 146.00	\$ -12.00	-7.59%
SC	Non-rateable - Urinals	Per Service	\$ 95.00	\$ 116.00	\$ 21.00	22.11%

Sewerage Fund has been categorised as a Category 1 Business Activity in the draft Operational Plan to comply with the requirements of the National Competition Policy and the COAG Agreement. It is a requirement of the COAG Agreement that Council's Sewerage Operations financially break-even at a minimum, after the depreciation of sewerage assets is brought to account.

Capital works totalling \$925K are proposed in the draft Budget, funded from revenue. A breakdown of these works can be found in **Attachment 5** of Council's Draft Operational Plan and Budget.

"Long Term Financial Modelling" conducted in conjunction with the Department of Commerce highlights that the Sewerage Fund is sustainable in the long term and will be able to meet all its operational and capital expenditure requirements over the next 20 years. Substantial works are currently being undertaken in respect of ascertaining the condition of Council's older underground sewer mains in the asset management area. Significant funds are indicated in the 20-year plan for mains relining and replacement.

The Operational Plan does not provide for the payment of a dividend to the General Fund from the Sewerage Fund. The Sewerage Fund remains in a strong financial position and based on the 2015/2016 NSW Water Supply and Sewerage Benchmarking Report, displays a high level of efficiency and effectiveness.

COPY OF RECOMMENDATION:

That:

- i) the Sewerage Charges as listed below be adopted for 2023/2024:

Charge	\$
Sewerage Charge Occupied	612.00
Sewerage Charge Unoccupied	385.00
Sewerage Charge Flats/Units	385.00
Sewerage Charge Nursing Homes	2,870.00
Sewerage Charge Inverell Showground	3,882.00
Sewerage Charge Hotel/Licensed Clubs	1,830.00

Number of Services per Assessment	Annual Charge Per Assessment \$
1	612.00
2	997.00
3	1,382.00
4	1,767.00
5	2,152.00
6	2,537.00
7	2,922.00
8	3,307.00
9	3,692.00
10	4,077.00
11	4,462.00
12	4,847.00
13	5,232.00
14	5,617.00
15	6,002.00
16	6,387.00

Charge Structure for Non-Rateable Properties

Charge	\$
Non-ratable - Schools - wc's	116.00
Non-ratable - Other - wc's	146.00
Non-rayable - Urinals	116.00

Charge Structure for Motels and Caravan Parks

In accordance with the charge structure for Motels and Caravan Parks the following charges are proposed for 2023/2024:

Charge	\$
Motel Residence	1,830.00
Motel Restaurant	612.00
Motel Ensuite	193.00
Caravan Park Residence	612.00
Caravan Park Amenities Block	1,830.00
Caravan Park Ensuite Cabins	193.00

Charge Structure for Showgrounds

In accordance with the charge structure for Inverell Showgrounds the following charges are proposed for 2023/2024:

Charge	\$
Inverell Showgrounds	3,882.00

- ii) *The Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2023/2024 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

15 Water Activities

This activity's budget is presented on the following basis:

- a) a "Balanced" Budget;
- b) A 3.61% increase in the availability base charge of \$430.00 per assessment (includes first water meter) (was \$415.00);
- c) a commercial water consumption charge of \$2.02 per kilolitre (was \$1.78);
- d) an Abattoirs water consumption charge of \$1.08 per kilolitre (was \$0.93); less 20% early settlement discount; and
- e) a water consumption charge for Community Facilities of \$1.08 per kilolitre (was \$0.93); Eligible entities include: Inverell Minor League, Inverell Golf Club, Inverell Tennis Club, Inverell Rugby Club, Gilgai Tennis Club, Inverell Equestrian Council and Inverell Shire Council (Sporting fields and Parks);

Note: This change is a continuation of the position of Council adopted in response to requests for assistance by sporting groups (Ref: Res 2019/127)

- f) a "stepped tariff" residential water consumption charge of:
 - \$2.02 per kilolitre 0 to 600 kl annual consumption (was \$1.78)
 - \$2.33 per kilolitre over 600 kl annual consumption (was \$2.07); and
- g) a raw water charge of \$0.53 per kilolitre (was \$0.45).

These proposed increases are in line with the increases discussed by Council in respect of Council's Water and Sewerage Strategy. After the proposed increases are applied, Council's

Water Charges will still remain at a level equivalent to NSW average charges, with a high level of Supply Security.

Capital works totalling \$1.737M are proposed in the draft Budget, funded from revenue. A breakdown of these works can be found in Attachment 5 of Council's Draft Operational Plan.

Water Fund has been categorised as a Category 1 Business Activity (turnover over \$2M pa) in the draft Operational Plan to comply with the requirements of the National Competition Policy.

The Operational Plan does not provide for the payment of a dividend to the General Fund from the Water Fund or transfers to/from internally restricted assets. The Water Fund remains in a strong financial position and based on the 2015/2016 NSW Water Supply and Sewerage benchmarking report, displays a high level of efficiency and effectiveness.

COPY OF RECOMMENDATION:

That:

- i) a water availability base charge of \$430.00 per assessment (Includes first water meter) be adopted for 2023/2024;*
- ii) a water charge of \$430.00 per additional water meter, per assessment be adopted for 2023/2024;*
- iii) a water charge of \$430.00 per assessment (includes first water meter) be adopted for properties within the Tingha Boundary Adjustment area for 2023/2024;*
- iv) a water charge of \$430.00 per additional water meter, per assessment be adopted for properties within the Tingha Boundary Adjustment area for 2023/2024;*
- v) a charge of \$2.02 per kilolitre be adopted for commercial water consumption for 2023/2024;*
- vi) a charge of \$2.02 per kilolitre, 0 to 600 kilolitres and \$2.33 per kilolitre over 600 kilolitres be adopted for residential water consumption for 2023/2024;*
- vii) a charge of \$1.08 per kilolitre be adopted for water consumption - Abattoirs, plus a 20 per cent early settlement discount for 2023/2024;*
- viii) a charge of \$1.08 per kilolitre be adopted for Community Facilities water consumption; Eligible entities include: Inverell Minor League, Inverell Golf Club, Inverell Tennis Club, Inverell Rugby Club, Gilgai Tennis Club, Inverell Equestrian Council and Inverell Shire Council (Sporting fields and Parks).*
- ix) a charge of \$0.53 per kilolitre be adopted for Raw Water consumption for 2023/2024; and*
- x) the draft Estimates (incorporating Operational Plan) for the Water Fund for 2023/2024 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

RISK ASSESSMENT:

There are many risks pertaining to budgeting including accurate cost estimates, revenue estimates and aligning capital works projects with asset management plans.

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

All operations, services and infrastructure projects have been identified and costed within the Draft Budget 2023/2024.

LEGAL IMPLICATIONS:

Public exhibition inviting submissions is required in accordance with Sections 404 and 405 of the Local Government Act.

ATTACHMENTS:

1. Rates Comparison 2023 - 2024 [↓](#)
2. 10 Year Capital Expenditure 2024 [↓](#)

RATE COMPARISONS 2023/2024								
Based on existing valuations as issued by the Valuer General - 2022 Base date								
				Proposed Rates in \$				
				Rate peg: 3.7%				
Residential - Inverell				0.980630				
Residential - General				0.604990				
Residential - Ashford				1.080240				
Residential - Delungra				1.323530				
Residential - Gilgai				0.714120				
Residential - Yetman				1.708790				
Residential - Tingha				4.103800				
Residential Rural				0.426380				
Farmland				0.202390				
Business - Inverell Industrial / Commercial				2.983700				
Business - Other				2.090900				
Mining				10.454500				
General Base Amount				\$	235.00	\$0 increase proposed		
Domestic Waste Management - Inverell - 240L				\$	398.00	\$13 increase proposed		
Domestic Waste Management - Tingha 140L				\$	398.00	\$13 increase proposed		
Domestic Waste Management - Un Occupied Charge				\$	72.00	\$1 increase proposed		
Waste Management Charge				\$	96.00	\$1 increase proposed		
Sewerage (occupied) Rateable Charges				\$	612.00	\$30 increase proposed		
Water Charges - Inverell				\$	430.00	\$20 increase proposed		
Stormwater Management Service Charges				\$	25.00	\$0 increase proposed		
RESIDENTIAL - INVERELL								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
3487	House - Gordon St LV change 43%	83,800	120,000	General	1,468.84	1,411.76	(57.09)	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	726.00	796.00	70.00	
				Waste Management	96.00	96.00	-	
				Stormwater	25.00	25.00	-	
					3,310.84	3,370.76	59.91	1.81%
5323	House - Short St LV change 47%	64,500	95,000	General	1,182.37	1,166.60	(15.78)	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
				Stormwater	25.00	25.00	-	
					2,661.37	2,727.60	66.22	2.49%
7881	House - Runnymede LV change 59%	98,500	157,000	General	1,687.04	1,774.59	87.55	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,561.04	2,698.59	137.55	5.37%
3064	House - Eugene St LV change 102%	9,500	19,200	General	366.01	423.28	57.27	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
				Stormwater	25.00	25.00	-	
					1,845.01	1,984.28	139.27	7.55%
Average property valuation (occupied) LV change 57%		66,646	104,432	General	1,211.48	1,259.09	47.61	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
				Stormwater	25.00	25.00	-	
					2,690.48	2,820.09	129.61	4.82%

RESIDENTIAL - GENERAL								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
1877	House - Tingha Road LV change 115%	59,100	127,000	General	822.29	1,003.34	181.04	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,696.29	1,927.34	231.04	13.62%
6246	House - Nullamana LV change 80%	10,000	18,000	General	326.07	343.90	17.83	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					785.07	837.90	52.83	6.73%
8130	House - Warialda Road LV change 63%	93,700	153,000	General	1,171.98	1,160.63	(11.34)	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,630.98	1,654.63	23.66	1.45%
Average property valuation (occupied) LV change 73%		52,286	90,295	General	748.66	781.28	32.62	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,207.66	1,275.28	67.62	5.60%

RESIDENTIAL - ASHFORD								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
271	House - Dudley St LV change 185%	10,000	28,500	General	522.89	542.87	19.98	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	25.00	25.00	-	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,001.89	2,103.87	101.98	5.09%
7457	House - Dudley St LV change 185%	17,000	48,400	General	731.41	757.84	26.42	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	25.00	25.00	-	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,210.41	2,318.84	108.42	4.91%
398	House - Duff St LV change 184%	9,500	27,000	General	508.00	526.66	18.67	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	25.00	25.00	-	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,987.00	2,087.66	100.67	5.07%
Average property valuation (occupied) LV change 183%		12,252	34,655	General	589.97	609.36	19.38	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	25.00	25.00	-	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,068.97	2,170.36	101.38	4.90%

RESIDENTIAL - DELUNGRA							
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$
1005	House - Railway St <i>LV change 50%</i>	20,000	30,000	General	613.30	632.06	18.76
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,092.30	2,193.06	100.76
							4.82%
1022	House - Reedy St <i>LV change 50%</i>	18,000	27,000	General	574.47	592.35	17.88
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,053.47	2,153.35	99.88
							4.86%
Average property valuation (occupied) <i>LV change 50%</i>		19,760	29,618	General	613.14	627.00	13.86
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,092.14	2,188.00	95.86
							4.58%
RESIDENTIAL - GILGAI							
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$
1349	House - Hall St <i>LV change 100%</i>	24,000	48,000	General	562.32	577.78	15.46
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,041.32	2,138.78	97.46
							4.77%
1404	House - Short St <i>LV change 100%</i>	36,000	72,000	General	730.98	749.17	18.19
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,209.98	2,310.17	100.19
							4.53%
1387	House - Park St <i>LV change 100%</i>	37,400	74,800	General	750.66	769.16	18.50
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,229.66	2,330.16	100.50
							4.51%
Average property valuation (occupied) <i>LV change 103%</i>		32,698	66,498	General	684.57	709.88	25.30
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Stormwater	25.00	25.00	-
				Garbage Collection	363.00	398.00	35.00
				Waste Management	96.00	96.00	-
					2,163.57	2,270.88	107.30
							4.96%

RESIDENTIAL - YETMAN								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
6614	House - Macintyre St LV change 66%	13,000	21,600	General	582.29	604.10	21.81	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,456.29	1,528.10	71.81	4.93%
6617	House - Macintyre St LV change 66%	29,800	49,600	General	1,044.02	1,082.56	38.54	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,918.02	2,006.56	88.54	4.62%
7467	House - Warialda St LV change 66%	14,000	23,300	General	609.78	633.15	23.37	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,483.78	1,557.15	73.37	4.94%
Average property valuation (occupied) LV change 66%		13,730	22,801	General	602.36	624.61	22.26	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,476.36	1,548.61	72.26	4.89%

RESIDENTIAL - TINGHA								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
114446	House - Diamond St LV change 100%	3,500	7,000	General	512.05	522.27	10.22	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,966.05	2,058.27	92.22	4.69%
114606	House - Swimming Pool Rd LV change 100%	4,500	9,000	General	594.06	604.34	10.28	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,048.06	2,140.34	92.28	4.51%
114439	House - Agate St LV change 100%	2,200	4,400	General	405.43	415.57	10.14	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,859.43	1,951.57	92.14	4.96%
114442	House - Diamond St LV change 201%	1,330	4,000	General	334.08	399.15	65.07	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,788.08	1,935.15	147.07	8.23%
Average property valuation (occupied) LV change 106%		4,033	8,316	General	558.05	576.29	18.25	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,012.05	2,112.29	100.25	4.98%

RESIDENTIAL RURAL								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
110894	Defraignes Lane 8.605HA LV change 61%	179,000	288,000	General	1,470.23	1,462.97	(7.26)	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
				Water	415.00	430.00	15.00	
					2,344.23	2,386.97	42.74	1.82%
111804	Gwydir Highway 14.06ha LV change 48%	189,000	280,000	General	1,539.80	1,428.86	(110.93)	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,413.80	2,352.86	(60.93)	-2.52%
5416	Swanbrook Road 3.16HA LV change 99%	143,000	285,000	General	1,219.79	1,450.18	230.39	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					2,093.79	2,374.18	280.39	13.39%
114393	Howell Rd 8.62HA LV change 111%	33,000	69,700	General	454.57	532.19	77.62	
				Waste Management	96.00	96.00	-	
					550.57	628.19	77.62	14.10%
114598	Dettmans Rd 21.3HA LV change 116%	50,000	108,000	General	572.83	695.49	122.66	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,446.83	1,619.49	172.66	11.93%
Average property valuation (occupied) LV change 69%		128,309	216,945	General	1,117.49	1,160.01	42.52	
				Water	415.00	430.00	15.00	
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					1,991.49	2,084.01	92.52	4.65%

FARMLAND								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
8637	PH Lockerby 404 HA LV change 65%	132,000	218,000	General	708.86	676.21	(32.65)	-4.61%
				Waste Management	96.00	96.00	-	
					804.86	772.21	(32.65)	-4.06%
9755	PH Delunga 1886 HA LV change 68%	1,330,000	2,230,000	General	5,100.25	4,748.30	(351.95)	-6.90%
				Garbage Collection	363.00	398.00	35.00	
				Waste Management	96.00	96.00	-	
					5,559.25	5,242.30	(316.95)	-5.70%
540	PH Balaclava 5994HA LV change 117%	18,700,000	40,600,000	General	68,771.72	82,405.34	13,633.62	19.82%
				Waste Management	96.00	96.00	-	
					68,867.72	82,501.34	13,633.62	19.80%
115104	Clerks Creek Rd 7954HA LV change 70%	12,100,000	20,600,000	General	44,578.76	41,927.34	(2,651.42)	-5.95%
				Waste Management	96.00	96.00	-	
					44,674.76	42,023.34	(2,651.42)	-5.93%
114334	Kempton Rd 1955HA LV change 110%	818,000	1,720,000	General	3,223.46	3,716.11	492.65	15.28%
				Waste Management	96.00	96.00	-	
					3,319.46	3,812.11	492.65	14.84%
114307	Cracknells Rd 690.2HA LV change 81%	229,000	415,000	General	1,064.42	1,074.92	10.50	0.99%
				Waste Management	96.00	96.00	-	
					1,160.42	1,170.92	10.50	0.90%
114381	Howell Rd 165.98HA LV change 98%	90,700	180,000	General	557.47	599.30	41.83	7.50%
				Waste Management	96.00	96.00	-	
					653.47	695.30	41.83	6.40%
Average property valuation LV change 88%		812,766	1,524,804	General	3,207.53	3,321.05	113.52	3.54%
				Waste Management	96.00	96.00	-	
					3,303.53	3,417.05	113.52	3.44%

BUSINESS - INVERELL INDUSTRIAL / COMMERCIAL							
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$
2760	Byron St <i>LV change 13%</i>	158,000	178,000	General	6,547.78	5,545.99	(1,001.79)
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Waste Management	96.00	96.00	-
				Stormwater	75.00	75.00	-
					7,713.78	6,758.99	(954.79)
							-12.38%
4987	Ring St <i>LV change 82%</i>	74,200	135,000	General	3,194.31	4,263.00	1,068.69
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Waste Management	96.00	96.00	-
				Stormwater	125.00	125.00	-
					4,410.31	5,526.00	1,115.69
							25.30%
5448	Swanbrook Road <i>LV change 153%</i>	146,000	369,000	General	6,067.57	11,244.85	5,177.28
				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Waste Management	96.00	96.00	-
				Stormwater	200.00	200.00	-
					7,358.57	12,582.85	5,224.28
							71.00%
<i>Average property valuation (occupied)</i>		147,252	204,231	General	6,127.71	6,328.63	200.91
<i>LV change 39%</i>				Water	415.00	430.00	15.00
				Sewer	580.00	612.00	32.00
				Waste Management	96.00	96.00	-
				Stormwater	125.00	125.00	-
					7,343.71	7,591.63	247.91
							3.38%

BUSINESS OTHER								
		2019 Land Value	2022 Land Value		2022/23 Rate levy	2023/24 Rate levy 3.7%	Difference \$	Total % change per assessment
946	Business - Delungra LV change 50%	21,500	32,200	General	821.35	908.27	86.92	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	125.00	125.00	-	
				Waste Management	96.00	96.00	-	
					2,037.35	2,171.27	133.92	6.57%
2914	Business Clive St LV change 46%	171,000	249,000	General	4,968.03	5,441.34	473.31	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	200.00	200.00	-	
				Waste Management	96.00	96.00	-	
					6,259.03	6,779.34	520.31	8.31%
1855	Bundarra Road G.C LV change 42%	270,000	383,000	General	7,713.99	8,243.15	529.16	
				Water (2 meters)	830.00	860.00	30.00	
				Waste Management	96.00	96.00	-	
					8,639.99	9,199.15	559.16	6.47%
1192	Ph Clare 29.91HA Mining LV change -39%	36,100	21,900	General	1,226.31	692.91	(533.40)	
				Waste Management	96.00	96.00	-	
					1,322.31	788.91	(533.40)	-40.34%
114052	Windfarm Lease LV change 16%	739,000	855,000	General	20,722.64	18,112.20	(2,610.45)	
				Waste Management	96.00	96.00	-	
					20,818.64	18,208.20	(2,610.45)	-12.54%
114490	Business in Ruby St Tingha LV change 100%	3,800	7,600	General	330.40	393.91	63.51	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Waste Management	96.00	96.00	-	
					1,421.40	1,531.91	110.51	7.77%
114391	Business in Amethyst St Tingha LV change 100%	3,000	6,000	General	308.21	360.45	52.24	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Waste Management	96.00	96.00	-	
					1,399.21	1,498.45	99.24	7.09%
Average property valuation (occupied) LV change 37%		108,467	149,125	General	3,321.59	3,353.06	31.47	
				Water	415.00	430.00	15.00	
				Sewer	580.00	612.00	32.00	
				Stormwater	200.00	200.00	-	
				Waste Management	96.00	96.00	-	
					4,612.59	4,691.06	78.47	1.70%

CAPITAL EXPENDITURE 2024-2033			2023/2024		2024/2025		2025/2026		2026/2027		2027/2028		2028/2029		2029/2030		2030/2031		2031/2032		2032/2033		
PROGRAM	LEDGER NUMBER	DESCRIPTION	ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		ORIGINAL CAPITAL BUDGET		
			AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	AMOUNT	SECTION TOTAL	
ADMINISTRATIVE SERVICES	159060-1000	OFFICE FURNITURE & EQUIPMENT-DESKS, CHAIRS	5,200		5,200		5,200		5,200		5,200		5,200		5,200		5,200		5,200		5,200		
	134940-1000	ACQUISITION OF ART PRIZE	4,500		4,500		4,500		4,500		4,500		4,500		4,500		4,500		4,500		4,500		
	160470-1000	ART GALLERY REFURBISHMENTS	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	5,000	14,700	
ENGINEERING	160800-1100	ENGINEERS INSTRUMENTS & EQUIPMENT	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	
	159141-1000	EQUIPMENT ISSUES	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	
SES	132851-4450	SES BUILDING UPGRADE	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	7,150	
INFORMATION SERVICES	130101-1000	COMPUTER EQUIPMENT	76,290		76,290		76,290		76,290		76,290		76,290		76,290		76,290		76,290		76,290		
	130101-4910	COMPUTER EQUIPMENT	-		-		-		-		-		-		-		-		-		-		
	130111-5130	COMPUTER EQUIPMENT - NEW PRINTING EQUIPMENT	39,200		39,200		39,200		39,200		39,200		39,200		39,200		39,200		39,200		39,200		
	130111-5162	COMPUTER EQUIPMENT - NEW HARDWARE	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	32,000	147,490	
SPORTING FACILITIES	160660-1100	SPORTS GROUND IMPROVEMENT-SPORT CNL.	20,000		20,000		20,000		20,000		20,000		20,000		20,000		20,000		20,000		20,000		
	137103-1000	INVERELL SWIMMING POOL REDEVELOPMENT	23,380,789		5,022,154		-		20,000		20,000		20,000		20,000		20,000		20,000		20,000		
	134929-1000	EQUESTRIAN CENTRE UPGRADE	4,000	23,404,789	4,000	5,046,154	4,000	24,000	4,000	24,000	4,000	24,000	4,000	24,000	4,000	24,000	4,000	24,000	4,000	24,000	4,000	24,000	
CEMETERY	136391-4450	CEMETERY	15,300	15,300	15,680	15,680	16,070	16,070	16,470	16,470	16,880	16,880	17,300	17,300	17,730	17,730	18,170	18,170	18,620	18,620	19,090	19,090	
LIBRARY	160180-1100	LIBRARY-CORPORATE SERVICE COLLECTION	1,520		1,560		1,600		1,640		1,680		1,720		1,760		1,800		1,850		1,900		
	160190-1000	LIBRARY BOOKS	63,610		65,200		66,830		68,500		70,210		71,970		73,770		75,610		77,500		79,440		
	160200-1000	LIBRARY BOOKS - CO-OPERATIVE CONTRIBUTION	23,650		24,240		24,850		25,470		26,110		26,760		27,430		28,120		28,820		29,540		
	160240-1000	NON BOOK MATERIALS-VIDEOS CASSETTES ETC.	10,410		10,670		10,940		11,210		11,490		11,780		12,070		12,370		12,680		13,000		
	160245-1000	LIBRARY - OFFICE EQUIPMENT	2,000		2,000		2,000		2,000		2,000		2,000		2,000		2,000		2,000		2,000		
	160270-1000	LIBRARY SECURITY SYSTEM	2,430		2,490		2,550		2,610		2,680		2,750		2,820		2,890		2,960		3,030		
	160386-1000	LIBRARY - LOCAL PRIORITY FUNDING	26,500		27,160		27,840		28,540		29,250		29,980		30,730		31,500		32,290		33,100		
	160395-1000	LIBRARY-SPECIAL GRANT PROJECT		130,120	-	133,320	-	136,610	-	139,970	-	143,420	-	146,960	-	150,580	-	154,290	-	158,100	-	162,010	
OTHER NEW INFRASTRUCTURE ASSETS	129381-1000	MINOR COMMUNITY INFRASTRUCTURE ASSETS	151,226		151,220		151,220		151,220		151,220		151,220		151,220		151,220		151,220		151,220		
	159772-1000	ENERGY EFFICIENCY PROGRAM	40,000	191,226	40,000	191,220	40,000	191,220	40,000	191,220	40,000	191,220	40,000	191,220	40,000	191,220	40,000	191,220	40,000	191,220	40,000	191,220	
PLANT	161590-1000	SMALL PLANT	80,000		80,000		80,000		80,000		80,000		80,000		80,000		80,000		80,000		80,000		
	161610-1000	WORKSHOP EQUIPMENT	40,000		40,000		40,000		40,000		40,000		40,000		40,000		40,000		40,000		40,000		
	161600-1000	LIGHT CARS/TRUCKS	744,000		891,500		1,205,500		1,095,500		1,084,500		1,137,000		975,500		1,243,000		1,013,500		1,276,500		
	161620-1000	HEAVY PLANT	1,945,000	2,809,000	1,575,000	2,586,500	4,114,000	5,439,500	780,000	1,995,500	3,028,500	4,233,000	2,562,000	3,819,000	2,345,000	3,440,500	3,091,000	4,454,000	3,510,000	4,643,500	4,775,000	6,171,500	
	TOTAL		26,921,875	26,921,875	8,344,314	8,344,314	6,178,840	6,178,840	2,738,600	2,738,600	4,979,960	4,979,960	4,569,920	4,569,920	4,195,470	4,195,470	5,213,120	5,213,120	5,406,880	5,406,880	6,939,260	6,939,260	
SEWERAGE	907170-1000	OTHER EQUIPMENT - Sewer Rodding Equip; Gas Detector	14,000		14,000		14,000		14,000		14,000		14,000		14,000		14,000		14,000		14,000		
	907110-1100	MAINS RELINING PROGRAM	630,000		630,000		630,000		630,000		630,000		630,000		630,000		630,000		630,000		630,000		
	907270-1000	PUMPING STATIONS UPGRADES	90,000		92,250		94,560		96,920		99,340		101,820		104,370		106,980		109,650		112,390		
	907322-1000	PUMPING STATIONS-TINGHA POD REPLACEMENT	50,000		51,250		52,530		53,840		55,190		56,570		57,980		59,430		60,920		62,440		
	906541-1100	FITTING AND INSTALLATIONS	10,000		10,000		10,000		10,000		10,000		10,000		10,000		10,000		10,000		10,000		
	907250-3100	RETICULATION MAINS	109,840		112,590		115,400		118,290		121,250		124,280		127,390		130,570		133,830		137,180		
	907320-3070	SEWER TREATMENT WORKS																					
	907321-3100	LIRIS INVERELL SEWERAGE TREATMENT WORKS																					
	907240-1000	CAPITAL INFRASTRUCTURE WORKS	21,000		82,000		75,000		94,000		13,000		101,000		86,000		71,000		61,000		152,000		
	TOTAL		924,840	924,840	992,090	992,090	1,191,490	1,191,490	1,217,050	1,217,050	1,242,780	1,242,780	1,269,670	1,269,670	1,296,740	1,296,740	1,323,980	1,323,980	1,352,400	1,352,400	1,381,010	1,381,010	
WATER	813220-1100	MAINS REPLACEMENT - INVERELL	120,830		123,850		126,950		130,120		133,370		136,700		140,120		143,620		147,210		150,890		
	813230-3100	MINOR MAINS EXTENSIONS-INVERELL	54,920		56,290		57,700		59,140		60,620		62,140		63,690		65,280		66,910		68,580		
	813285-1000	BACKFLOW PREVENTION WORKS	50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		
	813282-1000	PUMP STATION UPGRADES	50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		50,000		
	813290-3100	OTHER EQUIPMENT	11,220		11,500		11,790		12,080		12,380		12,690		13,010		13,340		13,670		14,010		
	813260-3001	TREATMENT PLANTS	297,840		305,290		312,920		320,740		328,760		336,980		345,400		354,040		362,890		371,960		
	813342-1000	RESERVOIRS	235,000		235,000		235,000		235,000		235,000		235,000		235,000		235,000		235,000		235,000		
	813280-3100	METERING - INVERELL	75,380		77,260		79,19																

4.5 REFERRAL OF CONFIDENTIAL REPORTS**File Number:** S4.11.17/15 / 23/10651**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

Referral of Confidential Reports

RECOMMENDATION:

That the Committee refer the items to Closed (Public excluded) meeting of the Committee and that the press and members of the public be asked to leave the chambers whilst the Committee considers the following items:

Item: Sale of Land - Swanbrook Road

Authority: Section 10A (2) (c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Item: Commercial Lease Temporary Service Station - 13 Glen Innes Road, Inverell

Authority: Section 10A (2) (d(i)) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

COMMENTARY:

In accordance with the provisions of Section 9 (2A) Local Government Act 1993, the General Manager is of the opinion that consideration of the following item(s) is likely to take place when the meeting is closed to the public.

Item: Sale of Land - Swanbrook Road

Description: Expressions of Interest have closed for the former site of the Community Garden. The Committee is being asked to consider the Expressions of Interest received.

Reason: Information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business (s. 10A (2) (c) Local Government Act 1993).

Item: Commercial Lease Temporary Service Station - 13 Glen Innes Road, Inverell

Description: As part of the land negotiations associated with the roundabout construction at the intersection of the Gwydir Highway, Bundarra Road and Chester Street, Council agreed to lease the former Cleaning Facilities Depot at 13 Glen Innes Road for the purposes of a temporary Service Station.

The operators of the temporary Service Station are now seeking to enter into a commercial lease to extend their occupation of the site whilst they complete the development of their new premises.

The Committee is being asked to make a recommendation to Council in regards to the lease request.

Reason: Commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it (s. 10A (2) (d(i)) Local Government Act 1993).

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

5 GOVERNANCE REPORTS

5.1 GOVERNANCE - MONTHLY INVESTMENT REPORT

File Number: S12.12.2 / 23/10947

Author: Robert Kimmince, Manager Financial Services

SUMMARY:

To report the balance of investments held as at 31 March, 2023.

RECOMMENDATION:

The Committee recommends to Council that:

- i) the report indicating Council's Fund Management position be received and noted; and*
- ii) the Certification of the Responsible Accounting Officer be noted.*

COMMENTARY:

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 31 March, 2023 and an update of the investment environment:

- (a) Council's Investments as at 31 March, 2023;
- (b) Council Investments by Fund as at 31 March, 2023;
- (c) Interest – Budgeted vs. Actual;
- (d) Investment Portfolio Performance;
- (e) Investment Commentary; and
- (f) Certification – Responsible Accounting Officer.

A) Council Investments as at 31 March, 2023

Term Deposit Investment Group									
Investment	Borrower	FUND	Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	Term (days)
22/23	ING Bank	General	A	19-Apr-22	19-Apr-23	2.21%	2,000,000	2,000,000	365
23/14	Police Credit Union	Water	Unrated	08-Nov-22	08-May-23	4.42%	1,000,000	1,000,000	181
23/15	Police Credit Union	General	Unrated	08-Nov-22	08-May-23	4.42%	1,000,000	1,000,000	181
22/26	Bank of Sydney	General	NR	16-May-22	16-May-23	3.10%	2,000,000	2,000,000	365
22/12	AMP BANK	General	BBB+	25-Nov-21	25-May-23	1.00%	1,000,000	1,000,000	546
22/14	AMP BANK	General	BBB+	25-Nov-21	25-May-23	1.00%	1,000,000	1,000,000	546
22/30	Commonwealth Bank	Sewer	A	07-Jun-22	07-Jun-23	3.42%	1,000,000	1,000,000	365
23/09	MyState Bank	General	BBB+	20-Sep-22	20-Jun-23	4.15%	1,500,000	1,500,000	273
21/16	National Australia Bank	Water	AA-	28-Jun-21	28-Jun-23	0.60%	1,000,000	1,000,000	730
21/17	ICBC - Industrial and Commercial Bank of China	General	A	29-Jun-21	29-Jun-23	0.70%	1,000,000	1,000,000	730
21/18	National Australia Bank	Water	AA-	29-Jun-21	29-Jun-23	0.65%	2,000,000	2,000,000	730
23/01	Commonwealth Bank	General	AA-	27-Jul-22	27-Jul-23	4.06%	2,000,000	2,000,000	365
23/02	Commonwealth Bank	General	AA-	27-Jul-22	27-Jul-23	4.06%	2,000,000	2,000,000	365
23/26	Macquarie Bank	General	A	29-Mar-23	31-Jul-23	4.50%	1,000,000	1,000,000	124
23/16	Police Credit Union	General	Unrated	08-Nov-22	08-Aug-23	4.50%	1,000,000	1,000,000	273
23/19	AMP BANK	General	BBB+	07-Dec-22	07-Sep-23	4.35%	2,000,000	2,000,000	274
23/03	Bank of Queensland	General	BBB+	13-Sep-22	13-Sep-23	4.09%	1,000,000	1,000,000	365
23/04	National Australia Bank	General	AA-	13-Sep-22	13-Sep-23	4.10%	2,000,000	2,000,000	365
23/05	National Australia Bank	General	AA-	13-Sep-22	13-Sep-23	4.10%	2,000,000	2,000,000	365
23/06	Westpac Bank	Water	AA-	19-Sep-22	19-Sep-23	4.33%	1,000,000	1,000,000	365
23/08	Westpac Bank	Sewer	AA-	20-Sep-22	20-Sep-23	4.32%	1,000,000	1,000,000	365
23/27	Bank of Queensland	General	BBB+	29-Mar-23	29-Sep-23	4.60%	2,000,000	2,000,000	184
23/12	Suncorp	Sewer	A	05-Oct-22	05-Oct-23	4.33%	1,500,000	1,500,000	365
23/10	AMP BANK	General	BBB+	05-Oct-22	05-Oct-23	4.30%	2,000,000	2,000,000	365
22/09	National Australia Bank	General	AA-	06-Oct-21	06-Oct-23	0.64%	1,000,000	1,000,000	730
23/13	Westpac Bank	General	AA-	19-Oct-22	19-Oct-23	4.43%	2,000,000	2,000,000	365
22/10	Westpac Bank	General	AA-	25-Oct-21	25-Oct-23	0.91%	2,000,000	2,000,000	730
22/11	Westpac Bank	General	AA-	25-Nov-21	27-Nov-23	1.28%	1,000,000	1,000,000	732
22/28	AMP BANK	General	BBB+	27-May-22	27-Nov-23	3.30%	2,000,000	2,000,000	549
23/17	AMP Bank	Water	BBB	25-Nov-22	27-Nov-23	4.60%	1,000,000	1,000,000	367
22/27	Australian Unity Bank	General	BBB	26-May-22	27-Nov-23	3.50%	1,000,000	1,000,000	550
22/15	ICBC - Industrial and Commercial Bank of China	General	A	02-Dec-21	04-Dec-23	1.36%	2,000,000	2,000,000	732
22/16	ICBC - Industrial and Commercial Bank of China	General	A	02-Dec-21	04-Dec-23	1.36%	2,000,000	2,000,000	732
22/17	ICBC - Industrial and Commercial Bank of China	Water	A	02-Dec-21	04-Dec-23	1.36%	1,000,000	1,000,000	732
22/18	Bank of Sydney	General	NR	07-Dec-22	07-Dec-23	4.60%	2,000,000	2,000,000	365
23/20	ING Bank	General	A	23-Jan-23	23-Jan-24	4.50%	1,500,000	1,500,000	365
23/25	Bank of Sydney	General	Unrated	24-Mar-23	24-Jan-24	4.70%	2,000,000	2,000,000	306
23/21	Commonwealth Bank	Sewer	AA	27-Feb-23	27-Feb-24	5.06%	2,000,000	2,000,000	365
22/20	MyState Bank	General	BBB	02-Mar-22	04-Mar-24	1.70%	2,000,000	2,000,000	733
22/21	Bank of Queensland	General	BBB+	02-Mar-22	04-Mar-24	1.70%	1,000,000	1,000,000	733
23/22	AMP BANK	General	BBB+	20-Mar-23	19-Mar-24	4.80%	1,000,000	1,000,000	365
23/07	Bank of Sydney	Water	BBB+	20-Mar-23	20-Mar-24	4.85%	1,500,000	1,500,000	366
21/11	ICBC - Industrial and Commercial Bank of China	Water	A	26-Mar-21	26-Mar-24	0.82%	2,000,000	2,000,000	1096
22/03	National Australia Bank	General	AA-	27-Aug-21	27-Aug-24	0.85%	2,000,000	2,000,000	1096
23/11	ING Bank	General	A	05-Oct-22	08-Oct-24	4.75%	2,000,000	2,000,000	734
23/23	Auswide Bank	General	BBB	24-Mar-23	24-Mar-25	4.80%	1,000,000	1,000,000	731
23/24	Auswide Bank	Water	BBB	24-Mar-23	24-Mar-25	4.80%	1,000,000	1,000,000	731
21/13	ICBC - Industrial and Commercial Bank of China	Water	A	27-May-21	27-May-26	1.40%	1,000,000	1,000,000	1826
21/14	ICBC - Industrial and Commercial Bank of China	Sewer	A	27-May-21	27-May-26	1.40%	1,000,000	1,000,000	1826
21/15	ICBC - Industrial and Commercial Bank of China	General	A	27-May-21	27-May-26	1.40%	1,000,000	1,000,000	1826
						TOTALS	74,000,000	74,000,000	

Cash Deposit Accounts									
As at Date	Borrower	FUND	Rating	Purchase Date	Maturity Date	Current Yield	Value at beg year	Current value	Term
31/03/2023	Commonwealth Bank	General	A	9/11/2020		0.00%		1,194.89	
31/03/2023	Macquarie Bank	General	AA-	9/11/2020		3.70%	2,028,504	2,067,755.41	
31/03/2023	Macquarie Bank	Water	AA-	9/11/2020		3.70%	2,516,481	2,565,175.04	
31/03/2023	Macquarie Bank	Sewer	AA-	9/11/2020		3.70%	1,508,674	1,537,866.90	
Sub Total - Cash Deposit Accounts							-	6,171,992	-

B) Council Investments by Fund 31 March, 2023

Portfolio by Fund	28/02/2023	31/03/2023
General Fund	\$54,013,148	\$57,068,950
Water Fund	\$14,057,977	\$15,065,175
Sewer Fund	\$8,033,551	\$8,037,867
TOTAL	\$76,104,676	\$80,171,992

Council's investment portfolio has increased during March 2023 by \$4,067,316. This was in respect of normal cash flow movements for receipts collected and payments made during March 2023 and investing additional grant funding received.

Interest – Budgeted verses Actual Result to Date

	Ledger	2022/2023 Budget \$	Actuals to Date \$	Accrued Interest to Date \$	TOTAL \$
General Fund	128820	510,000.00	468,600.09	667,667.81	1,136,267.90
Water Fund	812350	84,000.00	164,572.45	42,413.70	206,986.15
Sewer Fund	906320	60,000.00	148,265.92	49,567.26	197,833.18
TOTAL		654,000.00	781,438.46	759,648.77	1,541,087.23

Term deposit interest rates have improved recently with a 12-month term deposit now yielding 4.4 – 4.8%. Given our strong investment balances, Council is expected to exceed interest revenue targets in 2022/2023. This additional interest received during 2022/2023 will be allocated to special projects during 2023/2024.

C) Investment Portfolio Performance

Investment Portfolio Return		Benchmarks		
	% pa	RBA Cash Rate	Aus Bond Bank Bill	11am Cash Rate
Benchmark as at 31/3/2023		3.60%	3.72%	3.60%
Term Deposits	3.12%			
Cash Deposit Accounts	3.70%			
180 Day Call Account	0.00%			
Floating Rate Notes	0.00%			

D) Investment Commentary

Council's investment portfolio is currently underperforming when compared to the above benchmarking indexes. The portfolio's underperformance is expected to be temporary given the relatively high level of turnover (approximately one-quarter of the deposit portfolio is maturing within the next 6 months).

Council's investment portfolio of \$80.17M is almost entirely invested in fixed term deposits. Overall, the portfolio is highly liquid, highly rated and short-dated from a counterparty perspective.

Certification – Responsible Accounting Officer

I Paul Pay, hereby certify that the investments listed in this report have been made in accordance with Section 625 of the *Local Government Act 1993*, Clause 212 of the Local Government (General) Regulations 2005 and Council's Investment Policy.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Council's term deposit portfolio was yielding 3.12% p.a. at month-end, with a weighted average duration of around 239 days or 7.9 months. Council is well positioned to take advantage of increasing term deposit rates as investments mature.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

6 CONFIDENTIAL REPORTS**RECOMMENDATION:**

That the Committee considers the confidential report(s) listed below in a meeting closed to the public in accordance with the reasons stated in the referral reports:

6.1 Sale of Land – Swanbrook Road

6.2 Commercial Lease Temporary Service Station – 13 Glen Innes Road, Inverell