

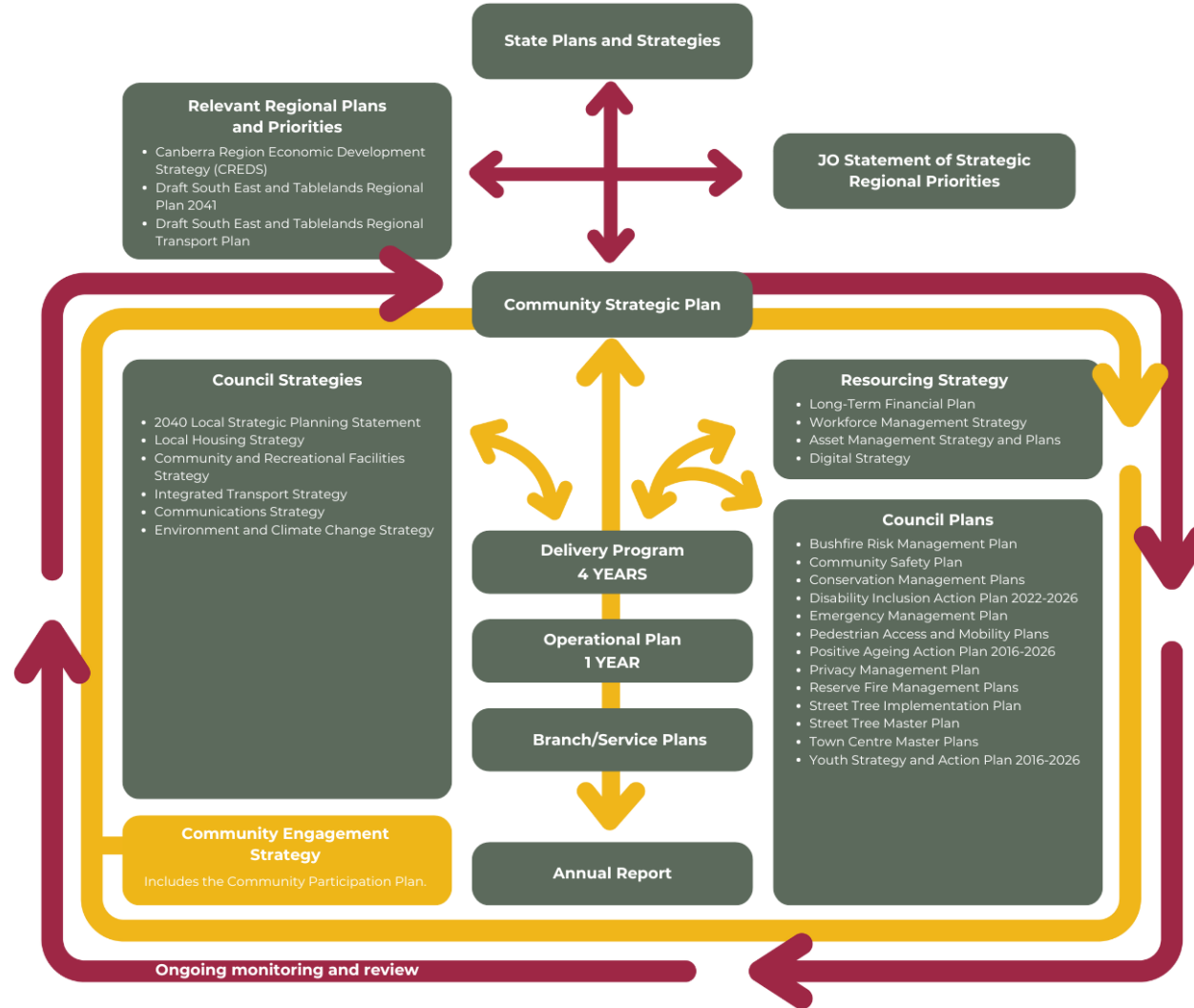


Wingecarribee
SHIRE COUNCIL

Council Briefing Draft Operational Plan & Budget Recap 2024-2025



Framework | Integrated Planning & Reporting



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Priority Actions 2024-2025 | Themes



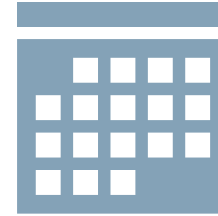
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Leadership



General Managers Office & Executive Leadership



12 Month Program

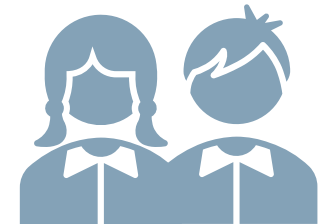


Civic Events

Policy, Strategy & Organisational Development



Cadets, Apprentices & Trainees



Encourage Youth Employment



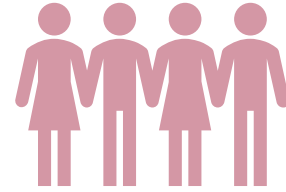
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People



Place Management



**Community Based
Projects**



**Place Based
Activities**

Library Services



**Mobile Library
Upgrade**



**Update Library
Website**



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Places



Project Management



NSW STATE EMERGENCY SERVICE

Animal Shelter & SES Building

Civil Construction



Roads Capital Works Program



Drainage Capital Works Program



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Environment



Natural Resources Management



Koala Strategy



Bush Fire Management

Resource Recovery



Improve Material Recovery



Divert Waste From Landfill



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Economy



Economic Development



Southern Highlands Innovation Park Strategy & Plans

SRLX



Sales Yard Works

Tourism & Events



Review Signature Events



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Draft Budget 2024 – 2025 | Summary

Total Council Operating Expenditure of \$162M to fund ongoing services

- General Fund Operating Expenditure of \$114M
- Water Fund Operating Expenditure of \$20M
- Sewer Fund Operating Expenditure of \$27M

Forecast Total Council Operating Result - Profit and Loss deficit \$12.48M, comprised of (excl capital revenue):

- General Fund deficit of \$8.46M
- Water Fund deficit of \$2.43M
- Sewer Fund deficit of \$1.59M

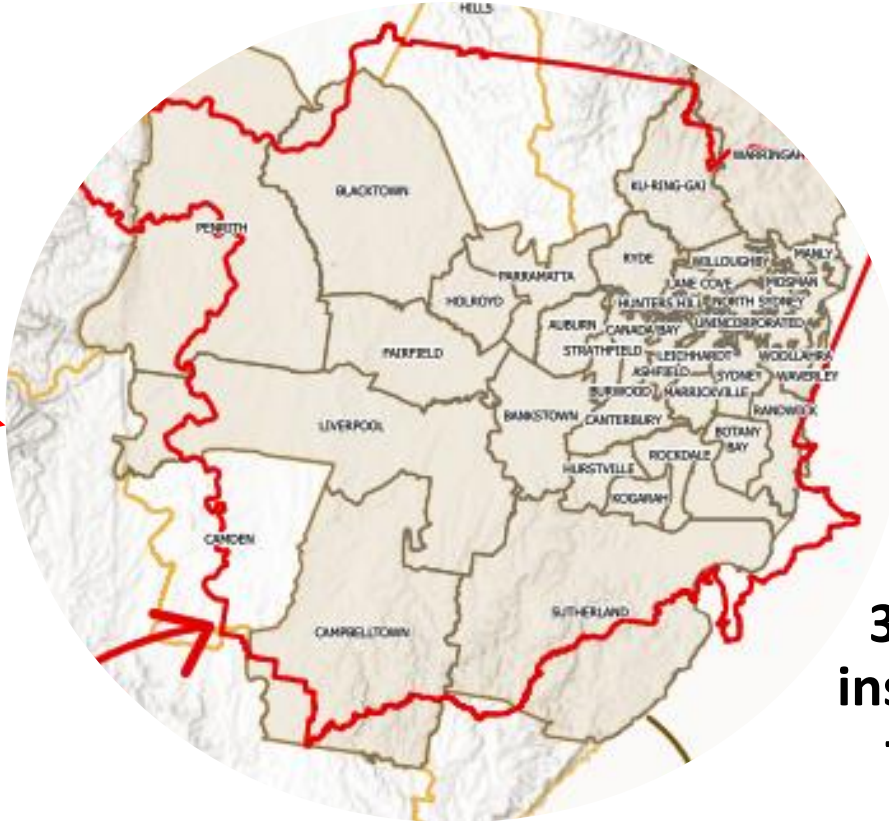
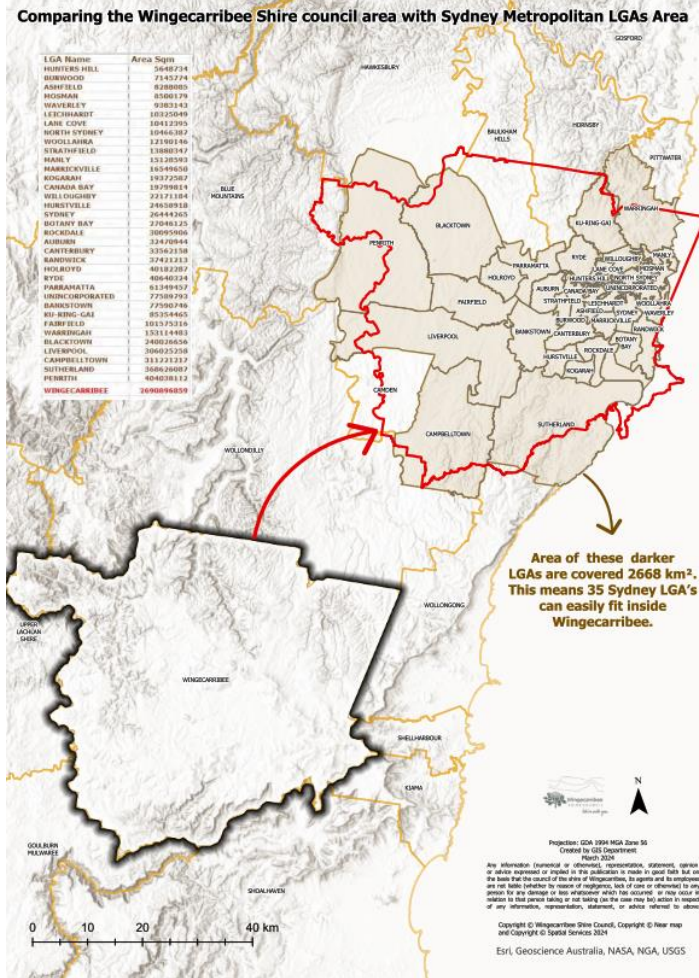
Draft Capital Budget of \$109.45M, comprised of:

- Infrastructure \$107.11M
- Information & Communications Technologies \$2.34M



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Our Shire | Context

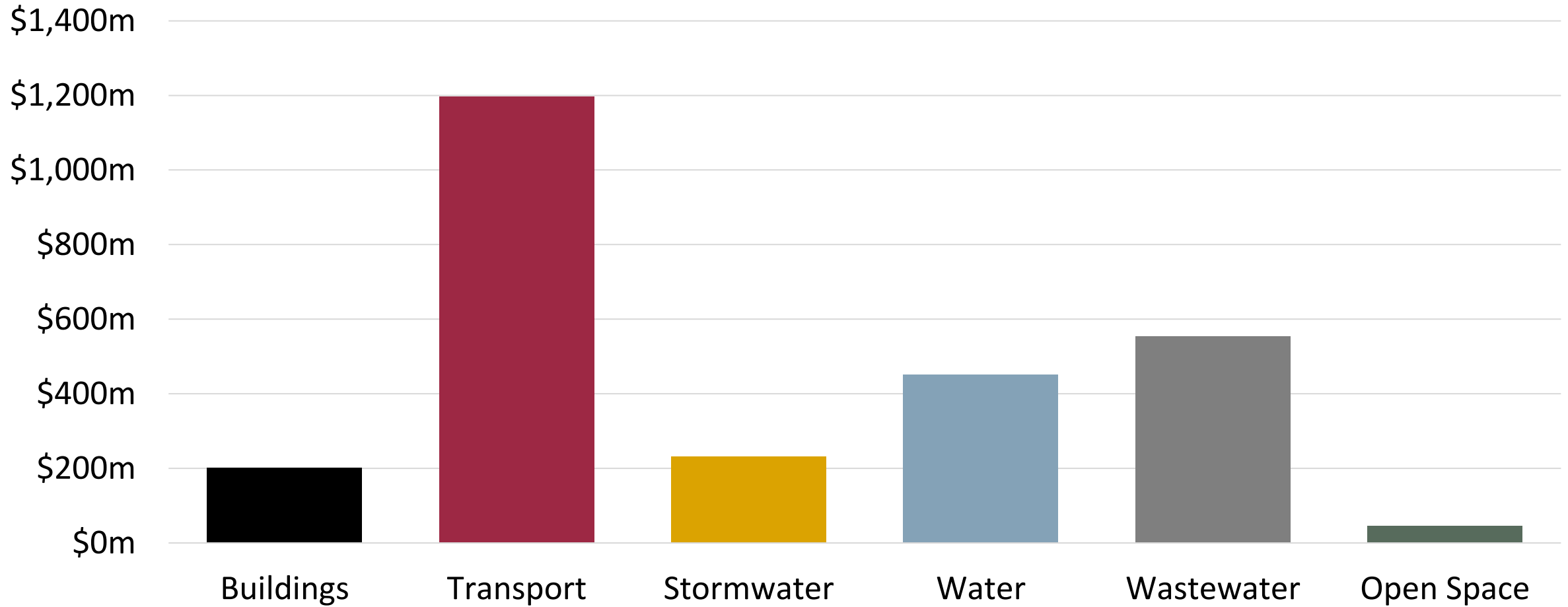


35 Sydney LGAs can fit inside the Wingecarribee footprint of 2668km²



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\$2.7B of Infrastructure Assets | Summary



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Capital Program | Spotlight on Roads

- Inventory: 1,200km
 - Asphalt – 120km
 - Spray Seal – 810km
 - Unsealed – 270km
- Value: \$940M
- Annual Depreciation: \$13M
- Detailed Capital 4-year capital works program included in the draft 2024-2025 Operational Plan



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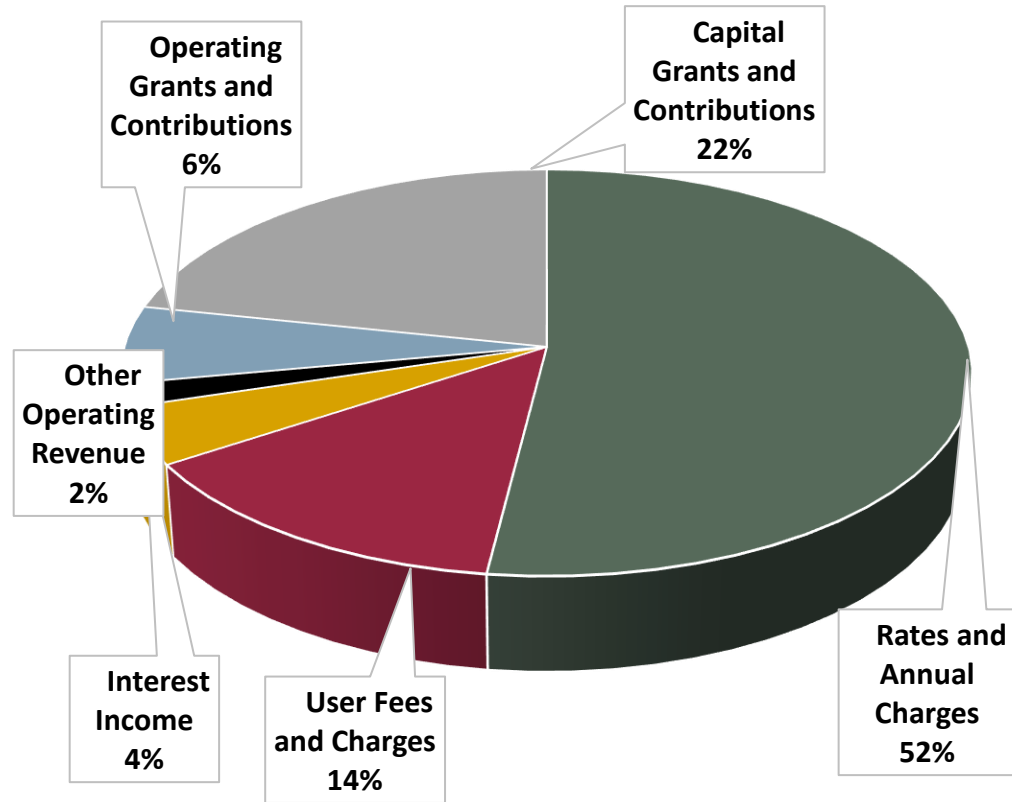
Draft Budget 2024 – 2025 | Parameters

- Rates Peg 4.6% based on IPART (4.5% rate peg and 0.1% growth component)
- DWM indexed by 7.0% to offset the increase in waste disposal costs.
- Water & Sewer charges generally increased by 7.0% to ensure both funds are sustainable.
- Fees & Charges have been reviewed to align with relevant pricing categories and market alignment.
- Salaries and Wages increase of 5.1% overall (Award, new salary system, superannuation guarantee increase)
- Operating Expenditure increased by 3.5% unless justified for operational need by a contract or prescribed expenses
- Forecast Working Capital greater than \$5M as at 30 June 2025

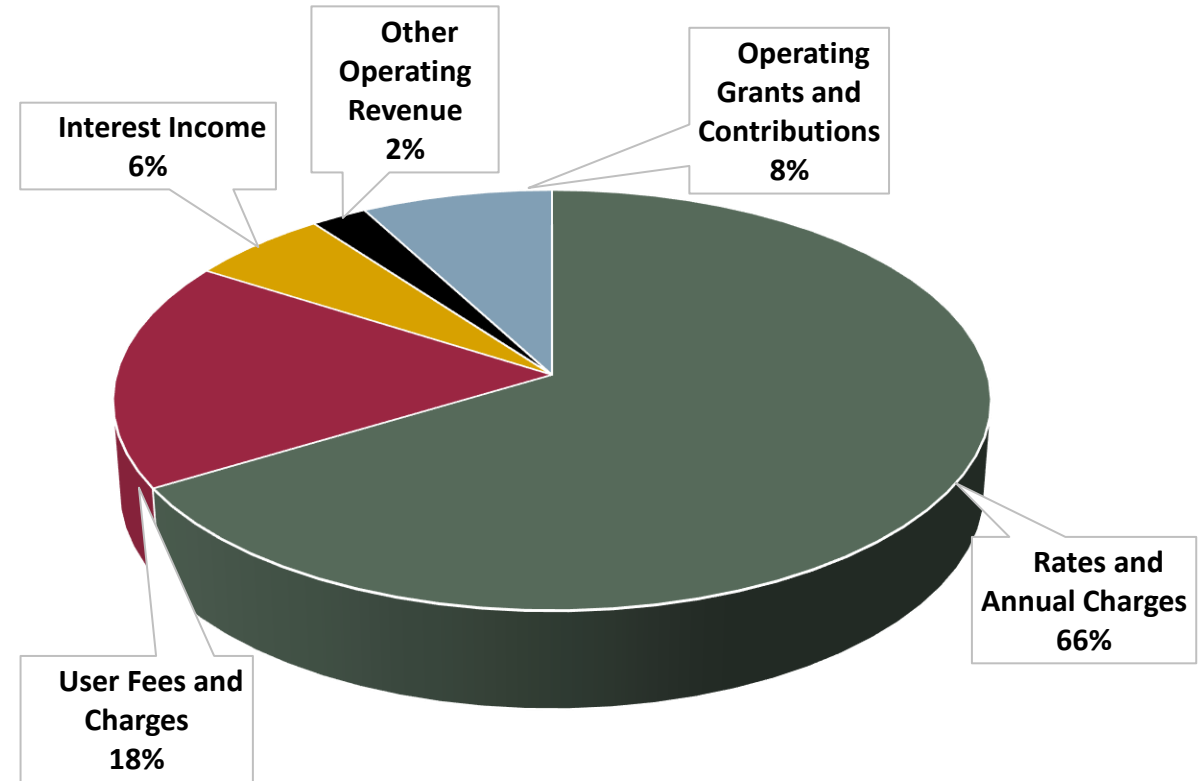


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Draft Budget 2024-2025 | Income By Category



Revenue including Capital Grants and Contributions



Revenue excluding Capital Grants and Contributions



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Draft Budget 2024-2025 | Depreciation Expenses

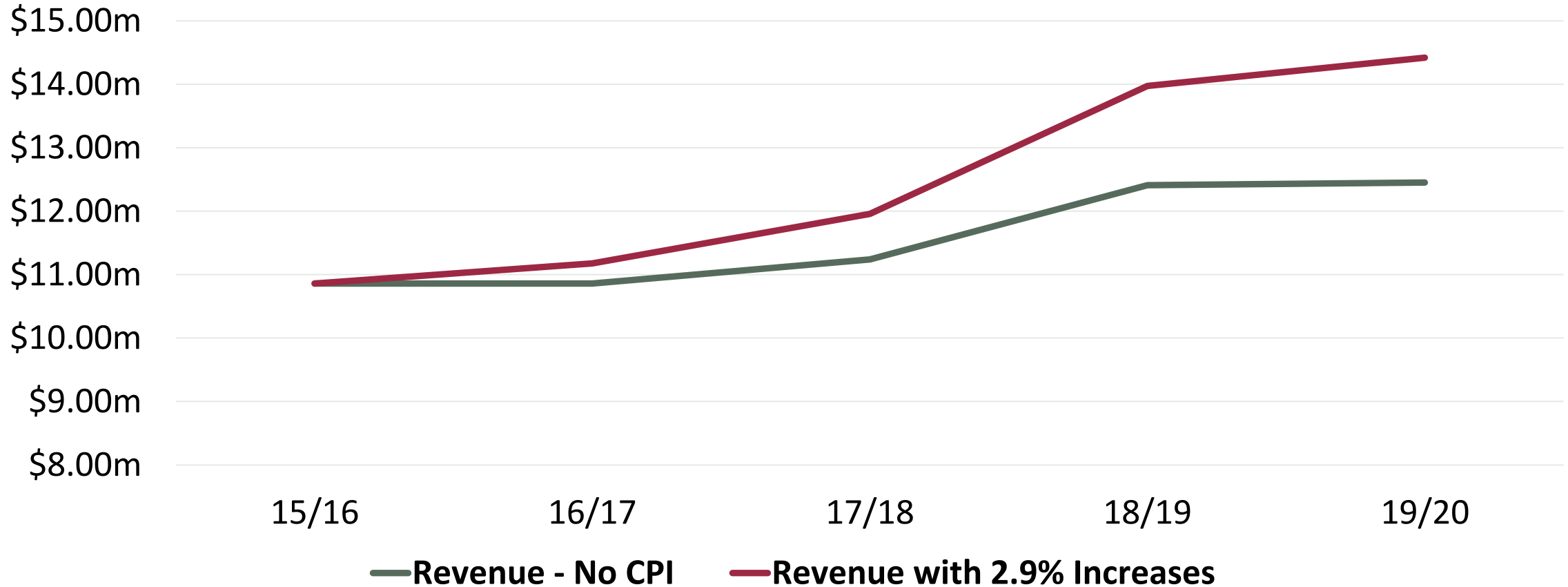
Financial Year	Depreciation \$'000	Increase (\$) \$'000	Increase (%) \$'000	Rate Peg (%)	Variance
2019/20	29,722	-	-	-	-
2020/21	31,048	1,326	4.46%	2.60%	1.86%
2021/22	33,099	2,051	6.61%	2.00%	4.61%
2022/23	38,050	4,951	14.96%	1.20%	13.76%
2023/24*	43,098	5,048	13.27%	4.10%	9.17%
2024/25*	50,767	7,669	17.79%	4.60%	13.19%
5 Year Average		4,209	11.42%	2.90%	8.52%
*Denotes budgeted and subject to validation through Asset revaluations due in April 2024.					



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Draft Budget 2024-2025 | Water Rates During the SRV

Water Revenue Trend during Special Rating Variations



* Increase in No CPI scenario relates to increase water usage



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Fees & Charges 2024-2025 | Recap & Summary

Fees & Charges have been reviewed to align with relevant pricing categories and market alignment.

- **New Fees** – 106 fees introduced for the first time in 2024/25 financial year primarily around the Bowral Memorial Hall, Tulip Time, Cemeteries, & Planning.
- **>10%** – 34 Fees have increased by more than 10% due to market forces.
- **<4%** – 26 Fees have increased by less than 4%, ensuring council maintain benchmark pricing.
- **Discontinued Fees** – 38 fees have been discontinued, of which a majority relate to Family Day Care.
- **Statutory Fees** - Have been increased accordance with prescribed schedules and will be updated during the exhibition period as relevant authorities release their proposed 2024/25 fees.



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Revenue Policy | Update

Key changes include:

- Review of Residential Rate Subcategories.
- Policy position on Special Rating Levy for New Living Areas.
- Introduction of Part Year Rating.
- Update Rates Subsidy Scheme to include Community Halls not operated by Council (as resolved by Council).
- Proposed 2024/25 Loan Borrowings
 - Animal Shelter - \$4.125M – General Revenue
 - Bowral STP - \$11M – Sewer Fund
 - Moss Vale STP - \$5.45M – Sewer Fund



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Draft Budget 2024-2025 | Risks

- Unrestricted Working Capital surplus will diminish from \$304K (as initially reported) to \$54K as a result of post publication changes relating to a State Government Award payment for staff that have been employed more than 12 months.
- External risk of continual high inflation relative to a modest rate peg which will have an impact on Council ability to maintain its financial performance and renew assets at the rate of depreciation.
- Development Assessment & Regulation vacancies & reliance on contractors - probable impact 24/25 financial year.
- Workers Compensation is at \$2.2M based on current projections.
- Cost increases & timeline changes of significant capital projects - pressure on Water & Sewer fund (Sewage Treatment Plant upgrades \$165M, Welby Tip Rehabilitation \$18M).
- 2024/25 - 3rd & final year of the temporary Pothole Crew (\$1.4M) - funds due to be returned to the capital works program 2025/26.



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Draft Budget 2024-25 | Reporting Updates

To provide greater financial transparency, the following updates to reporting have been made:

- Financial Reporting: 23/24 Original Budget; adopted 23/24 Quarter 3 and draft 24/25 to Level 4 (Coordinator).
- 4-year Capital Works program at project level within the Operational Plan.
- Operational Plan has been updated to include both FTE & performance measures to Level 4.
- Key movements (to \$20K level) in Operating Budget Level 3 and Level 4 during the Quarterly Budget Review Process.
- Monthly Finance reporting including actuals to track financial performance.
- Unfunded project list updated and reduced from \$628M to \$134M.



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Draft Budget 2024-25 | Next Steps

- **1 May** : Draft Operational Plan and Budget 2024/25 will be presented to Council for endorsement for Public Exhibition.
- **3 May to 2 June**: Public exhibition:
 - Community information & feedback sessions across the Shire.
 - Promotion via media release, e-newsletter, social media, community networks and community reference panels.
- **26 June**: Extraordinary Meeting to consider submissions and adopt 2024-2025 Operational Plan & Budget.



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Presentation Complete

