



AGENDA

EXTRAORDINARY COUNCIL MEETING

1 MAY 2017

MEMBERSHIP:
Mr M Kneipp (Administrator).

The meeting is scheduled to commence at 12.00pm.

PRAYER:

O God, Grant that by the knowledge of thy will, all we may resolve shall work together for good, we pray through Jesus Christ our Lord. Amen!

ACKNOWLEDGEMENT OF COUNTRY:

"I would like to acknowledge the Wiradjuri People who are the Traditional Custodians of the Land. I would also like to pay respect to the Elders both past and present of the Wiradjuri Nation and extend that respect to other Aboriginal peoples from other nations who are present".

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CCL17/45 LEAVE OF ABSENCE (ID17/602)

CCL17/46 PUBLIC FORUM (ID17/603)

REPORTS FROM STAFF:

CCL17/47 2017/2018 DRAFT OPERATIONAL PLAN AND BUDGET (INCLUDING DRAFT REVENUE POLICY) (ID17/532)

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The Council had before it the report dated 18 April 2017 from the Interim General Manager regarding 2017/2018 Draft Operational Plan and Budget (Including Draft Revenue Policy).



REPORT: 2017/2018 Draft Operational Plan and Budget (Including Draft Revenue Policy)

AUTHOR: Interim General Manager
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/532

EXECUTIVE SUMMARY

A new Council was proclaimed by the NSW Governor on 12 May 2016 following the amalgamation of the former Dubbo City and Wellington Councils. Following community consultation, the name of the newly formed Council was proclaimed Dubbo Regional Council on 7 September 2016.

Under the requirements of the Integrated Planning and Reporting framework as legislated by the NSW Government, the previous Dubbo and Wellington Councils had adopted the following suite of plans:

- Dubbo 2036 Community Strategic Plan
- Wellington 2025 Community Strategic Plan
- 2013-2017 Delivery Program
- 2013/2014 Operational Plan and Budget
- 2014/2015 Operational Plan and Budget
- 2015/2016 Operational Plan and Budget
- 2015/2016 Operational Plan and Budget
- 2016/2017 Operational Plan and Budget
- Resourcing Strategy (inclusive of Long Term Financial Plan, Asset Management Strategy and Policy and Workforce Management Strategy).

The 2017/2018 draft Operational Plan and Budget (including Revenue Policy and the forward budgets for 2018/2019, 2019/2020 and 2020/2021) is obviously outside the former Councils' previously adopted four year Delivery Program. In this regard, a new Community Strategic Plan and resulting Delivery Program have yet to be developed for the new Dubbo Regional Council. Work on these matters has commenced. Accordingly, the draft Operational Plan and Budget, which is presented for consideration and public exhibition, generally includes operational programs and capital works commitments identified in the Delivery Programs and four year budgets of the former Councils.

In addition, Council's Long Term Financial Plan has also been updated to reflect the revised 2017/2018 Operational Plan and Budget to detail the benchmarks set by the Office of Local Government in respect of the Fit for the Future Program.

Accordingly the focus of this report is the 2017/2018 draft Operational Plan and Budget and the forward budgets for 2018/2019, 2019/2020 and 2020/2021. In this regard, it is advised that this documentation has been drafted based on the interim organisational structure that was adopted by Council in September 2016 and is submitted for consideration and determination by Council, prior to being placed on public exhibition for a period of not less than 28 days. The preparation of the 2017/2018 draft Operational Plan, Budget and Revenue Policy has been a difficult process and this set of documents represent the initial harmonised Operational Plan, Budget and Revenue Policy for Dubbo Regional Council. I acknowledge the contribution of staff in respect of these documents.

In deciding on the final Operational Plan and Budget to be adopted (which will occur at the June 2017 Council meeting via the June 2017 Finance and Policy Committee meeting) Council must consider any public submissions that have been made concerning the draft Plan.

There are a number of significant matters which are now addressed within the 2017/2018 draft Operational Plan and Budget and the forward Budgets for 2018/2019, 2019/2020 and 2020/2021 as identified herewith and as per the various reports of the Directors as attached.

In accordance with Council's resolution from its meeting held on 27 March 2017, total Ordinary (General) Rates are proposed to increase by 1.5% in 2017/2018 in accordance with the rate pegging limit as determined by the Minister for Local Government, noting the inclusion again of a Mining Rate (6c in the dollar) in readiness for the commencement of mining activity in the former Dubbo City Council area. All other charges that comprise the total amount payable on individual rate notices and the per kilolitre rate for water usage will also increase by 1.5% based on both the former Dubbo City and Wellington councils charging methodology. This is based on advice from the Department of Premier and Cabinet that any harmonisation of rates and charges should not occur until an elected Council is in place.

The 2017/2018 financial year has a projected total budget expenditure of some \$214M and total assets at Fair Value under the custodianship of Council being \$2.93B.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

FINANCIAL IMPLICATIONS

The determination of the 2017/2018 Operational Plan and Budget will establish the allocation of resources to the various functions of Council for 2017/2018. The Operational Plan and Budget as presented for 2017/2018 and forward budgets for 2018/2019, 2019/2020 and 2020/2021 are balanced.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

- 1. That the 2017/2018 draft Operational Plan and Budget (including Revenue Policy and Forward Budgets for 2018/2019, 2019/2020 and 2020/2021) be adopted and placed on public exhibition from Friday 5 May 2017 for the prescribed 28 days.**
- 2. That the 2017/2018 draft Macquarie Regional Library Operational Plan and Budget be adopted and placed on public exhibition from Friday 5 May 2017 for the prescribed 28 days in conjunction with Council's planning documents.**
- 3. That submissions and comments closing at 5.00 pm on Friday 2 June 2017 be invited in respect of the 2017/2018 draft Operational Plan and Budget and the draft Macquarie Regional Library Operational Plan and Budget.**
- 4. That the various reports of the Directors in reference to the Operational Plan and Budget be noted.**
- 5. That the list of recipients for financial assistance from Council in 2017/2018 under Section 356 of the Local Government Act as detailed in the report of the Director Community Services dated 18 April 2017 be adopted.**
- 6. That interest charged on overdue rates and charges be at the percentage rate as advised as the maximum by the Minister for Local Government for the 2017/2018 year.**

Mark Riley
Interim General Manager

REPORT

Under the requirements of the Integrated Planning and Reporting framework as legislated by the NSW Government, the previous Dubbo and Wellington Councils had adopted the following suite of plans:

- Dubbo 2036 Community Strategic Plan
- Wellington 2025 Community Strategic Plan
- 2013-2017 Delivery Program
- 2013/2014 Operational Plan and Budget
- 2014/2015 Operational Plan and Budget
- 2015/2016 Operational Plan and Budget
- 2016/2017 Operational Plan and Budget
- Resourcing Strategy (inclusive of Long Term Financial Plan, Asset Management Strategy and Policy and Workforce Management Strategy).

The 2017/2018 draft Operational Plan and Budget (including Revenue Policy and the forward budgets for 2018/2019, 2019/2020 and 2020/2021) is obviously outside the former Councils' previously adopted four year Delivery Program. In this regard, a new Community Strategic Plan and resulting Delivery Program have yet to be developed for the new Dubbo Regional Council. Work on these matters has commenced. Accordingly, the draft Operational Plan and Budget, which is presented for consideration and public exhibition, generally includes operational programs and capital works commitments identified in the Delivery Programs and four year budgets of the former Councils.

In addition, Council's Long Term Financial Plan has also been updated to reflect the revised 2017/2018 Operational Plan and Budget to detail the benchmarks set by the Office of Local Government in respect of the Fit for the Future Program.

Accordingly the focus of this report is the 2017/2018 draft Operational Plan and Budget and the forward budgets for 2018/2019, 2019/2020 and 2020/2021. In this regard, it is advised that this documentation has now been drafted and is submitted for consideration and determination by Council, prior to being placed on public exhibition for a period of not less than 28 days.

In deciding on the final Operational Plan and Budget to be adopted (which will occur at the 26 June 2017 Council meeting via the 19 June 2017 Finance and Policy Committee meeting) Council must consider any submissions that have been made concerning the draft Plan.

The structure of the Operational Plan is based on the Functions which make up each outcome and Principal Activity contained within the previous Dubbo Council's 2013-2017 Delivery Program. In addition, the Operational Plan and Budget have been prepared based on the existing Interim Organisation Structure. Objectives have been determined for each Function. The main activities associated with each Function have also been identified together with the actions and performance targets/service level relating to these activities. The Key Performance Indicators are provided to indicate the level of performance of the Function and

the Capital Programme area provides details of asset sales and asset acquisition or renewal projects.

The draft Operational Plan and Budget as presented for 2017/2018 and forward budgets for 2018/2019, 2019/2020 and 2020/2021 are balanced.

Working funds are forecast to be around \$2.5M with these funds providing the appropriate level of available cash to ensure that the business of Council can continue to operate without the use of overdraft facilities.

In accordance with Council's resolution of 27 March 2017, total Ordinary (General) Rates are proposed to increase by 1.5% in 2017/2018 in accordance with the rate pegging limit as determined by the Minister for Local Government, noting the inclusion again of a Mining Rate (6c in the dollar) in readiness for mining activity to commence in the City. In accordance with the Local Government Amendment (Rates-Merged Council Areas) Bill 2017 the 2017/2018 draft Operational Plan and Budget for the forward years to 2019/2020 has been prepared on the basis of maintaining to the former Dubbo City and Wellington Councils projected rate paths.

Council is also now required to levy the Fire and Emergency Services Levy (FESL) on behalf of NSW State Government from 1 July 2017 alongside Council rates. Currently, individuals and businesses that buy property insurance contribute most of the funding for NSW Fire and Rescue, NSW Rural Fire Service and the State Emergency Service to protect the community from fire, floods and other natural disasters. The levy, to be paid by all property owners, is not part of Council's rates and will be clearly identified as a separate item on the rates notice. The amount of the Fire and Emergency Service Levy for each property will be set by the NSW Government and determined by land classifications and unimproved land values. Whilst the State Government has not determined the charges to be applied it is estimated that the most residential property owners can expect to pay around \$185.00.

Due to the implementation of the Fire and Emergency Services Levy (FESL) all Councils in NSW have received a General Land Revaluation. As a result, individual rate payments may vary dependent upon how each individual land value has been altered as a result of the Valuer General's assessments, however the total amount of rates collected by Council overall will only increase by the rate pegging limit of 1.5%. Accordingly due to the General Land Revaluations and taking into account the fluctuations in such values upon which rates are determined it is important to note that individual ratepayers may experience rate increases above 1.5%, no change in rates payable or a decreases in rates payable dependant on how their individual land value has altered in comparison to other like properties.

In addition to the above, Council also resolved at its meeting held on 27 March 2017 in regard to the former Wellington Council's Emergency Services Special Rate as follows:

"That the former Wellington Council Emergency Services Special Rate be absorbed into the previous Wellington Ordinary Rate Structure effective from 2017/2018 financial year."

As part of the 2014/2015 Federal Government Budget, a freeze was placed on the indexation of Financial Assistance Grants over three years (2014/2015 to 2016/2017) meaning that these grants were not increased in quantum in line with CPI and population increases. Nationally this decision has significantly impacted Local Government's capacity to deliver local services. A decision on the future treatment of the Financial Assistance grants will be made during the federal government's May budget. The 2017/2018 draft Operational Plan and Budget has forecast a return to the indexing of Financial Assistance Grants based on a percentage increase of 1.5%. Should the Federal Government determine not to reintroduce the indexing of Financial Assistance Grants, a reduction in Revenue forecasts within Council's budgets will be required.

In regard to the Water Usage Charge and fixed access charge for both residential and non-residential properties, it is proposed to increase such charges by 1.5% for 2017/2018 as part of having revised the Long Term Price Path as part of the 20 Year Financial Plan for the Water Fund. The increase in charges of 1.5% will be based on the existing Dubbo and Wellington pricing structures and accordingly are not harmonised. In this regard, residential water consumption charges are proposed to increase from \$1.94/kl to \$1.97/kl in 2017/2018 for former Dubbo City Council residents. In regard to Wellington residents, a tiered pricing structure continues with usage up to and including 300kl, increasing from \$2.10 to \$2.13/kl in 2017/2018.

Following the preparation of the Water Budget and revised twenty (20) year financial plan, capital works totalling \$34.3M are proposed for Water Supply services over the four (4) year period. It is proposed to utilise funds on hand to undertake the required capital works. Completion of the full capital works programme will, however, be subject to projected revenues being received over the next four (4) years.

The twenty (20) year Financial Plan for the Sewerage Services Function has been revised. It is proposed to undertake Capital Works totalling \$26.4M for Sewerage over the four (4) years commencing 2017/2018 and it is proposed to utilise funds on hand to undertake the required capital works. The charge for these services is proposed to be increased by 1.5% in 2017/2018 and will be based on the existing Dubbo and Wellington pricing structures and accordingly are not harmonised. In this regard, the Residential Sewer Charge is proposed to increase from \$725 to \$735.58 in 2017/2018 for the previous Dubbo Council residents. The charge for residential sewer is proposed to increase from \$635 to \$644.53 in 2017/2018 for Wellington and Geurie residents whilst the sewer charge for Mumbil residents is proposed to increase from \$595 to \$603.93.

In order to fund additional stormwater requirements, it is proposed to continue to apply an annual charge for drainage services on each parcel of rateable land within the defined Dubbo "Urban Area". It is proposed to increase the annual charge by 1.5% from \$90.27 to \$91.62 in 2017/2018 in line with the rate pegging limit set by the Minister for Local Government. It is also proposed to increase the annual stormwater charge applicable to the former Wellington Council residents by 1.5% from \$15 to \$15.22.

In order to provide the required revenue to fund the overall Domestic Waste Management Service, the Annual Charge for the former Dubbo City Council residents is proposed to increase from \$290.60 to \$294.96 (1.5%) in 2017/2018. This charge covers the weekly kerbside waste collection service, the annual clean-up, the annual green waste clean-up service and the fortnightly recycling collection service.

The Annual Charge for Domestic Waste Management for the former Wellington Council residents is proposed to increase from \$342.00 to \$347.00.

Issues in respect of Council's proposals to introduce an Organics Kerbside Collection Service and a Regional Organics Processing Plant are addressed in the report of the Director Technical Services. The draft 2017/2018 Operational Plan and Budget have been prepared on the basis of the organics collection charge being applied in 2018. Should Council resolve to accept a tender and proceed with this service, it will be necessary to publicly exhibit, as part of the 2018/2019 draft Revenue Policy, the proposed fees, having regard to the tendered prices with a view to revised waste services potentially commencing 1 July 2018.

The Domestic Waste Management (Rural) charge which applies to rural properties with households located thereon is proposed to increase from \$127.60 to \$129.50 (1.5%) for Dubbo and district properties, increasing from \$86.00 to \$96.00. This charge is required to raise revenue to cover the cost of the provision of household waste transfer facilities in the rural area.

In terms of a rates, fees and charges comparison between 2016/2017 and 2017/2018 in respect of properties in the urban area of Dubbo and Wellington following summary is provided.

**Property in Yarrawonga Estate
Dubbo**

| Rates | 2016/2017 | 2017/2018 | Increase \$ |
|---|-----------------|-----------------|--------------|
| Property Land Value | 127,000 | 141,500 | 14,500 |
| Residential Urban Rate | 1,116.33 | 1,132.99 | 16.66 |
| TOTAL RATES | 1,116.33 | 1,132.99 | 16.66 |
| Annual Charges | | | |
| Sewerage Service Charge | 725.00 | 735.58 | 10.58 |
| Drainage Service Charge | 90.27 | 91.62 | 1.35 |
| Domestic Waste Charge (inc. kerbside recycling) | 290.60 | 294.96 | 4.36 |
| Water Access Charge | 254.50 | 258.32 | 3.82 |
| TOTAL ANNUAL CHARGES | 1,360.37 | 1,380.48 | 20.11 |
| | | | |
| | | | |

| | | | |
|----------------------------|-----------------|-----------------|--------------|
| | | | |
| Water Usage Charges | | | |
| Water usage 380KL | 737.20 | 748.60 | 11.40 |
| TOTAL WATER CHARGES | 737.20 | 748.60 | 11.40 |
| | | | |
| TOTAL | 3,213.90 | 3,262.07 | 48.17 |
| % INCREASE | | | 1.5% |

**Property in Montefiores Estate
Wellington**

| Rates | 2016/2017 | 2017/2018 | Increase \$ |
|-----------------------------|-----------------|-----------------|--------------|
| Property Land Value | 64,800 | 62,000 | -2,800 |
| | | | |
| Residential Urban Rate | 1,010.86 | 1,049.84 | 38.98 |
| Emergency Service Levy | 22.87 | 0.00 | -22.87 |
| TOTAL RATES | 1,033.73 | 1,049.84 | 16.11 |
| | | | |
| Annual Charges | | | |
| Sewerage Service Charge | 635.00 | 644.53 | 9.53 |
| Drainage Service Charge | 15.00 | 15.22 | 0.22 |
| Domestic Waste Charge | 342.00 | 347.00 | 5.00 |
| Water Access Charge | 390.60 | 396.46 | 5.86 |
| TOTAL ANNUAL CHARGES | 1,382.60 | 1,403.21 | 20.61 |
| | | | |
| Water Usage Charges | | | |
| Water usage 380KL | 801.20 | 812.60 | 11.40 |
| TOTAL WATER CHARGES | 801.20 | 812.60 | 11.40 |
| | | | |
| TOTAL | 3,217.53 | 3,265.65 | 48.12 |
| % INCREASE | | | 1.5% |

It should be noted that given the revaluation of land in the Council area affective, 1 July 2017, that whilst some properties rates will increase 1.5%, other properties rates will increase or decrease beyond this amount with the total rate income to Council only being able to increase by 1.5% in 2017/2018.

In relation to the level of staffing resources, the draft budgets have been prepared based on a staff establishment of 443 full time staff along with an additional 16 full time staff at the Macquarie Regional Library. The staff establishment is as per the adopted Interim Organisation Structure noting that Council at its meeting held 20 March 2017 adopted a revised Divisional and Senior Staff Organisation Structure. Additional costs are expected to be incurred as a result of the full organisational structure redesign, which is proceeding. As yet,

such costs have not been quantified however provision to meet these costs will be made as part of the June 2017 quarterly financial review.

The Budget has been prepared on the basis of providing for a 4% increase in employment costs. As well as award increases there would also be some increases in rates of pay as staff move through the skill steps provided within the Salary System. Advice has also been received from the Local Government Superannuation Scheme that additional employer contributions to the Retirement and Defined Benefits Scheme will continue for the next four years. The Superannuation guarantee levy has been provided at a rate of 9.5% for the next four years.

Revenues from interest on investments forecast for 2017/2018 is \$2.1M, the 2017/2018 budget has been prepared on the basis that the expected returns on cash accounts and term deposits will remain at around this level over the following three years of the budget.

The amounts budgeted for revenue and expenditure are exclusive of GST. The GST legislation (Division 38) provides that the supply of water, sewer, drainage and child care services are GST Free. In addition Division 81 provides that where a charge is an Australian tax or is a fee or charge related to a permission, they are excluded from GST. All other goods and services provided by the Council are subject to GST and this is included in the amount of fees and charges determined for 2017/2018.

The Revenue Policy document attached to the Operational Plan details the Base Amount of each fee and charge, the GST amount if applicable and the actual amount that will be applied for each fee or charge.

A summary of the proposed borrowings included within the draft 2017/2018 Operational Plan and forward budgets is as follows:

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|---------------------------------------|--------------------|--------------|--------------|--------------|
| Proposed Borrowings | | | | |
| General | \$1,500,000 | \$0 | \$0 | \$0 |
| Water | \$0 | \$0 | \$0 | \$0 |
| Sewer | \$0 | \$0 | \$0 | \$0 |
| Total | \$1,500,000 | \$0 | \$0 | \$0 |
| Estimated Principal Repayments | | | | |
| General | \$1,904,810 | \$2,033,605 | \$2,172,616 | \$2,320,691 |
| Water | \$1,011,919 | \$1,069,452 | \$1,132,689 | \$1,193,283 |
| Sewer | \$1,902,689 | \$1,938,279 | \$2,027,373 | \$2,119,836 |
| Estimated Total Outstanding | | | | |
| General | \$23,386,644 | \$21,351,539 | \$19,178,924 | \$16,858,232 |
| Water | \$25,934,728 | \$24,865,276 | \$23,732,588 | \$22,539,305 |
| Sewer | \$19,428,329 | \$17,490,049 | \$15,462,676 | \$13,342,840 |

| | | | | |
|-------|--------------|--------------|--------------|--------------|
| Total | \$68,749,701 | \$68,749,701 | \$68,749,701 | \$68,749,701 |
|-------|--------------|--------------|--------------|--------------|

As mentioned in the report of the Director Community Services, Council needs to consider the adoption of the draft 2017/2018 Macquarie Regional Library Operational Plan to allow Council to raise the fees and charges and expend the budget allocation to provide the library service as per the MRL Agreement. Once the draft MRL Operational Plan is adopted by the Committee it will be placed on public display with the Council's 2017/2018 draft planning documents and follow the same process of inviting and considering public submissions before final adoption of the Plan.

In regard to sporting organisation fees and charges, Council at its meeting held on 27 March 2017 resolved as follows:

- 1. That a three percent (3%) increase be applied to the 2016/2017 sporting organisation fees and charges and included in the 2017/2018 Dubbo Regional Council Draft Revenue Policy and the levels of service for sporting specific preparation be accommodated in accordance with the discussions held during recent meetings and*
- 2. That litter control be charged to sporting organisations on a full cost recovery basis, noting that such charge would not apply if respective clubs undertake their own litter control."*

Accordingly the 2017/2018 draft Operational Plan and Budget has been prepared on this basis.

The Minister for Local Government has yet to determine the maximum rate of interest that Council can charge on overdue rates and charges for 2017/2018. Council currently applies a 8.5% interest charge and it will be recommended that the maximum percentage rate be applied in respect of 2017/2018 when advised of same by the Minister.

The NSW Government allocated \$10M to Dubbo Regional Council under the Stronger Communities Fund. \$1M was allocated to three rounds of Community Group funding and \$9M was allocated to major projects of Council. The selection panel for the grant fund consists of the Regional Coordinator for the Department of Premier and Cabinet, a representative of the local State Member's office, Council's Administrator with an independent probity advisor to oversee the process.

Council, at its meeting held 19 December 2016, resolved to endorse ten projects to receive an allocation from the Stronger Communities Fund – Major Projects Round 1. Such projects are identified below along with when the funding is proposed to be expended:

| Project | Budget | Forecast Grant Expenditure | | |
|--|--------------------|----------------------------|--------------------|--------------------|
| | | 2016/2017 | 2017/2018 | 2018/2019 |
| Wellington Caves Visitor Experience Centre | \$2,500,000 | \$100,000 | \$1,500,000 | \$900,000 |
| Dubbo Regional Botanic Garden Adventure Playground | \$1,300,000 | | \$1,300,000 | |
| Dubbo Regional Botanic Garden – Carpark | \$240,000 | | \$240,000 | |
| Wellington Pool reconstruction | \$3,000,000 | | | \$3,000,000 |
| Dubbo Aquatic and Leisure Centre Aquatic Playground | \$800,000 | | \$800,000 | |
| Cameron Park Regional Playground | \$280,000 | | \$280,000 | |
| Geurie Multi Court Facility and Playground Equipment | \$245,000 | | \$245,000 | |
| Installation of a new Gross Pollutant Trap at West Dubbo Main Drain outfall into Macquarie River | \$198,540 | | \$198,540 | |
| Moxon Park Improvements, Stuart Town | \$85,000 | \$85,000 | | |
| Euchareena Local Projects | \$84,700 | \$84,700 | | |
| Total | \$8,733,240 | \$269,700 | \$4,323,540 | \$3,900,000 |

The Stronger Community Fund guidelines require projects to have all funds committed by June 2019 and for the projects to be completed by December 2019. In respect of the identified projects herewith, two projects require additional funding. They are Wellington Caves and the Wellington Pool. Council is seeking further sources of grant funding to enable delivery of each project by June 2019.

Round 2 of the Community Group funding, \$350,000, shall be distributed in the 2017/2018 financial year and \$300,000 plus accumulated interest shall be distributed in the 2018/2019 financial year. At the time of writing the community has been invited to submit an application before the closing date 26 May 2017. The Selection Panel shall meet in early July to assess all applications.

The details of major initiatives and projects are contained in the Operational Plan, four year budget and the Directors' reports, however, it is significant to note the following:

- The Footpath and Cycleway Construction and Renewal Programme is to continue with allocations totalling \$3.27M over the four (4) year period including \$879,131 in 2017/2018.
- There is a total of \$51.8M for the four (4) year period for the road network.
 - \$33.5M has been allocated for urban roads capital works in the four (4) year period including \$11.2M in 2017/2018. The Urban Road allocation includes the development of Boundary Road in two stages. Stage one in 2017/2018 (\$4.56M) and Stage two in 2018/2019 (\$3.86M).
 - \$18.3M has been allocated for rural road capital works (\$7.2M in 2017/2018). The Rural Road allocation includes funds of \$390,000, \$540,000, \$560,000 and \$576,000 in 2017/2018, 2018/2019, 2019/2020 and 2020/2021 respectively for the sealing of unsealed streets in the various villages.
- Additional Street Tree planting program for the next four (4) year period totalling \$218,152.
 - 1)
- Major augmentation and asset renewal works totalling \$34.3M are proposed for Water Supply services over the four (4) year period (\$11.56M in 2017/2018) including additional clearwater storage at the John Gilbert Water Treatment Plant, lime dosing unit at the John Gilbert Water Treatment Plant, Tin Bridge Pump Station upgrade, automated meter reading equipment and various pipelines.
- Major augmentation and asset renewal works totalling \$26.3M are proposed for Sewer Services over the four (4) year period (\$7.8M in 2017/2018) including the upgrade of the Cootha pump station.
 - 2)
- The Domestic Waste Management Service is to continue with a kerbside service and recycling service provided to the expanded urban area of Dubbo and waste transfer stations will continue to be provided in the rural area. There will continue to be an annual clean up service and an annual green waste cleanup service provided, again in respect of Dubbo. Residents in the former urban area of Wellington and the village of Geurie will continue to receive a weekly kerbside service. Rural Residents in the former Wellington Council area will receive access to a free tip day.
- The funding provided through the continuation of the Stormwater Drainage Annual charges will enable a significant Capital Works programme to be implemented over the four (4) year period. This includes works associated with the Hennessy stormwater basin \$1.574M and augmentation works within the Troy Basin of \$1.14M.

- Improvement works totalling \$18.49M are proposed over the four (4) year period at the Dubbo City Regional Airport including the strengthening of the Runway and lighting upgrade in 2017/2018 at \$9.27M. Work also to be undertaken is the upgrade of the Dubbo Airport General Aviation area, \$7.11M.
- It will be necessary to provide funding from Rates and General Revenue to the Showgrounds Function in 2017/2018 and the subsequent three financial years. The amounts are \$475,310, \$520,141, \$544,617 and \$549,314 respectively.
- Sales totalling \$2.914M in respect of Council's Moffat Industrial Land and Keswick Residential Estate have been included in the 2017/2018 Budget.
- The Dubbo City Holiday Park will contribute \$800,000 to General Revenue over the four (4) years of the budget, including \$200,000 in 2017/2018.
- The City Marketing and Communications Branch is responsible for the Visitors Information Centres, corporate communications, business marketing and the implementation of a City Image Programme. Funding of \$1.83M has been provided in the 2017/2018 draft Budget for these activities, including funding to undertake promotion of the City as part of the Destination Management Plan.
- City Development has been allocated \$110,302 annually in the 2017/2018 draft budget to undertake economic development projects.
- An allocation of \$1,000,668 has been provided in 2017/2018 towards the operation of the Macquarie Regional Library Alliance which comprises the Councils of Dubbo, Narromine and Warrumbungle Shire. Amounts of \$1,044,390, \$1,040,690 and \$1,066,707 has been provided in the remaining 3 years of the budget as Council's Contribution to this important regional facility. An amount of \$60,000 has been included for library books above the required contribution to the Library for 2017/2018 with \$60,000 also allocated in each subsequent year of the Budget.
- An allocation of \$200,000 has been provided over the 4 years of the budget to allow Council's continued involvement in Aboriginal employment projects (\$50,000 per annum).
- \$20,000 has been allocated to the Multicultural Festival and \$40,000 allocated to the DREAM Festival in each year of the budget.
- 3)
- Funding has been provided for discretionary donations of \$30,000 and \$37,020 for regular annual donations in each of the four (4) years of the budget. Funding has also been provided of \$160,000 for the Dubbo Neighbourhood Centre, \$27,500 for the Royal Flying Doctor Service, \$10,000 to Lifeline, \$3,000 to the Dubbo Greyhound Racing Club and \$11,300 to the Dubbo Rescue Squad.

- An allocation of \$91,471 has been made in 2017/2018 for Sister City activities with similar amounts identified for the remaining years of the budget.
- Allocations have been provided for the continued operation of the Western Plains Cultural Centre and the Dubbo Regional Theatre Convention Centre.
- The Parks and Gardens Improvement Programme is to continue with projects totalling \$3.4M scheduled to be undertaken during the four (4) year period.
- Allocations have been provided for the upgrading and provision of sporting facilities totalling \$2.57M over the four (4) year period. Works are proposed at Caltex Sports Lights totalling \$600,000 and Pioneer Park Hockey Surface totalling \$405,000.
4)
- Election expenses of \$305,000 have been budgeted in 2017/2018.
5)
- A mining rate category for the former Dubbo City Council area has been included in Council's draft Revenue Policy.

In regard to the exhibition of the various Integrated Planning documents, it is advised that such documents will be on public exhibition for a period of 28 days commencing Friday 5 May 2017 until 5pm on Friday 2 June 2017. The exhibition period will be promoted via the following communications channels:

Online:

www.dubbo.nsw.gov.au

This website includes documents which are on public exhibition and also includes an opportunity to submit feedback online.

Public displays

The Draft 2017/2018 Operational Plan and Budget, including feedback forms, will be publicly exhibited at the following locations:

- Civic Administration Building in Dubbo
- Civic Administration Building in Wellington
- Dubbo Branch of the Macquarie Regional Library
- Wellington Branch of the Macquarie Regional Library
- Ballimore Inn
- Eumungerie Post Office
- Wongarbon Post Office
- Geurie General Store
- Stuart Town Rural Transaction Centre (RTC)
- Mumbil General Store

Advertising campaign

An advertising campaign to promote the contents of the various plans and the exhibition period will be undertaken throughout May 2017.

The campaign will utilise the Mailbox Shopper, Wellington Times, Daily Liberal, Dubbo Photo News, Binjang Radio, DC FM, 2DU and social media.

SUMMARY

I consider that the draft Operational and Budget for 2017/2018 distributes the resources of the Council in accordance with priorities established for the provision of services to the community as identified in the Community Strategic Plans. As can be ascertained from the various Directors' reports attached, the financial resources of Council are very tight and Council needs to be mindful of this. Should Council wish to reallocate resources in line with the community's intentions, this would be the appropriate time to do so.

Appendices:

- 1 [↓](#) 2017/2018 Draft Operational Plan and Budget - Technical Services Division
- 2 [↓](#) 2017/2018 Draft Operational Plan and Budget - Corporate Development Division
- 3 [↓](#) 2017/2018 Draft Operational Plan and Budget - Environmental Division
- 4 [↓](#) 2017/2018 Draft Operational Plan and Budget - Community Services Division
- 5 [↓](#) 2017/2018 Draft Operational Plan and Budget - Parks and Landcare Division
- 6 [↓](#) 2017/2018 Draft Operational Plan and Budget - Organisational Services Division
- 7 [↓](#) 2017/2018 Draft Operational Plan and Budget - Macquarie Regional Library

EXTRAORDINARY COUNCIL MEETING
1 MAY 2017



REPORT: 2017/2018 Draft Operational Plan and Budget - Technical Services Division

AUTHOR: Director Technical Services
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/556

EXECUTIVE SUMMARY

The 2017/2018 draft Operational Plan and Budget and the forward budgets for the ensuing three years in respect of the functions the responsibility of the Technical Services Division include both new works and a number of carry over projects from the 2016/2017 Financial Year. The deferred works are generally major projects which could not be completed in just one financial year.

The draft 2017/2018 Operational Plans and Budgets for the Technical Services Division have been developed based on the current interim organisational structure noting that Council has adopted a five division structure which will become effective in due course as the new structure is populated.

The combined Wellington and Dubbo programmes are very comprehensive and seek to consistently provide superior service to our customers.

The major projects for 2017/2018 are:

- Boundary Road Extension (Wheelers to Alexandrina)
- Wingewarra Street Footpath/Parking Lane, South (Darling Street to Gipps Street)
- Swift Street, Wellington near Railway Station
- Purvis Lane Reconstruction (Yarrandale Road to Railway)
- Talbragar Street Reconstruction (Macquarie Street to Brisbane Street)
- Erskine Street Sewage Pump Station (completion)
- Cootha Sewage Pump Station Upgrade
- Hennessy Stormwater Retarding Basin
- Dubbo Sewer R Upgrade
- Wellington Sewage Treatment Plant Lagoon Relining
- Nanima Sewage Treatment Plant Upgrade
- Dubbo Water Treatment Plant Clearwater Storage
- Wellington Water, Tin Bridge Pump Station Upgrade
- Mumbil Water Rising Main Upgrade
- Geurie Bald Hill Reservoir – Roof Replacement
- Multiple Water Reservoir Roof Access Upgrade and sealing projects
- Old Mendooran Road Seal Extension

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

- Gundy Creek Bridge Renewal
- Village Streets Sealing Programme
- Proposed 3rd Bin and Regional Organics Processing Plant
- GPT Installations in Dubbo

It should be noted that the Village Sealing extension programme in 2017/2018 funds streets in Wongarbone and Eumungerie, consistent with a prioritised list prepared in conjunction with the Rural Consultative Working Party.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

FINANCIAL IMPLICATIONS

The adoption of the Operational Plans and Budgets for the years 2017/2018 through to 2020/2021 will allow the continued operation of the Technical Services Division with levels of service generally in line with current levels, with the exception of specific increases in the level of service in some functions in line with customer expectation and funding capacity.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

That the information contained within the report of the Director of Technical Services, dated 18 April 2017, be noted.

Ian Bailey
Director Technical Services

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

BACKGROUND

The adoption of the Operational Plans and Budgets for the years 2017/2018 through to 2020/2021 will allow the continued operation of the Technical Services Division with levels of service generally in line with current levels, including harmonisation of the ex Dubbo and ex Wellington programmes and services.

The function based programmes provided by the Technical Services Division also, as far as reasonably practicable, anticipate future developments in the services and function based assets. Examples of these anticipated developments include:

- a) The announcement of the RMS's preferred option for the second flood free Macquarie River Bridge. When the decision is made, a review of the 2045 Dubbo Transportation Strategy will be required, so as to fine tune future Dubbo Urban Roads priority projects, notwithstanding that the current proposed projects are consistent with the 2045 Strategy.
- b) The potential implementation of the Domestic Waste Three Bin Service and the associated infrastructure which is a regionally strategic service aimed at providing both Council and regional customers with comprehensive service levels at the best possible price.
- c) Completing a comprehensive review of Water and Sewerage Services for Wellington, Geurie, Mumbil, Wongarbron and Dubbo, and continuing water supply systems for Eumungerie and Ballimore. Future programmes of works for Water and Sewer have aimed to meet nationally recognised standards/guidelines so as to best serve our customers.

REPORT

1.7 Footpaths and Cycleways

The 2017/2018 budget reflects a harmonisation of the former Dubbo City Council and Wellington Council forward budgets adopted in 2016/2017 subject to minor adjustments of the capital works program and implementation of the Capital Works Prioritisation Framework for projects included in the fourth year of the Plan being 2020/2021.

The four (4) years of the budget provides for maintenance expenditure of \$554,779 of the 126km of paved pathways in the Local Government Area with a replacement value of \$36.7m.

Footpath renewal to the value of \$2,348,040 is proposed over the next four (4) years with 54% occurring in Dubbo and 46% in Wellington. The level of renewal expenditure represents 6.2% of asset value and addresses a backlog of footpath renewal work to restore overall footpath condition to desired levels of service.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

Extension of pathways is proposed in Dubbo over the next four (4) years to the value of \$439,450 (Footpaths) and \$477,000 (Shared Cycleways). The extension of the cycleway network is subject to the future applications for grant funding nominally sought at 50% of project value.

The proposed capital works program for 2017/2018 will include Wingewarra Street (Darling Street to Bourke Street) footpath and footpath construction carried forward from the previous year as well as footpath asphalt re-surfacing in Cobra Street, Bultje Street and Gipps Street.

1.10 Traffic Management

In July 2014 Council was advised the Roads Safety Officer (RSO) program would be funded up until June 2017. Council received formal advice on 3 April 2017 from Transport for New South Wales (TfNSW) they are committed to continue the funding of the Local Government Road Safety Program (LGRSP) on an ongoing basis after the current program funding agreements expire on 30 June 2017.

TfNSW is also developing a new Road Safety Plan 2021, which is due for completion by the end of 2017 and is currently working with Roads and Maritime Services to update the existing program funding agreement and extend it by one year while the Road Safety Plan 2021 is developed. Future program funding agreements will be aligned to Council's strategic planning and budgeting cycles. Funding has been provided in the 2017/2018 budget for the RSO and the following 3 years based on the advice for TfNSW. The RSO currently allocates her time to 4 days to Dubbo Regional Council and 1 day to Gilgandra Council who provide funding for this day.

1.11 Street Lighting

The budget provides for the electricity consumption, operations and maintenance of an estimated 6,943 (including allowance for growth) of public area lights on roads, carparks and recreational parks in Dubbo, Wellington and the nine (9) villages within the Local Government Area. The lights are operated and maintained by Essential Energy and electricity is purchased under contract from Momentum Energy.

Nominal increases in the estimates for the charges from the street lighting service provider have been allowed for over the next four (4) years. Pricing forecasts are never published in advance due to them being subject to the periodic determination of the Australian Energy Regulator. Council therefore closely monitors the pricing impact on street lighting charges and revises the annual estimate each quarter as necessary.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

Over the next four (4) years it is proposed that Council undergo a transition to LED lighting which would result in a significant saving in electricity consumption. This will be offset to an as yet undetermined extent by increased street lighting operation and maintenance charges to cover the capital component of changing the luminaire on each pole. This impact will be subject to future negotiations in respect of the pricing agreement to be reached with this LED lighting conversion process.

1.201 Road Network – State Roads

The proposed budget for this function reflects the Road Maintenance Council Contract (RMCC) that Council is party to with the Roads and Maritime Services for the maintenance of designated sections of highway and main road within the local government area. Council also undertakes highway upgrade projects under Work Orders requested by the Roads and Maritime Services.

The four (4) State Roads that Council maintains includes the urban sections of the Newell and Mitchell Highways and all of the Golden Highway and the Wellington to Goolma Road, within the local government area.

The Golden Highway generated approximately \$4.7m of significant upgrade works for Council in 2016/2017 and this will continue in 2017/2018 and 2018/2019 to an estimated value of \$3.88m over the two (2) years. This forward estimate will be amended as construction detail is more precisely priced closer to the time.

In 2017/2018 the Newell Highway is proposed to be resurfaced between Minore Road and Golf Links Creek. Council's involvement is expected to be restricted to the relocation of water mains in Whylandra Street.

Other projects which are currently under development by the RMS in consultation with Council include the duplication of a flood free crossing of the Macquarie River for Newell Highway traffic and the upgrade of the Victoria Street/Whylandra Street and Cobra Street/Fitzroy Street intersections.

1.202 Road Network – Urban Roads

The function budget provides for the operation and maintenance of 415km of urban streets. This includes the asset management of 472km of kerb and gutter, and almost 50 hectares of grassed verge and roadside landscaping to be maintained.

The major road upgrading projects proposed to be undertaken/commenced in 2017/2018 include:

- Boundary Road Extension (Wheeler Lane to Alexandrina Avenue)
- Swift Street Reconstruction (Arthurs Street to Railway)
- Purvis Lane Upgrading (Yarrandale Road to Railway)
- Wingewarra Street Kerb Footpath Renewal (Darling Street to Gipps Street)

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

The Boundary Road project is part funded from an Australian Government – Building Better Regions grant which has not as yet been confirmed but successful applicants are to be announced mid 2017.

The Swift Street Reconstruction project is part of the Urban Reconstruction – Wellington Program and is to be funded from the Roads to Recovery Program.

The Purvis Lane Upgrading project will commence with Stage 1 in 2017/2018 with Stage 2 to be completed in 2018/2019. The project has a budget of \$4.19m where approximately 80% comprises asset renewal and is 54% funded from the Fixing Country Roads Program.

The other major renewal project proposed is the reconstruction of Talbragar Street road pavement between Macquarie Street and Brisbane Street. This reconstruction will complement street beautification development undertaken between 2002 and 2013.

The 2017/2018 Capital Works Program reflects a harmonisation of former Dubbo City Council and Wellington Council works program from forward budgets. It is proposed that this harmonisation will develop into a holistically formulated program following refinement of network priorities as knowledge acquisition process take place over next three to five years and as asset data systems are better integrated. Such refinements will include integration of Road Asset Management Plans from the former Councils and the implementation of ‘whole-of-network’ asset condition surveys that routinely occur every five (5) years. The next such survey is due to occur in 2018.

1.203 Road Network – Rural Roads

The function budget provides for the maintenance and renewal of 2,320km of rural roads of which 58% are unsealed local roads and 10% includes Regional Roads.

As is the case with Urban Roads, the 2017/2018 budget, including the three (3) forward years to 2021 represent a harmonisation of the relevant sections of the former Dubbo City Council and Wellington Council 2016/2017 Budget and Operational Plans. The Capital Works Program over the four (4) years from the Wellington budget has been integrated and requires allocation to specific project through a knowledge acquisition process that is underway as part of the council merger transition. Similarly with the Urban Road program, the integration of road asset data systems and Asset Management Plans will aid in identifying road network priorities and the formulation of works programs with consistent merit criteria for the new local government area. This process of retaining asset knowledge through data integration will take a number of years to complete as it necessitates ‘whole-of-network’ condition assessments to be undertaken and which due to the cost involved, are carried out as a precursor to asset group revaluations for five (5) years.

The 2017/2018 budget for rural roads includes a total Capital Expenditure of \$7,248,166. Some of the more sizeable projects from the Program include:

- Old Mendooran Road Seal Extension \$1.71m

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

| | |
|--------------------------------------|---------|
| • Gundy Creek Bridge Renewal | \$1.24m |
| • Benolong Road Reconstruction | \$0.73m |
| • Village Sealing Program | \$0.39m |
| • Ballimore to Goolma Road Upgrading | \$0.62m |

2.5 Sewerage Services

The adopted 2016/2017 Strategic Business Plan for Sewerage Services had provided for increases in sewerage charges of 1.8% for 2017/2018 then 2% for 2018/2019 and 2019/2020. Following the announcement of the merger of Dubbo City Council and Wellington Council to form Dubbo Regional Council a major review of the Long Term Financial Plan has been undertaken in setting charges moving forward. The revised price path will see the price increase in respect of residential and non-residential sewerage charges limited to 1.5% in 2017/2018 and 1.8% for 2018/2019 to 2020/2021. These charges will be applied to the existing charges of the former Dubbo City and Wellington Council sewerage charges as set in their 2016/2017 financial plans.

In this regard the residential sewerage charge proposed for the former Dubbo City Council area will see the charge increase from \$725.00 in 2016/2017 to \$735.88 in 2017/2018. Wellington and Geurie Residential charge will increase from \$635.00 in 2016/2017 to \$644.53 in 2017/2018 and Mumbil will increase from \$595.00 in 2016/2017 to \$603.93 in 2017/2018.

The revised Strategic Business Plan will provide for viable ongoing operations and major construction/reconstruction capital works including:

- Cootha Pump Station – Upgrade/Rising Main – 2017/2018 -2020/2021 (\$4.8m)
- Upgrade Sewer R – Christian School to St Johns College - 2019/2020 (\$397,826)
- Upgrade Sewer R – Margaret Crescent to Troy Gully Pump Station – 2017/2018 - 2019/2020 (\$4.6m)
- Keswick Upgrade Rising Main and pipeline – 2020/2021 (\$1.13m)
- Low Pressure system – East St – 2017/2018 (\$204,000)
- Wellington STP Reline Lagoon – bypass capacity – 2017/2018 (\$255,000)
- Nanima STP upgrade – 2017/2018 (\$306,000)

Provision has been made for the continuation of mains relining of \$2m in each year of the budget to assist in the reduction of sewer chokes within the system caused by tree root penetration.

Sewerage is one of the essential services provided by Dubbo Regional Council. The sewerage service is critical to the health of the community, and to ensure the environment is not harmed.

A strong revenue base is necessary to ensure that Council's operations meet the standard expected by the community as well as regulatory agencies.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

The financial position of Sewer Fund continues to be monitored closely and in this regard, an updated 20 year financial plan is attached as Appendix 1. The proposed price path provides the necessary financial resources to meet operating expenses, maintain existing infrastructure and build the new infrastructure needed to support ongoing growth of Dubbo Regional Council.

2.6 Domestic Waste Management Services

The services currently provided in the former Dubbo City and Wellington Council areas are proposed to continue in 2017/2018. This includes weekly mixed waste collection and fortnightly recyclables collection (where currently serviced) to properties in the existing collection district. The service also includes the Dubbo annual kerbside collection of garden waste only and the annual bulky waste collection (including garden waste) in the designated areas of Dubbo which received this service in 2016/2017.

The four (4) recyclables drop off centres and eight (8) Rural Household Waste Facilities will similarly be serviced as normal.

The annual household hazardous waste drop off service is proposed to be continued at the Dubbo Showground and Wellington Resource Recovery Transfer Station in 2017/2018.

The Domestic Waste Charge is proposed to be increased in line with the general rate pegging percentage of 1.5%. For Dubbo and district properties this will equate to an annual charge of \$294.96 and for Wellington and district properties a charge of \$347.00 will apply.

Similarly a Rural Waste Management Charge for properties outside the collection district is proposed to increase by an average of 1.5% in 2017/2018 to \$129.50 (Dubbo district). However, because GST has not previously been included in the former Wellington Council Rural Waste Management charge, but will be in 2017/2018, the increase to \$96.00 will equate to a 11.63% rise. The GST component represents \$8.73.

Harmonisation of waste charges across the local government area requires a thorough review of waste services and the feasibility of establishing greater equity and balance. This process will be subject to the outcome of the tender for Regional Waste Management Services for Dubbo Regional Council, and the possibility of expansion of 'two bin' and 'three bin' services. The impact of any expansion of services would be considered in the preparation of the 2018/2019 budget. The draft forward estimates for 2018/2019, 2019/2020 and 2020/2021 assume the three bin service (mixed waste, recycling, food and garden organics) being extended to the urban centres of Dubbo and Wellington (subject to some specified exclusions).

The extension of waste services is subject to Council's consideration of the tenders which close on 26 April 2017 and which will be the subject of a report to Council in June 2017.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

2.7 Other Waste Management Services

The Budget and Operational Plan for this function proposes a continuation of the industrial/commercial kerbside mobile garbage bin collection service. The function also provides for the efficient disposal of waste to landfill after recovery of designated recyclable materials from deposited waste lands, at the Whylandra Waste and Recycling Centre and the Wellington Resource Recovery and Waste Transfer Station.

The Operational Plan provides for the commencement of construction of the Dubbo Regional Organics Processing Plant at the Whylandra Waste and Recycling Centre. This project is subject to Council's consideration of tenders for the construction and operation of the DROPP which is one of four (4) separable parts of a proposed Regional Waste Management Services contract which has been tendered in partnership with NetWaste, Narromine Shire Council and Mid Western Regional Council. The contract provides for the DROPP to commence food and garden organics composting operations in July 2018.

The proposed charges for 2017/2018 reflect current levels of service continuing over the next twelve (12) months with the annual charges proposed for the weekly kerbside collection of commercial waste (non domestic waste) being:

- Dubbo \$310 per service (3.33% increase on 2016/2017)
- Wellington \$347 per service (1.46% increase on 2016/2017)

The waste disposal fees at the respective landfills are proposed to remain in line with pre-council merger prices and increased nominally to provide for operating expense increases.

| | |
|---|---|
| Bulk Mixed Waste | |
| Whylandra Waste and Recycling Centre | \$77.25 per tonne |
| Wellington Resource Recovery and Waste Transfer Station | \$85 per tonne For equivalent volumetric rate of \$42.50 per cubic metre |
| Ute and Trailer Loads (single axle) | |
| Whylandra Waste and Recycling Centre | \$27 (3.85% increase) |
| Wellington Resource Recovery and Waste Transfer Station | \$38 (0% increase) |

The proposed charges reflect a continuation of services at each Waste disposal site. At the Whylandra Waste and Recovery Centre additional Works Services resources are proposed to be engaged to manage the small Vehicle Receiving Centre where segregation of recyclable and reusable materials occur.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

3.2 Water Supply

The adopted 2016/2017 Strategic Business Plan for Water Supply Services had provided for increases in water charges of 5% for 2017/2018 then 4% for 2018/2019 and 2019/2020. Following the announcement of the merger of Dubbo City Council and Wellington Council to form Dubbo Regional Council a major review of the Long Term Financial Plan has been undertaken in setting charges moving forward. The revised price path will see the price increase in respect of residential and non-residential water charges limited to 1.5% in 2017/2018 and 1.8% for 2018/2019 to 2020/2021. These charges will be applied to the existing charges of the former Dubbo City and Wellington Council water charges as set in their 2016/2017 financial plans.

In this regard the residential water availability (20mm service) charge proposed for the former Dubbo City Council area will see the charge increase from \$254.50 in 2016/2017 to \$258.32 in 2017/2018. Wellington Council residential charge (20mm service) will increase from \$390.60 in 2016/2017 to \$396.46.

The revised Strategic Business Plan will provide for viable ongoing operations and major construction/reconstruction capital works including:

- Additional clearwater storage at John Gilbert Water Treatment Plant – 2017/2018 to 2018/2019 – (\$3.08m)
- Pipeline – Obley Rd to Newell Highway – 2018/2019 (\$2m)
- Pipeline under Macquarie River – 2017/2018 – (\$816,000)
- Lime dosing unit – John Gilbert Water Treatment Plant – 2017/2018 – (\$2m)
- Tin Bridge Pump Station - upgrade (Wellington) – 2017/2018 – (\$255,000)
- Sedimentation Lagoons No.1 Liner (Wellington) – 2017/2018 - (\$255,000)
- Sedimentation Lagoons No.1 Liner (Geurie) – 2018/2019 - (\$104,040)
- Sedimentation Lagoons No.2 Liner (Geurie) – 2018/2019 - (\$52,020)
- Mumbil Rising main – 200mm AC – 2018/2019 – (\$405,756)
- Geurie Bald Hill Reservoir – replace roof and access ladder – 2017/2018 – (\$127,500)

The budget also includes an allocation of \$3.5M over the next three financial years to install Automated Meter Reading throughout Council's fleet of 17,000 meters. With Automated Meter Reading (AMR) all meters will communicate directly with Council's computers every 10 minutes. Benefits include greater accuracy, more information for customers, avoidance of visual meter reading costs and the elimination of water theft.

Water is one of the essential services provided by Dubbo Regional Council. A safe water supply is critical to the health of the community and underpins its standard of living. In this regard a strong revenue base is necessary to ensure that Council's operations meet the standard expected by the community, as well as regulatory agencies.

Implementation of the capital works program will be conditional upon the levels of revenue received from water usage charges being achieved.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

With respect to consumption charges the former Dubbo City Council charge proposed for 2017/2018 is \$1.97 as opposed to \$1.94 in 2016/2017. Wellington Council charges for domestic usage proposed increase are as follows:

- 0 to 300kl – 2017/2018 - \$2.13 as opposed to \$2.10 in 2016/2017
- 301 to 500kl – 2017/2018 – \$2.17 as opposed to \$2.14 in 2.16/2017
- 501 to 10000kl – 2017/2018 – \$2.35 as opposed to \$2.32 in 2016/2017
- 10001 and above – 2017/2018 – \$2.51 as opposed to \$2.47 in 2016/2017

An updated 20 year financial plan has been prepared and is attached as Appendix 2.

4.1 Stormwater

Council's long standing commitments to provide underground drainage in North Dubbo will continue with \$1.5M of funds provided in 2017/2018. It is proposed to externally borrow to fund the continuation of this upgrade of the drainage system for residents and business in affected areas.

Stormwater management is required within Troy Gully, along with works associated with the Hennessy Basin at the bottom end of Keswick and Southlakes subdivisions in the Eulomogo catchment area. Works in these catchments are in response to development pressures and are long term projects. The budget provides funds to commence construction in the Troy Basin area of \$1.14 million in 2017/2018 and Hennessy Basin of \$1.57 million also in 2017/2018.

Funding is also provided to undertake some short term solutions to flooding experienced in Wongarbon of \$536,449 from Restricted Asset in 2017/2018 with an additional \$500,000 in 2019/2020.

It is proposed to undertake restoration works on the West Dubbo drain which is in need of significant repairs and an amount of \$2.2 million has been provided in 2018/2019 to complete these works.

Continuation of the installation of Gross Pollutant Traps (GPT) will occur within this four year plan with staff currently undertaking a review of priority listings for GPT installation. Allocations of \$198,540 (funding from the Stronger Communities Fund) has been provided for the installation of a new GPT at the West Dubbo main drain outfall into Macquarie River in 2017/2018, \$150,000 in 2019/2020 (site to be determined) and \$316,277 in 2020/2021 at the Erskine Street outfall.

It is proposed to increase the Stormwater Drainage Annual Charge by 1.5%. This will see the charge increase in the Dubbo City area from \$90.27 (2016/2017) to \$91.62 (2017/2018). The annual charge in Wellington will increase from \$15.00 (2016/2017) to \$15.22 (2017/2018).

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

4.2 Fire Services

This function budget provides for the local management and financial support for local fire fighting capability through the state's agencies of Fire and Rescue NSW and the NSW Rural Fire Service. Council's support of Fire and Rescue is through financial contribution which in 2017/2018 has been estimated to be \$362,904 and equates to \$7.05 per capita. The two (2) brigades in Dubbo and one (1) brigade in Wellington are managed entirely by the State agency.

The NSW Rural Fire Service is managed through the Orana Zone headquarters located at the Dubbo Regional Airport which oversees the accommodation, training and equipment needs of the thirty seven (37) district brigades comprising volunteer members of the NSW Rural Fire Service. Buildings occupied by the Rural Fire Service are almost without exception situated on Council land and therefore are assets of Dubbo Regional Council. The Fire Services budget provides for the operating and maintenance expenses of all RFS occupied buildings. The budget also provides for a financial contribution to the Rural Fire Fighting Fund which represents approximately 11.7% of operational and capital expenses relating to the Dubbo Regional fire district. The contribution also goes to fund State based programs and volunteer support services. This contribution is estimated to be \$607,646 in 2017/2018 which equates to \$11.81 per capita. The monetary contributions plus other services and operational and capital expenses to provide the Fire Services to the community for 2017/2018 has a funding requirement of \$1,201,479 or \$23.35 per capita.

Increases in the Rural Fire Fighting Fund contribution are subject to a new State funding model adopted in 2016/2017 whereby the contribution is based on a 20 year historical average of expenditure in the former Dubbo City and Wellington fire districts. The annual contribution is to be increased each year by a rate that reflects nominal inflationary cost increases. This model has been adopted to alleviate previous criticism of the contribution changing dramatically from year to year and beyond the control of Councils with respect to managing their annual budgets.

4.3 Emergency Management

This budget provides for Council's support to the Dubbo and Wellington Local State Emergency Service Units. Council's support comprises the provision of a headquarters for each Unit located in Depot Road, Dubbo and Gisborne Street, Wellington, respectively. Council also contributes financially to the Office of Emergency Services for State level support of the SES Operations and volunteer support and in 2017/2018 this amount is estimated at \$96,192, which equates to \$1.87 per capita.

The local unit's operating expenses are largely met by the State Emergency Services with Council responsible for typical 'landlord' type expenses at each site. Council will continue over the following four (4) years to seek grant funding for the relocation of the Dubbo Unit to new purpose built premises at the emergency services precinct of the Dubbo City Regional Airport. The proposed budget forecasts grant funding of \$1,000,000 becoming available in 2020/2021 for the purpose of forward planning.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

10.3 Fleet Management

Sufficient funding has again been provided to allow the continued operation of Council's competitive and highly regarded Fleet operation. The function provides high productivity equipment to internal service providers at a very competitive rate which assists in the provision of services across the Dubbo Regional Council area. Significant work has enhanced and is continuing to enhance the Wellington fleet plant and operations.

10.16 Works Services

Sufficient funding is proposed to be provided to clients of Works Services to allow the resources of the Branch to be fully utilised for 2017/2018 and following years.

10.10 Technical Support

Technical Support Branch provides the engineering design services for the Organisation together with development of civil works verification services.

The budget for this function is fully cost recovered mainly via briefs with internal clients.

10.11 Business Support

This function is an internal service provider to the Division and is funded from within the Corporation.

Services provided to the Division include Operational Plan and Budget preparation, quarterly financial reviews, expenditure and costing monitoring services, payroll services, secretariat and secretarial services.

Sufficient funding has been provided in 2017/2018 to maintain a high standard and service to the Division.

SUMMARY

Sufficient funds have been allocated to continue Council's programs in transport, water supply, sewerage and community protection at existing levels of service, with appropriate enhancements in key areas.

Appendices:

- 1 Sewerage Services - Long Term Financial Plan - 2017/2018
- 2 Water Supply - Long Term Financial Plan - 2017/2018

APPENDIX NO: 1 - SEWERAGE SERVICES - LONG TERM FINANCIAL PLAN - 2017/2018

ITEM NO:

| OPERATIONAL ELEMENT | DUBBO CITY COUNCIL Average Review Financial Plan - Long Term | | | | | | | | | | | | | | | | | | | |
|--|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 | 2036/37 |
| OPERATIONAL REVENUE | | | | | | | | | | | | | | | | | | | | |
| Water Sales Charges | 45,466,767 | 45,658,088 | 45,852,376 | 46,048,664 | 46,246,952 | 46,447,240 | 46,649,528 | 46,853,816 | 47,060,104 | 47,268,392 | 47,478,680 | 47,690,968 | 47,905,256 | 48,121,544 | 48,339,832 | 48,560,120 | 48,783,408 | 49,009,696 | 49,238,984 | 49,471,272 |
| Storm Water Charges | 1,841,584 | 1,849,480 | 1,857,376 | 1,865,272 | 1,873,168 | 1,881,064 | 1,888,960 | 1,896,856 | 1,904,752 | 1,912,648 | 1,920,544 | 1,928,440 | 1,936,336 | 1,944,232 | 1,952,128 | 1,960,024 | 1,967,920 | 1,975,816 | 1,983,712 | 1,991,608 |
| TOTAL WATER & SEWERAGE | 47,308,351 | 47,507,568 | 47,709,752 | 47,913,936 | 48,120,120 | 48,328,304 | 48,537,488 | 48,747,672 | 48,958,856 | 49,170,040 | 49,382,224 | 49,595,408 | 49,808,592 | 50,022,776 | 50,237,960 | 50,453,144 | 50,669,328 | 50,885,512 | 51,102,696 | 51,320,880 |
| Government Subsidies | 4,249,881 | 4,252,280 | 4,254,679 | 4,257,078 | 4,259,477 | 4,261,876 | 4,264,275 | 4,266,674 | 4,269,073 | 4,271,472 | 4,273,871 | 4,276,270 | 4,278,669 | 4,281,068 | 4,283,467 | 4,285,866 | 4,288,265 | 4,290,664 | 4,293,063 | 4,295,462 |
| Other Revenue | 451,834 | 456,240 | 460,646 | 465,052 | 469,458 | 473,864 | 478,270 | 482,676 | 487,082 | 491,488 | 495,894 | 500,300 | 504,706 | 509,112 | 513,518 | 517,924 | 522,330 | 526,736 | 531,142 | 535,548 |
| Grant Income | 1,151,940 | 1,151,280 | 1,150,620 | 1,149,960 | 1,149,300 | 1,148,640 | 1,147,980 | 1,147,320 | 1,146,660 | 1,146,000 | 1,145,340 | 1,144,680 | 1,144,020 | 1,143,360 | 1,142,700 | 1,142,040 | 1,141,380 | 1,140,720 | 1,140,060 | 1,139,400 |
| Other Grants | 4,097,941 | 4,101,000 | 4,104,059 | 4,107,118 | 4,110,177 | 4,113,236 | 4,116,295 | 4,119,354 | 4,122,413 | 4,125,472 | 4,128,531 | 4,131,590 | 4,134,649 | 4,137,708 | 4,140,767 | 4,143,826 | 4,146,885 | 4,150,000 | 4,153,115 | 4,156,230 |
| Grant Income (Total) | 5,249,881 | 5,257,280 | 5,264,679 | 5,272,078 | 5,279,477 | 5,286,876 | 5,294,275 | 5,301,674 | 5,309,073 | 5,316,472 | 5,323,871 | 5,331,270 | 5,338,669 | 5,346,068 | 5,353,467 | 5,360,866 | 5,368,265 | 5,375,664 | 5,383,063 | 5,390,462 |
| Grant Income (Total) (Total) | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 |
| Grant Income (Total) (Total) (Total) | 15,949,881 | 15,957,280 | 15,964,679 | 15,972,078 | 15,979,477 | 15,986,876 | 15,994,275 | 16,001,674 | 16,009,073 | 16,016,472 | 16,023,871 | 16,031,270 | 16,038,669 | 16,046,068 | 16,053,467 | 16,060,866 | 16,068,265 | 16,075,664 | 16,083,063 | 16,090,462 |
| BALANCE OF FINANCIAL HELD DEFERRED ASSET | 47,308,351 | 47,507,568 | 47,709,752 | 47,913,936 | 48,120,120 | 48,328,304 | 48,537,488 | 48,747,672 | 48,958,856 | 49,170,040 | 49,382,224 | 49,595,408 | 49,808,592 | 50,022,776 | 50,237,960 | 50,453,144 | 50,669,328 | 50,885,512 | 51,102,696 | 51,320,880 |
| OPERATIONAL EXPENSES | | | | | | | | | | | | | | | | | | | | |
| Operating Expenses | 42,536,343 | 42,735,560 | 42,934,776 | 43,134,000 | 43,333,224 | 43,532,448 | 43,731,672 | 43,930,896 | 44,130,120 | 44,329,344 | 44,528,568 | 44,727,792 | 44,927,016 | 45,126,240 | 45,325,464 | 45,524,688 | 45,723,912 | 45,923,136 | 46,122,360 | 46,321,584 |
| Capital Expenses | 2,528,257 | 2,538,800 | 2,549,343 | 2,559,886 | 2,570,429 | 2,580,972 | 2,591,515 | 2,602,058 | 2,612,601 | 2,623,144 | 2,633,687 | 2,644,230 | 2,654,773 | 2,665,316 | 2,675,859 | 2,686,402 | 2,696,945 | 2,707,488 | 2,718,031 | 2,728,574 |
| Depreciation | 13,025,853 | 13,071,588 | 13,117,323 | 13,163,058 | 13,208,793 | 13,254,528 | 13,300,263 | 13,346,000 | 13,391,735 | 13,437,470 | 13,483,205 | 13,528,940 | 13,574,675 | 13,620,410 | 13,666,145 | 13,711,880 | 13,757,615 | 13,803,350 | 13,849,085 | 13,894,820 |
| REVENUE EXPENSES - LONG TERM BORROWINGS | | | | | | | | | | | | | | | | | | | | |
| Loan Repayments - Interest | 501,541 | 503,579 | 505,617 | 507,655 | 509,693 | 511,731 | 513,769 | 515,807 | 517,845 | 519,883 | 521,921 | 523,959 | 525,997 | 528,035 | 530,073 | 532,111 | 534,149 | 536,187 | 538,225 | 540,263 |
| Loan Repayments - Rep | 4,046,813 | 4,052,580 | 4,058,347 | 4,064,114 | 4,069,881 | 4,075,648 | 4,081,415 | 4,087,182 | 4,092,949 | 4,098,716 | 4,104,483 | 4,110,250 | 4,116,017 | 4,121,784 | 4,127,551 | 4,133,318 | 4,139,085 | 4,144,852 | 4,150,619 | 4,156,386 |
| Loan Repayments - Capital | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 | 2,023,406 |
| Loan Repayments - Other | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| DEPRECIATION OPERATIONS | | | | | | | | | | | | | | | | | | | | |
| Financial Statement | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 |
| Financial Statement (Total) | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 |
| FINANCIAL STATEMENT | | | | | | | | | | | | | | | | | | | | |
| Financial Statement (Total) | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 | 2,815,400 |
| FINANCIAL STATEMENT (Total) | 47,308,351 | 47,507,568 | 47,709,752 | 47,913,936 | 48,120,120 | 48,328,304 | 48,537,488 | 48,747,672 | 48,958,856 | 49,170,040 | 49,382,224 | 49,595,408 | 49,808,592 | 50,022,776 | 50,237,960 | 50,453,144 | 50,669,328 | 50,885,512 | 51,102,696 | 51,320,880 |
| FINANCIAL STATEMENT (Total) (Total) | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 |
| FINANCIAL STATEMENT (Total) (Total) (Total) | 15,949,881 | 15,957,280 | 15,964,679 | 15,972,078 | 15,979,477 | 15,986,876 | 15,994,275 | 16,001,674 | 16,009,073 | 16,016,472 | 16,023,871 | 16,031,270 | 16,038,669 | 16,046,068 | 16,053,467 | 16,060,866 | 16,068,265 | 16,075,664 | 16,083,063 | 16,090,462 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) | 47,308,351 | 47,507,568 | 47,709,752 | 47,913,936 | 48,120,120 | 48,328,304 | 48,537,488 | 48,747,672 | 48,958,856 | 49,170,040 | 49,382,224 | 49,595,408 | 49,808,592 | 50,022,776 | 50,237,960 | 50,453,144 | 50,669,328 | 50,885,512 | 51,102,696 | 51,320,880 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) (Total) | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) (Total) (Total) | 15,949,881 | 15,957,280 | 15,964,679 | 15,972,078 | 15,979,477 | 15,986,876 | 15,994,275 | 16,001,674 | 16,009,073 | 16,016,472 | 16,023,871 | 16,031,270 | 16,038,669 | 16,046,068 | 16,053,467 | 16,060,866 | 16,068,265 | 16,075,664 | 16,083,063 | 16,090,462 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) (Total) (Total) (Total) | 47,308,351 | 47,507,568 | 47,709,752 | 47,913,936 | 48,120,120 | 48,328,304 | 48,537,488 | 48,747,672 | 48,958,856 | 49,170,040 | 49,382,224 | 49,595,408 | 49,808,592 | 50,022,776 | 50,237,960 | 50,453,144 | 50,669,328 | 50,885,512 | 51,102,696 | 51,320,880 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) (Total) (Total) (Total) (Total) | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 | 10,700,000 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) (Total) (Total) (Total) (Total) (Total) | 15,949,881 | 15,957,280 | 15,964,679 | 15,972,078 | 15,979,477 | 15,986,876 | 15,994,275 | 16,001,674 | 16,009,073 | 16,016,472 | 16,023,871 | 16,031,270 | 16,038,669 | 16,046,068 | 16,053,467 | 16,060,866 | 16,068,265 | 16,075,664 | 16,083,063 | 16,090,462 |
| FINANCIAL STATEMENT (Total) (Total) (Total) (Total) (Total) (Total) (Total) (Total) (Total) (Total) | 47,308,351 | 47,507,568 | 47,709,752 | 47,913,936 | 48,120,120 | 48,328,304 | 48,537,488 | 48,747,672 | 48,958,856 | 49,170,040 | 49,382,224 | 49,595,408 | 49,808,592 | 50,022,776 | 50,237,960 | 50,453,144 | 50,669,328 | 50,885,512 | 51,102,696 | 51,320,880 |

APPENDIX NO: 2 - WATER SUPPLY - LONG TERM FINANCIAL PLAN - 2017/2018

ITEM NO:

DUBBO CITY COUNCIL
Water Supply Financial Plan - Long Term

| Operating Revenue | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 | 2035/36 | 2036/37 | 2037/38 | 2038/39 | 2039/40 | 2040/41 | 2041/42 | 2042/43 | 2043/44 | 2044/45 | 2045/46 | 2046/47 | 2047/48 | 2048/49 | 2049/50 | 2050/51 | 2051/52 | 2052/53 | 2053/54 | 2054/55 | 2055/56 | 2056/57 | 2057/58 | 2058/59 | 2059/60 | 2060/61 | 2061/62 | 2062/63 | 2063/64 | 2064/65 | 2065/66 | 2066/67 | 2067/68 | 2068/69 | 2069/70 | 2070/71 | 2071/72 | 2072/73 | 2073/74 | 2074/75 | 2075/76 | 2076/77 | 2077/78 | 2078/79 | 2079/80 | 2080/81 | 2081/82 | 2082/83 | 2083/84 | 2084/85 | 2085/86 | 2086/87 | 2087/88 | 2088/89 | 2089/90 | 2090/91 | 2091/92 | 2092/93 | 2093/94 | 2094/95 | 2095/96 | 2096/97 | 2097/98 | 2098/99 | 2099/00 | 2100/01 | 2101/02 | 2102/03 | 2103/04 | 2104/05 | 2105/06 | 2106/07 | 2107/08 | 2108/09 | 2109/10 | 2110/11 | 2111/12 | 2112/13 | 2113/14 | 2114/15 | 2115/16 | 2116/17 | 2117/18 | 2118/19 | 2119/20 | 2120/21 | 2121/22 | 2122/23 | 2123/24 | 2124/25 | 2125/26 | 2126/27 | 2127/28 | 2128/29 | 2129/30 | 2130/31 | 2131/32 | 2132/33 | 2133/34 | 2134/35 | 2135/36 | 2136/37 | 2137/38 | 2138/39 | 2139/40 | 2140/41 | 2141/42 | 2142/43 | 2143/44 | 2144/45 | 2145/46 | 2146/47 | 2147/48 | 2148/49 | 2149/50 | 2150/51 | 2151/52 | 2152/53 | 2153/54 | 2154/55 | 2155/56 | 2156/57 | 2157/58 | 2158/59 | 2159/60 | 2160/61 | 2161/62 | 2162/63 | 2163/64 | 2164/65 | 2165/66 | 2166/67 | 2167/68 | 2168/69 | 2169/70 | 2170/71 | 2171/72 | 2172/73 | 2173/74 | 2174/75 | 2175/76 | 2176/77 | 2177/78 | 2178/79 | 2179/80 | 2180/81 | 2181/82 | 2182/83 | 2183/84 | 2184/85 | 2185/86 | 2186/87 | 2187/88 | 2188/89 | 2189/90 | 2190/91 | 2191/92 | 2192/93 | 2193/94 | 2194/95 | 2195/96 | 2196/97 | 2197/98 | 2198/99 | 2199/00 | 2200/01 | 2201/02 | 2202/03 | 2203/04 | 2204/05 | 2205/06 | 2206/07 | 2207/08 | 2208/09 | 2209/10 | 2210/11 | 2211/12 | 2212/13 | 2213/14 | 2214/15 | 2215/16 | 2216/17 | 2217/18 | 2218/19 | 2219/20 | 2220/21 | 2221/22 | 2222/23 | 2223/24 | 2224/25 | 2225/26 | 2226/27 | 2227/28 | 2228/29 | 2229/30 | 2230/31 | 2231/32 | 2232/33 | 2233/34 | 2234/35 | 2235/36 | 2236/37 | 2237/38 | 2238/39 | 2239/40 | 2240/41 | 2241/42 | 2242/43 | 2243/44 | 2244/45 | 2245/46 | 2246/47 | 2247/48 | 2248/49 | 2249/50 | 2250/51 | 2251/52 | 2252/53 | 2253/54 | 2254/55 | 2255/56 | 2256/57 | 2257/58 | 2258/59 | 2259/60 | 2260/61 | 2261/62 | 2262/63 | 2263/64 | 2264/65 | 2265/66 | 2266/67 | 2267/68 | 2268/69 | 2269/70 | 2270/71 | 2271/72 | 2272/73 | 2273/74 | 2274/75 | 2275/76 | 2276/77 | 2277/78 | 2278/79 | 2279/80 | 2280/81 | 2281/82 | 2282/83 | 2283/84 | 2284/85 | 2285/86 | 2286/87 | 2287/88 | 2288/89 | 2289/90 | 2290/91 | 2291/92 | 2292/93 | 2293/94 | 2294/95 | 2295/96 | 2296/97 | 2297/98 | 2298/99 | 2299/00 | 2300/01 | 2301/02 | 2302/03 | 2303/04 | 2304/05 | 2305/06 | 2306/07 | 2307/08 | 2308/09 | 2309/10 | 2310/11 | 2311/12 | 2312/13 | 2313/14 | 2314/15 | 2315/16 | 2316/17 | 2317/18 | 2318/19 | 2319/20 | 2320/21 | 2321/22 | 2322/23 | 2323/24 | 2324/25 | 2325/26 | 2326/27 | 2327/28 | 2328/29 | 2329/30 | 2330/31 | 2331/32 | 2332/33 | 2333/34 | 2334/35 | 2335/36 | 2336/37 | 2337/38 | 2338/39 | 2339/40 | 2340/41 | 2341/42 | 2342/43 | 2343/44 | 2344/45 | 2345/46 | 2346/47 | 2347/48 | 2348/49 | 2349/50 | 2350/51 | 2351/52 | 2352/53 | 2353/54 | 2354/55 | 2355/56 | 2356/57 | 2357/58 | 2358/59 | 2359/60 | 2360/61 | 2361/62 | 2362/63 | 2363/64 | 2364/65 | 2365/66 | 2366/67 | 2367/68 | 2368/69 | 2369/70 | 2370/71 | 2371/72 | 2372/73 | 2373/74 | 2374/75 | 2375/76 | 2376/77 | 2377/78 | 2378/79 | 2379/80 | 2380/81 | 2381/82 | 2382/83 | 2383/84 | 2384/85 | 2385/86 | 2386/87 | 2387/88 | 2388/89 | 2389/90 | 2390/91 | 2391/92 | 2392/93 | 2393/94 | 2394/95 | 2395/96 | 2396/97 | 2397/98 | 2398/99 | 2399/00 | 2400/01 | 2401/02 | 2402/03 | 2403/04 | 2404/05 | 2405/06 | 2406/07 | 2407/08 | 2408/09 | 2409/10 | 2410/11 | 2411/12 | 2412/13 | 2413/14 | 2414/15 | 2415/16 | 2416/17 | 2417/18 | 2418/19 | 2419/20 | 2420/21 | 2421/22 | 2422/23 | 2423/24 | 2424/25 | 2425/26 | 2426/27 | 2427/28 | 2428/29 | 2429/30 | 2430/31 | 2431/32 | 2432/33 | 2433/34 | 2434/35 | 2435/36 | 2436/37 | 2437/38 | 2438/39 | 2439/40 | 2440/41 | 2441/42 | 2442/43 | 2443/44 | 2444/45 | 2445/46 | 2446/47 | 2447/48 | 2448/49 | 2449/50 | 2450/51 | 2451/52 | 2452/53 | 2453/54 | 2454/55 | 2455/56 | 2456/57 | 2457/58 | 2458/59 | 2459/60 | 2460/61 | 2461/62 | 2462/63 | 2463/64 | 2464/65 | 2465/66 | 2466/67 | 2467/68 | 2468/69 | 2469/70 | 2470/71 | 2471/72 | 2472/73 | 2473/74 | 2474/75 | 2475/76 | 2476/77 | 2477/78 | 2478/79 | 2479/80 | 2480/81 | 2481/82 | 2482/83 | 2483/84 | 2484/85 | 2485/86 | 2486/87 | 2487/88 | 2488/89 | 2489/90 | 2490/91 | 2491/92 | 2492/93 | 2493/94 | 2494/95 | 2495/96 | 2496/97 | 2497/98 | 2498/99 | 2499/00 | 2500/01 | 2501/02 | 2502/03 | 2503/04 | 2504/05 | 2505/06 | 2506/07 | 2507/08 | 2508/09 | 2509/10 | 2510/11 | 2511/12 | 2512/13 | 2513/14 | 2514/15 | 2515/16 | 2516/17 | 2517/18 | 2518/19 | 2519/20 | 2520/21 | 2521/22 | 2522/23 | 2523/24 | 2524/25 | 2525/26 | 2526/27 | 2527/28 | 2528/29 | 2529/30 | 2530/31 | 2531/32 | 2532/33 | 2533/34 | 2534/35 | 2535/36 | 2536/37 | 2537/38 | 2538/39 | 2539/40 | 2540/41 | 2541/42 | 2542/43 | 2543/44 | 2544/45 | 2545/46 | 2546/47 | 2547/48 | 2548/49 | 2549/50 | 2550/51 | 2551/52 | 2552/53 | 2553/54 | 2554/55 | 2555/56 | 2556/57 | 2557/58 | 2558/59 | 2559/60 | 2560/61 | 2561/62 | 2562/63 | 2563/64 | 2564/65 | 2565/66 | 2566/67 | 2567/68 | 2568/69 | 2569/70 | 2570/71 | 2571/72 | 2572/73 | 2573/74 | 2574/75 | 2575/76 | 2576/77 | 2577/78 | 2578/79 | 2579/80 | 2580/81 | 2581/82 | 2582/83 | 2583/84 | 2584/85 | 2585/86 | 2586/87 | 2587/88 | 2588/89 | 2589/90 | 2590/91 | 2591/92 | 2592/93 | 2593/94 | 2594/95 | 2595/96 | 2596/97 | 2597/98 | 2598/99 | 2599/00 | 2600/01 | 2601/02 | 2602/03 | 2603/04 | 2604/05 | 2605/06 | 2606/07 | 2607/08 | 2608/09 | 2609/10 | 2610/11 | 2611/12 | 2612/13 | 2613/14 | 2614/15 | 2615/16 | 2616/17 | 2617/18 | 2618/19 | 2619/20 | 2620/21 | 2621/22 | 2622/23 | 2623/24 | 2624/25 | 2625/26 | 2626/27 | 2627/28 | 2628/29 | 2629/30 | 2630/31 | 2631/32 | 2632/33 | 2633/34 | 2634/35 | 2635/36 | 2636/37 | 2637/38 | 2638/39 | 2639/40 | 2640/41 | 2641/42 | 2642/43 | 2643/44 | 2644/45 | 2645/46 | 2646/47 | 2647/48 | 2648/49 | 2649/50 | 2650/51 | 2651/52 | 2652/53 | 2653/54 | 2654/55 | 2655/56 | 2656/57 | 2657/58 | 2658/59 | 2659/60 | 2660/61 | 2661/62 | 2662/63 | 2663/64 | 2664/65 | 2665/66 | 2666/67 | 2667/68 | 2668/69 | 2669/70 | 2670/71 | 2671/72 | 2672/73 | 2673/74 | 2674/75 | 2675/76 | 2676/77 | 2677/78 | 2678/79 | 2679/80 | 2680/81 | 2681/82 | 2682/83 | 2683/84 | 2684/85 | 2685/86 | 2686/87 | 2687/88 | 2688/89 | 2689/90 | 2690/91 | 2691/92 | 2692/93 | 2693/94 | 2694/95 | 2695/96 | 2696/97 | 2697/98 | 2698/99 | 2699/00 | 2700/01 | 2701/02 | 2702/03 | 2703/04 | 2704/05 | 2705/06 | 2706/07 | 2707/08 | 2708/09 | 2709/10 | 2710/11 | 2711/12 | 2712/13 | 2713/14 | 2714/15 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EXTRAORDINARY COUNCIL MEETING
1 MAY 2017



REPORT: 2017/2018 Draft Operational Plan and Budget - Corporate Development Division

AUTHOR: Director Corporate Development
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/534

EXECUTIVE SUMMARY

The 2017/2018 draft Operational Plans and Budgets in respect of the functions of the Corporate Development Division have been prepared along with the forward budgets for the ensuing three (3) financial years. This report provides a summary on how each of the nine (9) functions within the Corporate Development Division will be affected. Overall the level of operational funding provided is sufficient to sustain the Division's operational capability at a level similar to previous years.

The draft 2017/2018 Operational Plans and Budgets for the Corporate Development Division have been developed based on the current interim organisational structure noting that Council has adopted a five division structure which will become effective in due course as the new structure is populated.

It is considered that the Functions of the Division i.e. Caravan Park, Livestock Markets, City Development, Property Development, Airport, Showground, City Development and Communications, Wellington Caves and Business Support are either adequately funded or have sufficient income generating capability to meet their needs.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

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FINANCIAL IMPLICATIONS

It is anticipated that the business units of the Division will provide \$1,039,270 to General Rates and Revenue for the 2017/2018 period, with a total contribution of \$4.272M estimated as the contribution over the next four (4) years.

Other financial implications are detailed in the Operating Plan and Budget for each function of the Division.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

That the information contained within the report of the Director Corporate Development dated 18 April 2017, be noted.

Ken Rogers
Director Corporate Development

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REPORT

Detail regarding the 2017/2018 draft Operational Plans and Budgets in terms of each of the nine (9) functional areas of the Corporate Development Division is now provided:

5.1 Dubbo Regional Livestock Markets

Yard dues in respect of the selling of livestock at the Dubbo Regional Livestock Markets (DRLM) are proposed to increase in 2017/2018 as follows:

- Cattle per head from \$8.56 in 2016/2017 to \$8.77 (2.45%)
- Sheep per head from \$0.83 in 2016/2017 to \$0.85 (2.41%)

Agents' Licence Fees proposed for 2017/2018 are as follows:

- Cattle per head from \$0.98 in 2016/2017 to \$1.00 (2.04%)
- Sheep per head from \$0.36 in 2016/2017 to \$0.37 (2.78%)

There has been a significant increase to the fees charged for Destruction and Disposal of stock. This is to discourage the shipment to the DRLM of stock which are unfit to load. The increase is also more reflective of the labour time and cost of handling such stock.

- Large stock – per head from \$48.00 in 2016/2017 to \$100.00 (108.33%)
- Small stock – per head from \$10.00 in 2016/2017 to \$50.00 (400%)
- Dead large stock – per head from \$26.50 in 2016/2017 to \$50.00 (88.68%)
- Dead small stock – per head from \$7.63 in 2016/2017 to \$25.00 (227.65%)

The draft budget for 2017/2018 includes capital works totalling \$1,076,000 for the following projects:

| | |
|-----------------------------------|-----------|
| • Upgrade cattle loading ramps | \$85,000 |
| • Sheeppark upgrade | \$15,000 |
| • Workshop upgrade | \$145,000 |
| • Draft and sale pens | \$250,000 |
| • Reseal car park | \$75,000 |
| • Security cameras | \$80,000 |
| • Upgrade sheep paddock fences | \$60,000 |
| • Upgrade sheep loading ramps | \$46,000 |
| • Sheeppark panels | \$40,000 |
| • Shade structures (cattle yards) | \$280,000 |

The travelling stock liirage fees have been deleted as the \$5,000 income generated in the 2016/2017 year was insufficient to cover the cost of administering the charge.

A contribution of \$312,600 to Rates and other General Revenue from this business in the 2017/2018 financial year has been provided for.

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The major projects currently underway at the Livestock Markets involving the draft and sale pens and weighbridge area are scheduled to be completed by 30 June 2017.

5.2 Dubbo City Regional Airport (Including Wellington Aerodrome)

The operational capability of this function has also been maintained at a comparable level to that previously provided noting that this function also now includes the Bodangora Aerodrome at Wellington.

As per the resolution of Council at its meeting held 27 February 2017, there is no charge to be applied for the use of the unsecured public carpark.

It was also resolved at this meeting that landing fees for Dubbo City Regional Airport be maintained at the 2016/2017 rate for the 2017/2018 financial year. Given the continued growth in passenger numbers utilising the Dubbo City Regional Airport, and the introduction of direct services between Dubbo and Brisbane, Newcastle, Melbourne, and Canberra Revenue from landing fees is increasing. This growth gives Council the opportunity to maintain the 2017/2018 landing fees at the 2016/2017 rates without any significant impact on airport income during the coming financial year.

Checked baggage and passenger screening charges are to be cost recovered as per Council's previous resolution for *"the service to be provided to the travelling public at full cost recovery from the regular public transport operators"*.

Fly Pelican's 12 month landing fee exemption expires during 2017/2018 and passenger fees will be charged on the Dubbo – Newcastle route from 28 July 2017 and the Dubbo – Canberra route from 1 February 2018.

The Airport was successful in obtaining grant funding of \$7.46M from Restart NSW Tourism Infrastructure – Airports in 2016/2017. The successful project is a major runway strengthening and lighting project at an estimated cost of \$9,460,421 of which Council is contributing \$2,000,000. \$9,271,899 allocated in the 2017/2018 draft budget for the commencement of the major construction works (\$1.357M for runway lighting replacement and \$7.914 for runway asphalt overlay) after preliminary design works have been completed in 2016/2017 financial year.

Council was also successful in obtaining funding of \$6,685,000 from the National Stronger Regions Fund (Round three) for the upgrade of the Dubbo Airport General Aviation Area and Aeromedical facilities project. Council's contribution is \$1.425M. The co-funding from Infrastructure NSW of \$9,460,421 for the runway strengthening and lighting project was used as leverage to obtain the funding for this project.

Part of Council's contribution to the above projects has been sourced from internal borrowings of \$1.85M.

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A contribution of \$287,670 to Rates and Other General Revenue from this business in the 2017/2018 financial year has been provided for. This is a reduction when compared to the previous year's contribution being equivalent to the cost to the function of maintaining Bodangora Aerodrome.

5.3 City Development

The draft 2017/2018 Operational Plan and Budget in respect of the City Development Function allows for current service levels for business and new resident attractions, business development and industry expansion to generally be maintained, noting that economic development services are now also being provided to Wellington.

Funds are included for Council's continued involvement in the Evocities programme in the amount of \$70,000 for 2017/2018, \$75,000 for 2018/2019 as per the MOU signed in 2015 subsequent to Council's resolution of 23 February 2015, *"That the Mayor and General Manager be authorised to negotiate and finalise the 2015-2019 Evocities Memorandum of Understanding on behalf of Council"*. An additional \$5,000 has been allocated in each of these years for operational expenses relating to Evocities. An amount of \$75,000 plus \$5,000 for travel expenses has been projected for 2019/2020 and 2020/2021. The budget includes funding for the period ending 30 June 2018 to permit the renewal of the contract position of City Development Support Officer. This position is critical to frontline operations of managing new resident enquires and overseeing a new resident engagement process for both Dubbo and Wellington. It also provides project administration support to the Economic Development function.

The draft budget includes \$110,302 for Economic Development Projects. This is in line with previous year's allocations to deliver specific economic development projects. This budget will support a number of economic development projects addressing development of specific issues and opportunities papers across the LGA including public housing in Wellington and its economic impacts / opportunities. It will also fund the LGA Business Development Program and tourism capacity building including an online booking strategy for the LGA. This budget allocation will be boosted by seeking cooperative grants from state and federal government when opportunities arise.

The draft budget includes a \$40,000 allocation for the development of an economic development strategy. This strategy will be developed in accordance with the development of the new Community Strategic Plan. The project will require engagement of an external resource to undertake an economic analysis and to professionally facilitate workshops with key stakeholders. Development of a long-term economic strategy that integrates a destination management approach for the new LGA is fundamental to setting a platform for the new Council's Economic Development services, priorities, opportunities and key issues.

**EXTRAORDINARY COUNCIL MEETING
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The draft budget also includes a \$40,000 allocation for a Wellington Destination Development Project. Well beyond a 'logo development', this project will include community and target market perception research and development of a new destination brand and positioning for Wellington. It will also identify how and when promotion of Wellington should be integrated with Dubbo as a new LGA, as part of regional collaborations and when and how stand alone attraction activity should be undertaken. Whilst the community consultation will be undertaken by an external contractor it is proposed that the Brand development work will be undertaken "in house".

This project will also look at specific strategic Wellington destination development and promotion opportunities in line with the significant development work at the Wellington Caves and the Visitor Centre operations.

5.4 Property Development

The Property Development draft budget includes funding for the continuation of the next release of Keswick Estate, being Stage 4 Release 3B, totalling \$526,670 being for roads, water, storm water and sewerage headworks contributions.

Funding has been included in the forward budgets for the development of Keswick Estate Stage 5 (a total of 217 lots) estimated to cost \$3.9M, Moffatt Estate Stage 3 totalling \$2.05M, and a further \$350,000 being allocated toward the upgrading of Purvis Lane which is programmed for 2017/2018 and 2018/2019. This \$350,000 contribution will be made in 2018/2019 and is for deferred road works that are the responsibility of the developer (Corporate Development) as part of the development consent for Moffatt Stage 2. Moffatt Stage 3 will include the extension of McGuinn Crescent linking with Daniel Soane Drive.

The budgeted sales revenue is based on sales of the remaining lots in Keswick Estate Stage 4 Release 3A and the commencement of sales for Release 3B; expecting to sell 5 single residential lots in 2017/2018. The budget also forecasts the sale of 10,000sqm of Industrial land per annum at Moffatt Estate.

Revenue from The Royal Freemason development, being the last instalment of the four year payment agreement and revenue from the Christian School for the first payment of their three year payment agreement has been provided for in the 2017/2018 draft budget.

A contribution of \$239,000 to Rates and Other General Revenue from this business in the 2017/2018 financial year has been provided for.

5.5 Dubbo City Holiday Park

User fees at the Dubbo City Holiday Park have been reviewed in conjunction with Australian Tourist Park Management to reflect the market and an increase in operating income of 5% is anticipated.

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Capital works to be undertaken in 2017/2018 include cabin refurbishments of \$32,000 and \$50,000 to upgrade the ensuite buildings. Camp Kitchen extensions of \$30,000 have been allowed for in the 2018/2019 financial year.

A contribution of \$200,000 to Rates and Other General Revenue from this business in the 2017/2018 financial year has been provided.

5.6 City Marketing & Communications

The funding for the City Marketing and Communications Function in the 2017/2018 draft Operational Plan and Budget, provides for the function to maintain the current service level at the Dubbo and Wellington Visitors Information Centres and the ongoing demand on the Corporate Communications function.

This draft budget includes \$100,000 of funding for the Destination Campaign which is in line with previous year's allocations to support destination marketing. These major campaigns (mainly Great Western Plains and Great Big Adventures) largely promote visitation and proactively promote the destination through PR activities and advertising campaigns. Campaign activity tends to lead with "hero" experiences but drives interest back to platforms promoting hundreds of local businesses, including many Council facilities.

The draft budget represents an increase of \$62,000 in expenditure from previous year of \$124,000 to \$186,000 for the Partnership Program. To simplify the management of the Partnership Program and associated Budget in 2017/2018, the income forecast from external sales of advertising and the internal budget allocation, has been combined at \$200,000. This will be adjusted based on level of participation from Wellington businesses as there was no partnership program under the former Council.

Previously both Dubbo and Wellington Councils' digital capability and associated platforms were spread across a number of Function areas and projects. This was a very ad-hoc approach to such an important element of Council's corporate communication activity and destination marketing programs. The 2017/2018 budget provides a clear allocation for Digital Marketing and Website maintenance in both Corporate Communications area – and the new combined LGA destination marketing area. Funding to support this has been included in the draft budget as shown below:

- Destination Web Maintenance - \$53,370
- Destination Digital Marketing - \$13,500
- Corporate Web Maintenance - \$30,370
- Corporate Digital Marketing - \$40,320

Funding of \$85,000 has been included in the 2017/2018 and forward budgets for the Major Event Sponsor Program to meet the level of demand for funding for events driving economic benefits for the region.

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5.7 Showgrounds

The draft budget for 2017/2018 in respect of the Dubbo and Wellington Showgrounds identifies \$475,310 being required from Rates and Other General Revenue to maintain the operation of these facilities.

Fees and charges in respect of the use of the Dubbo Showground facility have generally been increased by 2.5%.

The Dubbo Showground is Crown Land for which Council is the Trust Manager. The Wellington Showgrounds are owned by Council and are managed under an agreement with the Wellington Turf Club.

Capital works to be undertaken in 2017/2018 include \$50,000 to upgrade the Expo Centre and \$32,000 to upgrade the office building at the Dubbo Showground and \$15,000 for the upgrade of the Wellington Showground buildings. \$16,000 has also been allocated in 2018/2019 for further upgrades to the Dubbo Expo Centre. \$250,000 has been allocated for the acquisition of overnight stabling and \$52,000 allocated to upgrade the lighting at the Dubbo Showground in 2019/2020.

5.9 Wellington Caves Complex

User fees and charges for the Wellington Caves Complex (Caves and Caravan Park) in 2017/2018 financial year are proposed to remain relatively similar to 2016/2017 as the complex is in a stage of growth and firm statistics on visitor numbers to the Caves and occupancy rates at the Caravan Park are in their early stage of recording. An online booking system has been implemented and the website updated in an attempt to increase visitation and occupancy.

The Wellington Caves Complex was successful in obtaining funding of \$2.5M through the Stronger Communities Fund for the Wellington Caves Visitor Experience Centre. Works on this project are forecast \$1.5M in 2017/2018 and \$900,000 in 2018/2019 following preliminary works of \$100,000 in 2016/2017. A masterplan is currently being finalised for this important facility.

The draft budget for 2017/2018 identifies \$482,959 being required from Rates and Other General Revenue to maintain the operation of the facility. There will be a concerted effort to reduce this deficit over time.

10.2 Business Support

The operational capability of this function has been maintained at a comparable level to that previously provided.

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1 MAY 2017**

SUMMARY

In summary it is anticipated that the business units of the Division will provide \$1,039,270 to General Rates and Revenue for the 2017/2018 period, with a total contribution of \$4.251 million estimated as the contribution over the next four (4) years. The other Functions of the Division will maintain operations at current levels of service.

EXTRAORDINARY COUNCIL MEETING
1 MAY 2017



REPORT: 2017/2018 Draft Operational Plan and Budget - Environmental Services Division

AUTHOR: Director Environmental Services
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/585

EXECUTIVE SUMMARY

The formation of Dubbo Regional Council has resulted in additional resources being allocated to the provision of services such as planning, building, compliance, heritage advice and ranger services for the former Wellington Local Government Area. These services were previously not available to the Wellington community or they were provided on an ad hoc basis by consultants.

The draft 2017/2018 Operational Plans and Budgets for the Environmental Services Division have been developed based on the current interim organisational structure noting that Council has adopted a five division structure which will become effective in due course as the new structure is populated.

The budgets of the relevant former functions of the former Council budgets have now been combined and this report details the main features of the 2017/2018 draft Operational Plan and Budget along with the estimates for the following three (3) years for the Environmental Services Division.

This report recommends that this information be noted.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

FINANCIAL IMPLICATIONS

This report details the financial implications of the 2017/2018 draft Operational Plan and Budget.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

That the information contained in the report of the Director Environmental Services dated 18 April 2017, be noted.

Melissa Watkins
Director Environmental Services

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

BACKGROUND

The draft Operational Plan and Budget (including the Revenue Policy) for 2017/2018 and the forward budgets for 2018/2019, 2019/2020 and 2020/2021 in respect of the functions of the Environmental Services Division have now been prepared. The income identified is the amount generated predominantly from land use application fees and reflects an envisaged continuation of the present level of development activity with the City.

REPORT

The draft 2017/2018 budget reflects the combined income and expenditure of the relevant functions of the two former councils. The following comments are made in respect of the Division's functions.

6.01 Environment and Health Services

The role of the Environment and Health Services function continues to focus on public health issues and environmental impact assessment and regulation. This function also provides services to the Community Services Division in respect of food premises and other regulated premises in accordance with an Agreed Brief. These services have now been extended to also cover the former Wellington Local Government Area. Adequate funding has been allocated to fulfil the function's obligations in 2017/2018 and the ensuing three years of the budget.

6.02 Building and Development Services

It is anticipated that during 2017/2018, income generated from Development Applications, Construction and Complying Development certificates and other applications will be generally in line with the income derived in 2016/2017. The draft budget reflects the operational situation with total revenue for this function in 2017/2018 estimated at just over \$1,598,000.

The provision of building and planning advisory services across the new Local Government Area continues to remain a priority for the function, however unfortunately a reasonable percentage of applications are still being lodged with insufficient information which adds to the assessment process and resource requirements and ultimately delays determination of applications. Accordingly, ongoing education/information programs will continue to be undertaken into the future. Funding is identified for further implementation of e-Services which is programmed to continue with the implementation of e-Certificates during 2017/2018 and further promotion of the Application Tracker capabilities. In addition, the NSW Department of Planning and Environment's electronic applications initiatives for NSW Local Government is envisaged to be implemented later 2017.

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In accordance with the Swimming Pools Act a Swimming Pool Compliance Certificate is required to be obtained before a property with a pool can be sold or leased. In this regard, the Swimming Pool Compliance Program continues in 2017. Included in the budget is funding to continue the employment of a full time Swimming Pool Compliance Officer on a contract basis. The employment, which was initially for a period of two years is expected to be required long term. The situation will be reviewed in terms of resourcing this activity at the appropriate time.

A revised inspection fee schedule is included in the draft Revenue Policy and in this regard, income derived from inspection fees is expected to achieve approximately 50% of costs.

In addition, a new administration fee schedule for lodgement of applications has been included in the draft Revenue Policy to apply from 1 July 2017. The schedule replaces the scanning fee that has applied over the past three years and reflects the workload of the administrative staff relating to electronic application activity.

Adequate funding has been provided for the Building and Development Services function to fulfil its obligations in 2017/2018 and the ensuing three years.

6.04 Environmental Sustainability Services

The role of the Environmental Sustainability Services function is to focus on and be specifically accountable for environmental sustainability-related activities including planning and reporting. Adequate funding has been allocated to fulfil the function's obligations in 2017/2018 and the ensuing three years of the budget.

An amount of \$20,000 has been included in each of the four years towards Council's Energy Fund. This Fund was established by Council to provide financial support for Council projects that both reduce the environmental impact of Council's activities and operations and reduce the financial burdens on Council. The Fund is resourced annually through the Environmental Services budget to an agreed amount of \$20,000. Any amount not used is transferred to Restricted Assets to be used in subsequent years for these projects.

6.05 Environmental Support Services

This function is an internal service provider and is funded from within the Division.

Adequate funds have been allocated to this function to fulfil its obligations in 2017/2018 and the ensuing three years.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

6.09 City Strategy Services

The City Strategy Services Branch is appropriately resourced and adequate funding has been provided in the draft budget to fulfil the Branch's current obligations and includes funding generated by the Branch for projects to be carried out for other Council functions and for external customers such as Planning Proposals and Development Control Plans.

It is envisaged that a number of projects will be carried out and/or finalised in 2017/2018 including the review and/or completion of Section 94 Plans for Stormwater, Urban Roads, Traffic and Car Parking, subject to the outcome of a review by the NSW Department of Planning and Environment.

In addition, the Integrated Planning and Reporting responsibilities of Council have been transferred to the City Strategy area. This will require considerable resources to develop the comprehensive Community Strategic Plan, Community Engagement and Delivery Program in 2017/2018.

6.10 Ranger Services

Adequate funds have been allocated to this function to fulfil its obligations in 2017/2018 and the ensuing three years of the budget and includes the employment of two Rangers in Wellington. It is advised that the Companion Animals Registration fees are statutory fees set by the Government, with the fees included in the draft Revenue Policy being the current fees. It is anticipated however that effective from 1 July 2017 registration fees will be further increased in line with CPI. Council expects to receive advice in this regard from the Companion Animals Register late in June 2017.

The Companion Animals Welfare Scheme (education, subsidised microchipping and desexing program) will be delivered again in partnership with local vets and the local branch of the RSPCA. Accordingly, an amount of \$10,000 has been included in the 2017/2018 Budget to roll out the program across the Local Government Area.

6.11 Animal Shelter

Adequate funds have been allocated to this function to fulfil its obligations in 2017/2018 and the ensuing three years.

Funding is held as a Restricted Asset for a proposed upgrade of animal enclosures at the Dubbo Shelter to comply with the yet to be released, new legislative standards and guidelines.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

SUMMARY

Adequate funding has been allocated to the Environmental Services Division functions to enable the Division to fulfil its obligations in 2017/2018 and the ensuing three years.

The 2017/2018 revenue predictions are based on the expectation that development activity and related applications submitted to Council remain at the existing levels.

EXTRAORDINARY COUNCIL MEETING
1 MAY 2017



REPORT: 2017/2018 Draft Operational Plan and Budget - Community Services Division

AUTHOR: Director Community Services
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/531

EXECUTIVE SUMMARY

This report details the main features of the 2017/2018 draft Operational Plan and Budget along with the estimates for the following three (3) years for the Community Services Division inclusive of those community service functions for both the former Dubbo City and Wellington councils. With expenditure on items such as salaries, electricity, gas and insurance all exceeding the maximum allowable rate increase and there being limited opportunity to raise revenue due to the nature of the community services provided by the Division, the Divisional budget overall has been balanced in some functions over the four (4) year period by increasing reliance upon transfers from internally restricted assets.

The draft 2017/2018 Operational Plans and Budgets for the Community Services Division have been developed based on the current interim organisational structure noting that Council has adopted a five division structure which will become effective in due course as the new structure is populated.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

FINANCIAL IMPLICATIONS

The financial implications of the Community Services Division budget for 2017/2018 to 2020/2021 inclusive are detailed in the body of the report.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

1. That the information contained in the report of the Director Community Services dated 18 April 2017, be noted.
2. That the list of recipients for financial assistance from Council in 2017/2018 under Section 356 of the Local Government Act as detailed in this report be adopted.
3. That the 2017/2018 Draft Macquarie Regional Library Operational Plan and Budget (including Draft Revenue Policy) be adopted and placed on public exhibition for a period of 28 days in conjunction with Council's exhibition of its Draft Operational Plans and Budget (including Draft Revenue Policy).

David Dwyer
Director Community Services

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

REPORT

Comments in respect of the 2017/2018 draft Operational Plan and Budget and the forward budgets for 2018/2019, 2019/2020 and 2020/2021 that are the responsibility of the Community Services Division follow.

1. Cemeteries (Function 7.7)

Funding is allocated over the four (4) years of the budget for landscaping improvements/seating/signage (\$107,500); a new ashes section (\$27,000); road resealing (\$40,000); new concrete beams (\$100,000); and for irrigation extensions (\$50,000). The fees for Dubbo and surrounding village cemeteries have generally increased in the range of 3% to 4% from 2016/2017 to 2017/2018 to fund recurrent operational costs and necessary upgrade works. Fees for Wellington and surrounding village cemeteries have increased in the range of 5 % as an incremental step to bring these fees in line with those at the previous Dubbo Council cemeteries. The fee for the burial of still born babies and infants up to 12 months old remains at no cost at both Dubbo and Wellington cemeteries.

The internally restricted asset for the Cemeteries Function is budgeted to have a balance of \$549,329 at 30 June 2018. These funds are being held as the Wellington Lawn Cemetery needs some reorganisation and upgrades to provide more grave sites as the current configuration of the Cemetery will result in the need for additional land in the near future. A reconfiguration will delay the need for additional land for a further seven to ten years.

2. Recreation Services (Function 7.8)

\$428,686 has been allocated in 2017/2018 to cover the costs of preparing sports grounds for organised sports activities and \$218,701 has been allocated for recreational planning and management whilst \$13,500 has been allocated to cover the costs of subsidising major sports events for the City.

An additional amount of \$700,017 has been allocated to this function over the next four financial years for asset renewal and capital works and cyclic and routine maintenance for Community Halls (\$626,495) and Dubbo Racecourse (\$73,522).

Fees for the use of recreational facilities are increasing in the range of 3% to 5%. The Mumbil Hall which was previously managed by the Mumbil District Progress Association, but is now managed directly by Council, has had Council fees introduced for the first time.

**EXTRAORDINARY COUNCIL MEETING
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3. Library (Function 7.10)

The contributions required from Council to be paid to the Macquarie Regional Library (MRL) for 2017/2018 to 2020/2021 are \$1,000,668; \$1,044,390, \$1,040,690 and \$1,066,707 respectively. These contributions are based upon the MRL Agreement for the period 2014/2015 to 2017/2018 and an estimate for the next Library Agreement yet to be agreed upon to commence for the 2018/2019 financial year. An amount of \$60,000 has been included for library books above the required contribution to the MRL for each of the four years of the budget. This continues to be an important initiative for the Dubbo, and now Wellington, Branches of the Library.

\$84,000 is allocated over the four (4) years of the budget for various furniture and fittings and asset renewals in respect of the Dubbo and Wellington Branch Libraries. Also in respect of the Branch Libraries, \$238,593 has been allocated for building, plant and equipment maintenance over the four (4) year budget.

Council also needs to consider and adopt the 2017/2018 Draft MRL Operational Plan and Budget (including Draft Revenue Policy). Under the MRL Agreement, Dubbo Regional Council, as the Executive Council, provides library services to not only itself but also to the Councils of Narromine and Warrumbungle. Council therefore needs to adopt the Operational Plan and Budget (including Draft Revenue Policy) so that it can raise the fees and charges and expend the budget allocation to provide this library service. Once adopted, the Operational Plan and Budget (including Revenue Policy) will be placed on public exhibition in conjunction with the Draft Dubbo Regional Council Operational Plan and Budget (including Revenue Policy) and submissions invited. Any submissions received will be submitted to the MRL Committee to make a recommendation to Council for consideration before adopting the 2017/2018 MRL Operational Plans and Budget (including Revenue Policy).

4. Old Dubbo Gaol (Function 7.11)

General admission fee increases are proposed for the Old Dubbo Gaol for 2017/2018 in the range of up to 5% except for the adult admission fee which is proposed to remain at \$17.50. The adult fee rose by \$2.50 in 2015/2016 and by the same amount again in 2016/2017. The student and child fees rise from \$13.50 to \$14; a child under 4 years old rises from \$5.50 to \$5.75; a family pass rises from \$40 to \$41 and an additional child on a family pass rises from \$5.00 to \$5.25. The adult fee for an organised group guided tour increases by 10% from \$20 to \$22 and this reflects the additional costs for staff to conduct tours. No fee increases are proposed for the Twilight and the Beyond the Grave Tours to encourage patronage of these after hours tours. Fees for additional services for booked after hours private functions have risen to reflect a more market orientated charging regime.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

\$206,862 is allocated for routine and cyclic maintenance of buildings, equipment and exhibitions at the Gaol over the four (4) years of the budget. A further \$94,487 is allocated over the four (4) years of the budget for new exhibitions. In 2017/2018, \$80,000 is allocated for a sound and light exhibition, \$50,000 for an interactive experience exhibition and \$15,000 for display cabinets. \$85,000 and \$15,000 are allocated in 2019/2020 and 2020/2021 respectively for new exhibition projects and display cabinets. These works are to be funded from the additional funds raised for new exhibitions when fees were increased back in 2007/2008.

5. Social Services (Function 7.14)

There are no proposed increases in the fees for the Wellington Community Bus for 2017/2018. Council has been in negotiations with Transport NSW about the transfer of this bus service to another Service Provider and this may occur prior to 1 July 2017. At this stage, however, the budgets have been prepared on the continuation of this service by Council through to 2020/2021.

This budget provides for the continued employment of the Manager Social Services, Grants Officer, Youth Development Officer, Community Services Coordinator (Wellington based), two Aboriginal Liaison Officers based in both Dubbo and Wellington and the Communities for Children Coordinator (subject to continued grant funding) in Wellington. The budget also provides for the continuation of all the social service activities previously provided in both the former Dubbo City and Wellington Councils.

\$50,000 has been allocated in 2017/2018 and each year of the three (3) year forward budgets to continue the employment of two (2) Aboriginal apprentices by Council. \$16,500 has been allocated for asset maintenance from 2017/2018 through to 2020/2021 inclusive for the Colleen Montgomery Cottage in Victoria Park which serves as the headquarters for the Dubbo Family Day Care. \$29,500 is allocated in 2017/2018 for asset renewal of Wellington community service buildings.

The Dubbo Youth Council has made a submission requesting that consideration be given in the 2017/2018 budget to the engagement of a young person on a 12 month traineeship to assist the Youth Development Officer in matters pertaining to youth activities. The cost of such a traineeship would be approximately \$30,000 per annum. The traineeship would be available to those young people who had already committed to a serving period on the Youth Council of no less than 12 months. If successfully completed, the trainee would gain a nationally recognised qualification. Although a worthy submission by the Youth Council, no budget allocation has been made due to funding limitations and other funding priorities particularly asset renewal backlogs.

\$30,000 has been allocated each year for the Council's financial assistance programme. In addition, funding has been allocated for regular annual donations for each year from 2017/2018 to 2020/2021 inclusive as follows:

**EXTRAORDINARY COUNCIL MEETING
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|---|----------|
| <u>Dubbo Rescue Squad</u> To offset operational costs such as insurance, maintenance of depot and purchase of new equipment | \$11,300 |
| <u>Life Line</u> To offset operational costs of providing a telephone service to Dubbo LGA residents | \$10,000 |
| <u>Dubbo Merino and Sheep Show and Sale</u> Sponsorship of this annual event held at the Dubbo Showground | \$500 |
| <u>Dubbo Regional Council Social Club</u> To offset some of the costs of the Social Club's annual staff Christmas Parties | \$250 |
| <u>University of the Third Age</u> To offset the cost of hiring rooms at the Western Plains Cultural Centre to conduct classes | \$385 |
| <u>Dubbo Golf Club</u> To sponsor the Mayor's annual golf trophy tournament | \$400 |
| <u>Western Region Poll Hereford Association</u> Sponsorship of this annual event held at the Dubbo Showground | \$500 |
| <u>Rawsonville Hall Trust</u> To offset operational costs such as insurance and maintenance and repairs to the community hall | \$650 |
| <u>Orana Toy Library</u> To offset the cost of purchasing new toys and insurance | \$665 |
| <u>Ballimore and District Progress Association</u> To offset the costs of maintaining the Ballimore Hall | \$700 |
| <u>East Dubbo Girl Guides</u> To offset operational costs and maintenance of the Guides Hall | \$380 |
| <u>Orana Country Music Association</u> To offset costs to conduct the annual Country Music Festival in Dubbo | \$500 |
| <u>Dubbo Grey Hound Racing Club</u> To sponsor an annual Mayor's Cup race event at Dawson Park, Dubbo | \$3,000 |
| <u>Dubbo Harness Racing Club</u> To sponsor an annual Mayor's Cup race event at the Showground Pace Way | \$2,000 |

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

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|---|-----------|
| <u>Eumungerie Coboco RSL Sub Branch</u> To offset costs of maintaining the Eumungerie Hall | \$440 |
| <u>Orana Early Childhood Intervention</u> To offset operational costs such as insurance, purchasing new equipment and centre maintenance | \$2,350 |
| <u>Dubbo Artz</u> To produce 800 coloured copies of a bimonthly cultural newsletter distributed to the community. | \$3,000 |
| <u>Dubbo Neighbourhood Centre</u> To offset the costs of premise rental and operational costs of the centre such as insurance and electricity | \$160,000 |
| <u>Orana Mobile Life Education Van</u> To offset the operational costs of the Van which visits schools in the Dubbo LGA | \$6,168 |
| <u>Royal Flying Doctor Service</u> To cover landing fees for use of the Dubbo City Regional Airport | \$27,500 |
| <u>Multi Cultural Festival</u> To offset the costs of conducting an annual Multi Cultural Festival | \$15,000 |
| <u>DREAM Festival</u> To offset the costs of conducting an annual DREAM Festival | \$40,000 |
| Further to the previous donations, the following donations are regular donations but included throughout the budget in different function areas as indicated in brackets. | |
| <u>Dubbo Eisteddfod (Function 7.18)</u> To offset hire fees at the Dubbo Regional Theatre and Convention Centre for the annual Eisteddfod | \$8,000 |
| <u>Macquarie Philharmonia Orchestra (Function 7.18)</u> To offset costs of the Orchestra conducting musical performances throughout the Central West of NSW | \$5,000 |
| <u>Carols By Candlelight (Function 7.18)</u> To offset the hire fees and other charges to use Victoria Park Number 1 Oval for this annual community event | \$2,500 |
| <u>Dubbo and District Concert Band (Function 7.18)</u> To offset the cost of new instruments, music, uniforms and insurance for the for the Band's assets | \$4,662 |

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

Dubbo Pipe Band (Function 7.18)

To offset the cost of new instruments and music for the Band \$1,300

Western Region Academy of Sport (Function 7.8)

A per capita contribution to the Academy for young people to participate in high level sports coaching \$2,366

Orana Arts (Function 7.18)

To maintain annual membership of Orana Arts, the peak Cultural Organisation for five (5) Councils \$30,000

6. Rainbow Cottage Child Care Centre (Function 7.16)

The estimated funding required from rates and general revenue for Rainbow Cottage for 2017/2018 is \$89,418 which is well below the amount of Management Charges from Other Services by Council Divisions of \$189,187 which is the benchmark for funding of this Function.

\$212,230 is allocated over the four (4) year budget for building maintenance and renewal which includes \$49,286 for internal painting, \$13,104 for lighting and power upgrades, \$68,500 to replace carpet and vinyl floor coverings, \$15,840 for air conditioner upgrades and \$55,500 for general building repairs.

\$126,393 is allocated over the four (4) years of the budget for capital works at the Centre. In 2017/2018, \$30,000 is allocated for a bathroom upgrade and \$15,000 for playground landscaping whilst in 2018/2019, \$20,000 is allocated for playground landscaping. In 2019/2020 \$33,000 is allocated for playground softfall and \$16,950 for a new sun screen awning.

Fees at the Centre are proposed to rise on 1 January 2018 by \$4 per day per child which is a 4.7 % increase on the 2017 fees. The daily rate for a child in the 0-2 years age bracket will rise from \$86 to \$90 and for a child in the 2-5 years age bracket from \$84 to \$88. These fees are generally at an average industry price.

Despite some large transfers from the Rainbow Cottage Child Care Centre internally restricted asset to fund asset maintenance items over the four (4) years of the budget, the restricted asset will have a projected balance of \$103,287 as at 30 June 2021.

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1 MAY 2017**

7. Family Day Care (Function 7.17)

The estimated funding required from rates and general revenue for Family Day Care is \$106,869 for 2017/2018 which is well below the amount of Management Charges from Other Services by Council Divisions of \$175,819. Some fees for 2017/2018 are not increasing whilst some are increasing by large percentages but by only small amounts in quantitative terms. For example, the annual family enrolment family is increasing by \$2.50 or 9.1 % from \$27.50 to \$30. Whilst fees for this type of child care remain very competitive with centre based child care fees, it is important not to increase fees too often or sharply given the number of new long day care centres which have recently opened or are opening in Dubbo. Those fees not increasing in 2017/2018 were increased in either 2015/2016 or 2016/2017 and will be reviewed in the coming years for increases.

8. Cultural Services (Function 7.18)

\$91,471 has been allocated in 2017/2018 for Sister City activities. The budget allocation will allow for the continued employment of a part time coordinator to manage Council's Sister City activities with Toyamo Japan, Minokamo Japan and Wujiang China. This allocation also includes twelve (12) subsidised air fares for the Minokamo student exchange and ten (10) subsidised air fares for the Wujiang student exchange. The air fares are for students and two (2) chaperones for the student exchange trips.

As previously noted, funding has been provided in this Function for donations as follows: \$30,000 for a contribution to Orana Arts, \$2,500 for Carols by Candlelight, \$8,000 for the Dubbo Eisteddfod, \$5,000 for the Macquarie Philharmonia Orchestra, \$4,662 for the Dubbo and District Concert Band (including insurance) and \$1,300 for the Dubbo Pipe Band. Funds have also been allocated in 2017/2018 to erect and dismantle the Dubbo CBD Christmas Tree.

9. Community Support (Function 7.19)

This function is an internal service provider and is funded from within the Division.

Adequate funding has been provided to this function to fulfil its obligations in 2017/2018 and the ensuing three (3) years.

10. Regional Theatre and Convention Centre (Function 7.20)

Fees for use of the Dubbo Regional Theatre and Convention Centre (DRTCC) have been reviewed and are generally increasing by 2% to 3%. Some fees, however, are also recommended to remain unchanged or decrease in an attempt to increase usage. An example is the reduction of hire fees for the DRTCC Celebration Package of 6.25 % from \$1,600 to \$1,500 in an attempt to attract events such as wedding receptions, dinners and parties. Another example is the termination of any fee for the hire of music stands and scone lights due to the diminishing stock and quality of these items. The fees being reduced are not large income generating items and will not significantly adversely affect overall operating income should there be no additional usage generated by lowering the fees.

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There are some significant increases proposed in respect of usage fees at the Wellington Civic Centre. The level of previous fees did not adequately reflect the costs involved in the contractor setting up and down for events or the costs of utilities such as electricity and gas and the Centre. There has also been a lack of funds for asset maintenance and increased revenue will ensure more funding in this area.

\$351,781 has been allocated over the four (4) years of the budget for asset maintenance of the two (2) Centres.

\$660,035 has been allocated over the four (4) years of the budget for capital works. In 2017/2018, \$313,467 is allocated for replacement of the Macquarie Room divider door at the DRTCC as well as \$26,000 for new air conditioners. \$280,000 is allocated in 2018/2019 for air conditioner renewal at DRTCC. The restricted asset for asset renewal works will be exhausted in 2020/2021. The new adopted Organisation Structure for Council will have an increased focus on asset management to assist in addressing this matter.

11. Western Plains Cultural Centre (WPCC) (Function 7.21)

Predominately fees for 2017/2018 are being held at the 2016/2017 levels with increases forecast for 2018/2019. There are some fees reducing and others going up substantially but these are generally only small increases in quantum terms and are not significant revenue generators. These adjustments are as a result of alignment with market based fees and efforts to attract more hirers to the Centre.

\$82,165 has been allocated over the four (4) year budget period for all identified cyclic asset maintenance items and this includes \$50,000 in 2017/2018 and \$32,165 in 2019/2020 for internal painting. The capital works programme of \$743,045 proposed over the four (4) year budget includes resealing the car park at a cost of \$40,000 in 2019/2020; constructing a large objects storage facility in 2019/2020 for \$190,000; replacing the air conditioning chiller unit in 2018/2019 at a cost of \$300,000; and resealing the Centre's concrete flooring in 2020/2021 at a cost of \$54,764.

\$397,034 has been allocated over the four (4) years of the budget to maintain the number and quality of exhibitions held at the Centre. \$30,000 has been estimated for admission income for entry to 'blockbuster' exhibitions in 2017/2018. \$163,943 is allocated over the four (4) years of the budget for collection management to ensure the Centre's collection of art works and museum items are well conserved and stored.

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12. Human Environment Services (Function 8.1)

\$20,000 has been allocated in 2017/2018 to introduce alcohol free zones in the Wellington urban area and \$6,000 has been allocated in 2018/2019 to amend signage when the alcohol free zones in the Dubbo CBD / West Dubbo, the Neighbourhood Shopping Centres and the Showground /Dubbo Apex Club's Apex Oval areas are renewed in December 2018. A total of \$92,000 has been allocated over the four (4) year budget period for Dubbo and Wellington CBD Safety Camera Systems maintenance and repairs and \$140,000 for camera replacements and new additional cameras. \$46,904 has been allocated in 2017/2018 for food premises inspections. Fees for the regulatory services conducted under this Function are generally regulated by legislation with the maximum fee being proposed whenever possible.

As previously resolved by Council at its March 2017 meeting, the monthly immunisation clinics held by Council are to be discontinued after the June 2017 clinic. The 2017/2018 and onward budgets reflect this decision with both the revenue to be received and expenditure to be incurred, in relation to the clinics, being deleted.

EXTRAORDINARY COUNCIL MEETING
1 MAY 2017



REPORT: 2017/2018 Draft Operational and Budget - Parks and Landcare Services Division

AUTHOR: Director Parks and Landcare Services
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/558

EXECUTIVE SUMMARY

The draft 2017/2018 Operational Plans and Budgets, together with estimates for the following three (3) years for Parks and Landcare Services Division, have been completed and are now submitted for consideration. Budget allocations will allow for the continued operation of the Functions within the Division at a satisfactory level.

The draft 2017/2018 Operational Plans and Budgets for the Parks and Landcare Services Division have been developed based on the current interim organisational structure noting that Council has adopted a five division structure which will become effective in due course as the new structure is populated.

The Asset Renewal program of the Division in respect of the former Dubbo Local Government Area continues to focus on replacing aged infrastructure across the new local government area. Playgrounds and sporting lights continue to be major areas of expenditure across the proposed four (4) year budget. Work continues in respect of Asset program development in respect of the former Wellington Local Government Area.

Acquisitions of Assets across the Division have received a major boost from the \$9 million allocated to Dubbo Regional Council for major infrastructure projects under the Stronger Communities (Major Projects). In total the Parks and Landcare Services Division was successful in securing \$6,034,700 across eight projects. These projects are distributed across the Horticultural Services, Landcare Services and Aquatic Leisure Centres functions. All funds under this program are required to be committed by June 2019 and fully expended and acquitted by December 2019.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

FINANCIAL IMPLICATIONS

The adoption of the Operational Plans and Budgets for the year 2017/2018 through to 2020/2021 will provide for the operation of the Parks and Landcare Services Division at existing levels of service.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

That the information contained within the report of the Director Parks and Landcare Services dated 18 April 2017, be noted.

Ian McAlister
Director Parks and Landcare Services

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

REPORT

The draft 2017/2018 Operational Plans and Budgets for the Parks and Landcare Services Division have been developed based on the current interim organisational structure.

Comments in relation to the impact of the draft 2017/2018 draft Operational Plan and the Budget will have on the various Functions within the Parks and Landcare Services Division are as follows:

9.1 Horticultural Services

Southlakes Estate - In April 2019 Dubbo Regional Council will assume the responsibility and the associated costs of maintaining the public open space along the western creek line in the Southlakes Estate. This public open space is classified as Park – District Medium. Quotations were sought from Council’s internal service provider (Parks and Landcare Operations) and an external Contractor to provide prices for the future maintenance of the ten hectare parkland. Both prices were similar being in the vicinity of some \$155,000 per annum as at 2016. A 5% increase per annum was applied to this base amount out to 2020/2021 to take into account CPI. While the full amount of \$186,000 was applied to 2020/2021, only a partial amount of \$45,000 was applied to 2019/2020 to reflect the period April, May and June. These amounts have been included in the respective budget periods.

Holmwood Estate – From the 1 July 2017 Dubbo Regional Council will assume ownership and the associated maintenance costs of the public open space at this estate. This public open space is classified as Park – Local High. A cost estimate was obtained from Parks and Landcare Operations of \$20,000 per annum to maintain this 2.1 hectare site. This amount of \$20,000 has been included in each of the four (4) years of the budget.

Three (3) major projects have been identified and funded through the Stronger Communities (Major Projects) Fund:

- Elizabeth Park Centre of Excellence – Playground \$1,300,000
- Dubbo Regional Botanic Gardens – Carpark \$240,000
- Cameron Park Regional Playground \$280,000

All three (3) projects have been identified to be completed and acquitted in accordance with the Stronger Communities guidelines in 2017/2018, well in advance of the December 2019 deadline.

Only minor adjustments have been made within the first three (3) years of the draft budget resulting from the annual asset inspection process.

The playground renewal program that has been a feature of the Horticultural Services budget for Dubbo for several years, again features heavily:

- Wahroonga Park Playground and Softfall in 2017/2018 \$90,000

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| | |
|---|-----------|
| • Wahroonga Park Softfall completion in 2020/2021 | \$60,000 |
| • Muller Park Playground and Softfall in 2018/2019 | \$36,000 |
| • Macquarie Lions Park Playground and Softfall in 2019/2020 | \$66,000 |
| • Theresa Maliphant Playground and Softfall in 2019/2020 | \$60,000 |
| • Victoria Park Playground and Softfall in 2020/2021 | \$393,750 |

Building asset renewals start to come through the budget and appear in 2017/2018 (\$14,046), 2018/2019 (\$43,000), 2019/2020 (\$27,500) and 2020/2021 (\$15,000). These works are generally smaller items including repairs to plumbing, electrical and repainting of the facilities.

Council has a number of public amenities that are nearing the end of their useful life expectancy and no longer comply with the community expectations and standards of today. The amenity block at Ollie Robbins Oval is such a facility and \$180,000 has been allocated for its replacement in 2018/2019.

The ongoing development of residential lots in Dubbo is generating income for the development of the public open space network via Section 94 Contributions. Only “new” works identified in the plan are able to be funded under the Plan.

Due to the combination of a lack of residential development and the use of Section 94A within Wellington, it is unlikely that there will be any significant income generated for the future development of public open space.

9.2 Landcare Services

The Operational Plan continues to reflect the focus of seeking grant funding opportunities for capital improvements and environmental works on the river foreshores and in natural areas under the control of Council. A particular strength of the Landcare Services Branch is the capacity to work with community groups to obtain funding. This is true for nature based recreation groups as well as more traditional environmental groups such as Landcare.

Three (3) Stronger Communities (Major Projects) projects were successful under this Function:

| | |
|---|-----------|
| • Moxon Park Improvements – Stuart Town | \$85,000 |
| • Euchareena Local Projects | \$84,700 |
| • Geurie Multi-court Facility | \$245,000 |

A further \$33,000 has been allocated in the Budget to the Geurie Multi-court facility resulting in total project funding increasing to \$278,000 in 2016/2017.

All three (3) projects have been identified to be completed prior to 30 June 2017, however there may be some carry over or delays in acquittal of the grant funding.

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A further \$67,000 is identified in 2017/2018 for the Riverbank Park Foreshore Lighting Project along the Macquarie River in Dubbo. This project is targeted at further improving the safety of riverside walk through the extension of lighting.

The major asset renewal works for 2017/2018 include:

- Wongarbron School Centenary Park Playground and Softfall \$67,000
- Devils Hole Road \$35,000
- Wongarbron School Centenary Park Hot Water System \$9,600

Other future major renewal expenditure identified in the asset maintenance program over the next four (4) years are as follows:

- Riverbank Park Fitness Centre renewal in 2018/2019 \$25,000
- Dickigundi Fencing in 2019/2020 \$15,000

The budget has a consistent level of expenditure in respect of noxious weeds over the four (4) year period. However it should be noted that Council through the Macquarie Valley Advisory Committee is working through the next multi-year funding application to the Department of Primary Industry. Actual expenditure will rely on the receipt of a significant external funding contribution from the Macquarie Valley Advisory Committee. The total budgets are illustrated below and are the combination of the former Dubbo and Wellington council's budgets:

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|-----------------|-----------|-----------|-----------|-----------|
| 01.1301/01.1297 | \$378,978 | \$387,051 | \$395,323 | \$406,681 |

9.4 Parks and Landcare Business Support Services

This function is an internal service provider to the Division and is funded from within the Organisation. Services provided to the Division include Operational Plan and Budget preparation, quarterly financial reviews, expenditure and costing monitoring service, payroll services, secretariat and secretarial services.

There is sufficient funding provided in the draft budget for 2017/2018 and the ensuing three (3) years of the Budget to maintain a high level of service to the Division.

9.5 Sporting Facilities

Acquisition of Assets

The budget provides no funding for the construction or installation of new assets within the four (4) year budget period.

The priority target for new infrastructure in Dubbo is additional sports lighting at the John McGrath ovals. This is an area that is used by multiple sports which is a significant advantage when applying for grants.

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The priority target for new infrastructure in Wellington is Rygate Park. This sporting facility has the potential to be the major sporting venue in Wellington catering for a number of sporting codes that makes it more attractive when applying for grants.

Asset Renewals - Maintenance

There are a number of significant projects in regards to asset maintenance works. In broad terms the funding is as follows:

| Sporting Facilities | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|---------------------|-------------|-----------|-----------|-----------|
| | \$1,025,000 | \$430,000 | \$300,000 | \$565,000 |

Major projects within the annual asset maintenance budgets are:

2017/2018

- Renewal of the Pioneer Hockey Synthetic Surface \$405,000
- Caltex Park outer grounds Sports Lighting \$600,000
- Rygate Fencing \$20,000

2018/2019

- Victoria Park No. 2 Sports Lighting \$230,000
- Pioneer Oval (Dubbo) Sports Lighting \$200,000

2019/2020

- Nita McGrath Sports Lighting \$120,000
- Paramount Tennis Court Resurfacing \$140,000
- Rygate Fencing \$40,000

2020/2021

- Victoria Park No.1 PA System \$50,000
- Bob Dowling Irrigation \$200,000
- South Dubbo Irrigation \$15,000
- Nita McGrath Goalposts \$17,000
- Barden Park Line Marking and Start Lines \$60,000
- Barden Park Hammer Throw and Discus Cage Nets \$15,000
- Lady Cutler East Soccer Goal Posts \$12,000
- Cycle Track Lights at Victoria Park No.1 \$18,000
- Rugby Goal Posts Victoria Park No.1 \$15,000
- Victoria Park No.2 Fencing \$59,000
- Victoria Park No.3 Fencing \$74,000

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- Victoria Park No.1 Grandstand Seating \$30,000

Sporting Facilities – Amenities

In 2018/2019 funding (\$100,000) has been provided for the refurbishment of the Rygate amenities. This facilities cater for a wide range of sporting codes including cricket, tennis, athletics, touch Football, soccer and netball.

In 2019/2020 funding (\$150,000) has been provided for the refurbishment of the Jubilee Oval amenities that service softball, soccer, cricket, league and PSSA sports.

9.6 Parks and Landcare Operations

This Function provides the service delivery role of the Parks and Landcare Services Division. It has the personnel and skills to undertake the operational maintenance of sporting grounds, parks and reserves. Also serviced by this Function are roadside horticultural assets such as medians, roundabouts, street trees and road verges.

This Function operates as an internal contractor to other Functions of Council. The challenge for Parks and Landcare Operations is to balance the increasing demand for higher levels of maintenance, rising costs of operational inputs such as fuel/labour and the ability of the community to afford the services provided by recreational and horticultural infrastructure. It currently achieves this balance through a mix of skilled Council staff, use of contractors and facilitation of volunteers.

Parks and Landcare Operations undertake volunteer support and coordination through the relevant Team Leader. In terms of Workplace Health and Safety legislation these volunteers must be managed in the same manner as Council staff. This is an important feature of the Function as it allows the community to be involved in looking after their neighbourhood and thus spread Council's limited resources further.

The Function also pursues updates in technology that allows work to be undertaken more efficiently within the same staffing levels. New machinery, sourced through the Fleet Management Services Function, has enabled Council to be more efficient at mowing, fertilising and top-dressing sporting fields. This drive for efficiency shall be a continuing focus of the Parks and Landcare Operations Function.

9.7 Recreation Planning and Programs

This Function performs a service delivery role in regards to facilitating and coordinating recreation in Dubbo and Wellington. The Function seeks to achieve the following outcomes:

- Creating organisation wide efficiencies in terms of the effective planning of recreational infrastructure and utilisation.

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- The development and implementation, using external funding, of sport and recreation participation programmes such as the Barden Park Athletics Development Officer and disability programs for the Aquatic Centre and Barden Park.
- Working with sporting groups and the Corporate Development Division to attract sporting events that create an economic benefit for Dubbo and generate more effective utilisation of open space assets.
- Provide an effective communication link between sporting groups and Council.

In respect of sport specific ground preparation fees, and following a Council resolution at the March 2017 meeting, a three percent (3%) increase has been applied to the current 2016/2017 sporting organisation fees and charges, excluding litter control.

In regard to litter control, Council further resolved that no subsidy would be provided to sporting organisations for litter control, thus meaning all sporting organisations who require litter control would be charged at one hundred percent (100%) of Council's actual costs in undertaking such work. It should be noted that such litter charge would not apply where the respective clubs undertake their own litter control.

Table 1 shows the sporting organisation fees and charges for 2017/2018.

| Sporting Organisation | 2016/2017 Sporting Fees | 2017/2018 Sporting Fees including 3% increase | Value of Litter Control* | Adjusted Sporting Fees including litter control |
|--|--------------------------------|--|---------------------------------|--|
| Dubbo and District Football Association | \$8,223 | \$8,469.69 | \$0 | \$8,469.69 |
| Dubbo Netball Association | \$6,897 | \$7,103.91 | \$0 | \$7,103.91 |
| Dubbo Touch Association - Summer | \$8,175 | \$8,420.25 | \$0 | \$8,420.25 |
| Dubbo Touch Association - Winter | \$3,619 | \$3,727.57 | \$0 | \$3,727.57 |
| Dubbo Demons AFL Club | \$835 | \$860.05 | \$0 | \$860.05 |
| Dubbo City Softball Association | \$0 | \$0 | \$0 | \$0 |
| Dubbo Junior Rugby Club | \$2,369 | \$2,440.07 | \$0 | \$2,440.07 |
| Dubbo CYMS RLFC | \$6,014 | \$6,194.42 | \$7,371 | \$13,565.42 |
| Macquarie Raiders RLFC | \$6,014 | \$6,194.42 | \$7,371 | \$13,565.42 |
| Dubbo Westside RLFC | \$6,014 | \$6,194.42 | \$0 | \$6,194.42 |
| Dubbo Rhino's Rugby Club | \$6,014 | \$6,194.42 | \$3,897 | \$10,091.42 |
| Dubbo Rugby Club | \$6,014 | \$6,194.42 | \$3,276 | \$9,470.42 |
| Dubbo and District Junior Rugby League Association | \$3,497 | \$3,601.91 | \$7,741 | \$11,342.91 |
| Dubbo Athletics Club | \$3,621 | \$3,729.63 | \$0 | \$3,729.63 |
| Dubbo Ultimate Frisbee Federation | \$0 | \$0.00 | \$0 | \$0.00 |

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| Sporting Organisation | 2016/2017 Sporting Fees | 2017/2018 Sporting Fees including 3% increase | Value of Litter Control* | Adjusted Sporting Fees including litter control |
|---|--------------------------------|--|---------------------------------|--|
| Dubbo Cycle Club | \$550 | \$566.50 | \$0 | \$566.50 |
| Dubbo and District Senior Cricket Association | \$45,435 | \$46,798.05 | \$0 | \$46,798.05 |
| Dubbo and District Junior Cricket Association | \$5,363 | \$5,523.89 | \$0 | \$5,523.89 |
| Wellington and District Junior and Senior Cricket Association | \$5,000 | \$5,150 | \$0 | \$5,150 |
| Wellington Soccer Club | \$2,060 | \$2,121.80 | \$0 | \$2,121.80 |
| Wellington Junior Rugby Club | \$649 | \$668.47 | \$0 | \$668.47 |
| Wellington Rugby Club | \$2,647 | \$2,726.41 | \$0 | \$2,726.41 |
| Wellington Little Athletics Club | \$721 | \$742.63 | \$0 | \$742.63 |
| Wellington Junior Rugby League Club | \$561 | \$577.83 | \$0 | \$577.83 |
| Wellington Senior Rugby League Club | \$1,349 | \$1,389.47 | \$0 | \$1,389.47 |
| Wellington Netball Club | \$546 | \$562.38 | \$0 | \$562.38 |
| Wellington Tennis Club | \$546 | \$562.38 | \$0 | \$562.38 |
| Wellington Touch Association | \$1,298 | \$1,336.94 | \$0 | \$1,336.94 |
| Total | \$134,031 | \$138,051.93 | \$29,656 | \$167,707.93 |

* Such charge does not apply, should clubs undertake their own litter control.

Adequate funding has been provided for the operation of this Branch to fulfil its obligations in 2017/2018 and the ensuing three (3) years.

9.8 Aquatic Leisure Centres

This Function comprises the aquatic centres of Dubbo, Geurie and Wellington.

The draft Revenue Policy for 2017/2018 details propose either no or small increases for a variety of admission and ticket charges across the three (3) Aquatic Leisure Centre following a review of the fees and charges.

Sufficient allocation has been made for increases over the four (4) year period in gas, electricity and chemical charges, noting that over this period of time, gas and electricity prices are expected to increase above the CPI.

In regards to routine asset maintenance at the Dubbo Aquatic Leisure Centre (DALC), the budget includes the following funds over the four (4) year budget period.

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|--|------------------|------------------|------------------|------------------|
| Asset Maintenance cyclic/ routine | \$56,371 | \$92,384 | \$58,814 | \$59,991 |

**EXTRAORDINARY COUNCIL MEETING
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The three (3) major and recurrent expenditure centres across all four years at the DALC are in the areas of Building Maintenance and Maintenance and Repairs – Normal and Pool Equipment. In 2018/2019 \$35,000 has been identified for “House Disposal – Aquatic Centre”.

In regards to DALC asset maintenance – cyclic, the budget includes the following funds over the four (4) year budget period.

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|--|-----------|-----------|-----------|-----------|
| Asset Maintenance cyclic/ routine | \$45,750 | \$13,157 | \$16,050 | \$22,000 |

The major expenditure items for each year at the DALC in respect of this cyclic maintenance includes:

2017/2018

- Pool Kiosk – Other Maintenance \$17,750
- Waterslide Structure \$9,800
- Buildings – Int/Ext Painting \$8,000

2018/2019

- Grandstand – Other \$6,869
- Main Powerboard \$4,820

2019/2020

- Grandstand – Other \$7,041
- Main Powerboard \$4,941

2020/2021

- Buildings – Int/Ext Painting \$8,000
- Grandstand – Other \$5,000

Funds identified within the Wellington/Geurie Pools Maintenance and Replacement program over the next four years have been set aside to bring these facilities in line with current pool standards.

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|--|-----------|-----------|-----------|-----------|
| Asset Maintenance and Replacement | \$129,671 | \$131,616 | \$133,590 | \$136,262 |

Funding allocations for specific projects will be identified following the development and adoption of the Wellington Pool Master Plan and a condition assessment of the Geurie Pool.

Under the Stronger Communities (Major Projects) projects \$800,000 was awarded to the Dubbo Aquatic Leisure Centre for a Water Park (Playground Contract and Design). This project is currently identified in 2018/2019 to allow for the DALC Master Plan to be finalised. This project will be finalised prior to the commencement of the 2019 swim season (October).

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To enable the purchase of a new pool cleaner for the DALC \$10,000 has been allocated in 2017/2018 and a further \$16,690 in 2018/2019.

Under the Stronger Communities (Major Projects) projects \$3 million was awarded to the Wellington Pool. A further \$750,000 was provided towards this renewal project from the former Wellington Council – Asset Maintenance – Uncommitted Restricted Asset account.

The total estimated cost of the replacement of the Wellington Pool Aquatic Centre is \$7,500,000 which is shown in 2018/2019. In order to fund the total cost of this project, additional grant funds of \$3.75M have been forecast in 2018/2019.

Dubbo Regional Council is working towards the expenditure of the Stronger Communities (Major Projects) by December 2019 in line with the Stronger Communities (Major Projects) guidelines.

A further \$19,000 is shown in 2019/2020 for the Wellington Pool - 50m Pool Infrastructure for improved disabled access facilities to the pool.

In regard to asset renewals at the DALC, funding allocations are as follows:

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|-----------------------|------------------|------------|-----------------|------------|
| Asset Renewals | \$150,000 | \$0 | \$36,000 | \$0 |

The major expenditure items for each year with funding allocated includes:

2017/2018

- BBQ Refurbishment \$30,000
- Entrance painting \$30,000
- Grandstand roof replacement \$50,000
- Concrete concourse 50m pool \$40,000

2019/2020

- 50 metre pool switchboard \$36,000

SUMMARY

The Parks and Landcare Services Division continue to actively manage its asset portfolio to maximise the safe and useful life of recreation assets belonging to Dubbo Regional Council.

The Parks and Landcare Services Division continues to seek non-rate revenue sources of funding for the creation of new assets be they for parks, reserves or sporting facilities. This enables Council resources to be dedicated to the maintenance of existing assets.

EXTRAORDINARY COUNCIL MEETING
1 MAY 2017



REPORT: 2017/2018 Draft Operational Plan and Budget - Organisational Services Division

AUTHOR: Director Organisational Services
REPORT DATE: 18 April 2017
TRIM REFERENCE: ID17/533

EXECUTIVE SUMMARY

The draft 2017/2018 Operational Plan and Budget, together with estimates for the following three years, in respect of the Organisational Services Division, have been completed and are now submitted for consideration. Budget allocations will allow for the continued operation of the Functions within the Division at a satisfactory level.

The draft 2017/2018 Operational Plans and Budgets for the Organisational Services Division have been developed based on the current interim organisational structure noting that Council has adopted a five division structure which will become effective in due course as the new structure is populated.

All functions are fully cost recovered from the Division's various clients throughout the Organisation with the exception of Rates and General Revenue which contribute directly to the Corporation's bottom line.

ORGANISATIONAL VALUES

Customer Focused: Through the draft Operational Plan and Budget Council seeks to allocate resources efficiently and effectively to meet the needs of its customers that range from residents, businesses and visitors.

Integrity: Council seeks to align the draft Operational Plan and Budget with the objectives in strategic planning documents developed in consultation with the community. By adopting the draft Operational Plan and Budget for the purposes of public exhibition, Council is transparent in its proposed use of funds and the projects it seeks to undertake in the coming financial year.

One Team: The draft Operational Plan and Budget represents significant team work by the range of service delivery units in Council to put a balanced and integrated budget before the community for consultation. This took place while staff continued to focus on ensuring Council maintained the broad scope of services to the community.

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

FINANCIAL IMPLICATIONS

The adoption of the Operational Plans & Budgets for the year 2017/2018 through to 2020/2021 will provide for the operation of the Organisational Services Division at existing levels of service previously in place at the former Dubbo City and Wellington Councils.

POLICY IMPLICATIONS

There are no policy implications arising from this report.

RECOMMENDATION

That the information contained within the report of the Director Organisational Services dated 18 April 2017, be noted.

Craig Giffin
Director Organisational Services

**EXTRAORDINARY COUNCIL MEETING
1 MAY 2017**

REPORT

The draft 2017/2018 Operational Plans and Budgets for the Organisational Services Division have been developed based on the current interim organisational structure.

Comments in relation to the impact of the draft 2017/2018 draft Operational Plan and the Budget will have on the various Functions within the Organisational Services Division are as follows:

10.1 Customer Services

The Customer Services Branch is responsible for the delivery of centralised services to customers across the Local Government Area on behalf of the Organisation. This is undertaken through the operation of Customer Service Centres at Dubbo and Wellington which includes delivery of services through a Call Centre, front counter services and reception services. The Branch annually services some 45,000 customers on a face to face basis and receives in excess of 77,000 telephone calls. The operation and structure of this Branch has been reviewed and the level of resources allocated to this Function are considered appropriate to enable a continuation of the existing levels of service to be provided. This function is fully cost recovered from internal customers.

10.4 Management Accounting Services

Adequate resources have been provided to this Function to enable the continuation of the provision of services to the Organisation including Operational Plan and Budget preparation, quarterly financial reviews, preparation of management accounting reports, the preparation and maintenance of the corporation's long term financial plan and various other management accounting services to other Divisions. This function is fully cost recovered from internal customers.

10.5 Financial Accounting Services

The Function provides statutory accounting and reporting, expenditure and costing services, payroll services, rates management services, treasury management services and central supply services. The level of resources provided to this function will enable these services to be provided to the Organisation at an adequate level and to meet statutory time frames for financial reporting. This function is fully cost recovered from internal customers.

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1 MAY 2017**

10.6 Human Resource Services

The resources of this Function are focused at both a strategic level which is concerned with developing and implementing Human Resource policies, salary system administration, workplace reform and industrial relations and also the operational day to day Human Resources issues such as recruitment, Workplace Health and Safety, and Worker's Compensation case management. The Function is also responsible for the development and implementation of Council's Workforce Management Strategy, required as part of Council's Integrated Planning and Reporting documents. Training and development for the organisation is also administered centrally through the Human Resource Services branch. This function is fully cost recovered from internal customers.

10.7 Information Management Services

The current level of resources provided to this function ensures that all Divisions are able to take advantage of information technology. This function is responsible for the annual development and implementation of the Corporation's Information Management Strategy. In order to keep pace with technology and to provide appropriate equipment at all levels in the organisation, allocations are provided for the changeover of PCs and other equipment on a regular basis. This function also provides Geographic Information Systems and Corporate Information (Records) Services to the Corporation. This function is fully cost recovered from internal customers.

10.8 Governance and Risk Services

This Function provides support to the Organisation including secretariat and secretarial services inclusive of support services to the Administrator and Interim General Manager. The cost of democracy and civic activities are included in the Governance Function. This Function also provides Risk Management Services to the Corporation including the administration of insurances. Sufficient resources have been provided to this function to allow for the current level of service to be maintained. This function is fully cost recovered from internal customers.

10.9 Civic Administration Building

The major component of this Function is the operation of the Civic Administration Building, Wellington Administration Building, 69 Church Street and Carrington Court.

The Civic Administration Building comprises three floors and a basement area. The Wellington Administration Building is a two story building. Both buildings include the provision of meeting, training and conference facilities.

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69 Church Street is a single story building which includes a meeting room. Carrington Court provides staff accommodation on the ground floor of the building with the remaining two floors being residential units of which five are leased.

The Budget provides for operational costs for all four buildings such as cleaning, power, gas and insurances and routine maintenance/renewal works to be undertaken within existing levels of service. This function is fully cost recovered from internal customers.

10.12 Depot Management Services

This Function covers the provision of Depot Services to the Organisation. The service is provided through the facilities made available at the Hawthorn Street Depot, which includes a site area of 31,551m² and the Wellington Depot, which includes a site area of 40,951m². The existing facilities have sufficient capacity to meet the currently identified user needs. This function is fully cost recovered from internal customers.

10.13 Rates and General Revenue

A review of the rates structure has been undertaken in preparation for the 2017/2018 financial year. The proposed 2017/2018 Rates Structure incorporates a General Income Variation (i.e. a rate pegging limit) of 1.5% being the full General Income Variation permitted for the 2017/2018 year, as resolved by Council at its meeting held on 27 March 2017.

Council will levy the Fire and Emergency Services Levy (FESL) on behalf of NSW State Government from 1 July 2017 alongside Council rates. Due to the implementation of the Fire and Emergency Services Levy (FESL) (previously known as the Emergency Services Property Levy) all Councils in NSW have received a General Land Revaluation.

As a result, individual rate payments may vary dependent upon how each individual land value has been altered as a result of the Valuer General's assessments, however the total amount of rates collected by Council overall will only increase by the rate pegging limit of 1.5%.

The former Wellington Council has previously levied a Special Rate titled "Emergency Service Levy". The 2016/2017 Revenue Policy included a base amount of \$15.10 and an ad valorem rate of \$0.01199, with the total yield being \$141,125. The rate was applicable to all rateable properties. Continuing to levy the Emergency Services Levy Special Rate alongside the Fire and Emergency Services Levy on Council's 2017/2018 Annual Rate Notice (applicable to ratepayers that were in the former Wellington Council area only), would be confusing to ratepayers, accordingly Council in March 2017 resolved to absorb the \$141,125 Emergency Special Rate Levy into Council's General Income Rates within the 2017/2018 rating structure.

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 1 MAY 2017**

It is estimated that this function will contribute revenue over the next four financial years as follows:

| 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|--------------|--------------|--------------|--------------|
| \$41,345,741 | \$42,101,017 | \$42,587,081 | \$43,339,825 |

11.1 Governance

This Function identifies the allocations required to provide appropriate levels of governance to the Corporation. Governance can be described as the processes required to establish the policies of the Corporation and for the Corporation to meet its statutory and civic requirements. The costs included in the Function relate to:

- Strategic Management
- Public Relations
- Operation Services for Council
- Receptions and Civic Activities
- Members' Expenses
- Election Expenses
- Subscriptions to Local Government NSW

In regard to Civic Activities, an allocation of \$16,000 has again been included in the draft 2017/2018 budget to enable the Administrator/Mayor to support community groups or other organisations in defraying costs of various community activities or functions. In addition an amount of \$305,000 has been included in the draft 2017/2018 financial budget for estimated expenses in relation to the September 2017 Dubbo Regional Council elections.

2017/2018
Draft
Operational Plan
and Budget

Macquarie Regional Library

17/07 [3]

DRAFT 2017/2018 OPERATIONAL PLAN

PRINCIPAL ACTIVITY: Macquarie Regional Library

BUSINESS: Macquarie Regional Library

Responsible Officer: Director Macquarie Regional Library
John Bayliss

Business Objectives: *To provide high quality library services to the Macquarie Regional Library Service communities*

| Activity | Actions | Performance Targets/Service Level |
|---------------------|--|---|
| Management Services | 1.1.1 Review the regional service delivery model. | Review the regional service delivery model to ensure that the most appropriate level of service is provided. To be completed by April 2018. |
| | 1.1.2 Review the MRL Agreement. | Review the MRL Agreement to ensure that the Agreement meets the needs of the member Councils and their communities. To be completed by April 2018. |
| | 1.1.3 Review the MRL Organisational Structure. | Review the MRL organisational structure to ensure that the most appropriate level of service is provided. To be completed by April 2018. |
| | 1.2.1 Submit a draft budget to the annual (April 2018) Budget Meeting of the Library Committee. | Revised new four year MRL budget, including member Council base annual contributions, to be prepared in conjunction with the review of the MRL Agreement. To be completed by April 2018. |
| | 1.2.2 Undertake quarterly budget reviews. | Reviews undertaken each quarter and reported to the MRL Committee. |
| | 1.2.3 Undertake a review of the fees and charges including the value added library services for presentation to the annual (April 2018) Budget Meeting of the Library Committee. | Annual estimated income from value added library services is attained. Review to be completed by April 2018. |
| | 1.3.1 Review the MRL Strategic Plan, Delivery Program and Operational Plan to ensure the provision of high quality library services. | The MRL Strategic Plan is reviewed every 4 years. The Delivery Program is reviewed 6 monthly and reported to the Committee. The Operational Plan is reviewed quarterly and reported to the Committee. |

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|--------------------------------|--|--|
| | 1.3.2 Complete the annual SLNSW Public Libraries Statistical Return. | Annual return completed by due date. |
| | 1.3.3 Report against the <i>SLNSW Living Learning Libraries: Standards and Guidelines</i> . | Report to assess the MRL service against recognised library standards – August 2017. |
| | 2.1.1 Develop an annual staff training program. | Training program developed that includes staff competency in the provision of core library services – October 2017. |
| | 2.1.3 Conduct a Staff Development Training Day for all staff. | An all staff development training day is undertaken to support the delivery of a professional and efficient library service – October 2017. |
| | 2.1.4 Review and report on the staff numbers and staff hours versus the needs of the organisation. | The staffing levels are considered appropriate to meet the needs of the organisation and are also measured against the SLNSW guidelines. Review to be completed by October 2017. |
| | 3.1.1 Review the opening hours of all Branches/Service Points. | Opening hours should reflect the needs of each member council community. Review to be completed by October 2017. |
| | 3.1.2 Review the library members' database. | Number of registrations is maintained at 31,277 (SLNSW Baseline - 46% of the MRL population – 67,993). |
| | 3.1.3 Collate visitations and attendance numbers at events and programs at each Branch and Service Point. | Number of visitations to the branches and service points to be maintained at 299,169 per annum (SLNSW Baseline - 4.4 visits per capita). |
| | 7.1.1 Undertake the annual inspection of the Library buildings to ensure compliance with Work Health Safety (WHS) requirements. | Undertake an annual WHS inspection. All library branches and service points to be WHS compliant. Prepare an annual schedule of accommodation requirements. Review to be completed by October 2017. |
| | 7.1.2 Review the equipment and furnishing requirements for each Branch and Service Point. | Review undertaken to ensure MRL Branches and Services Points have the required equipment and furnishings to function efficiently. Review to be completed by October 2017. |
| Activity | Actions | Performance Targets/Service Level |
| Branch Library Services | 3.1.4 Relevant services and programs are assessed biannually and introduced as appropriate at each Branch. [Library Services and Product Review Process] | 100% of residents have ready access to library services including access to appropriate information technology resources. Reviews to be undertaken in October 2017 and March 2018. |
| | 3.1.6 Review the provision of the Home Library Service. | Review completed by due date to ensure the provision of and access to home library |

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| | | |
|---|---|---|
| | | services, in each Branch and community. Review to be completed by October 2017. |
| Activity | Actions | Performance Targets/Service Level |
| Library Services and Collections | 1.3.5 Undertake the biennial Customer Survey. | Customer Survey undertaken to obtain feedback on the quality of service, the collections and suggestions for the improvement of the service. Overall user satisfaction target – 95%. |
| | 3.1.5 Review the provision of services, programs and collections for young people including interaction with local schools and related community organisations. | Review completed and recommendations implemented – December 2017. |
| | 4.1.3 Review the MRL Loans Policy. | Number of loans is maintained at a minimum 403,878 per annum (SLNSW Baseline – 5.94 loans per capita). |
| | 5.1.1 Review and develop an annual Marketing Plan. | Marketing and Promotional Plans are developed to promote services and resources to the member Council communities. Review to be completed by December 2017. |
| | 6.1.5 Review the MRL website. | Review undertaken to ensure the website is relevant, accessible and informative in relation to the services provided by the library service – December 2017. |
| Activity | Actions | Performance Targets/Service Level |
| Technical Services | 4.1.4 Review the cataloguing procedures, ensuring conformity to the recognised bibliographic standards. | Resources are catalogued to recognised library standards and 100% of library resources have uniform & functional identification & protection measures applied. Review to be completed by June 2018. |
| Activity | Actions | Performance Targets/Service Level |
| Information Technology | 6.1.2 Report on the current and future information technology needs of the library service. | Review undertaken to ensure MRL information technology requirements are available for the service to function efficiently – October 2017. |
| | 6.1.3 Undertake the biennial review of the Information Technology Plan. | Review undertaken to ensure the appropriateness the library's information technology facilities and services – October 2017. |
| | 6.1.4 Review the Library service's business continuity plans and strategies. | Review undertaken to ensure the availability of effective and continuous service during emergencies – October 2017. |

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Key Performance Indicators

| Workload | 2016/17 estimate | 2017/18 estimate | Efficiency | 2016/17 estimate | 2017/18 estimate | Efficiency | 2016/17 estimate | 2017/18 estimate |
|--|------------------|------------------|-----------------------------------|--|------------------|---|------------------|----------------------|
| Number of items issued per annum | 401,229 | 403,878 | Operating expense per transaction | \$6.50 | \$6.80 | Number of registered users | 29,725 | 31,277 |
| Number of reference/subject enquires per annum | 29,725 | 31,277 | | Number of registered users as a percentage of the population | 44 % | 46% | | |
| | | | Number of library visitations | 297,251 | 299,169 | Number issues per registered user per annum | 13.5 | 12.9 |
| Number of items purchased + donations catalogued per annum | 16,214 | 16,318 | | | | Wi-Fi hotspot logins | 39,380 logins | 41,223 logins |
| Number of items discarded per annum | 16,327 | 17,206 | | | | Number of hours Internet used | 30,417 hours | 29,064 hours |

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Capital expenditure program

| Program | Link to capital expenditure program | 2017/2018 |
|------------------------|-------------------------------------|-----------|
| Library Collections | ▪ Dubbo Regional Council | \$208,319 |
| | ▪ Narromine Shire Council | \$26,224 |
| | ▪ Warrumbungle Shire Council | \$47,148 |
| | ▪ E-Collections | \$15,603 |
| Information Technology | ▪ Computers | \$37,850 |
| | ▪ Other IT equipment | \$10,000 |

| Program | Link to capital expenditure program | 2017/2018 |
|---------------------|--|-----------|
| Management Services | ▪ Regional Office Furniture and Fittings | \$1,500 |

**MACQUARIE REGIONAL LIBRARY
ESTIMATED - DETAILED FINANCIAL STATEMENTS**

17/07 [1]

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|---|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Operating | | | | | |
| Income | | | | | |
| Contributions - Annual | | | | | |
| Dubbo Regional Council | -702,484 | -765,708 | -803,993 | -844,193 | -871,520 |
| Narromine Shire Council | -94,903 | -103,444 | -108,616 | -114,047 | -119,749 |
| Warrumbungle Shire Council | -153,393 | -171,033 | -179,585 | -188,564 | -197,992 |
| Contributions - Annual Total | -950,780 | -1,040,185 | -1,092,194 | -1,146,804 | -1,189,261 |
| Contributions - Books | | | | | |
| Dubbo Regional Council | -165,373 | -174,856 | -180,599 | -187,595 | -193,321 |
| Narromine Shire Council | -14,235 | -15,517 | -16,292 | -17,242 | -17,845 |
| Warrumbungle Shire Council | -23,009 | -25,655 | -26,938 | -28,688 | -29,692 |
| Contributions - Books Total | -202,617 | -216,028 | -223,829 | -233,525 | -240,858 |
| Contributions - Other | | | | | |
| Dubbo Regional Council - Research Local History | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 |
| Contributions - Other Total | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 |
| Contributions - Salary | | | | | |
| Dubbo Regional Council | -844,186 | -920,750 | -962,785 | -1,002,388 | -1,043,414 |
| Narromine Shire Council | -226,015 | -230,409 | -239,826 | -249,632 | -259,843 |
| Warrumbungle Shire Council | -314,440 | -314,668 | -327,117 | -340,079 | -353,575 |
| Contributions - Salary Total | -1,384,641 | -1,465,827 | -1,529,728 | -1,592,099 | -1,656,832 |
| Grants & Subsidies | | | | | |
| Public Library Infrastructure Grant | 0 | -95400 | 0 | 0 | 0 |
| Grants & Subsidies Total | 0 | -95400 | 0 | 0 | 0 |
| Library Council Subsidy | | | | | |
| Dubbo Regional Council | -121,168 | -115,557 | -115,557 | -115,557 | -115,557 |
| Narromine Shire Council | -25,013 | -19,402 | -19,402 | -19,402 | -19,402 |
| Warrumbungle Shire Council | -37,220 | -31,609 | -31,609 | -31,609 | -31,609 |
| Library Council Subsidy Total | -183,401 | -166,568 | -166,568 | -166,568 | -166,568 |
| Local Priority Project - Book Vote | | | | | |
| Dubbo Regional Council | -33,463 | -33,463 | -33,463 | -33,463 | -33,463 |
| Narromine Shire Council | -10,707 | -10,707 | -10,707 | -10,707 | -10,707 |
| Warrumbungle Shire Council | -21,493 | -21,493 | -21,493 | -21,493 | -21,493 |
| Local Priority Project - Book Vote Total | -65,663 | -65,663 | -65,663 | -65,663 | -65,663 |
| Local Priority Special Projects | | | | | |
| Dubbo Regional Council | -1,115 | -1,115 | -1,115 | -1,115 | -1,115 |
| Narromine Shire Council | -357 | -357 | -357 | -357 | -357 |
| Warrumbungle Shire Council | -716 | -716 | -716 | -716 | -716 |

MACQUARIE REGIONAL LIBRARY
ESTIMATED - DETAILED FINANCIAL STATEMENTS

17/07 [1]

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|---------------------------------------|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Local Priority Special Projects Total | -2,188 | -2,188 | -2,188 | -2,188 | -2,188 |

MACQUARIE REGIONAL LIBRARY
ESTIMATED - DETAILED FINANCIAL STATEMENTS

17/07 [1]

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|---|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Other Income | | | | | |
| Boldrewood Awards | -1,240 | -2,000 | -2,000 | -2,000 | -2,000 |
| Interest on Investments | -30,667 | -34,913 | -34,913 | -34,913 | -34,913 |
| Reimburse Travel - State Library NSW | -872 | 0 | 0 | 0 | 0 |
| Other Income Total | -32,779 | -36,913 | -36,913 | -36,913 | -36,913 |
| Value Added Income | | | | | |
| Childrens & Youth Services | -1,567 | -1,688 | -1,715 | -1,742 | -1,771 |
| Document Delivery | -700 | -450 | -450 | -450 | -450 |
| Fees & Charges | -59,741 | -56,713 | -57,843 | -58,997 | -60,175 |
| Value Added Income Total | -62,008 | -58,851 | -60,008 | -61,189 | -62,396 |
| Income Total | -2,888,077 | -3,151,623 | -3,181,091 | -3,308,949 | -3,424,679 |
| Expenditure | | | | | |
| Depreciation | | | | | |
| Furniture & Fittings | 1,303 | 218 | 218 | 218 | 218 |
| Information Technology Equipment | 46,996 | 47,285 | 47,285 | 47,285 | 47,285 |
| Library Books | 239,042 | 256,571 | 256,571 | 256,571 | 256,571 |
| Motor Vehicle | 5,932 | 7,921 | 8,159 | 8,403 | 8,655 |
| Depreciation Total | 293,273 | 311,995 | 312,233 | 312,477 | 312,729 |
| Information Technology | | | | | |
| Executive Council IT Support | 8,500 | 8,500 | 8,670 | 8,843 | 9,020 |
| Hardware Maintenance | 1,500 | 1,000 | 1,020 | 1,040 | 1,061 |
| Other Minor Equipment | 2,028 | 1,450 | 1,479 | 1,509 | 1,539 |
| Radio Frequency Identification (RFID) | 1,200 | 26,900 | 26,900 | 26,900 | 26,900 |
| Software Licences | 5,064 | 5,830 | 5,947 | 6,066 | 6,187 |
| Spydus Library Management System | 46,842 | 49,325 | 49,372 | 50,359 | 50,407 |
| Wan Charges | 33,313 | 31,000 | 31,620 | 32,252 | 32,897 |
| Information Technology Total | 98,447 | 124,005 | 125,008 | 126,969 | 128,011 |
| Library Services & Collections | | | | | |
| Children & Youth Services | 5,851 | 4,927 | 4,927 | 4,927 | 4,927 |
| Data Bases | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 |
| Document Delivery | 180 | 200 | 204 | 208 | 212 |
| e-Collection Licences | 14,042 | 10,827 | 11,044 | 11,265 | 11,490 |
| Marketing & Promotions | 3,750 | 3,000 | 3,000 | 3,000 | 3,000 |
| Serials | 17,745 | 18,790 | 19,166 | 19,549 | 19,939 |
| Summer Reading Club | 1,872 | 2,000 | 2,000 | 2,000 | 2,000 |
| Web Page Maintenance | 5,604 | 3,250 | 3,250 | 3,250 | 3,250 |
| Youth Week | 321 | 0 | 0 | 0 | 0 |
| Library Services & Collections Total | 59,365 | 53,194 | 53,995 | 54,811 | 55,642 |

MACQUARIE REGIONAL LIBRARY
ESTIMATED - DETAILED FINANCIAL STATEMENTS

17/07 [1]

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|---|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Management Services | | | | | |
| Audit Fees | 3,677 | 3,751 | 3,826 | 3,903 | 3,981 |
| Bank Charges | 1,050 | 750 | 765 | 780 | 796 |
| Boldrewood Awards | 1,845 | 2,000 | 2,000 | 2,000 | 2,000 |
| Equipment - Minor Purchases | 807 | 500 | 500 | 500 | 500 |
| Executive Council Administrative Expenses | 64,373 | 67,121 | 69,849 | 72,360 | 73,787 |
| Freight | 24,514 | 26,965 | 27,504 | 28,054 | 28,615 |
| Fringe Benefits Tax | 11,576 | 11,576 | 11,576 | 11,576 | 11,576 |
| Furniture & Fittings | 0 | 1,500 | 1,500 | 1,500 | 1,500 |
| Grant - Local Priority Special Projects | 2,188 | 2,188 | 2,188 | 2,188 | 2,188 |
| Grant - PLNC Zone Funding | 475 | 0 | 0 | 0 | 0 |
| Insurances | 21,879 | 17,658 | 18,100 | 18,553 | 19,017 |
| Local Studies Materials | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Memberships | 615 | 627 | 640 | 653 | 666 |
| Photocopying Consumables | 6,794 | 6,930 | 7,069 | 7,210 | 7,354 |
| Postage | 5,593 | 4,683 | 4,774 | 4,866 | 4,960 |
| Printing & Stationery | 8,363 | 6,000 | 6,090 | 6,181 | 6,275 |
| Rental Work Area | 5,308 | 5,456 | 5,592 | 5,732 | 5,876 |
| Special Projects - MRL Funded | 2,558 | 5,000 | 5,000 | 5,000 | 5,000 |
| Staff Training | 11,622 | 11,670 | 12,058 | 12,300 | 12,546 |
| Sundries | 3,750 | 2,888 | 2,899 | 2,910 | 2,921 |
| Telephone | 17,098 | 20,232 | 20,616 | 21,006 | 21,404 |
| Travel Expenses | 6,802 | 0 | 0 | 0 | 0 |
| Vehicle Expenses | 6,535 | 7,754 | 7,837 | 7,922 | 8,008 |
| Management Services Total | 211,422 | 209,249 | 214,383 | 219,194 | 222,970 |
| Salaries & Overheads | | | | | |
| Dubbo Regional Council | 844,186 | 920,750 | 962,785 | 1,002,388 | 1,043,414 |
| Narromine Shire Council | 226,015 | 230,409 | 239,826 | 249,632 | 259,843 |
| Regional Office | 752,785 | 779,840 | 809,085 | 842,057 | 876,429 |
| Warrumbungle Shire Council | 314,440 | 314,668 | 327,117 | 340,079 | 353,575 |
| Salaries & Overheads Total | 2,137,426 | 2,245,667 | 2,338,813 | 2,434,156 | 2,533,261 |
| Technical Services | | | | | |
| Book Maintenance | 14,433 | 14,392 | 14,680 | 14,974 | 15,273 |
| Libraries Australia | 3,020 | 3,110 | 3,172 | 3,235 | 3,300 |
| Technical Services Total | 17,453 | 17,502 | 17,852 | 18,209 | 18,573 |
| Expenditure Total | 2,817,386 | 2,961,612 | 3,062,284 | 3,165,816 | 3,271,186 |
| Operating Total | -70,691 | -190,011 | -118,807 | -143,133 | -153,493 |
| Capital | | | | | |
| Income | | | | | |

MACQUARIE REGIONAL LIBRARY
ESTIMATED - DETAILED FINANCIAL STATEMENTS

17/07 [1]

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|--|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Depreciation (Capital Recovery) | | | | | |
| Furniture & Fittings | -1,303 | -218 | -218 | -218 | -218 |
| Information Technology Equipment | -46,996 | -47,285 | -47,285 | -47,285 | -47,285 |
| Library Books | -239,042 | -256,571 | -256,571 | -256,571 | -256,571 |
| Motor Vehicle | -5,932 | -7,921 | -8,159 | -8,403 | -8,655 |
| Depreciation (Capital Recovery) Total | -293,273 | -311,995 | -312,233 | -312,477 | -312,729 |

MACQUARIE REGIONAL LIBRARY
17/07 [1] ESTIMATED - DETAILED FINANCIAL STATEMENTS

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|---|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Employee Leave Entitlement Provision | | | | | |
| Employee Leave Entitlement Provision | -42,221 | 0 | 0 | 0 | 0 |
| Employee Leave Entitlement Provision Total | -42,221 | 0 | 0 | 0 | 0 |
| Proceeds from Sale of Assets | | | | | |
| Library Books | -2,580 | 0 | 0 | 0 | 0 |
| Motor Vehicle | 0 | -25,000 | 0 | -26,000 | 0 |
| Office Equipment | -2,402 | -1,000 | -1,000 | -1,000 | -1,000 |
| Proceeds from Sale of Assets Total | -4,982 | -26,000 | -1,000 | -27,000 | -1,000 |
| Income Total | -340,476 | -337,995 | -313,233 | -339,477 | -313,729 |
| Expenditure | | | | | |
| Acquisition of Assets - Books | | | | | |
| Book Purchases - Dubbo Regional Council | 200,084 | 208,319 | 214,062 | 221,058 | 226,784 |
| Book Purchases - Narromine Shire Council | 25,492 | 26,224 | 26,999 | 27,949 | 28,552 |
| Book Purchases - Warrumbungle Shire Council | 44,602 | 47,148 | 48,431 | 50,181 | 51,185 |
| Acquisition of Assets - Books Total | 270,178 | 281,691 | 289,492 | 299,188 | 306,521 |
| Acquisition of Assets - Other | | | | | |
| Com Respite & Carelink Centre Orana | 3,066 | 0 | 0 | 0 | 0 |
| Computer Equipment | 37,321 | 37,850 | 38,607 | 39,379 | 40,167 |
| e-Lending Collections | 8,424 | 15,603 | 16,383 | 17,353 | 18,086 |
| Furniture & Fittings | 1,500 | 0 | 0 | 0 | 0 |
| Makeaspace Program & Kits | 10,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Motor Vehicle | 0 | 41,636 | 0 | 44,172 | 0 |
| Other Equipment | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Radio Frequency Identification (RFID) | 3,750 | 95,400 | 0 | 0 | 0 |
| Acquisition of Assets - Other Total | 74,061 | 215,489 | 79,990 | 125,904 | 83,253 |
| Expenditure Total | 344,239 | 497,180 | 369,482 | 425,092 | 389,774 |
| Capital Total | 3,763 | 159,185 | 56,249 | 85,615 | 76,045 |
| Available Funds Movement Prior To Restricted Asset Funding | -66,928 | -30,826 | -62,558 | -57,518 | -77,448 |
| Restricted Assets - Internally Restricted Assets | | | | | |
| Collection Development - MRL Funded | -1,898 | 0 | 0 | 0 | 0 |
| Computer & Equipment Upgrade | -4,950 | 0 | 0 | 0 | 0 |
| Data Bases | -2,104 | 0 | 0 | 0 | 0 |
| e-Collection Development | 9,951 | 0 | 0 | 0 | 0 |
| e-Collection Licenses | -4,870 | 0 | 0 | 0 | 0 |
| Employee Leave Entitlement | 42,221 | 0 | 0 | 0 | 0 |

MACQUARIE REGIONAL LIBRARY
ESTIMATED - DETAILED FINANCIAL STATEMENTS

17/07 [1]

| | 2016/2017 Revised Budget | 2017/2018 Budget | 2018/2019 Forecast | 2019/2020 Forecast | 2020/2021 Forecast |
|--|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Furniture & Fittings - MRL Funded | -1,500 | -1,500 | -1,500 | -1,500 | -1,500 |
| Makeaspace Program & Kits | -10,000 | -15,000 | -15,000 | -15,000 | -15,000 |
| Motor Vehicle Replacement | 10,000 | -10,000 | 10,000 | -10,000 | 10,000 |
| Operating Surplus | 41,221 | 80,326 | 92,058 | 107,018 | 106,948 |
| Radio Frequency Identification (RFID) | 0 | -18,000 | -18,000 | -18,000 | -18,000 |
| Special Projects - MRL Funded | -2,558 | -5,000 | -5,000 | -5,000 | -5,000 |
| Staff Training | -4,128 | 0 | 0 | 0 | 0 |
| Summer Reading Club - MRL Funded | -872 | 0 | 0 | 0 | 0 |
| Youth Week | -44 | 0 | 0 | 0 | 0 |
| Restricted Assets - Internally Restricted Assets | | | | | |
| Total | 70,469 | 30,826 | 62,558 | 57,518 | 77,448 |
| Restricted Assets - Externally Restricted Assets | | | | | |
| Com Respite & Carelink Centre Orana | -3,066 | 0 | 0 | 0 | 0 |
| PLNC Zone Funding | -475 | 0 | 0 | 0 | 0 |
| Restricted Assets - Externally Restricted Assets | | | | | |
| Total | -3,541 | 0 | 0 | 0 | 0 |
| Restricted Assets Total | 66,928 | 30,826 | 62,558 | 57,518 | 77,448 |
| Funds Available to (-), or Required From Library Operations | 0 | 0 | 0 | 0 | 0 |

**MACQUARIE REGIONAL LIBRARY
STATEMENT OF RESTRICTED ASSETS**

| Purpose of Restricted Asset | Balance as at 30/06/2017 | Balance as at 30/06/2018 | Balance as at 30/06/2019 | Balance as at 30/06/2020 | Balance as at 30/06/2021 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| INTERNALLY RESTRICTED ASSETS | | | | | |
| LIBRARY OPERATIONS TOTAL | 363,407 | 404,233 | 456,791 | 524,309 | 591,757 |
| BOOK PURCHASES TOTAL | 49,653 | 49,653 | 49,653 | 49,653 | 49,653 |
| CHILDREN & YOUTH SERVICES - DUBBO | 1,732 | 1,732 | 1,732 | 1,732 | 1,732 |
| CHILDREN & YOUTH SERVICES - NARROMINE | 150 | 150 | 150 | 150 | 150 |
| COLLECTION DEVELOPMENT - REGIONAL OFFICE FUNDED | 16,762 | 16,762 | 16,762 | 16,762 | 16,762 |
| COMPUTER & EQUIPMENT UPGRADE | 48,178 | 48,178 | 48,178 | 48,178 | 48,178 |
| DATA BASES | 3,073 | 3,073 | 3,073 | 3,073 | 3,073 |
| EMPLOYEE LEAVE ENTITLEMENTS | 673,130 | 673,130 | 673,130 | 673,130 | 673,130 |
| E-COLLECTION DEVELOPMENT | 16,833 | 16,833 | 16,833 | 16,833 | 16,833 |
| E-COLLECTION LICENCES | 8,752 | 8,752 | 8,752 | 8,752 | 8,752 |
| FURNITURE & FITTINGS - REGIONAL OFFICE FUNDED | 1,215 | 1,215 | 1,215 | 1,215 | 1,215 |
| LMS UPGRADE | 32,623 | 32,623 | 32,623 | 32,623 | 32,623 |
| LOCAL STUDIES CONTRIBUTION | 10,092 | 10,092 | 10,092 | 10,092 | 10,092 |
| MOTOR VEHICLE REPLACEMENT | 21,776 | 11,776 | 21,776 | 11,776 | 21,776 |
| ORAL HISTORY PROJECT - REGIONAL OFFICE FUNDED | 4,156 | 4,156 | 4,156 | 4,156 | 4,156 |
| STAFF TRAINING | 6,778 | 6,778 | 6,778 | 6,778 | 6,778 |
| SUMMER READING CLUB - REGIONAL OFFICE FUNDED | 2,942 | 2,942 | 2,942 | 2,942 | 2,942 |
| YOUTH SERVICES PROGRAM | 1,072 | 1,072 | 1,072 | 1,072 | 1,072 |
| YOUTH WEEK - WARRUMBUNGL | 78 | 78 | 78 | 78 | 78 |
| TOTAL INTERNALLY RESTRICTED ASSETS | 1,262,402 | 1,293,228 | 1,355,786 | 1,413,304 | 1,490,752 |
| EXTERNALLY RESTRICTED ASSETS | | | | | |
| COM RESPITE & CARELINK CENTRE ORANA | 364 | 364 | 364 | 364 | 364 |
| LOCAL PRIORITY SPECIAL PROJECT | 1,556 | 1,556 | 1,556 | 1,556 | 1,556 |
| PLNC CONFERENCE FUNDS - NARROMINE | 2,560 | 2,560 | 2,560 | 2,560 | 2,560 |
| PLNC CONFERENCE FUNDS - WARRUMBUNGL | 1,848 | 1,848 | 1,848 | 1,848 | 1,848 |
| PLNC ZONE FUNDING | 1,040 | 1,040 | 1,040 | 1,040 | 1,040 |
| TOTAL EXTERNALLY RESTRICTED ASSETS | 7,368 | 7,368 | 7,368 | 7,368 | 7,368 |
| TOTAL RESTRICTED ASSETS | 1,269,770 | 1,300,596 | 1,363,154 | 1,420,672 | 1,498,120 |

17/07 [2]

Macquarie Regional Library

Proposed 2017-2018 Fees and Charges

MRL fees and charges are set in recognition of - (1) cost is discounted to below the full cost in recognition of community service obligations - partial cost recovery [PCR] (2) price is set to an industry standard [IS] (3) fees are set to be not competitive with local service providers - market based [MB] (4) where possible, in consideration of the above, full cost recovery [FCR] (5) price is set by regulation/statute [S]

| | 2016/2017 Actual | Proposed | GST | Base Amount | Pricing Policy | Comments |
|---|------------------|---------------|--------|-------------|----------------|---|
| Reservation Fee | \$1.50 | \$1.50 | \$0.14 | \$1.36 | PCR | |
| Overdue Fees | \$1.00 | \$1.00 | | | PCR | |
| Replacement Borrower Card | \$4.40 | \$4.40 | \$0.40 | \$4.00 | PCR | |
| Item replacement charge Processing charge per item [Does not include item replacement cost] | \$5.50 | \$5.50 | \$0.50 | \$5.00 | FCR | |
| Photocopying and Printouts | | | | | PCR | |
| B&W- per A4 sheet | \$0.30 | \$0.30 | \$0.03 | \$0.27 | | |
| B&W- per A3 sheet | \$0.60 | \$0.60 | \$0.05 | \$0.55 | | |
| Colour copy per A4 sheet | \$1.10 | \$1.10 | \$0.10 | \$1.00 | | |
| Colour copy per A3 sheet | \$2.20 | \$2.20 | \$0.20 | \$2.00 | | |
| Equipment usage | | | | | | |
| Word Processing Scanner - per hour | \$6.00 | \$6.00 | \$0.55 | \$5.45 | PCR | Charge includes also using the Branch photocopier to scan documents |

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| | | | | | | |
|--|---------|----------------|--------|---------|-----|--|
| Inter Library Loans | | | | | | |
| Per Item Loan | \$6.60 | \$6.60 | \$0.60 | \$6.60 | FCR | |
| Possible additional fee from other libraries | \$16.50 | \$16.50 | \$1.50 | \$15.00 | S | |
| Fast Track Service - additional fee for 24 hour response | \$16.50 | \$16.50 | \$1.50 | \$15.00 | S | |
| Fax services | | | | | MB | The fax service charges are based on the current Australia Post <i>Fax Post Service</i> charges. |
| Fax, outgoing (Aust.)-first page | \$4.40 | \$5.00 | \$0.45 | \$4.55 | | |
| Fax, outgoing (Aust.)-additional pages | \$1.10 | \$1.25 | \$0.11 | \$1.14 | | |
| Fax, outgoing (O/S)-first page | \$10.00 | \$10.00 | \$0.91 | \$9.09 | | |
| Fax, outgoing (O/S), additional pages | \$2.50 | \$2.50 | \$0.23 | \$2.27 | | |
| Fax, incoming (all)-up to 10 pages | \$4.40 | \$5.00 | \$0.45 | \$4.55 | | |
| Fax, incoming (all)-additional pages | \$0.55 | \$1.25 | \$0.11 | \$1.14 | | |
| Local and Family History Research - Per Hour | | | | | | |
| Information Research - Per Hour | \$25.00 | \$25.00 | \$2.27 | \$22.73 | PCR | |
| | \$35.00 | \$35.00 | \$3.18 | \$31.82 | | |
| Digital Image Service | | | | | FCR | |
| Single TIFF/JPG 300 dpi image on CD [Private use] | \$15.00 | \$15.00 | \$1.36 | \$13.64 | | Cost includes CD |
| Postage & handling (if required) | \$10.00 | \$10.00 | \$0.91 | \$9.09 | | |
| Single JPG 300 dpi image via email | \$10.00 | \$10.00 | \$0.91 | \$9.09 | | |
| Single TIFF/JPG 300 dpi image on CD [Commercial use] | \$50.00 | \$50.00 | \$4.54 | \$45.46 | | Cost includes CD |
| Postage & handling (if required) | \$10.00 | \$10.00 | \$0.91 | \$9.09 | | |

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| | | | | | | |
|---|---------|----------------|--------|---------|-----|--|
| Meeting Rooms | | | | | | Meeting Room facilities are only available in the Dubbo Branch Library. Fees are applicable to Commercial Organisations only. No fees are applied to 'not for profit' organisations/groups – service groups, charities and cultural organisations. |
| Large Meeting Room – hourly rate | \$35.00 | \$35.00 | \$3.18 | \$31.82 | MB | |
| Small Meeting Room – hourly rate | \$20.00 | \$20.00 | \$1.82 | \$18.18 | MB | |
| Library Bags Nylon with @ your library logo | \$2.00 | \$2.00 | \$0.18 | \$1.82 | FCR | |
| Earphones | \$2.50 | \$2.50 | \$0.23 | \$2.27 | FCR | |
| USB Thumb Drives | \$10.00 | \$10.00 | \$0.91 | \$9.09 | FCR | |
| Book Sale | | | | | PCR | |
| Adult Non Fiction | \$1.10 | \$1.10 | \$0.10 | \$1.00 | | |
| Adult Fiction | \$0.55 | \$0.55 | \$0.05 | \$0.50 | | |
| Paperbacks & Magazines | \$0.25 | \$0.25 | \$0.02 | \$0.23 | | |
| Junior Non Fiction | \$0.55 | \$0.55 | \$0.05 | \$0.50 | | |
| Junior Fiction | \$0.55 | \$0.55 | \$0.05 | \$0.50 | | |