

2023/24 Annual Business Plan, Budget & Long Term Financial Plan

Information Session 3

21 February 2023

Today's Session

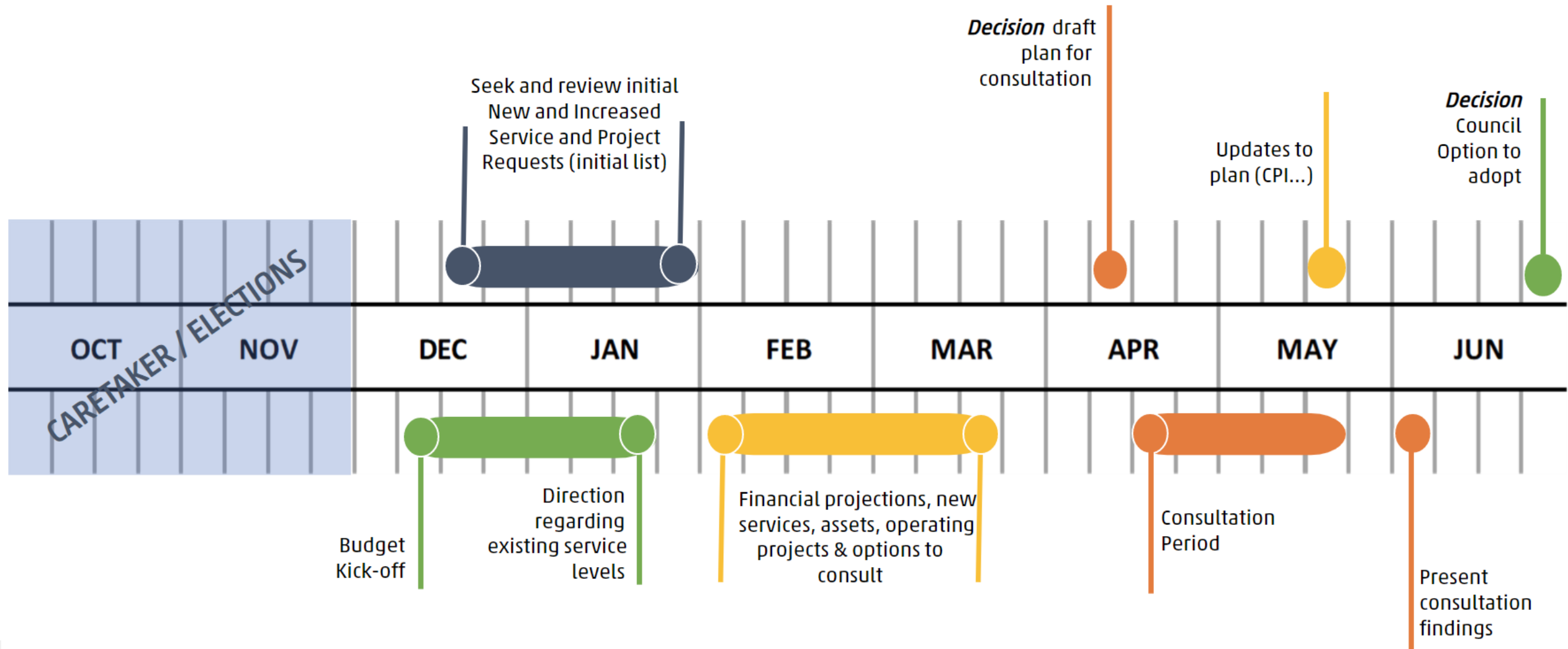
Briefing

- Financial Position

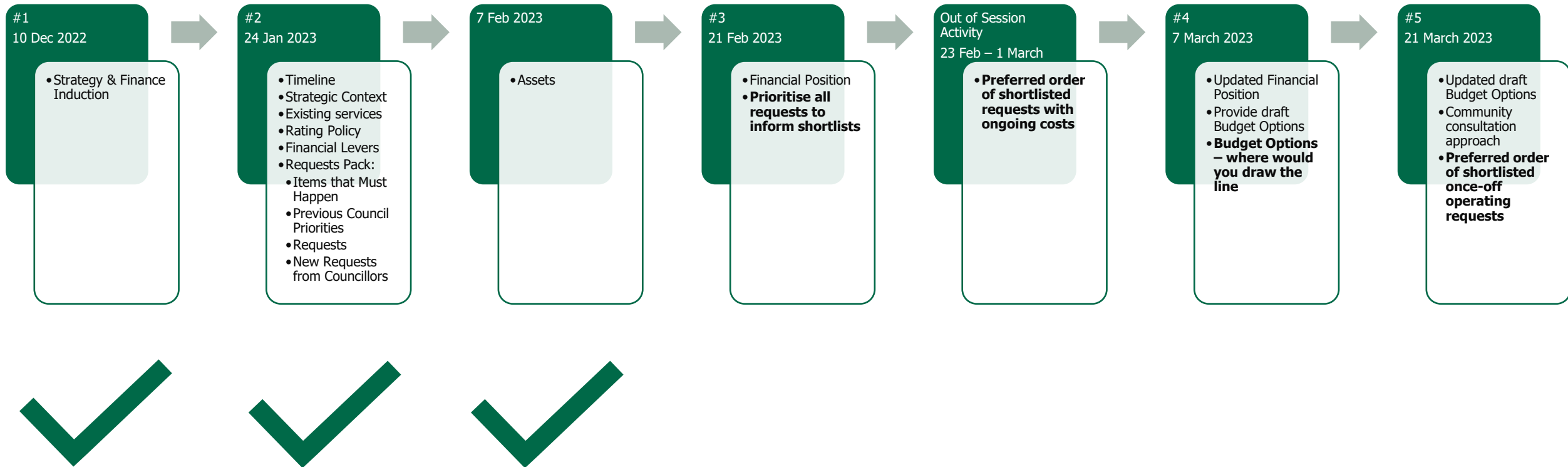
Workshop

- Preferred rate range
- Support for existing commitments
- Adjustments / additional funding requests
- Councillors to nominate their priorities for funding to inform a shortlist

Timeline



Information Sessions



Council Member Outcomes

- ✓ Understanding Council's current financial position
- ✓ Time to explain your preferred rate scenario
- ✓ Time to tell your support for existing commitments and any additional requests
- ✓ Time to tell your priorities for funding to inform a shortlist

Financial Position

- CPI will be at record highs (8.2%)
- Council's costs are just as high (9%)
- Council's financial projections comparable to adopted LTFP

What has changed since July 2022

1. End of financial year result (audited and finalised)
2. Council decisions & budget reviews
3. Economic indicators

Potential Rate Impacts – 23/24

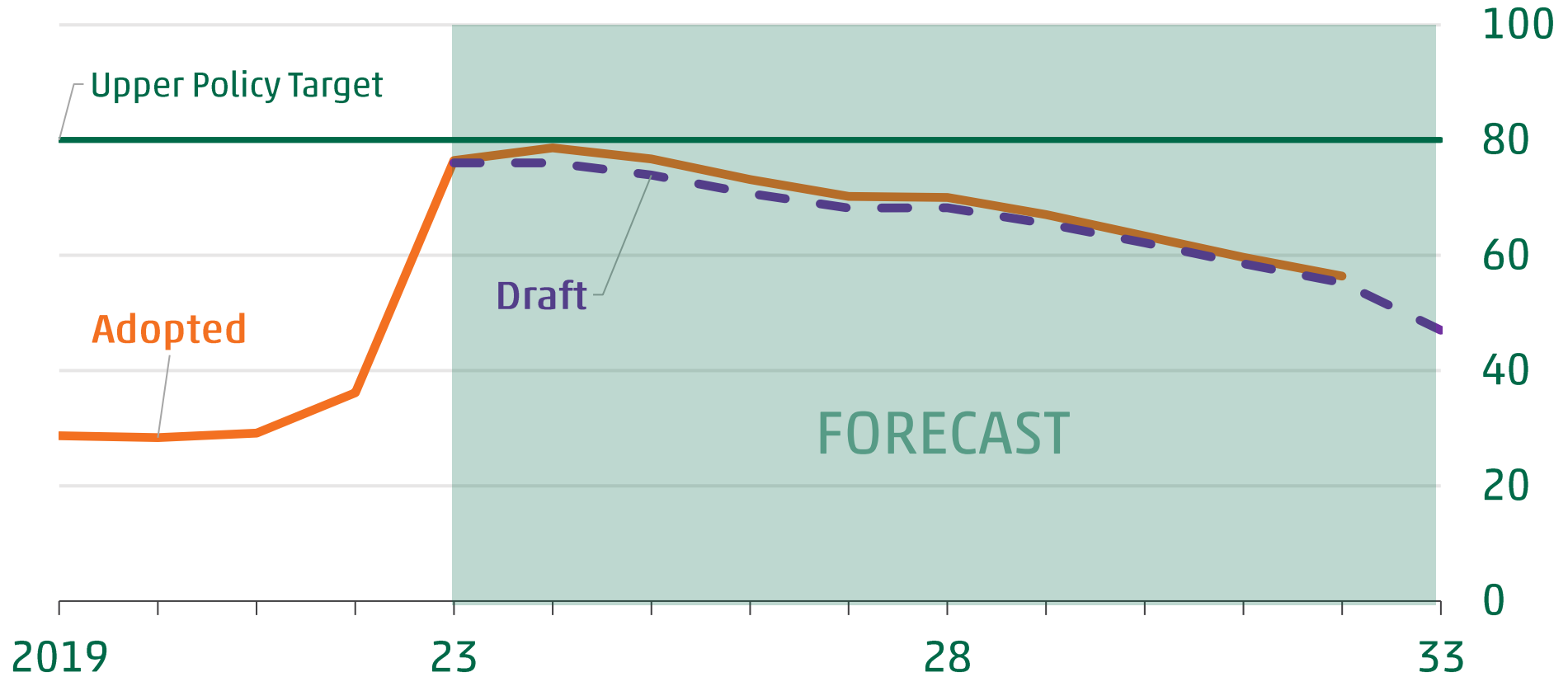
Budget Items	%	Average (\$)
Cost of existing services (<i>forecast</i>)	9.0	173.20
Savings required to keep existing services at CPI	(0.8)	(15.40)
2022/23 Council decisions to date	0.20	3.80
Cost shifting	0.27	5.20
Infrastructure Backlog (renewal)	0.42	8.10
Previous Council Priorities (year 4 Delivery Plan / LTFP)	0.50	9.60

Long-Term Financial Plan Modelled on..

1. Financial Parameters & Economic assumptions endorsed by Audit & Risk Committee
2. Asset Renewal aligns with Asset Management Plans
3. The cost of providing existing services and new services are matched with an increase in revenue
4. Not deferring rate rises

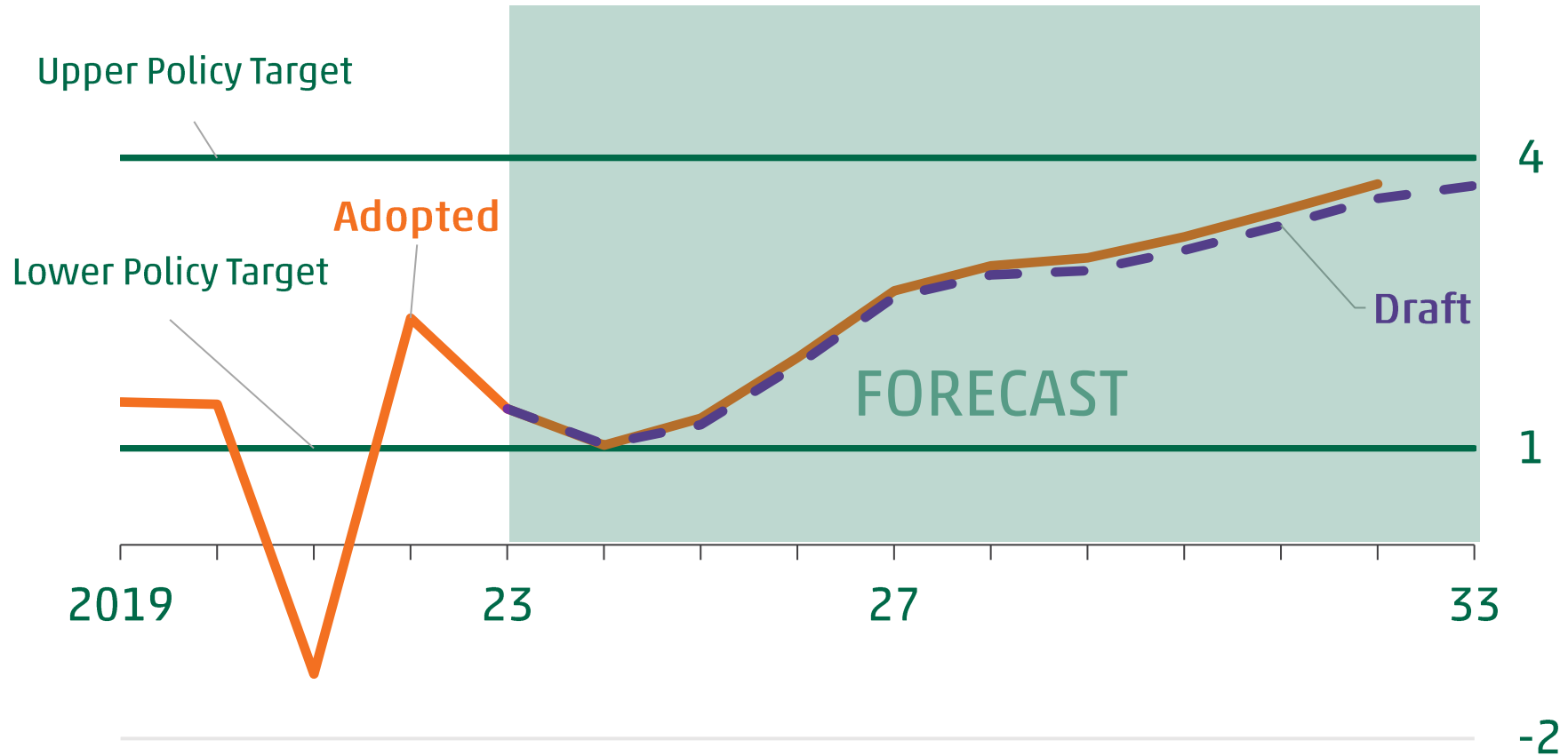
Debt Projection

Financial Liabilities (net)
% of Rates



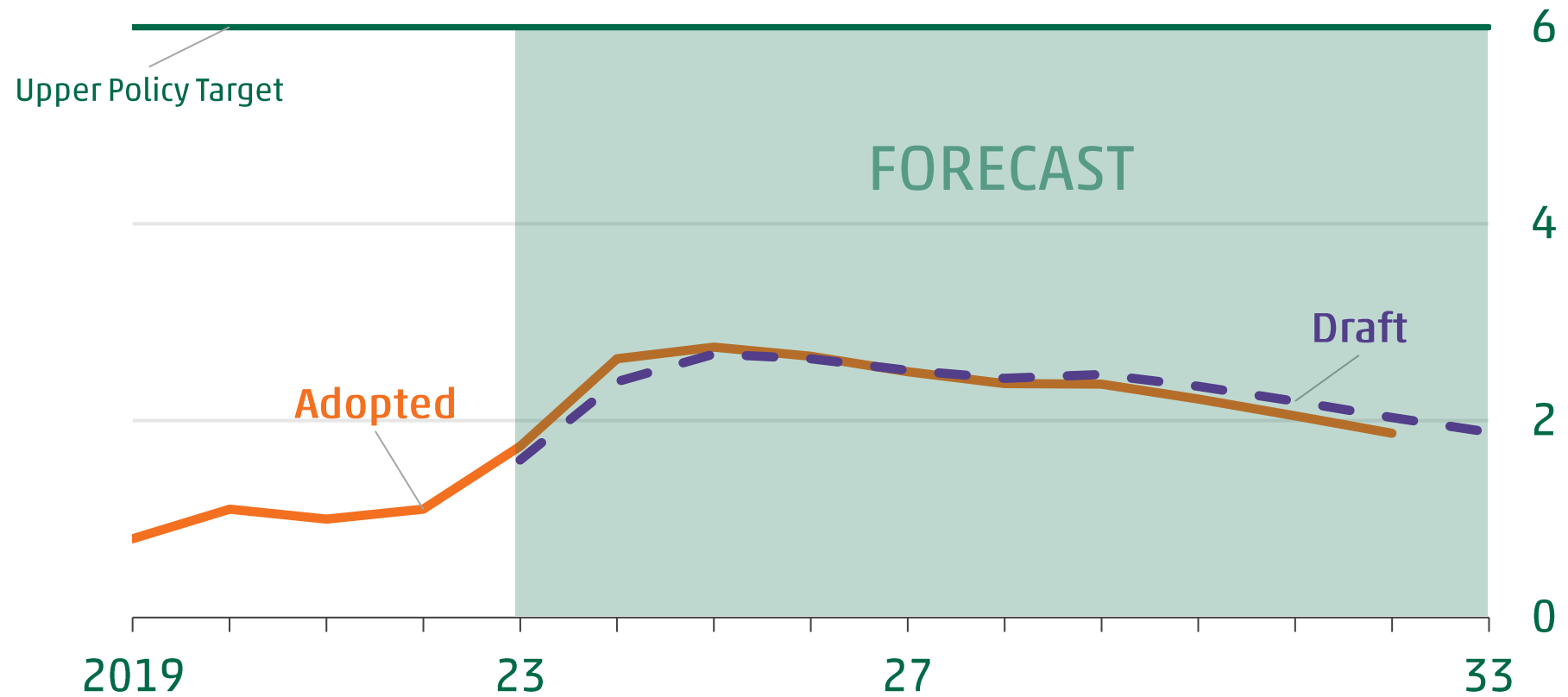
Underlying Surplus / Deficit

Underlying Operating Result % of Rates



Interest Coverage Ratio

Interest Costs
% of Rates



Financial Position

- CPI will be at record highs (8.2%)
- Council's costs are just as high (9%)
- Council's financial projections comparable to adopted LTFP

Questions



Around the Room

- Do you have a preferred **rate range**?
- Do you support the **previous Council Priorities** (Year 4 of the Four Year Delivery Plan / LTFP?)
- Do you have any **adjustments** or **additional funding requests**?
- What are your **priorities**?

Next Steps

- We will summarise what we heard
- Turn the long lists of requests into two shortlists
- Receive the shortlist 23 February.
- Order the shortlist and email it back by 1 March.
- We will present draft budget options at the next Information Session on 7 March.

