



BALRANALD
SHIRE
COUNCIL

2020-2021 TO 2029-2030 LONG TERM FINANCIAL PLAN



May 2020

Long Term Financial Plan 2020 - 2030

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Introduction

The Long Term Financial Plan, hereafter referred to as LTFP, outlines how Council will deliver on its obligations now and into the future. This plan factors in resourcing requirements, including (but not limited to) asset utilisation, workforce needs and funding sources.

The LTFP is one document that makes up Council's Resourcing Strategy, which provides the link between Council's Community Strategic Plan and Council's Delivery Program and Operational Plan. These plans come together to provide the community with a strategy that focuses on how Council can deliver services that are sustainable into the future, as well as best meet community expectations given the level of resources available to Council.

The Resourcing Strategy and the associated documents are prepared in accordance with the requirements of the Integrated Planning and Reporting (IPR) framework, under the Local Government Amendment (Planning & Reporting) Act 2009.

The diagram below outlines the interaction of the Resourcing Strategy and the elements of the overall framework:



The LTFP is important to the Council and the community because:

- The LTFP reflects the projected financial position of Council based on service levels;
- Reviews and assesses the service levels provided by Council and the impact these levels have on Council finances through sensitive analysis;
- Long term strategy and decisions are included in the LTFP, allowing them to be quantified and benchmarked against certain ratios;

What is a Long Term Financial Plan

The Long Term Financial Plan (LTFP) covers a period of ten (10) years and it outlines, in financial dollars, the short, medium and long term proposed actions with reference to current and future service levels, as well as maintain future sustainability of the Council.

The LTFP is one document that can be used by various stakeholders to assess and determine what resources Council requires to deliver the Community Strategic Plan. The LTFP is one component of the overall Resourcing Strategy and it includes the financial information to show how different sensitive scenarios can have an impact on Council's overall resourcing and future direction.

The LTFP includes the following:

- Proposed budget for 2020-2021 through to 2029-2030 (over ten years);
- The assumptions used to develop and deliver the plan, including how revenue is raised;
- Assessment of financial performance against industry benchmarks;
- Review and testing of the impact of different scenarios and how they impact on future Council budgets;
- Capital expenditure.

The LTFP is updated and adopted by Council on an annual basis, along with Council's Operational Plan. The Community Strategic Plan is required to be updated every 4 years (Council's current plan is required to be reviewed during the 2020/21 financial year).

Financial modelling within this LTFP is based on an income statement, balance sheet and cashflow statement. Each sensitive scenario analysis also has an income statement, balance sheet and cashflow statement, which show how that scenario will impact on the bottom line and its impact over the long term.

Forecasting Future Budgets

When the 10 year Long Term Financial Plan (LTFP) was compiled, there have been assumptions made on factors which are beyond Council's control. Some of these assumptions include wage increases, rate capping expectation and inflation.

Council's revenue sources are made up of three main funding sources; namely, rates and annual charges, fees and charges and grant funding. There can be a fourth source of funding Council could utilise, and this is borrowings.

Revenue Forecasts

Rating Capacity

On average, rates and annual charges make up around 25% to 30% of Council's revenue. Annual charges include those charges for water, sewer and waste services. When assumptions are made with regards to rates and annual charges, various factors are considered and these include (but not limited to) community capacity to pay rates and the community willingness to pay rates.

Council, when assessing the rates and annual charges for the 2020/21 year and beyond, has reviewed the potential limit reliance on rates through:

- Ensuring that the rate capping has been applied to rates;
- Increasing revenue from other sources like fees and charges;

Special Rate Variation

In 2018/19, Council applied for, and was granted, a 10% increase in rates over the next seven years (2018/19 to 2024/25 financial years). It is Council's intention to put these additional funds towards renewal and maintenance works relating to infrastructure.

Fees and Charges

A number of services provided by Council are done so on a user-pay basis. These fees include statutory like development application fees and council own fees, like private works. In preparing the LTFP, Council considers the cost-recovery approach when setting fees. In some cases, where a fee is a statutory fee, any change to the fee amount can only occur when allowed under the applicable Act or Regulation.

Grant Funding

Council receives many grants each year. In some cases, these are recurring on an annual basis like the Financial Assistance Grant from the Commonwealth Government through to one-off specific grants. As an example, in the 2020/21 year, Council will receive a specific grant relating to the Bidgee Haven Hostel extension and funding relating to drought relief.

In preparing the LTFP, an assumption has been made that Council will continue to receive some grant funding and where there is a high probability Council to receive a particular grant for the 2020/21 year, Council has included this as well. The grants assumed to be received on a yearly basis included:

- Financial Assistance Grant;
- Certain Roads and Maritime Grants including the block, supplementary and traffic grant;
- Roads to Recovery grant funding; and,
- NSW Rural Fire Service maintenance grant funding.

Borrowings

There will be one new loan borrowing of \$1,000,000 for the Water Fund. The borrowing will fund Council's 40% contribution towards renewing the Balranald water treatment plant. There is no further anticipated new borrowings over the remaining nine years period of the LTFP.

Expenditure Forecasts

In developing expenditure forecasts, new and existing expenditure items have been considered. Expenditure of an operational and capital nature are considered. Operational expenditure includes things such as maintenance, whilst capital expenditure includes infrastructure replacement.

Some expenditure, like employee costs, incur both at an operational and capital level and assumptions have been applied in how these costs are applied.

Consideration has been given to all types of expenditure, their impact on each year of the LTFP, their increase/ decrease over the ten year LTFP and how they are applied in terms of phasing. The LTFP is prepared on an accruals basis.

Financial Modelling

The development process for the LTFP has included financial modelling taking into account how certain changes in the LTFP assumptions result in a different budget outcome. These changes are considered and presented in the sensitivity analysis section of this document.

4. Interest and Investment Revenues

When projecting the future rate of return on investments, the current low cash rate as well as future economic data has been used. Reliance of past data is not prudent in this situation.

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
1.49%	1.41%	1.35%	1.26%	1.24%	1.18%	1.20%	1.25%	1.24%	1.24%

5. Other Revenues

Other revenue includes, but not limited to, lease revenue, tourism sales, park hire and other incidental revenue. CPI has been used to project Council's revenue for future years from Other Revenue.

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

6. Grants and Contributions - Operating

Council receives a number of operational grants from both Commonwealth and State government bodies. The largest of these is the Financial Assistance Grant and the Long Term Financial Plan (LTFP) assumes that this will continue over the next ten years. We have also assume that some other grants will continue to be received as well, namely roads to recovery. Council has also factored in one-off specific grants in the year in which we anticipate to receive them.

With the Financial Assistance Grant, for 2020/21 year has been assumed that no increase to the 2020/21 actual allocation will occur based on the advice Council has received from the Office of Local Government, whereby caution was to be exercised when setting the budget.

Financial Assistance Grant

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

All Other Re-Current Grants excluding Roads to Recovery

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

7. Grants and Contributions – Capital

This source of revenue can be significant in size of overall Council revenue sources. Predicting the amount of revenues received from capital revenue can be difficult to determine, especially when it comes to timing of receiving the funding. However, capital revenue has been based on known projects that have either been entered

into or have been announced as been successful. Any re-current capital grants have been increased on a small percentage so as to not overstate possible revenue stream. Some capital grants, like the Roads and Maritime Services block and traffic facility grants have been assumed to continue into the future. Other capital grants received for specific purposes have been included in the year we anticipate they will be received.

Re-Current Grants excluding One-Off Funding

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

8. Net Gain from Disposal of IPPE

Predominately received from the sale of plant and fleet. Future years are based on the assumption that plant/ fleet will maintain a rolling replacement program and will vary year to year dependant on the plant/ fleet sold.

Expenditure

1. Employee Benefits and On Costs

The current Local Government State Award expires on the 30 June 2020. For the 2020/21 year, it has been assumed that a 3.00% will apply to employee wages. Council has assumed that this rate will drop to 2.50% per annum over the remaining nine years of the Long Term Financial Plan (LTFP). Other assumptions relating to employee costs included in the LTFP are:

- Average increase as a result of Award based salary Band step of 0.25% per annum;
- Superannuation statutory contribution set at 9.50% until 2021/22 and it then incrementally increase to 12.00% by 2025/26;
- A 5.00% vacancy in established permanent positions in each financial year.

Local Government Award Increase – Base Rate

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Superannuation – Statutory Contribution

20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
9.50%	10.00%	10.50%	11.00%	11.50%	12.00%	12.00%	12.00%	12.00%	12.00%

2. Borrowing Costs

Interest incurred on borrowings for infrastructure projects is based on current interest rate identified in the Loan Agreements.

Long Term Financial Plan 2020 – 2030

Budget Summary

Council's proposed 2020/21 to 2029/30 long term financial plan (LTFP) is as per Attachment 1, which represents the Consolidated Council (all activities of Council). A balance sheet and cashflow are also provided. Council considers the Water Supply and Sewerage Services to be separate business units of Council. All other functions of Council come under the General Fund.

Council's operating result for 2020/21 is estimated to be \$7.227 million surplus. When you remove the effect of capital grants and contributions, the operating result is (\$1.440) million deficit. The net budget surplus is \$130,000 after accounting for all funding movements.

The table below breaks down the Consolidated Council income statement into the three separate funds for the 2020/21 year:

	General Fund	Water Fund	Sewer Fund	Consolidated Total
	(‘\$000)	(‘\$000)	(‘\$000)	(‘\$000)
Income Continuing Operations	21,667	1,633	676	23,976
Expenses Continuing Operations	(14,440)	(1,082)	(510)	(16,032)
NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/ (DEFICIT)	7,227	551	166	7,944
Other Funding Movements				
Capital Expenditure	(12,327)	(2,366)	(440)	(15,133)
Reserves Movement	694	589	86	1,369
Loans Repayment	(191)	(67)	0	(258)
New Loan Borrowings	0	1,000	0	1,000
Depreciation Contra	4,727	293	188	5,208
Total Other Funding Movements	(7,097)	(551)	(166)	(7,814)
Net Budget Surplus/ (Deficit)	130	0	0	130
NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/ (DEFICIT)	(1,957)	351	166	(1,440)

Performance Monitoring

Council not only monitors its LTFP and annual budget in terms of meeting budget expectation, but it also monitors measures to assess its long term financial sustainability. To achieve this monitoring process, Council uses financial performance indicators including:

- Operating performance ratio;
- Unrestricted current ratio;
- Own source revenue ratio;
- Debt servicing cover ratio;
- Rates and annual charges outstanding ratio; and,
- Cash expense coverage ratio.

The financial indicators are in accordance with Local Government Code of Accounting Practice and Financial Reporting. Council is required to report on these financial indicators as part of its annual financial statements and will also report on a quarterly basis as part of the budget review process.

These indicators, or ratios, are used by the NSW Local Government industry as the minimum benchmarks for reporting. The ratios and their description/ purpose are listed below for the 2020/21. A full ten year analysis can be located at Attachment 3.

	Benchmark	Council 2020/21
Operating performance ratio	>0.00%	(9.87)%
Unrestricted current ratio	>1.50x	3.96x
Own source revenue ratio	>60.00%	29.22%
Debt servicing cover ratio	>2.00x	32.63x
Rates and annual charges outstanding ratio	<10.00%	6.45%

Understanding the ratios

Operating performance ratio - This ratio measures Council's achievement of containing operating expenditure within operating revenue;

Unrestricted current ratio - To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council;

Own source revenue ratio - the measurement of a local government's ability to cover its costs through its own revenue efforts, namely rates, annual charges and fees and charges;

Debt servicing cover ratio - This ratio measures the availability of operating cash to service debt including interest, principal and lease payments;

Rates and annual charges outstanding ratio - To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts;

Attachments

The following attachments form part of the Long Term Financial Plan documents:

Attachment 1	10 Year Long Term Financial Plan for Consolidated Council
Attachment 2	2020/21 Budget by Function for Consolidated Council
Attachment 3	Ratio Analysis for Consolidated Council
Attachment 4	2020/21 Capital Works Program for Consolidated Council

Attachment 1: 10 Year Long Term Financial Plan

CONSOLIDATED COUNCIL										
Balranald Shire Council - Long Term Financial Plan - Income Statement										
	2020/21 Yr	2021/22 Yr	2022/23 Yr	2023/24 Yr	2024/25 Yr	2025/26 Yr	2026/27 Yr	2027/28 Yr	2028/29 Yr	2029/30 Yr
Income from Continuing Operations										
Rates and Annual Charges	4,273,850	4,628,140	4,997,210	5,399,620	5,834,330	6,308,770	6,485,450	6,667,480	6,855,060	7,048,370
User Charges and Fees	2,231,180	2,301,160	2,369,200	2,439,700	2,509,380	2,580,840	2,646,430	2,713,900	2,783,210	2,854,470
Interest and Investment Revenue	121,060	127,175	132,510	139,970	146,250	161,620	171,270	191,530	209,525	224,680
Other Revenues	379,972	389,230	400,840	412,900	425,360	436,870	447,990	459,380	471,080	483,080
Grants & Contributions for Operational Purposes	7,585,170	6,353,425	6,455,955	6,511,825	6,617,120	6,692,460	6,800,600	6,862,220	6,973,360	7,038,010
Grants and Contributions for Capital Purposes	9,384,410	2,293,790	2,318,290	2,343,070	2,368,140	2,393,490	2,419,140	2,445,090	2,471,350	2,497,910
Net Gain from Disposal of IPPE	-	15,000	10,000	20,000	10,000	15,000	10,000	10,000	10,000	10,000
Total Income from Continuing Operations	23,975,642	16,107,920	16,684,005	17,267,085	17,910,580	18,589,050	18,980,880	19,349,600	19,773,585	20,156,520
Expenses from Continuing Operations										
Employee Benefits and On-costs	(6,511,730)	(6,500,190)	(6,638,810)	(6,781,580)	(6,928,580)	(6,899,870)	(7,050,360)	(7,205,310)	(7,364,860)	(7,529,180)
Borrowing Costs	(125,760)	(119,330)	(109,310)	(102,110)	(94,465)	(86,355)	(77,750)	-	-	-
Materials and Contracts	(1,927,750)	(1,511,610)	(1,599,820)	(1,659,060)	(1,860,210)	(1,946,910)	(2,042,200)	(2,108,070)	(2,269,780)	(2,295,820)
Depreciation and Amortisation	(5,208,420)	(5,251,258)	(5,245,002)	(5,308,909)	(5,332,590)	(5,366,569)	(5,489,708)	(5,543,635)	(5,590,428)	(5,594,406)
Other Expenses	(2,258,410)	(2,306,445)	(2,379,690)	(2,456,360)	(2,535,530)	(2,797,270)	(2,886,880)	(2,979,290)	(3,074,860)	(3,173,540)
Total Expenses from Continuing Operations	(16,032,070)	(15,688,833)	(15,972,632)	(16,308,019)	(16,751,375)	(17,096,974)	(17,546,898)	(17,836,305)	(18,299,928)	(18,592,946)
NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/ (DEFICIT)	7,943,572	419,087	711,373	959,066	1,159,205	1,492,076	1,433,982	1,513,295	1,473,657	1,563,574
Other Funding Movements										
Total Capital Expenditure	(15,133,239)	(5,572,005)	(5,377,430)	(5,446,710)	(5,801,515)	(5,668,335)	(5,917,770)	(5,952,345)	(6,252,275)	(6,118,875)
Total Transfers From/ (To) Reserves	1,368,900	307,820	(401,440)	(585,255)	(388,270)	(718,170)	(661,950)	(1,005,840)	(554,475)	(922,960)
Total Loan Repayments	(257,740)	(192,285)	(203,225)	(214,800)	(227,025)	(239,955)	(253,605)	-	-	-
Total Loan Borrowings	1,000,000	-	-	-	-	-	-	-	-	-
Depreciation Contra Income	5,208,420	5,251,258	5,245,002	5,308,909	5,332,590	5,366,569	5,489,708	5,543,635	5,590,428	5,594,406
TOTAL OTHER FUNDING MOVEMENTS SURPLUS/ (DEFICIT)	(7,813,659)	(205,212)	(737,093)	(937,856)	(1,084,220)	(1,259,891)	(1,343,617)	(1,414,550)	(1,216,322)	(1,447,429)
TOTAL BUDGET SURPLUS/ (DEFICIT)	129,913	213,875	(25,720)	21,210	74,985	232,185	90,365	98,745	257,335	116,145
NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/ (DEFICIT)	(1,440,838)	(1,874,703)	(1,606,917)	(1,384,004)	(1,208,935)	(901,414)	(985,158)	(931,795)	(997,693)	(934,336)

Attachment 1: 10 Year Long Term Financial Plan (Continued)

CONSOLIDATED COUNCIL										
Balranald Shire Council - Long Term Financial Plan - Balance Sheet										
	2020/21 Yr	2021/22 Yr	2022/23 Yr	2023/24 Yr	2024/25 Yr	2025/26 Yr	2026/27 Yr	2027/28 Yr	2028/29 Yr	2029/30 Yr
Assets										
Current Assets										
Cash & Cash Equivalents	5,660,015	5,955,565	6,572,715	6,972,310	7,479,955	8,100,940	8,532,555	10,037,100	10,936,470	11,745,385
Investments	1,750,000	1,650,000	1,450,000	1,950,000	1,950,000	2,600,000	3,000,000	2,950,000	2,950,000	3,550,000
Receivables	417,180	456,550	477,020	498,870	521,790	546,320	560,360	574,800	589,630	604,890
Inventories	52,000	53,300	54,640	56,020	57,430	58,880	60,360	61,880	63,440	65,040
Other	34,000	34,000	34,000	34,000	34,600	35,220	35,860	36,510	37,180	37,860
Total Current Assets	7,913,195	8,149,415	8,588,375	9,511,200	10,043,775	11,341,360	12,189,135	13,660,290	14,576,720	16,003,175
Non Current Assets										
Investments	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Receivables	13,610	16,840	18,520	20,370	22,410	24,650	25,270	25,900	26,550	27,210
Infrastructure, Property, Plant and Equipment	174,506,489	176,572,300	176,704,728	178,609,576	179,078,501	181,171,052	181,599,115	183,823,815	184,485,662	186,854,988
Intangible	449,715	418,765	387,815	356,865	325,915	320,000	320,000	320,000	320,000	320,000
Total Non Current Assets	175,369,814	177,407,905	177,511,063	179,386,811	179,826,826	181,915,702	182,344,385	184,569,715	185,232,212	187,602,198
Total Asset	183,283,009	185,557,320	186,099,438	188,898,011	189,870,601	193,257,062	194,533,520	198,230,005	199,808,932	203,605,373
Liabilities										
Current Liabilities										
Payables	(668,500)	(685,220)	(702,380)	(719,970)	(738,000)	(756,470)	(775,430)	(794,850)	(814,740)	(835,140)
Borrowings	(257,740)	(192,285)	(203,225)	(214,800)	(227,025)	(239,955)	(253,605)	-	-	-
Provisions	(636,620)	(652,540)	(668,860)	(685,590)	(702,740)	(720,320)	(738,330)	(756,800)	(775,730)	(795,130)
Total Current Liabilities	(1,562,860)	(1,530,045)	(1,574,465)	(1,620,360)	(1,667,765)	(1,716,745)	(1,767,365)	(1,551,650)	(1,590,470)	(1,630,270)
Non Current Liabilities										
Payables	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
Borrowings	(1,330,850)	(1,138,575)	(935,170)	(720,560)	(493,540)	(253,595)	-	-	-	-
Provisions	(50,000)	(51,250)	(52,540)	(53,860)	(55,210)	(56,600)	(58,020)	(59,480)	(60,970)	(62,500)
Total Non Current Liabilities	(1,780,850)	(1,589,825)	(1,387,710)	(1,174,420)	(948,750)	(710,195)	(458,020)	(459,480)	(460,970)	(462,500)
Total Liabilities	(3,343,710)	(3,119,870)	(2,962,175)	(2,794,780)	(2,616,515)	(2,426,940)	(2,225,385)	(2,011,130)	(2,051,440)	(2,092,770)
Net Assets	179,939,299	182,437,450	183,137,263	186,103,231	187,254,086	190,830,122	192,308,135	196,218,875	197,757,492	201,512,603
Equity										
Retained Earnings	(55,091,385)	(55,089,722)	(55,804,529)	(56,767,125)	(57,929,955)	(59,425,756)	(60,863,538)	(62,380,743)	(63,858,390)	(65,426,044)
Revaluation Reserve	(124,847,914)	(127,347,729)	(127,332,734)	(129,336,106)	(129,324,131)	(131,404,366)	(131,444,596)	(133,838,132)	(133,899,102)	(136,086,559)
Total Equity	(179,939,299)	(182,437,450)	(183,137,263)	(186,103,231)	(187,254,086)	(190,830,122)	(192,308,135)	(196,218,875)	(197,757,492)	(201,512,603)

Attachment 1: 10 Year Long Term Financial Plan (Continued)

CONSOLIDATED COUNCIL										
Balranald Shire Council - Long Term Financial Plan - Cash Flow Statement										
	2020/21 Yr	2021/22 Yr	2022/23 Yr	2023/24 Yr	2024/25 Yr	2025/26 Yr	2026/27 Yr	2027/28 Yr	2028/29 Yr	2029/30 Yr
Cash Flows from Operating Activities										
Receipts:										
Rates and Annual Charges	4,060,160	4,597,920	4,964,850	5,364,580	5,796,470	6,267,740	6,449,500	6,630,520	6,817,050	7,009,280
User Charges and Fees	2,119,630	2,288,260	2,356,000	2,426,100	2,495,440	2,566,510	2,631,890	2,698,990	2,767,910	2,838,780
Interest and Investment Revenue	121,060	127,175	132,510	139,970	146,250	161,620	171,270	191,530	209,525	224,680
Grants & Contributions	16,969,580	8,647,215	8,774,245	8,854,895	8,985,260	9,085,950	9,219,740	9,307,310	9,444,710	9,535,920
Other Revenues	379,970	389,230	400,840	412,900	425,360	436,870	447,990	459,380	471,080	483,080
Payments:										
Employee Benefits and On-costs	(6,228,130)	(6,370,190)	(6,771,590)	(6,645,950)	(7,067,160)	(6,761,880)	(7,191,370)	(7,061,210)	(7,512,160)	(7,378,600)
Borrowing Costs	(125,760)	(119,330)	(109,310)	(102,110)	(94,465)	(86,355)	(77,750)	-	-	-
Materials and Contracts	(2,011,310)	(1,458,710)	(1,543,830)	(1,601,000)	(1,795,110)	(1,878,770)	(1,970,740)	(2,034,300)	(2,190,350)	(2,215,480)
Other Expenses	(2,145,490)	(2,191,130)	(2,260,710)	(2,333,550)	(2,408,760)	(2,657,410)	(2,742,540)	(2,830,330)	(2,921,120)	(3,014,870)
Net Cash provided by (or used in) Operating Activities	13,139,710	5,910,440	5,943,005	6,515,835	6,483,285	7,134,275	6,937,990	7,361,890	7,086,645	7,482,790
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant and Equipment	46,500	49,400	54,800	45,270	52,900	45,000	65,000	45,000	65,000	45,000
Payments:										
Purchase of Infrastructure, Property, Plant and Equipment	(15,133,240)	(5,572,005)	(5,377,430)	(5,446,710)	(5,801,515)	(5,668,335)	(5,917,770)	(5,952,345)	(6,252,275)	(6,118,875)
Net Cash provided by (or used in) Investing Activities	(15,086,740)	(5,522,605)	(5,322,630)	(5,401,440)	(5,748,615)	(5,623,335)	(5,852,770)	(5,907,345)	(6,187,275)	(6,073,875)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings and Advances	1,000,000	-	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings and Advances	(257,740)	(192,285)	(203,225)	(214,800)	(227,025)	(239,955)	(253,605)	-	-	-
Net Cash provided by (or used in) Financing Activities	742,260	(192,285)	(203,225)	(214,800)	(227,025)	(239,955)	(253,605)	-	-	-
Net Increase/ (Decrease) in Cash and Investments	(1,204,770)	195,550	417,150	899,595	507,645	1,270,985	831,615	1,454,545	899,370	1,408,915
Plus: Cash and Investments - Beginning of Year	9,014,785	7,810,015	8,005,565	8,422,715	9,322,310	9,829,955	11,100,940	11,932,555	13,387,100	14,286,470
Cash and Investments - End of Year	7,810,015	8,005,565	8,422,715	9,322,310	9,829,955	11,100,940	11,932,555	13,387,100	14,286,470	15,695,385

Attachment 2: 2020/21 Budget by Function for Consolidated Council

FUNCTION OF COUNCIL															
Balranald Shire Council - Long Term Financial Plan - Income Statement - 2020/21 Year															
	Governance	Administration	Public Order & Safety	Health	Environment	Community Services & Education	Housing & Community Amenities	Water Supplies	Sewerage Services	Recreation & Culture	Mining, Manufacture &	Transport & Communication	Economic Affairs	General Purpose Income	Total
Income from Continuing Operations															
Rates and Annual Charges	0	0	0	0	24,030	0	361,940	757,130	516,570	0	0	0	0	2,614,180	4,273,850
User Charges and Fees	0	19,190	700	250	0	510,500	75,800	598,270	151,360	0	6,300	282,310	586,500	0	2,231,180
Interest and Investment Revenue	0	340	0	0	0	6,000	1,750	14,500	2,000	0	0	0	0	96,470	121,060
Other Revenues	12,000	144,462	0	15,000	0	300	66,370	52,400	0	8,140	0	8,800	72,500	0	379,972
Grants & Contributions for Operational Purposes	0	26,000	155,000	20,500	0	801,500	9,000	10,600	6,320	167,400	0	1,504,610	1,000,000	3,884,240	7,585,170
Grants and Contributions for Capital Purposes	150,000	0	100,000	0	0	4,680,000	0	200,000	0	2,004,820	0	2,249,590	0	0	9,384,410
Total Income from Continuing Operations	162,000	189,992	255,700	35,750	24,030	5,998,300	514,860	1,632,900	676,250	2,180,360	6,300	4,045,310	1,659,000	6,594,890	23,975,642
Expenses from Continuing Operations															
Employee Benefits and On-costs	(844,260)	(2,824,963)	(21,875)	(21,960)	(58,675)	(949,000)	(207,240)	(202,585)	(74,160)	(98,500)	(62,280)	(936,425)	(209,807)	0	(6,511,730)
Borrowing Costs	0	(3,250)	0	0	(28,460)	0	(7,620)	(44,320)	0	0	0	0	(42,110)	0	(125,760)
Materials and Contracts	(140,000)	1,237,738	(119,575)	(16,250)	(169,745)	(157,750)	(510,090)	(411,825)	(202,890)	(448,090)	0	(545,333)	(443,940)	0	(1,927,750)
Depreciation and Amortisation	0	(350,405)	(10,630)	(3,580)	(57,520)	(97,630)	(154,520)	(292,830)	(187,620)	(379,310)	0	(3,613,090)	(61,280)	0	(5,208,415)
Other Expenses	(344,950)	(603,100)	(367,050)	(13,130)	(13,000)	(176,900)	(108,600)	(130,800)	(45,700)	(252,530)	(7,480)	(36,590)	(158,580)	0	(2,258,410)
Total Expenses from Continuing Operations	(1,329,210)	(2,543,980)	(519,130)	(54,920)	(327,400)	(1,381,280)	(988,070)	(1,082,360)	(510,370)	(1,178,430)	(69,760)	(5,131,438)	(915,717)	0	(16,032,065)
NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/ (DEFICIT)	(1,167,210)	(2,353,988)	(263,430)	(19,170)	(303,370)	4,617,020	(473,210)	550,540	165,880	1,001,930	(63,460)	(1,086,128)	743,283	6,594,890	7,943,577
Other Funding Movements															
Total Capital Expenditure	(65,000)	(715,000)	(130,000)	0	0	(4,700,000)	(360,000)	(2,366,000)	(440,000)	(2,123,590)	0	(3,173,799)	(1,059,850)	0	(15,133,239)
Total Transfers From/ (To) Reserves	0	237,100	0	0	0	0	306,380	588,920	86,500	150,000	0	0	0	0	1,368,900
Total Loan Repayments	0	(91,220)	0	0	(58,860)	0	0	(66,290)	0	0	0	0	(41,370)	0	(257,740)
Total Loan Borrowings	0	0	0	0	0	0	0	1,000,000	0	0	0	0	0	0	1,000,000
Depreciation Contra Income	0	350,405	10,630	3,580	57,520	97,630	154,520	292,830	187,620	379,310	0	3,613,090	61,280	0	5,208,415
TOTAL OTHER FUNDING MOVEMENTS SURPLUS/ (DEFICIT)	(65,000)	(218,715)	(119,370)	3,580	(1,340)	(4,602,370)	100,900	(550,540)	(165,880)	(1,594,280)	0	439,291	(1,039,940)	0	(7,813,664)
TOTAL BUDGET SURPLUS/ (DEFICIT)	(1,232,210)	(2,572,703)	(382,800)	(15,590)	(304,710)	14,650	(372,310)	0	0	(592,350)	(63,460)	(646,837)	(296,657)	6,594,890	129,913
NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/ (DEFICIT)	(1,317,210)	(2,353,988)	(363,430)	(19,170)	(303,370)	(62,980)	(473,210)	350,540	165,880	(1,002,890)	(63,460)	(3,335,718)	743,283	6,594,890	(1,440,833)

Attachment 4: 2020/21 Capital Works Program for Consolidated Council

BALRANALD SHIRE COUNCIL			
CAPITAL WORKS & LOAN PAYMENTS			
PROPOSED BUDGET 2020/21			
	PROJECT DESCRIPTION	Proposed Budget	
		2020/2021	
CAPITAL WORKS			
GOVERNANCE	Content Management Upgrade	\$ 25,000	
	Allocation for co-funding for Capital Grant Applications	\$ 40,000	
	Sub – Total	\$ 65,000	
CORPORATE & ADMINISTRATIVE SERVICES	Web Site Development Shire wide	\$ 50,000	
	IT Architecture Refresh	\$ 200,000	
	Corporate & Administrative Services Sub – Total	\$ 250,000	
ENGINEERING OPERATIONS	Major Plant Acquisition Costs		
	Tipper Body for Trailer	\$ 30,000	
	Trailblazer Replacement MUX	\$ 28,000	
	Trailblazer Replacement MUX	\$ 28,000	
	Ute Replacement DMAX	\$ 34,000	
	Bulk Storage Diesel Bowser	\$ 40,000	
	Mini Excavator	\$ 50,000	
	Mazda Replacement	\$ 25,000	
	Walker Mower & Trailer	\$ 55,000	
	Road Train Prime Mover	\$ 75,000	
	Caravan Upgrade	\$ 100,000	
	Plant Replacement Loan 137	\$ 75,810	
	Engineering Administration Sub - Total	\$ 540,810	
PUBLIC ORDER & SAFETY	Rural Fire Service Capital	\$ 100,000	
	Fire Hydrant Upgrade	\$ 30,000	

	Public Order & Safety Sub-Total	\$ 130,000
COMMUNITY SERVICES	Capital Works	\$ 20,000
	Hostel Extension	\$ 4,680,000
	Community Services Sub-Total	\$ 4,700,000
HOUSING & COMMUNITY AMENITIES	Flood Mitigation Loan 132 Principal Repayments	\$ 15,410
	West Balranald Drainage Loan	\$ 58,860
	Purchase of Buildings and Facilities	\$ 360,000
	Housing & Community Amenities Sub - Total	\$ 434,270
RECREATION & CULTURE	Art Gallery - Balranald Creative Community Learning Centre	\$ 284,380
	Greenham Park - Balranald Tennis Courts Upgrade Project	\$ 287,510
	Ben Scott Birdwalk	\$ 100,000
	Greenham Park - Football Changerooms	\$ 500,000
	Greenham Pk Disabled Toilets	\$ 40,000
	Euston Sports Grounds Entrance	\$ 30,000
	Lions Park Upgrade	\$ 832,930
	Art Acquisition (Bal Archies Sponsorship)	\$ 3,000
	Library Book replacement	\$ 15,770
	Library Building Works	\$ 30,000
	Recreation & Culture Sub-Total	\$ 2,123,590
BUSINESS UNDERTAKINGS	Information Centre Loan	\$ 41,370
	Caravan Park Powered Sites Power Poles (20)	\$ 30,000
	Caravan Park Buggy - for cleaning	\$ 8,000
	Site Upgrade (10)	\$ 21,850
	Joint Organisation Discovery Centre Complex	\$ 1,000,000
	Business Undertakings Sub-Total	\$ 1,101,220
TRANSPORT	MR 514 Sealing Works	\$ 509,180
	MR67 North Heavy Patching	\$ 148,940
	MR67 Reseals - Capital	\$ 466,520
	Grid Maintenance & Replacement	\$ 350,000

	MR514 Unsealed - Gravel Resheeting	\$ 103,550
	Roads to Recovery	\$ 1,355,610
	Safety Works	\$240,000
	Transport Sub-Total	\$ 3,173,800
WATER SERVICES	Balranald Raw Pump Station Electrical & Monitoring Upgrade	\$ 60,000
	Integrated Water Cycle Management Plan	\$ 200,000
	Euston Raw Water PS Upgrade	\$ 45,000
	Euston Electrical Upgrade Raw PS	\$ 50,000
	Valves and Meters	\$ 52,000
	Euston Cemetery Watermain Upgrade	\$ 50,000
	Balranald WTP (cost(3.2m, 40% Council)	\$ 1,000,000
	Minor pumps and metering equipment	\$ 10,000
	Balranald AC Mains Replacement	\$ 42,000
	Euston Replace AC Mains	\$ 42,000
	Balranald Filtered Water Tower Repaint Int & Ext	\$ 475,000
	Balranald Raw Water Tower Clean & Inspect	\$ 80,000
	Water Meter Replacements	\$ 50,000
	Integrated Water Management Strategy	\$ 210,000
	Euston Water Loan	\$ 66,290
	Water Services Sub - Total	\$ 2,432,290
SEWERAGE SERVICES	Balranald Cleaning Irrigation Channels and installation of Chanel stops.	\$ 30,000
	Euston Sewer Cleaning Inlet Structure	\$ 30,000
	Balranald Sewer PS Upgrades	\$ 15,000
	Balranald Sewer Excavation & Renewals inc Manholes	\$ 15,000
	Balranald Sewer Relining	\$ 300,000
	BS Switchboard Upgrade	\$ 30,000
	Euston Sewer Pumps	\$ 20,000
	Sewerage Services Sub-Total	\$ 440,000
	TOTAL CAPITAL WORKS & PRINCIPAL LOAN PAYMENTS	\$15,390,980