



BALRANALD  
SHIRE  
COUNCIL

# 2021-2022 TO 2030-2031 LONG TERM FINANCIAL PLAN



May 2021

## Long Term Financial Plan 2021 – 2031

### Table of Contents

<b>Introduction</b> .....	<b>2</b>
<b>What is a Long Term Financial Plan</b> .....	<b>3</b>
<b>Forecasting Future Budgets</b> .....	<b>4</b>
Revenue Forecasts .....	4
Expenditure Forecasts.....	5
Financial Modelling .....	5
<b>Long Term Financial Plan Assumptions</b> .....	<b>6</b>
Market Driven Planning Assumptions.....	6
Revenue and Expenditure Assumptions .....	7
<b>Long Term Financial Plan 2021-2031</b> .....	<b>11</b>
<b>Performance Monitoring</b> .....	<b>12</b>
<b>Attachments</b> .....	<b>13</b>
Adopted 2021/22 to 2030/31 – All Council .....	14
2021/22 Budget by Function for Consolidated Council .....	17
Ratio Analysis – All Council .....	18
Capital Works Program for 2021/22 .....	19

# 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 2021-2022 through to 2030-2031 (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 2021/22 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 2021/22 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 2021/22 year, Council will receive specific grants relating to the Bidgee Haven Hostel extension, Lions Park Upgrade, Greenham Park Changeroms, Balranald Tennis Courts Upgrade, the Balranald Creative Community Learning Centre, Local Roads and Community Infrastructure and Fixing Local Roads funding.

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 2021/22 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 no new borrowings for 2021/22.

## 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.

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
1.00%	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.

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
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 2021/22 year has been assumed that no increase to the 2021/22 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*

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

##### *All Other Re-Current Grants excluding Roads to Recovery*

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
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*

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
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

For the 2021/22 year, it has been assumed that a 2.5% will apply to employee wages. Council has assumed that this rate of 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 will be 10% from 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*

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
3.00%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

*Superannuation – Statutory Contribution*

21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
10.00%	10.50%	11.00%	11.50%	12.00%	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 2021 – 2031

## Budget Summary

Council's proposed 2021/22 to 2030/31 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 2021/22 is estimated to be \$10.158 million surplus. When you remove the effect of capital grants and contributions, the operating result is (\$20,000) deficit. The net budget surplus is \$376,270 after accounting for all funding movements.

The table below breaks down the Consolidated Council income statement into the three separate funds for the 2021/22 year:

	<b>General Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Consolidated Total</b>
	<b>( '\$000 )</b>	<b>( '\$000 )</b>	<b>( '\$000 )</b>	<b>( '\$000 )</b>
Income Continuing Operations	13,304	1,594	747	15,645
Capital Revenue	10,178	0	0	10,178
Expenses Continuing Operations	(14,130)	(1,094)	(466)	(15,690)
<b>NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/ (DEFICIT)</b>	<b>9,352</b>	<b>500</b>	<b>281</b>	<b>10,133</b>
<b>Other Funding Movements</b>				
Capital Expenditure	(13,955)	(390)	(420)	(14,765)
Reserves Movement	164	(302)	(35)	(173)
Loans Repayment	(123)	(67)	0	(190)
New Loan Borrowings	0	0	0	0
Depreciation Contra	4,880	284	182	5,346
<b>Total Other Funding Movements</b>	<b>(9,034)</b>	<b>(475)</b>	<b>(273)</b>	<b>(9,782)</b>
<b>Net Budget Surplus/ (Deficit)</b>	<b>318</b>	<b>26</b>	<b>8</b>	<b>351</b>
<b>NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/ (DEFICIT)</b>	<b>(826)</b>	<b>500</b>	<b>281</b>	<b>(45)</b>

# 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 2021/22. A full ten year analysis can be located at Attachment 3.

	<b>Benchmark</b>	<b>Council 2021/22</b>
Operating performance ratio	>0.00%	(0.13)%
Unrestricted current ratio	>1.50x	4.63x
Own source revenue ratio	>60.00%	28.51%
Debt servicing cover ratio	>2.00x	51.27x
Rates and annual charges outstanding ratio	<10.00%	6.26%

## 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 | 2021/22 Budget by Function for Consolidated Council       |
| Attachment 3 | Ratio Analysis for Consolidated Council                   |
| Attachment 4 | 2021/22 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										
	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	2030/31 Yr
<b>Income from Continuing Operations</b>										
Rates and Annual Charges	4,652,450	5,041,090	5,445,030	5,885,440	6,076,070	6,274,510	6,454,130	6,639,350	6,830,360	7,027,370
User Charges and Fees	2,174,700	2,606,204	2,677,990	2,753,190	2,826,900	2,902,190	2,973,330	3,046,360	3,121,380	3,198,340
Interest and Investment Revenue	92,400	98,090	102,750	109,550	113,650	126,650	135,410	154,770	171,820	185,990
Other Revenues	417,242	426,880	439,430	452,480	465,340	477,180	489,300	501,730	514,460	527,520
Grants & Contributions for Operational Purposes	8,282,740	8,411,250	8,884,340	8,920,650	9,006,470	9,045,830	9,134,780	9,177,360	9,269,610	9,315,560
Grants and Contributions for Capital Purposes	10,178,380	1,093,250	1,096,540	1,099,860	1,103,210	1,106,600	1,110,020	1,113,480	1,116,970	1,120,490
Net Gain from Disposal of IPPE	25,000	25,630	26,280	26,940	27,620	28,320	29,030	29,760	30,510	31,280
<b>Total Income from Continuing Operations</b>	<b>25,822,912</b>	<b>17,702,394</b>	<b>18,672,360</b>	<b>19,248,110</b>	<b>19,619,260</b>	<b>19,961,280</b>	<b>20,326,000</b>	<b>20,662,810</b>	<b>21,055,110</b>	<b>21,406,550</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits and On-costs	(5,733,200)	(6,536,540)	(6,700,450)	(6,725,760)	(6,886,610)	(7,060,710)	(7,240,010)	(7,424,590)	(7,614,670)	(7,810,370)
Borrowing Costs	(115,170)	(106,110)	(96,630)	(84,805)	(72,340)	(59,105)	(42,960)	-	-	-
Materials and Contracts	(2,329,680)	(2,476,610)	(2,553,530)	(2,678,860)	(2,756,630)	(2,894,300)	(2,959,360)	(3,084,420)	(3,172,110)	(3,302,520)
Depreciation and Amortisation	(5,346,120)	(5,501,908)	(5,622,167)	(5,761,964)	(5,869,391)	(5,988,646)	(6,140,525)	(6,278,458)	(6,406,078)	(6,523,320)
Other Expenses	(2,166,080)	(2,275,320)	(2,348,810)	(2,573,940)	(2,657,440)	(2,748,790)	(2,837,850)	(2,929,670)	(3,024,570)	(3,122,610)
<b>Total Expenses from Continuing Operations</b>	<b>(15,690,250)</b>	<b>(16,896,488)</b>	<b>(17,321,587)</b>	<b>(17,825,329)</b>	<b>(18,242,411)</b>	<b>(18,751,551)</b>	<b>(19,220,705)</b>	<b>(19,717,138)</b>	<b>(20,217,428)</b>	<b>(20,758,820)</b>
<b>NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/ (DEFICIT)</b>	<b>10,132,662</b>	<b>805,907</b>	<b>1,350,773</b>	<b>1,422,781</b>	<b>1,376,849</b>	<b>1,209,729</b>	<b>1,105,295</b>	<b>945,672</b>	<b>837,682</b>	<b>647,730</b>
<b>Other Funding Movements</b>										
Total Capital Expenditure	(14,764,989)	(5,678,805)	(5,775,345)	(5,861,375)	(6,017,767)	(5,957,340)	(6,193,070)	(6,007,650)	(6,296,090)	(6,101,420)
Total Transfers From/ (To) Reserves	(172,990)	(131,500)	(219,190)	(314,620)	(405,870)	(504,980)	(575,410)	(760,035)	(829,440)	(933,690)
Total Loan Repayments	(189,530)	(192,290)	(203,230)	(214,800)	(227,030)	(239,960)	(253,610)	-	-	-
Total Loan Borrowings	-	-	-	-	-	-	-	-	-	-
Depreciation Contra Income	5,346,120	5,501,908	5,622,167	5,761,964	5,869,391	5,988,646	6,140,525	6,278,458	6,406,078	6,523,320
<b>TOTAL OTHER FUNDING MOVEMENTS SURPLUS/ (DEFICIT)</b>	<b>(9,781,389)</b>	<b>(500,687)</b>	<b>(575,598)</b>	<b>(628,831)</b>	<b>(781,276)</b>	<b>(713,634)</b>	<b>(881,565)</b>	<b>(489,227)</b>	<b>(719,452)</b>	<b>(511,790)</b>
<b>TOTAL BUDGET SURPLUS/ (DEFICIT)</b>	<b>351,273</b>	<b>305,219</b>	<b>775,175</b>	<b>793,950</b>	<b>595,573</b>	<b>496,095</b>	<b>223,730</b>	<b>456,445</b>	<b>118,230</b>	<b>135,940</b>
<b>NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/ (DEFICIT)</b>	<b>(45,718)</b>	<b>(287,343)</b>	<b>254,233</b>	<b>322,921</b>	<b>273,639</b>	<b>103,129</b>	<b>(4,725)</b>	<b>(167,808)</b>	<b>(279,288)</b>	<b>(472,760)</b>



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

CONSOLIDATED COUNCIL										
Balranald Shire Council - Long Term Financial Plan - Balance Sheet										
	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	2030/31 Yr
<b>Assets</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	8,023,230	7,716,195	8,390,135	8,724,240	9,239,005	9,636,050	9,970,125	11,217,580	12,380,350	13,188,155
Investments	8,242,190	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	435,590	478,340	500,210	523,560	538,370	553,700	568,070	582,850	598,040	613,670
Inventories	52,000	53,300	54,640	56,020	57,430	58,880	60,360	61,880	63,440	65,040
Other	130,500	34,000	34,000	34,000	34,600	35,220	35,860	36,510	37,180	37,860
<b>Total Current Assets</b>	<b>16,883,510</b>	<b>9,931,835</b>	<b>10,428,985</b>	<b>11,287,820</b>	<b>11,819,405</b>	<b>12,883,850</b>	<b>13,634,415</b>	<b>14,848,820</b>	<b>16,029,010</b>	<b>17,454,725</b>
<b>Non Current Assets</b>										
Investments	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Receivables	14,480	17,920	19,710	21,680	22,230	22,780	23,350	23,940	24,530	25,150
Infrastructure, Property, Plant and Equipment	173,792,509	175,707,331	175,860,509	177,718,525	177,866,901	179,614,264	179,666,809	181,192,669	181,082,680	182,471,607
Intangible	449,715	418,765	387,815	356,865	325,915	320,000	320,000	320,000	320,000	320,000
<b>Total Non Current Assets</b>	<b>174,656,704</b>	<b>176,544,016</b>	<b>176,668,034</b>	<b>178,497,070</b>	<b>178,615,046</b>	<b>180,357,044</b>	<b>180,410,159</b>	<b>181,936,609</b>	<b>181,827,210</b>	<b>183,216,757</b>
<b>Total Asset</b>	<b>191,540,214</b>	<b>186,475,851</b>	<b>187,097,019</b>	<b>189,784,890</b>	<b>190,434,451</b>	<b>193,240,894</b>	<b>194,044,574</b>	<b>196,785,429</b>	<b>197,856,220</b>	<b>200,671,482</b>
<b>Liabilities</b>										
<b>Current Liabilities</b>										
Payables	(668,500)	(685,220)	(702,380)	(719,970)	(738,000)	(756,470)	(775,430)	(794,850)	(814,740)	(835,140)
Borrowings	(189,530)	(192,290)	(203,230)	(214,800)	(227,030)	(239,960)	(253,610)	-	-	-
Provisions	(636,620)	(652,540)	(668,860)	(685,590)	(702,740)	(720,320)	(738,330)	(756,800)	(775,730)	(795,130)
<b>Total Current Liabilities</b>	<b>(1,494,650)</b>	<b>(1,530,050)</b>	<b>(1,574,470)</b>	<b>(1,620,360)</b>	<b>(1,667,770)</b>	<b>(1,716,750)</b>	<b>(1,767,370)</b>	<b>(1,551,650)</b>	<b>(1,590,470)</b>	<b>(1,630,270)</b>
<b>Non Current Liabilities</b>										
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)
<b>Total Non Current Liabilities</b>	<b>(1,780,850)</b>	<b>(1,589,825)</b>	<b>(1,387,710)</b>	<b>(1,174,420)</b>	<b>(948,750)</b>	<b>(710,195)</b>	<b>(458,020)</b>	<b>(459,480)</b>	<b>(460,970)</b>	<b>(462,500)</b>
<b>Total Liabilities</b>	<b>(3,275,500)</b>	<b>(3,119,875)</b>	<b>(2,962,180)</b>	<b>(2,794,780)</b>	<b>(2,616,520)</b>	<b>(2,426,945)</b>	<b>(2,225,390)</b>	<b>(2,011,130)</b>	<b>(2,051,440)</b>	<b>(2,092,770)</b>
<b>Net Assets</b>	<b>188,264,714</b>	<b>183,355,976</b>	<b>184,134,839</b>	<b>186,990,110</b>	<b>187,817,931</b>	<b>190,813,949</b>	<b>191,819,184</b>	<b>194,774,299</b>	<b>195,804,780</b>	<b>198,578,712</b>
<b>Equity</b>										
Retained Earnings	(41,889,369)	(43,493,231)	(44,848,494)	(46,275,914)	(47,657,513)	(48,872,112)	(49,982,392)	(50,933,209)	(51,776,120)	(52,429,231)
Revaluation Reserve	(146,375,345)	(139,862,746)	(139,286,346)	(140,714,196)	(140,160,418)	(141,941,837)	(141,836,792)	(143,841,090)	(144,028,660)	(146,149,482)
<b>Total Equity</b>	<b>(188,264,714)</b>	<b>(183,355,976)</b>	<b>(184,134,839)</b>	<b>(186,990,110)</b>	<b>(187,817,931)</b>	<b>(190,813,949)</b>	<b>(191,819,184)</b>	<b>(194,774,299)</b>	<b>(195,804,780)</b>	<b>(198,578,712)</b>

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

CONSOLIDATED COUNCIL		Attachment 1									
		DRAFT Balranald Shire Council - Long Term Financial Plan - Cash Flow Statement									
		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	2030/31 Yr
<b>Cash Flows from Operating Activities</b>											
<b>Receipts:</b>											
Rates and Annual Charges		4,419,830	5,008,120	5,409,730	5,847,210	6,041,880	6,239,170	6,418,280	6,602,460	6,792,400	6,988,310
User Charges and Fees		2,065,970	2,584,550	2,663,170	2,737,930	2,811,300	2,886,180	2,957,050	3,029,670	3,104,280	3,180,810
Interest and Investment Revenue		92,400	98,090	102,750	109,550	113,650	126,650	135,410	154,770	171,820	185,990
Grants & Contributions		18,461,120	9,504,500	9,980,880	10,020,510	10,109,680	10,152,430	10,244,800	10,290,840	10,386,580	10,436,050
Other Revenues		417,240	426,880	439,430	452,480	465,340	477,180	489,300	501,730	514,460	527,520
<b>Payments:</b>											
Employee Benefits and On-costs		(5,618,540)	(6,405,810)	(6,834,460)	(6,591,250)	(7,024,350)	(6,919,500)	(7,384,820)	(7,276,100)	(7,766,970)	(7,654,170)
Borrowing Costs		(115,170)	(106,110)	(96,630)	(84,805)	(72,340)	(59,105)	(42,960)	-	-	-
Materials and Contracts		(2,248,150)	(2,389,930)	(2,464,160)	(2,585,100)	(2,660,150)	(2,793,000)	(2,855,790)	(2,976,470)	(3,061,090)	(3,186,940)
Other Expenses		(2,057,780)	(2,161,560)	(2,231,370)	(2,445,250)	(2,524,570)	(2,611,360)	(2,695,960)	(2,783,190)	(2,873,350)	(2,966,480)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>15,416,920</b>	<b>6,558,730</b>	<b>6,969,340</b>	<b>7,461,275</b>	<b>7,260,440</b>	<b>7,498,645</b>	<b>7,265,310</b>	<b>7,543,710</b>	<b>7,268,130</b>	<b>7,511,090</b>
<b>Cash Flows from Investing Activities</b>											
<b>Receipts:</b>											
Sale of Infrastructure, Property, Plant and Equipment		22,300	49,400	54,800	45,270	52,900	45,000	65,000	45,000	65,000	45,000
<b>Payments:</b>											
Purchase of Infrastructure, Property, Plant and Equipment		(14,764,990)	(13,315,065)	(6,346,970)	(6,457,640)	(6,571,545)	(6,256,640)	(6,342,625)	(6,391,255)	(6,170,360)	(6,148,285)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(14,742,690)</b>	<b>(13,265,665)</b>	<b>(6,292,170)</b>	<b>(6,412,370)</b>	<b>(6,518,645)</b>	<b>(6,211,640)</b>	<b>(6,277,625)</b>	<b>(6,346,255)</b>	<b>(6,105,360)</b>	<b>(6,103,285)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Receipts:</b>											
Proceeds from Borrowings and Advances		(189,530)	(192,290)	(203,230)	(214,800)	(227,030)	(239,960)	(253,610)	-	-	-
<b>Payments:</b>											
Repayment of Borrowings and Advances		-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(189,530)</b>	<b>(192,290)</b>	<b>(203,230)</b>	<b>(214,800)</b>	<b>(227,030)</b>	<b>(239,960)</b>	<b>(253,610)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ (Decrease) in Cash and Investments</b>		<b>484,700</b>	<b>(6,899,225)</b>	<b>473,940</b>	<b>834,105</b>	<b>514,765</b>	<b>1,047,045</b>	<b>734,075</b>	<b>1,197,455</b>	<b>1,162,770</b>	<b>1,407,805</b>
<b>Plus: Cash and Investments - Beginning of Year</b>		<b>16,180,720</b>	<b>16,665,420</b>	<b>9,766,195</b>	<b>10,240,135</b>	<b>11,074,240</b>	<b>11,589,005</b>	<b>12,636,050</b>	<b>13,370,125</b>	<b>14,567,580</b>	<b>15,730,350</b>
<b>Cash and Investments - End of Year</b>		<b>16,665,420</b>	<b>9,766,195</b>	<b>10,240,135</b>	<b>11,074,240</b>	<b>11,589,005</b>	<b>12,636,050</b>	<b>13,370,125</b>	<b>14,567,580</b>	<b>15,730,350</b>	<b>17,138,155</b>

# Attachment 2: 2021/22 Budget by Function for Consolidated Council

FUNCTION OF COUNCIL															
Balranald Shire Council - Long Term Financial Plan - Income Statement - 2021/22 Year															
	Governance	Administration	Public Order & Safety	Health	Environment	Community Services & Education	Housing & Community Amenities	Water Supplies	Sewerage Services	Recreation & Culture	Mining, Manufacturing & Construction	Transport & Communication	Economic Affairs	General Purpose Income	Total
<b>Income from Continuing Operations</b>															
Rates and Annual Charges	0	0	0	0	0	0	392,930	817,000	603,560	0	0	0	0	2,838,960	4,652,450
User Charges and Fees	0	37,000	4,500	450	18,870	392,500	108,700	699,150	134,630	0	8,400	130,000	640,500	0	2,174,700
Interest and Investment Revenue	0	0	0	0	0	6,000	1,500	11,000	2,000	0	0	0	0	71,900	92,400
Other Revenues	12,000	160,952	0	8,200	0	300	73,790	56,000	0	7,400	0	10,400	88,200	0	417,242
Grants & Contributions for Operational Purposes	0	26,000	155,000	30,000	0	851,500	9,500	10,600	6,320	187,400	0	1,652,460	950,000	4,403,960	8,282,740
Grants and Contributions for Capital Purposes	0	0	100,000	0	0	4,280,000	60,000	0	0	2,262,380	0	3,476,000	0	0	10,178,380
<b>Total Income from Continuing Operations</b>	<b>37,000</b>	<b>223,952</b>	<b>259,500</b>	<b>38,650</b>	<b>18,870</b>	<b>5,530,300</b>	<b>646,420</b>	<b>1,593,750</b>	<b>746,510</b>	<b>2,457,180</b>	<b>8,400</b>	<b>5,268,860</b>	<b>1,678,700</b>	<b>7,314,820</b>	<b>25,822,912</b>
<b>Expenses from Continuing Operations</b>															
Employee Benefits and On-costs	-837,880	-2,071,473	-21,875	-33,330	-52,175	-928,700	-196,450	-176,785	-67,160	-112,350	-74,330	-936,425	-224,267	0	-5,733,200
Borrowing Costs	0	0	0	0	-25,200	0	-6,770	-43,500	0	0	0	0	-39,700	0	-115,170
Materials and Contracts	-90,000	-241,592	-109,275	-12,750	-74,325	-141,000	-294,170	-413,315	-106,140	-259,240	0	-430,123	-157,750	0	-2,329,680
Depreciation and Amortisation	0	-424,800	-10,500	-3,500	-57,500	-96,300	-153,920	-284,500	-182,500	-384,100	0	-3,687,300	-61,200	0	-5,346,120
Other Expenses	-152,500	-356,370	-409,900	-9,750	-34,500	-183,900	-135,380	-201,100	-117,700	-285,470	-4,030	-38,380	-237,100	0	-2,166,080
<b>Total Expenses from Continuing Operations</b>	<b>-1,080,380</b>	<b>-3,094,235</b>	<b>-551,550</b>	<b>-59,330</b>	<b>-243,700</b>	<b>-1,349,900</b>	<b>-786,690</b>	<b>-1,119,200</b>	<b>-473,500</b>	<b>-1,041,160</b>	<b>-78,360</b>	<b>-5,092,228</b>	<b>-720,017</b>	<b>0</b>	<b>-15,690,250</b>
<b>NET OPERATING RESULT FROM CONTINUING OPERATIONS SURPLUS/ (DEFICIT)</b>	<b>-1,043,380</b>	<b>-2,870,283</b>	<b>-292,050</b>	<b>-20,680</b>	<b>-224,830</b>	<b>4,180,400</b>	<b>-140,270</b>	<b>474,550</b>	<b>273,010</b>	<b>1,416,020</b>	<b>-69,960</b>	<b>176,632</b>	<b>958,683</b>	<b>7,314,820</b>	<b>10,132,662</b>
<b>Other Funding Movements</b>															
Total Capital Expenditure	-25,000	-483,000	-130,000	0	0	-4,304,500	-190,000	-390,000	-420,000	-2,549,380	0	-5,196,259	-1,076,850	0	-14,764,989
Total Transfers From/ (To) Reserves	0	200,000	0	0	0	0	-125,060	-301,850	-34,710	50,000	0	38,630	0	0	-172,990
Total Loan Repayments	0	-16,330	0	0	-62,200	0	0	-67,200	0	0	0	0	-43,800	0	-189,530
Total Loan Borrowings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation Contra Income	0	424,800	10,500	3,500	57,500	96,300	153,920	284,500	182,500	384,100	0	3,687,300	61,200	0	5,346,120
<b>TOTAL OTHER FUNDING MOVEMENTS SURPLUS/ (DEFICIT)</b>	<b>-25,000</b>	<b>125,470</b>	<b>-119,500</b>	<b>3,500</b>	<b>-4,700</b>	<b>-4,208,200</b>	<b>-161,140</b>	<b>-474,550</b>	<b>-272,210</b>	<b>-2,115,280</b>	<b>0</b>	<b>-1,470,329</b>	<b>-1,059,450</b>	<b>0</b>	<b>-9,781,389</b>
<b>TOTAL BUDGET SURPLUS/ (DEFICIT)</b>	<b>-1,068,380</b>	<b>-2,744,813</b>	<b>-411,550</b>	<b>-17,180</b>	<b>-229,530</b>	<b>-27,800</b>	<b>-301,410</b>	<b>0</b>	<b>800</b>	<b>-699,260</b>	<b>-69,960</b>	<b>-1,293,697</b>	<b>-100,767</b>	<b>7,314,820</b>	<b>351,273</b>
<b>NET OPERATING RESULT BEFORE CAPITAL ITEMS SURPLUS/ (DEFICIT)</b>	<b>-1,043,380</b>	<b>-2,870,283</b>	<b>-392,050</b>	<b>-20,680</b>	<b>-224,830</b>	<b>-99,600</b>	<b>-200,270</b>	<b>474,550</b>	<b>273,010</b>	<b>-846,360</b>	<b>-69,960</b>	<b>-3,299,368</b>	<b>958,683</b>	<b>7,314,820</b>	<b>-45,718</b>



# Attachment 4: 2021/22 Capital Works Program for Consolidated Council

## BALRANALD SHIRE COUNCIL CAPITAL WORKS & LOAN PAYMENTS

### PROPOSED BUDGET 2021/22

	PROJECT DESCRIPTION	Adopted Budget 2021-22
<b>CAPITAL WORKS</b>		
<b>GOVERNANCE</b>		
	Content Management Upgrade	\$25,000
	<b>Sub - Total</b>	<b>\$25,000</b>
<b>CORPORATE &amp; ADMINISTRATIVE SERVICES</b>		
	Web Site Development Shire wide	\$50,000
	IT Architecture Refresh	\$200,000
	Furniture & Fittings	\$10,000
	<b>Corporate &amp; Administrative Services Sub - Total</b>	<b>\$260,000</b>
<b>ENGINEERING OPERATIONS</b>		
	<b>Major Plant Acquisition Costs</b>	
	4.5T Side Tipper including dog capture facility	\$55,000
	Town maintenance supervisor utility	\$35,000
	New Sign Trailer	\$15,000
	Ride on Mower Euston	\$28,000
	5t smooth drum roller	\$10,000
	Small linemaker	\$20,000
	Water tanker relining	\$20,000
	Upgrde light vehicles for traffic safety compliance	\$10,000
	Traffic control stop/go light sets (1)	\$20,000
	Workshop Upgrade	\$10,000
	<b>Engineering Administration Sub - Total</b>	<b>\$223,000</b>
<b>PUBLIC ORDER &amp; SAFETY</b>		
	Rural Fire Service Capital	\$100,000
	Fire Hydrant Upgrade	\$30,000
	<b>Public Order &amp; Safety Sub-Total</b>	<b>\$130,000</b>

## Attachment 4: 2021/22 Capital Works Program for Consolidated Council – Continued

<b>COMMUNITY SERVICES</b>		
Capital Works		\$20,000
Hostel Extension		\$4,280,000
<b>Community Services Sub-Total</b>		<b>\$4,300,000</b>
<b>HOUSING &amp; COMMUNITY AMENITIES</b>		
Flood Mitigation Loan 132 Principal Repayments		\$16,330
West Balranald Drainage Loan		\$62,200
CWA Building Air Conditioning replacement		\$3,000
CWA Building Lighting replacements		\$1,500
Council Chamber Foyer - Air conditioning replacement		\$10,000
Minor Upgrades - Council Buildings & Facilities		\$30,000
Balranald Landfill		\$50,000
Euston Landfill Security Upgrade		\$20,000
Balranald Cemetery Toilet		\$60,000
Balranald Cemetery Masterplan		\$20,000
<b>Housing &amp; Community Amenities Sub - Total</b>		<b>\$273,030</b>
<b>RECREATION &amp; CULTURE</b>		
Art Gallery - Balranald Creative Community Learning Centre		\$134,380
Greenham Park - Balranald Tennis Courts Upgrade Project		\$200,000
Greenham Park - Football Changerooms		\$470,000
Library Book replacement		\$16,000
Library Building Works		\$70,000
Art Acquisition (Bal Archies Sponsorship)		\$3,000
Theatre Royal Refurbishment		\$84,000
Lions Park Upgrade		\$587,000
Euston Reserve Playground		\$40,000
Euston Courthouse Refurbishment		\$25,000
Kyalite Riverfront		\$30,000
Euston Town Approaches		\$100,000
Balranald Riverfront Reserve		\$80,000
Our Rivers Our Region		\$644,000
Irrigation to Parks		\$66,000
<b>Recreation &amp; Culture Sub-Total</b>		<b>\$2,549,380</b>
<b>BUSINESS UNDERTAKINGS</b>		
Information Centre Loan		\$43,800
Caravan Park Powered Sites Power Poles (20)		\$30,000
Site Upgrade (10)		\$21,850
Reburbish Ablution block		\$25,000
Caravan Park refurbish cabins		\$50,000
Joint Organisation Discovery Centre Complex		\$950,000
<b>Business Undertakings Sub-Total</b>		<b>\$1,120,650</b>

## Attachment 4: 2021/22 Capital Works Program for Consolidated Council – Continued

<b>TRANSPORT</b>		
	MR67 North Heavy Patching	\$120,000
	MR67 - Culverts	\$200,000
	MR67 - Formation Widening	\$650,000
	FLRR - Marma Box Creek Road	\$1,200,000
	FLRR - Weimby Kyalite Road	\$1,770,000
	Bertram - Taylor Traffic Calming	\$50,000
	Footpath Construction	\$40,000
	Street Light Upgrade	\$157,500
	Balranald Aerodrome Fencing	\$110,000
	Off Street Parking - Council Property	\$46,840
	Leslie Drive Upgrade	\$290,000
	Tapalin Mail Road R2R	\$221,920
	Oxley Road Culvert Extension	\$20,000
	MR67 Reseals - Capital	\$320,000
	<b>Transport Sub-Total</b>	<b>\$5,196,260</b>
<b>WATER SERVICES</b>		
	Minor pumps and metering equipment	\$10,000
	Balranald AC Mains Replacement	\$45,000
	Euston Replace AC Mains	\$45,000
	Balranald Filtered Water Tower Repaint Int & Ext	\$100,000
	Balranald Raw Water Tower Clean & Inspect	\$80,000
	Water Meter Replacements	\$50,000
	Valves and Meters	\$30,000
	VSD Pumps to maintain emergency supply	\$20,000
	Hand Held Water Meter Readers	\$10,000
	Euston Water Loan	\$67,200
	<b>Water Services Sub - Total</b>	<b>\$457,200</b>
<b>SEWERAGE SERVICES</b>		
	Balranald Sewer PS Upgrades	\$30,000
	Balranald Sewer Excavation & Renewals inc Manholes	\$20,000
	Balranald Sewer Relining	\$280,000
	Euston Pond and channels clean out	\$10,000
	ES PS Switchboard Upgrade	\$80,000
	<b>Sewerage Services Sub-Total</b>	<b>\$420,000</b>
<b>TOTAL CAPITAL WORKS &amp; PRINCIPAL LOAN PAYMENTS</b>		<b>\$14,954,520</b>