



BLAND SHIRE COUNCIL

*great things along*



*People, Places, Progress*

# Resourcing Strategy 2019-2029

- Asset Management Strategy
- Long Term Financial Plan
- Workforce Assessment Plan



# Message from the Mayor and General Manager

It is with pleasure we present to you the Bland Shire Council Resourcing Strategy. This strategy supports and underpins the Community Strategic Plan *Your Vision, Our Future 2017-2027*.

Local Government service provision has transformed significantly over recent years and local Councils have moved beyond the traditional narrow emphasis of roads, rates and rubbish towards broader objectives to promote the social, economic, environmental and cultural wellbeing of communities.

Over a similar period, community expectations of local government have increased while other levels of government have devolved various functions to local government. The overall effect is that councils must provide a greater range of services while endeavouring to meet higher standards and the Resourcing Strategy will assist Council to achieve the goals and strategies outlined in the Community Strategic Plan, Delivery Program and Operational Plan.

The Resourcing Strategy comprises of the Long Term Financial Plan, Asset Management Strategy, policy and plans and the Workforce Assessment Plan.

The Long Term Financial Plan is designed as a high level document forecasting the financial capacity of the Bland Shire Council to meet the long term objectives adopted in the Community Strategic Plan.

Projections, assumptions and estimates have been used to develop an overview of how Council's finances will progress over the next ten years. Key components that have been considered include, but are not limited to, rate pegging, service levels to our community, major infrastructure asset replacement and renewals, new infrastructure, as well as borrowings and cash reserves. The plan is a decision making tool. It is not intended to be a document that specifically indicates what services or which proposals funds are to be allocated to, rather it addresses areas that impact on Council's ability to fund its services and capital works, whilst living within its means and ensuring financial sustainability.

The Asset Management Strategy provides an overall to guide future renewal/replacement and maintenance of assets. The majority of Council's assets are comprised

of major community infrastructure assets such as roads, footpaths, stormwater drainage and sewer management systems, therefore it is imperative that there is an appropriate link and consistency between the Asset Management Strategy and supporting plans and the Long Term Financial Plan. In this way the Long Term Financial Plan ensures the necessary capital outlays (as per the asset management plans) are identified for the renewal and replacement of existing community assets, as well as earmarking funding for new community assets that are essential to the overall development of the shire.

The third linking document that has informed the Long Term Financial Plan is the Workforce Assessment Plan. This document has assisted with long term planning around staffing and future works balanced with achieving the objectives of the Community Strategic Plan.

The Bland Shire is proud that it has a workforce dedicated to self improvement and the acquisition of additional skills and knowledge so they can provide the most efficient and cost effective delivery of services across a very wide and diverse range of activities.

With prudent financial planning and commitment to community, Council has been able to meet the goals it set itself on the road to becoming Fit for the Future and continues to streamline and review process while meeting challenges head on to ensure financial sustainability for many years to secure a vibrant and prosperous future.



Brian Monaghan  
Mayor



Ray Smith  
General Manager



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# Our Shire

The Local Government Area of Bland is located on the northern fringes of the Riverina, New South Wales.

The Shire's major centre of West Wyalong is located on the junction of the Newell and Mid-Western Highways and within a 160 kilometre radius of Wagga Wagga, Griffith, Forbes, Parkes and Cowra and within 300 kilometres of Canberra – providing an authentic rural lifestyle with the conveniences of the city well within reach.

Communities located within the Bland Shire include Barmedman, Kikoira, Mirrool, Naradhan, Tallimba, Ungarie, Weethalle and Wyalong.

## TOTAL POPULATION

5959

(Source: ABS Bland (A) (LGA) Regional Population Table, Created March 2017)

## POPULATION—MALE

3054

## POPULATION—FEMALE

2905

## COUNCIL AREA (SQ KM)

8557.7

## MEDIAN AGE

41.7 Years

## MEDIAN TOTAL INCOME

2013 - \$36,390

## POPULATION DENSITY

0.7 PERSONS per KM<sup>2</sup>

## OUR VISION, MISSION AND VALUES



The Bland Shire offers outstanding Council owned parks and gardens, sporting and community facilities, terrific schools, key medical and business facilities and boasts a fierce and unique community spirit.

The community is proud of its facilities and services but Council and the community believe the Shire's greatest asset is its people.

The Bland Shire has a rich history and a vibrant future. Today the Shire is a blossoming rural economy built around sheep, cattle, wheat and other crop varieties while in more recent times the Shire has also experienced significant developments away from agriculture. Evolution Mining operates a gold mine at Lake Cowal while Pace Farm has the biggest egg producing facility in the southern hemisphere.

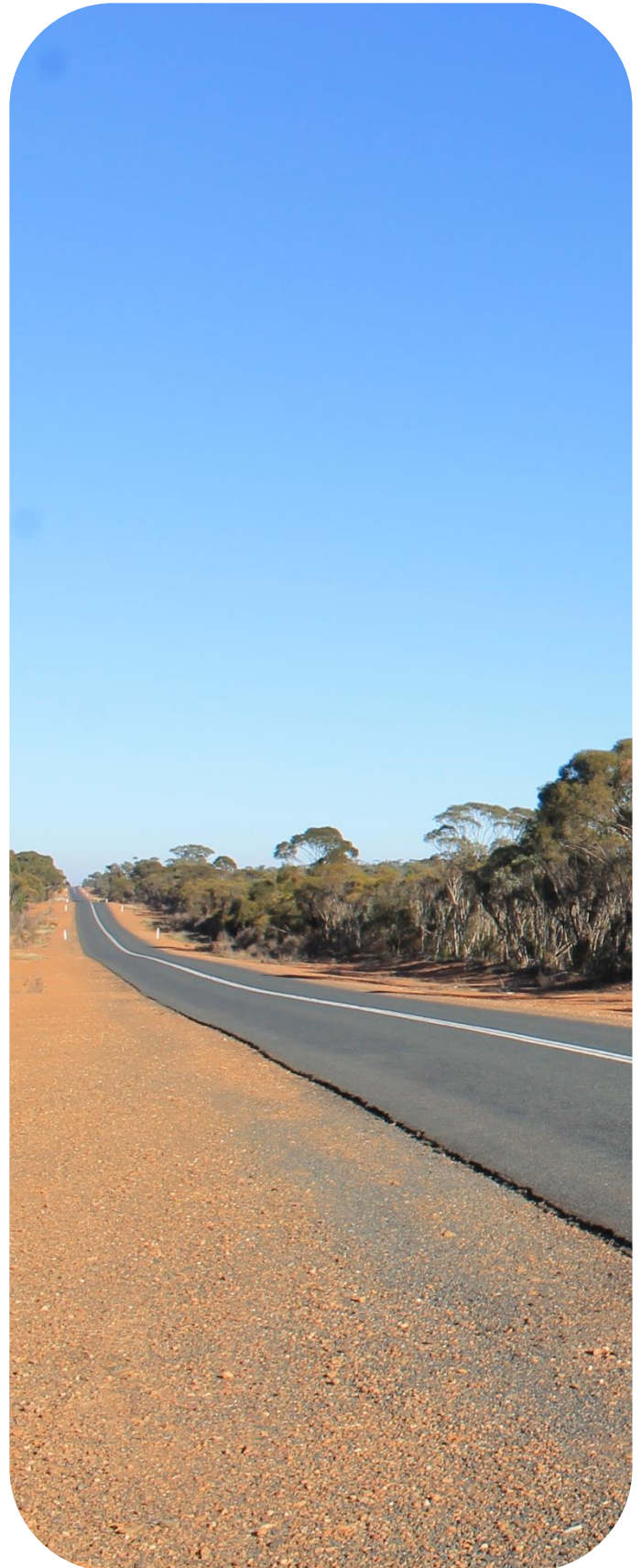
# Our Council

The Integrated Planning and Reporting Framework sets the strategic direction for the provision of infrastructure and services throughout the Shire. Bland Shire Council provides and maintains millions of dollars worth of assets, from the essential infrastructure of roads, paths, kerb and gutter, wastewater and waste management, to the parks, playgrounds, community buildings and amenities that enhance the quality of life for our residents and visitors.

## **Council's road network comprises:**

- 707km of sealed roads
- 184km of Regional sealed roads
- 2,370km of unsealed roads
- 34km of footpaths and shared pathways
- 190km of kerbs and gutters
- 9 bridges
- 46 pedestrian bridges
- 2 car parks
- 1,269 culverts

Materials for the construction and maintenance of these road and infrastructure assets are provided by 99 privately owned gravel pits and 3 Council owned pits located on road reserves, while its equipment is stored at two Council depots.





**Council also provides many facilities to help create a strong, cohesive and creative community.**

There are a total of 143 buildings and structures including:

- Library/Visitor Information Centre/ Administration offices
- Children's Services Unit
- Community Care Centre
- Public Halls
- Museums
- Men's Shed
- Buildings under Crown Trust reserves and Council Section 355 Committees.

**To encourage the community to get active and enjoy our enviable climate**

Council provides:

- 17 parks and recreational spaces
- 14 playgrounds
- 7 sporting precincts including 9 ovals
- Wetlands
- 2 swimming complexes
- Outdoor fitness circuit





**In addition, Council operates and maintains:**

- West Wyalong Stadium
- 17 public toilets/amenities blocks
- 5 cemeteries
- 3 sewerage treatment plants
- Livestock saleyards
- Aerodrome
- 8 landfills
- Animal pound

# Introduction to Integrated Planning and Reporting

## YOUR VISION, OUR FUTURE – Bland Shire Council Community Strategic Plan

The Community Strategic Plan provides objectives for both the Council and the community to strive for in cooperation with each other and will determine the future direction of Council and its resources. Strategies within this plan are presented in the following themes:



**Our People**



**Our Places**



**Our Leadership**



**Our Prosperity**

## Delivery Program and Operational Plan

The Delivery Program is adopted every four years and is essentially a statement of commitment to the community from the Council. The delivery program is directly linked to the objectives within the Community Strategic Plan. The Delivery Program is designed to be the single point of reference and all plans, projects, activities and funding allocations must be directly linked to this program.

The operational component of the plan is updated on an annual basis and supports the actions and objectives of the Delivery Program and Community Strategic Plan. The annual budget is based on the operational plan as it details projects and activities that will be undertaken each year. The Operational plan identifies measures to determine the effectiveness of the programs, projects and services contained within the plan.

## Resourcing Strategies

For the strategies within the Community Strategic Plan to be realised, the Resourcing Strategy, consisting of the Long Term Financial Plan, Asset Management Strategy and Workforce Assessment Plan outlines how Council will achieve the relevant objectives with enough time, money, assets and people.

## How the IP&R Framework Works





# **Long Term Financial Plan**

## **2019-2029**

# Financial Sustainability

Council's key objective is financial sustainability in both the short and long term, demonstrating the Council's capacity to deliver the objectives in the Community Strategic Plan, Delivery Program and Operational Plan.

A financially sustainable Council is one that can:

1. Achieve a fully funded operating position resulting in a zero or surplus bottom line result, including repayment of debt and depreciation.
2. Maintain sufficient cash reserves to ensure Council can meet working capital and operational requirements and externally contracted agreements.
3. Has a fully funded capital program, where the source of funding is identified and secure.
4. The asset base is maintained by renewing infrastructure and ensuring cash reserves are set aside for future works.

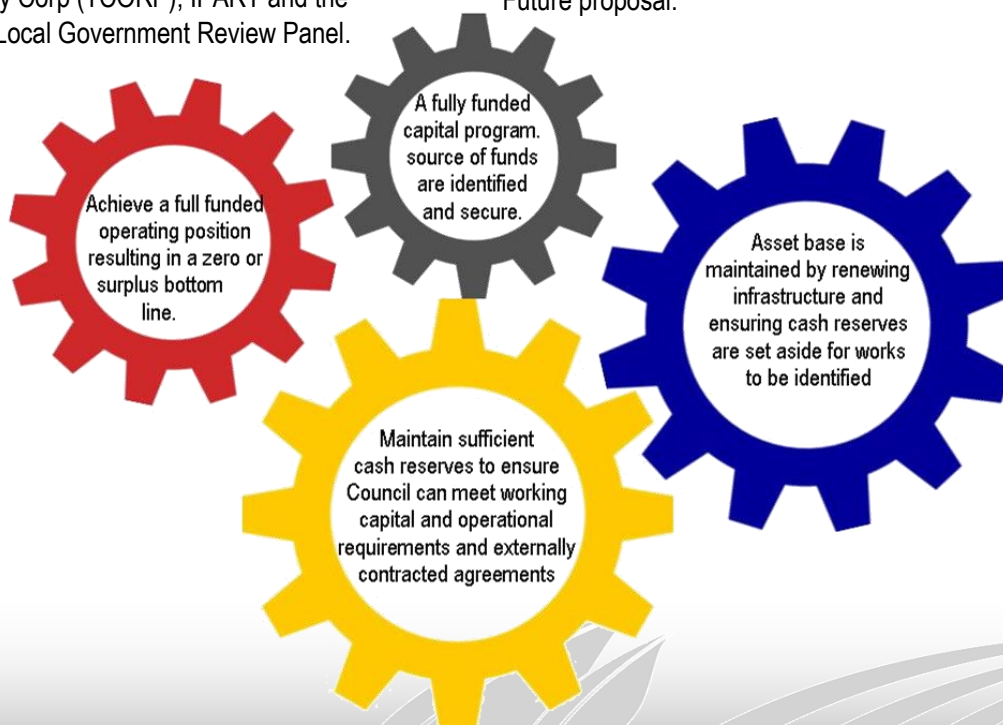
The Office of Local Government (OLG) has developed a set of criteria and benchmarks to measure if Council's across NSW are operating strategically and Fit for the Future. The indicators were developed and based on work undertaken by NSW Treasury Corp (TCORP), IPART and the Independent Local Government Review Panel.

Following the review, Council developed an action plan to ensure long term sustainability against the criteria set. To date Council has met all projections and the Long Term Financial Plan (LTFP) will assist with meeting the balance with the actions embedded in the delivery program and operational plan.

Of the six financial indicators, Bland Shire meets five. Own source revenue continues to be difficult to meet due to Council's small rate base and high percentage of Grants and Contributions. Rates and Annual Charges contributing 34.3% (17/18 FY) of the total income and user charges and fees accounting for 5.7% (2017/18 FY).












Additional income received from mining rates continues to be placed in an infrastructure reserve for discretionary spending and has allowed, and will continue to allow, Council to undertake major projects with particular focus on infrastructure renewal.

Council is continually looking for opportunities that will be mutually beneficial to both the community and council, while meeting the KPI's outlined within the Community Strategic Plan, keeping the Fit for the Future benchmarks in mind and meeting the goals and objectives outlined in Council's Fit for the Future proposal.



# Fit for the Future

In 2015 as part of Council's Fit for the Future Improvement Proposal, a series of objectives and strategies were developed to ensure the financial sustainability of the Bland Shire. Below is a summary and the progress achieved to date.

Action Plan			
Actions	Milestones	Progress	
Review service levels in line with public consultation and expectations	<ul style="list-style-type: none"> <li>Review of all Council Services by September 2020</li> <li>Consult with community regarding service levels and expectations</li> <li>Review IPR documentation in line with OLG requirements</li> </ul>	<ul style="list-style-type: none"> <li>Council staff continually review services to ensure improvement processes are incorporated as identified</li> <li>Community consulted during review of Integrated Planning and Reporting documentation review.</li> </ul>	  
Undertake service and efficiency reviews of Council functions	<ul style="list-style-type: none"> <li>Complete all service reviews by September 2020</li> <li>Review Asset and Engineering Hire rates – September 2015</li> <li>Review staffing and overtime levels – July 2016</li> </ul>	<ul style="list-style-type: none"> <li>Service reviews underway and on target</li> <li>Review of hire rates completed and monitored against usage and costs</li> <li>Staffing and overtime reviewed. Ongoing monitoring undertaken</li> </ul>	  
Undertake review of Revenue policy with a view to full cost recovery where possible	<ul style="list-style-type: none"> <li>Revenue Policy review completed by July 2016</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Reviewed during each budget process</li> </ul>	
Apply for Special Rate Variation for Shire	<ul style="list-style-type: none"> <li>Community Consultation completed by 31 December 2015</li> <li>SRV application completed by mid February 2016</li> </ul>	<ul style="list-style-type: none"> <li>Council resolved not to apply for a Special Rate Variation following negative community response</li> </ul>	
Investigate corporate partnerships and collaboration	<ul style="list-style-type: none"> <li>Identify opportunities</li> <li>Improve returns from private hire of community facilities</li> <li>Investigate additional private works opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Private works tendered for as opportunities arise</li> <li>Hire rates reviewed to ensure maximum return</li> </ul>	
Investigate the potential for Sewer Business Unit to pay a dividend to Council when operating surplus result	<ul style="list-style-type: none"> <li>Review sewer management plan by June 2016</li> <li>Review Sewer fees and charges by June 2016</li> </ul>	<ul style="list-style-type: none"> <li>Management Plan review completed</li> <li>Fees and Charges reviewed and continue to be reviewed annually</li> </ul>	  
Review developer contribution plans e.g. S7.11 and S7.12	<ul style="list-style-type: none"> <li>Conduct review of contribution plans by 30 June 2016</li> </ul>	<ul style="list-style-type: none"> <li>Initial review completed. Further review being undertaken in conjunction with Local Environment Plan Review</li> </ul>	



Action Plan			
Actions	Milestones	Progress	
Investigate the renegotiation of Council's loan extending term to 2030 with fixed interest rate	<ul style="list-style-type: none"> <li>Renegotiate Council's loan by December 2015</li> </ul>	<ul style="list-style-type: none"> <li>Loan renegotiated</li> </ul>	✓
Lobby NSW Government to adequately bring up the Regional Roads to a satisfactory standard so that they do not incur large maintenance costs and to lobby the Roads and Maritime Services to supply more realistic support grants for these roads	<ul style="list-style-type: none"> <li>Lobby government regarding additional funding for roads</li> </ul>	<ul style="list-style-type: none"> <li>Lobbying undertaken as opportunities arise</li> </ul>	⚠
Review Insurance schedules	<ul style="list-style-type: none"> <li>Complete insurance review by June 2016</li> </ul>	<ul style="list-style-type: none"> <li>Insurance schedule reviewed in line with asset register</li> </ul>	✓
Investigate workplace traineeships and educational assistance to encourage existing staff to further their skills and knowledge	<ul style="list-style-type: none"> <li>Source training opportunities for employees in accordance with individual training needs and approved budget as identified</li> </ul>	<ul style="list-style-type: none"> <li>Several opportunities undertaken with Human Resources continuing to look for and provide opportunities to existing staff</li> </ul>	⚠
Investigate the utilisation of Local Government procurement tender process	<ul style="list-style-type: none"> <li>Utilise approved companies via the LGP process</li> </ul>	<ul style="list-style-type: none"> <li>LGP utilised when services and/or resources available</li> </ul>	⚠
Investigate regional planning and collaborative opportunities with REROC and the Riverina JO	<ul style="list-style-type: none"> <li>Actively participate in REROC, JO and technical committees</li> <li>Review Council's LEP with neighbouring Councils</li> <li>Investigate further options for shared positions with neighbouring and REROC councils</li> <li>Investigate a Regional Framework for undertaking Service Reviews</li> </ul>	<ul style="list-style-type: none"> <li>Active participation in various committees by a variety of staff</li> <li>LEP review underway</li> <li>Service sharing and collaborative projects undertaken as appropriate</li> </ul>	✓ ⚠ ⚠

# Our Challenges

Council has been able to maintain consistently high levels of service for many of its functions and has achieved it without reliance on additional rate increases above rate pegging. However, our Long Term Financial Plan has revealed that these service levels are unsustainable with the current revenue streams versus expenditure.

Due to strong community opposition to a Special Rate Variation, Council has reviewed service levels, staffing levels and how we provide services to our community, all in an effort to meet our Fit for the Future Plan and be financially sustainable into the future.

Therefore, the key considerations when developing the Long Term Financial Plan included:

- Level of Service – Do the levels of service provided align with the amount of revenue available
- Infrastructure Management – Is there adequate expenditure on existing assets
- Borrowings and Financial Position – When should a Council Borrow? How much can be borrowed?
- Financial Sustainability – What is affordable in the Long-Term
- What other efficiencies can be achieved

Many challenges face Local Government, particularly those based in rural and remote areas with limited income streams.

New South Wales Councils can access revenue in a variety of ways including:

- Rates and annual charges
- Fees and charges
- Grants
- Contributions
- Loan arrangements
- Revenue from investments
- Sale of assets/property

## Limited Income Streams

Revenue from rates and charges makes up approximately 34.3% (17/18 FY) of Council's total operating income. This means Council relies heavily on grants and contributions (55% - 17/18

FY) as many rural and remote Council's do. As a result, Council is constantly reviewing the provision of services and trying to do more with less. This, coupled with reviewing fees and charges and working towards a fee recovery process where possible, is a delicate balance.

## Rate Pegging

Council is restricted by the amount it can levy in ordinary rates by the Local Government Act (1993). The rate increase is determined annually under delegated authority by IPART. Over the last 5 years (2013/14 – 2017/18), the average increase has been 2.28% with the 2018/19 increase being just 2.3%.

## Cost Shifting

Cost shifting is another significant issue being faced by Local Government. A survey undertaken by Local Government New South Wales for the 2013/14 financial year indicates the issue is increasing from previous surveys (2011/12) and represents 6.96% across New South Wales.

## Declining Population

Declining population in rural areas is also a real factor for rural New South Wales. Predictions for the Shire indicate a growth of -0.7%, meaning a prediction of slight decline over the next 10 years. Therefore, future planning and the economic development of the Shire is paramount in negating or reversing this trend and assisting Council to work towards long term sustainability.

## Budgeting

It is important the budget reflects the priorities within the Community Strategic Plan as expressed by the community during the engagement process. This then provides a direct link to the actions and strategies in the Delivery Program and Operational Plan.

Ensuring Council has the funds to meet these actions, while remaining sustainable with a zero based or surplus budget in the long term is a challenge for both the community and council.

# Assumptions & Forecasts

The Long Term Financial Plan utilises the current operating budget as the base. It then uses a number of internal and external assumptions to project revenue and expenditure for the following ten years.

The main external assumptions include: interest rates, rate pegging limits, CPI and State government charges. These assumptions are out of Council's control however have been estimated based on industry advice and historic trends.

The specific assumptions underpinning the Long Term Financial Plan are:

## Revenue

The revenue against expenditure across the life of the long term financial plan aims to be proportionately stable. Council's conservative approach to revenue prediction has ensured Council does not overstate income and not meet required targets.

## Rates and Charges

Revenue from rates and charges makes up approximately 34.3% of Council's total operating income (2017/18). The general rate is indexed by IPART and not released until December. The modelling for the long term financial plan is based on the trends (declining) of the last 10 years (with the average being 2.28)

## User Fees and Charges

Many of the services provided by Council are "user pays" and working towards a cost recovery model. As council continues to strive to be Fit for the Future, the review of fees and charges and the communities capacity to pay will continue.

Statutory fees where the fee is set by the State Government, such as most planning fees, have mainly remained static due to the uncertain nature of the States propensity for changing these fees.

## Interest and Investments

The long term financial plan investment income has been based on the rates being achieved on existing term deposits and Australian Governments 10 year Bond rate, the Long term financial plan has been based on a rate of 3-4%.

## Grants

Council receives many grants across the service functions with the core revenue stream being the Financial Assistance Grants.

## Contributions and Donations

As part of the Fit for the Future action plan, Council committed to reviewing the Section 7.11 and 7.12 contributions plans. This process is underway and will be presented to Council in conjunction with the review of the Local Environment Plan.

## Asset Disposal

Disposal of plant is assumed to be at a nil gain/loss due to their operational nature. The disposal of all other assets is budgeted for gain on disposal. Council is required to revalue assets on a rotating schedule and this, in addition to improvements in depreciation modelling and a review of useful life will potentially reduce the over depreciation liability.

## Expenditure

### Consumer Price Index (CPI)

The Reserve Bank of Australia Governor and Treasurer have agreed that the appropriate target for monetary policy in Australia is to achieve an inflation rate of 2-3 per cent, on average, over the cycle (RBA). The long term financial plan has taken this policy into consideration and where real costs are unable to be determined; an increase based on the Reserve Bank policy has been applied.

### Employee Costs

Employee costs represent the cost to Council for salary & wages, leave entitlements, superannuation, workers compensation and training costs. These costs represent approximately 28% of Councils total operating expenditure.

Under the New South Wales Local Government Award, Council employees receive a salary increase each year. These costs have been projected at 2.8% in addition to the increases in superannuation guarantee.

Council's Workforce Assessment Plan has identified a number of potential key position movements over the term of the Plan. The recruitment for these positions have been included within the overall costs of salaries and wages for the Long Term Financial Plan. Any future workforce requirements as identified will need to be provided from the existing structure by identifying opportunities for improved services and/or redeployment where necessary.

### **Borrowings**

If Council is to renew community infrastructure or build new infrastructure, it is recommended to borrow funds so the costs of the assets can be shared equitably between current and future generations.

Council has current borrowings from the Holland Park Pool upgrade that were renegotiated in 2014/15 for a 15 year term.

### **Materials and Contracts**

Council maintains a number of contractual arrangements for the provision of goods and materials. As these contracts are renewed, economic and market conditions will influence price. Where possible, Council will attempt to fix prices to prevent large fluctuations. For goods and materials not supplied under contract, averaging and forecasting has been applied within the long term financial plan.

### **Depreciation and Amortisation**

Council is required to revalue different asset classes on a rotating basis in line with the Office of Local Governments scheduled program. This revaluation program has the potential to have significant effect on depreciation expense.

Council utilises a straight line depreciation approach for its infrastructure assets. Depreciation levels and implementation relating to useful life and residual values are subject to ongoing review.

The useful life of the asset is dependent on the associated service levels being provided by the asset and in line with the communities expectations.

Depreciation on Council's road network makes up a large proportion of the depreciation costs.

## **General Assumptions**

### **Capital Expenditure**

Capital expenditure will be focused on asset renewal rather than new assets as council continues to reach the guidelines of Fit for the Future.

### **Review of Service Levels**

A review of existing service levels in line with public expectations and consultation is to be completed by September 2020 (FFTF submission). This review will be completed taking available funds into consideration and will continue to be monitored as Council and the community progress through the Long Term Financial Plan and integrated planning and reporting cycle.

### **Councils Community Grants Program**

Council's community grants program is to be reviewed each year with available amounts being dependant on available funds. Council encourages community groups to aim towards achieving self-sustaining events.

# Financial Strategies

## Strategy 1

### Balanced Budgets

With each budget process, Council aims to achieve at the minimum, a balanced budget or a small operating surplus. This will allow Council to maintain a positive working funds balance and be in a better position to fund unforeseen expenditure without utilising reserve funds and meet the requirement of Fit for the Future.

## Strategy 2

### Ongoing Identification of Efficiencies

Council is committed to identifying and implementing initiatives which reduce expenditure and or/increase income to improve the 'bottom-line' and its capacity to improve services.

The initiatives below are under review and are in the process of being implemented

- Review of Fees and charges to ensure closer alignment with costs
- Improved utilisation of Information Management systems and technology systems including remote links.
- Incorporation of Asset management software to assist with ten year planning and costings
- Sourcing grant funds to support capital programs and new initiatives
- Review of Capital project processes, procedures and outcomes
- Sourcing contract works to increase Council's own source revenue and better utilise existing Council resources

## Strategy 3

### Management of Cash and Investments

Council funds are invested in high rated, low risk categories. This approach, although conservative, ensures funds assist Council to meet its interest projections in the Long Term Financial Plan and are not at risk of loss as during the Global Financial Crisis.

## Strategy 4

### Narrow the Infrastructure Funding Gap

Council's Assets have undergone major review over the last two years with a complete revaluation undertaken during the 2017/18 financial year.

Council continues to work towards the identified Assets Management Goals listed below which will place Council in a position to further reduce the infrastructure gap.

Asset Management Goals:

- Maintaining asset management software, Assetic
- Taking a lifecycle approach to assets
- Cost effective management strategies
- Defined level of service
- Monitoring service performance
- Understanding Community demands
- Risk Management approach
- Sustainable practices with regard to physical resources
- Continuous improvement practices

## Strategy 5

### Asset renewal has a higher priority than the creation of new assets

If asset renewal is prioritised over new assets, this will allow Council to reduce the infrastructure backlog, reduce maintenance costs in the long term and provide assets of a high quality to the community.

## Strategy 6

### Maintain Outstanding Ratio at or below Accepted Benchmarks

This ratio measures the percentage of Councils total rates and annual charges that are outstanding. A lower percentage indicates that less income is outstanding and unpaid. The Office of Local Government's accepted benchmark for outstanding rates in rural councils is less than 10%.

As at 30 June 2018, the ratio for Bland Shire Council was 6.93%. Council aims to keep this ratio below 10%.



# Reserves

Council has a number of externally and internally restricted reserves. External restrictions relate to those funds held for specific purpose unexpended grants, developer contributions (s94 funds) and money held in reserve for sewer and domestic waste services.

Internal reserves are those funds that have been set aside at Council's discretion for funding of future projects/programs, infrastructure renewal, depreciation or in the case of employee leave entitlement future liabilities. Funds are also required for operational purposes.

All restricted funds are held in reserve so they are utilised for their intended purpose.

## Externally Restricted Reserves

Council externally restricted reserves are those that are restricted by law, or by conditions placed on the funds by the provider. They include the following:

- Development Contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans
- Specific Purpose Unexpended Grants – Grants which are not yet expended for the purposes for which the grants were obtained
- Sewerage Service – Sewer and domestic waste management and other special rates/levies/charges are extremely restricted assets and must be applied for the purposes for which they are raised.

## Internally Restricted Reserves

Council maintains a wide variety of reserves as detailed in note 6 of the 2016/2017 annual Financial Statements. These reserves have been established by Council resolution, and include provisions for future projects such as asset maintenance and renewal, plant and vehicle replacements and employee leave entitlements. The main purpose of internal reserves is to ensure that Council has the ability to utilise these funds at a date when and as required.

# Sensitivity Analysis and Risk Management

The purpose of the sensitivity analysis is to identify significant risk to the projections provided within the long term financial plan. Council's objective is to be financially viable and sustainable with the key factors being the ability to create additional own source revenue and the condition of the Council's infrastructure assets being at the forefront.

## Identified Risks

### Financial Assumptions

The financial factors of CPI, rate pegging, interest rates (both loans and investments) and frozen grant income will all impact on the operating performance of Council.

### 'Acts of God'

The condition of Council's infrastructure is an identified risk as "Acts of God" can seriously impact on the condition of the road network and general infrastructure. This risk needs to be assessed along with the resultant potential increase in infrastructure backlog.

### Wage Increases

Long term forecasts have been calculated with a 2.8% increase for staff wages each year. This will be monitored as the plan progresses and in conjunction with the workforce assessment plan. Staff numbers are expected to remain at a similar level, with all new positions requiring approval from the Management executive team (Manex).

### Wage Liabilities

Superannuation has been forecast in line with superannuation guarantee. Leave and entitlements are monitored monthly by Manex. Funds have been restricted to cover the leave provisions and are deemed sufficient by Council's external auditors.

### Unfunded Maintenance and Depreciation

A review of Council's assets, service agreements and fees and charges will assist Council to meet expenditure associated with unfunded maintenance and depreciation. Opportunities to increase own source revenue, public/private partnerships and contracting of works will all contribute towards meeting the shortfall.

### Rate Pegging

Council long term forecast is based on 2-3%. If the rate pegging amount is less than this, the income shortfall will need to be recovered through alternative income streams or reduced expenditure to account for the variance.

### Financial Assistance Grants

Financial Assistance Grants are calculated with a minimal increase of 1.5%. If the increase is less, then the shortfall will need to be recovered from other sources or estimated expenditure reduced, or reduced service levels. Increased funds would allow for further works and/or services to be provided.

# Financial Benchmarks

## FINANCIAL BENCHMARKS

The following is based on actual results from the 2017/2018 financial year



### OPERATING PERFORMANCE

RATIO:

**-1.05%**

OLG  
benchmark  
set at 0%

### OWN SOURCE REVENUE



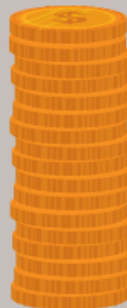
**44.71%**

OLG benchmark  
set at 60%

**6.93%**  
RATES  
OUTSTANDING



OLG benchmark  
set at < 10%



### UNRESTRICTED CURRENT RATIO

(\$ available to perform tasks)

**14.3X**

OLG benchmark set at >1.5x

### DEBT SERVICE COVER

**16.24X**

OLG benchmark set at >2x

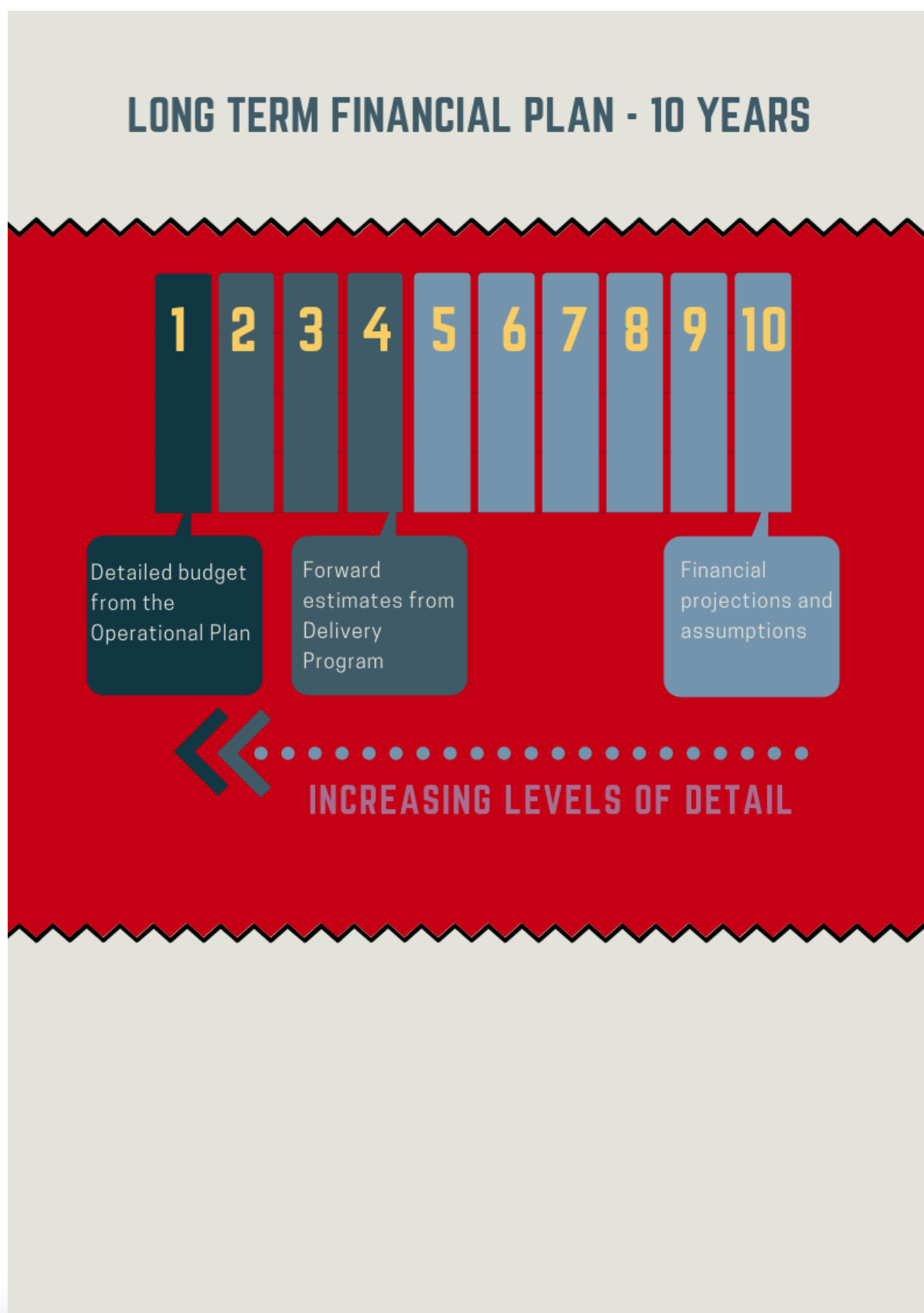


### CASH EXPENSE COVER

**25.72  
MONTHS**

OLG benchmark set at >3x

# Financial Scenario



The commentary and analysis provided in the document to this point describes the base case model of the Long Term Financial Plan. It is the model inclusive of the previously detailed assumptions that will be recommended to Council for adoption.

This scenario predicts Council will:

- Maintain a surplus operating result before grants and contributions
- Have a surplus bottom line by 2020/21
- Have total equity of \$385 million (increasing)
- Cash budget surplus result by 2020/21

## **Appendix**

- Appendix 1 – Income Statement – Consolidated
- Appendix 2 – Balance Sheet - Consolidated
- Appendix 3 – Budget Summary - Consolidated
- Appendix 4 – Financial Sustainability Charts - Consolidated
- Appendix 5 – Budget Summary – Sewer Services

## Appendix 1

**Bland Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2029**  
**INCOME STATEMENT - CONSOLIDATED**  
**Scenario: STANDARD**

	Actuals 2017/18	Current Year 2018/19	2019/20	2020/21	2021/22	2022/23	Projected Years					
	\$	\$	\$	\$	\$	\$	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
							\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>												
<b>Revenue:</b>												
Rates & Annual Charges	8,604,000	8,902,649	9,231,128	9,451,948	9,688,289	9,930,496	10,178,759	10,433,227	10,694,058	10,961,410	11,235,445	11,516,331
User Charges & Fees	1,440,000	1,550,854	1,263,061	1,293,162	1,324,015	1,356,139	1,389,085	1,423,816	1,458,935	1,495,407	1,532,791	1,571,110
Interest & Investment Revenue	704,000	347,722	435,122	435,122	435,122	435,122	445,122	475,122	475,122	485,122	485,122	485,122
Other Revenues	412,000	8,870,156	8,755,278	8,894,597	9,032,222	9,132,713	9,234,618	9,337,959	9,478,029	9,620,199	9,764,502	9,910,970
Grants & Contributions provided for Operating Purposes	12,137,000	773,379	1,127,550	1,142,004	1,166,773	1,192,475	1,217,949	1,244,165	1,267,747	1,291,914	1,316,681	1,342,063
Grants & Contributions provided for Capital Purposes	1,664,000	3,095,254	2,810,947	2,842,948	2,875,741	2,909,348	2,943,754	2,979,014	3,015,147	3,050,599	3,086,938	3,124,185
<b>Other Income:</b>												
Net gains from the disposal of assets	143,000	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>25,104,000</b>	<b>23,540,014</b>	<b>23,623,086</b>	<b>24,059,780</b>	<b>24,522,161</b>	<b>24,956,293</b>	<b>25,409,267</b>	<b>25,893,304</b>	<b>26,389,039</b>	<b>26,904,651</b>	<b>27,421,479</b>	<b>27,949,781</b>
<b>Expenses from Continuing Operations</b>												
Employee Benefits & On-Costs	6,573,000	6,882,302	6,964,154	7,176,391	7,383,808	7,596,374	7,815,333	8,040,879	8,273,915	8,513,947	8,761,190	9,015,858
Borrowing Costs	293,000	55,465	50,977	45,789	41,149	36,379	31,694	26,839	22,069	17,299	12,562	7,759
Materials & Contracts	5,954,000	5,296,852	5,624,761	5,510,596	5,455,411	5,416,602	5,363,373	5,330,533	5,351,498	5,512,293	5,667,626	5,826,775
Depreciation & Amortisation	8,507,000	7,760,614	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	2,214,000	2,209,838	2,380,497	2,474,187	2,483,817	2,542,853	2,613,285	2,730,511	2,750,464	2,829,338	2,911,122	3,050,298
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>23,541,000</b>	<b>22,205,071</b>	<b>23,460,211</b>	<b>23,646,784</b>	<b>23,804,008</b>	<b>24,032,029</b>	<b>24,263,507</b>	<b>24,568,584</b>	<b>24,837,768</b>	<b>25,312,700</b>	<b>25,792,321</b>	<b>26,340,512</b>
<b>Operating Result from Continuing Operations</b>	<b>1,563,000</b>	<b>1,334,944</b>	<b>162,875</b>	<b>412,996</b>	<b>718,153</b>	<b>924,264</b>	<b>1,145,760</b>	<b>1,324,720</b>	<b>1,551,270</b>	<b>1,591,952</b>	<b>1,629,158</b>	<b>1,609,269</b>
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Profit/(Loss) from Discontinued Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the Year</b>	<b>1,563,000</b>	<b>1,334,944</b>	<b>162,875</b>	<b>412,996</b>	<b>718,153</b>	<b>924,264</b>	<b>1,145,760</b>	<b>1,324,720</b>	<b>1,551,270</b>	<b>1,591,952</b>	<b>1,629,158</b>	<b>1,609,269</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(101,000)</b>	<b>(1,760,310)</b>	<b>(2,848,072)</b>	<b>(2,429,952)</b>	<b>(2,157,588)</b>	<b>(1,985,084)</b>	<b>(1,797,995)</b>	<b>(1,654,294)</b>	<b>(1,463,877)</b>	<b>(1,458,648)</b>	<b>(1,457,780)</b>	<b>(1,514,916)</b>

## Appendix 2

**Bland Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2029**  
**BALANCE SHEET - CONSOLIDATED**  
**Scenario: STANDARD**

	Actuals 2017/18	Current Year 2018/19	2019/20	2020/21	2021/22	2022/23	Projected Years					
	\$	\$	\$	\$	\$	\$	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
							\$	\$	\$	\$	\$	\$
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash & Cash Equivalents	3,551,000	9,461,675	15,240,804	21,181,228	27,701,503	34,264,510	41,021,027	48,253,416	55,466,762	62,616,183	69,802,550	76,971,726
Investments	24,700,000	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662	24,225,662
Receivables	1,387,000	1,868,086	1,812,563	1,880,088	1,951,376	2,020,823	2,092,069	2,167,192	2,244,887	2,323,065	2,402,233	2,482,075
Inventories	704,000	749,784	691,393	678,867	672,337	667,442	660,957	656,572	656,904	671,258	685,101	699,280
Other	102,000	60,202	64,874	64,597	64,112	64,171	64,193	64,774	64,934	66,731	68,508	70,788
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>30,444,000</b>	<b>36,365,409</b>	<b>42,035,296</b>	<b>48,030,442</b>	<b>54,614,991</b>	<b>61,242,609</b>	<b>68,063,908</b>	<b>75,367,618</b>	<b>82,659,150</b>	<b>89,902,899</b>	<b>97,184,054</b>	<b>104,449,532</b>
<b>Non-Current Assets</b>												
Investments	3,036,000	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338	3,510,338
Receivables	108,000	348,007	358,927	367,157	376,013	385,083	394,376	403,895	413,648	423,639	433,875	444,362
Inventories	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	330,911,000	326,419,886	320,795,775	315,128,460	309,173,636	303,382,215	297,618,685	291,556,187	285,731,634	280,007,081	274,282,528	268,557,975
Investments Accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
Other	198,000	205,485	221,430	220,484	218,831	219,032	219,107	221,091	221,637	227,768	233,836	241,619
<b>Total Non-Current Assets</b>	<b>334,253,000</b>	<b>330,483,716</b>	<b>324,886,470</b>	<b>319,226,439</b>	<b>313,278,818</b>	<b>307,496,668</b>	<b>301,742,505</b>	<b>295,691,512</b>	<b>289,877,257</b>	<b>284,168,827</b>	<b>278,460,577</b>	<b>272,754,293</b>
<b>TOTAL ASSETS</b>	<b>364,697,000</b>	<b>366,849,125</b>	<b>366,921,766</b>	<b>367,256,881</b>	<b>367,893,809</b>	<b>368,739,277</b>	<b>369,806,414</b>	<b>371,069,129</b>	<b>372,536,407</b>	<b>374,071,726</b>	<b>375,644,631</b>	<b>377,203,825</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Bank Overdraft	-	-	-	-	-	-	-	-	-	-	-	-
Payables	714,000	821,703	868,915	872,349	872,754	879,136	885,451	897,889	905,477	929,895	954,367	984,528
Income received in advance	303,000	1,144,839	1,106,956	1,125,382	1,143,734	1,158,397	1,173,268	1,188,500	1,206,873	1,225,607	1,244,660	1,264,037
Borrowings	147,000	124,485	124,485	124,485	124,485	124,485	124,485	124,485	124,485	124,485	124,485	124,485
Provisions	2,923,000	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892	2,923,892
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>4,087,000</b>	<b>5,014,919</b>	<b>5,024,247</b>	<b>5,046,107</b>	<b>5,064,865</b>	<b>5,085,910</b>	<b>5,107,096</b>	<b>5,134,766</b>	<b>5,160,727</b>	<b>5,203,879</b>	<b>5,247,403</b>	<b>5,296,941</b>
<b>Non-Current Liabilities</b>												
Payables	39,000	6,639	7,076	7,336	7,353	7,512	7,704	8,029	8,075	8,290	8,513	8,900
Income received in advance	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,100,000	1,022,515	922,515	822,515	722,515	622,515	522,515	422,515	322,515	222,515	122,515	22,515
Provisions	4,495,000	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108	4,494,108
Investments Accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>5,634,000</b>	<b>5,523,262</b>	<b>5,423,700</b>	<b>5,323,959</b>	<b>5,223,976</b>	<b>5,124,135</b>	<b>5,024,327</b>	<b>4,924,653</b>	<b>4,824,698</b>	<b>4,724,913</b>	<b>4,625,136</b>	<b>4,525,523</b>
<b>TOTAL LIABILITIES</b>	<b>9,721,000</b>	<b>10,538,181</b>	<b>10,447,947</b>	<b>10,370,066</b>	<b>10,288,841</b>	<b>10,210,046</b>	<b>10,131,422</b>	<b>10,059,418</b>	<b>9,985,426</b>	<b>9,928,793</b>	<b>9,872,539</b>	<b>9,822,464</b>
<b>Net Assets</b>	<b>354,976,000</b>	<b>356,310,944</b>	<b>356,473,819</b>	<b>356,886,815</b>	<b>357,604,968</b>	<b>358,529,231</b>	<b>359,674,991</b>	<b>360,999,711</b>	<b>362,550,981</b>	<b>364,142,933</b>	<b>365,772,091</b>	<b>367,381,360</b>
<b>EQUITY</b>												
Retained Earnings	134,552,000	135,886,944	136,049,819	136,462,815	137,180,968	138,105,231	139,250,991	140,575,711	142,126,981	143,718,933	145,348,091	146,957,360
Revaluation Reserves	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000	220,424,000
Council Equity Interest	354,976,000	356,310,944	356,473,819	356,886,815	357,604,968	358,529,231	359,674,991	360,999,711	362,550,981	364,142,933	365,772,091	367,381,360
Minority Equity Interest	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Equity</b>	<b>354,976,000</b>	<b>356,310,944</b>	<b>356,473,819</b>	<b>356,886,815</b>	<b>357,604,968</b>	<b>358,529,231</b>	<b>359,674,991</b>	<b>360,999,711</b>	<b>362,550,981</b>	<b>364,142,933</b>	<b>365,772,091</b>	<b>367,381,360</b>

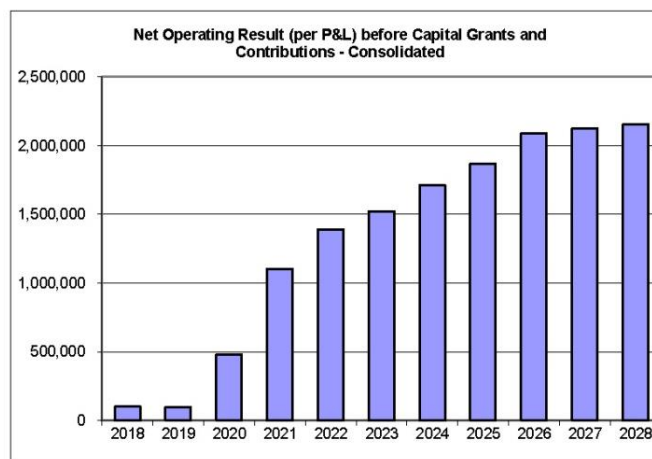
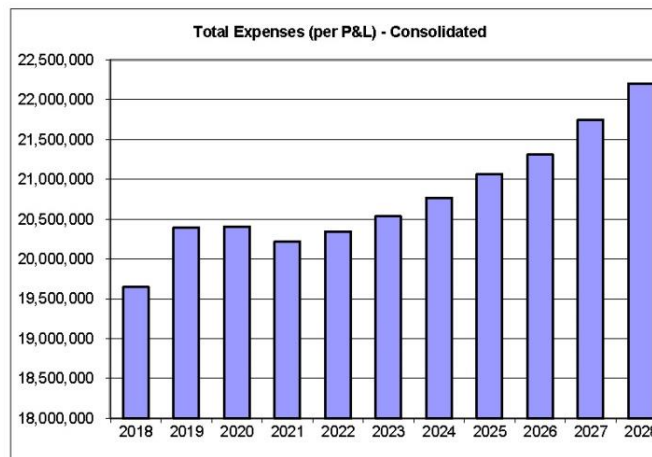
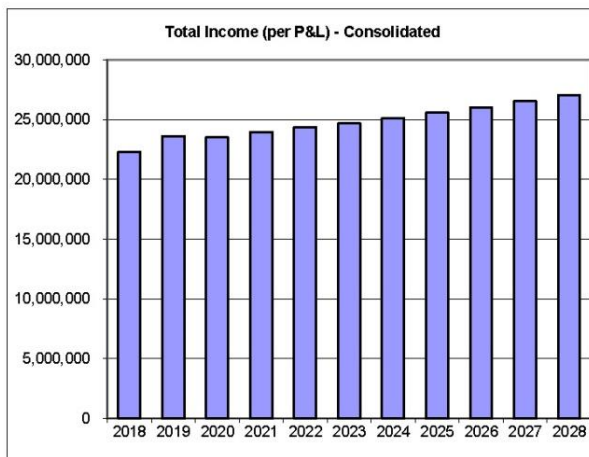
## Appendix 3

<b>Bland Shire Council</b> <b>10 Year Financial Plan for the Years ending 30 June 2029</b> <b>BUDGET SUMMARY - CONSOLIDATED</b> <b>Scenario: STANDARD</b>											
	Current Year	Projected Years									
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
Rates & Annual Charges	8,902,649	9,231,128	9,451,948	9,688,289	9,930,496	10,178,759	10,433,227	10,694,058	10,961,410	11,235,445	11,516,331
User Charges & Fees	1,550,854	1,263,061	1,293,162	1,324,015	1,356,139	1,389,065	1,423,816	1,458,935	1,495,407	1,532,791	1,571,110
Interest & Investment Revenue	347,722	435,122	435,122	435,122	435,122	445,122	475,122	475,122	485,122	485,122	485,122
Other Revenues	8,870,156	8,755,278	8,894,597	9,032,222	9,132,713	9,234,618	9,337,959	9,478,029	9,620,199	9,764,502	9,910,970
Grants & Contributions provided for Operating Purposes	773,379	1,127,550	1,142,004	1,166,773	1,192,475	1,217,949	1,244,165	1,267,747	1,291,914	1,316,681	1,342,063
Grants & Contributions provided for Capital Purposes	3,095,254	2,810,947	2,842,948	2,875,741	2,909,348	2,943,754	2,979,014	3,015,147	3,050,599	3,086,938	3,124,185
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>23,540,014</b>	<b>23,623,086</b>	<b>24,059,780</b>	<b>24,522,161</b>	<b>24,956,293</b>	<b>25,409,267</b>	<b>25,893,304</b>	<b>26,389,039</b>	<b>26,904,651</b>	<b>27,421,479</b>	<b>27,949,781</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	6,882,302	6,964,154	7,176,391	7,383,808	7,596,374	7,815,333	8,040,879	8,273,915	8,513,947	8,761,190	9,015,858
Borrowing Costs	74,466	50,977	45,789	41,149	36,379	31,694	26,839	22,069	17,299	12,562	7,759
Materials & Contracts	5,296,852	5,624,761	5,510,596	5,455,411	5,416,602	5,363,373	5,330,533	5,351,498	5,512,293	5,667,626	5,826,775
Depreciation & Amortisation	7,760,614	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	2,209,838	2,380,497	2,474,187	2,483,817	2,542,853	2,613,285	2,730,511	2,750,464	2,829,338	2,911,122	3,050,298
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>22,224,072</b>	<b>23,460,211</b>	<b>23,646,784</b>	<b>23,804,008</b>	<b>24,032,029</b>	<b>24,263,507</b>	<b>24,568,584</b>	<b>24,837,768</b>	<b>25,312,700</b>	<b>25,792,321</b>	<b>26,340,512</b>
<b>Net Operating Profit /(Loss) for the Year</b>	<b>1,315,943</b>	<b>162,875</b>	<b>412,996</b>	<b>718,153</b>	<b>924,264</b>	<b>1,145,760</b>	<b>1,324,720</b>	<b>1,551,270</b>	<b>1,591,951</b>	<b>1,629,158</b>	<b>1,609,269</b>
<b>Capital (Balance Sheet) and Reserve Movements</b>											
Capital Expenditure	(3,618,250)	(3,106,461)	(3,008,977)	(2,683,188)	(2,950,331)	(2,944,792)	(2,765,269)	(2,965,269)	(3,065,269)	(3,065,269)	(3,065,269)
Loan Repayments (External)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Loan Repayments (Internal)	-	-	-	-	-	-	-	-	-	-	-
Finance Lease Repayments	-	-	-	-	-	-	-	-	-	-	-
New Loan Borrowings (External)	-	-	-	-	-	-	-	-	-	-	-
New Loan Borrowings (Internal)	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Intangible & Tangible Assets	448,750	390,750	236,470	198,190	301,930	268,500	387,945	350,000	350,000	350,000	350,000
Deferred Debtors and Advances received (External)	-	-	-	-	-	-	-	-	-	-	-
Internal Loans - Principal Receipt (rec'd from other Funds)	-	-	-	-	-	-	-	-	-	-	-
Bonds & Deposits received	-	-	-	-	-	-	-	-	-	-	-
ELE Provisions received (from other Councils)	-	-	-	-	-	-	-	-	-	-	-
Other Capital Receipts	-	-	-	-	-	-	-	-	-	-	-
Non-cash Expense Contra Income	-	-	-	-	-	-	-	-	-	-	-
Net Transfers (to)/from Reserves	(947,132)	1,987,443	2,459,511	1,866,845	1,824,138	1,630,532	1,152,604	1,163,999	1,223,318	1,186,111	1,206,000
<b>Total Capital (Balance Sheet) and Reserve Movements</b>	<b>(4,216,632)</b>	<b>(828,268)</b>	<b>(412,996)</b>	<b>(718,153)</b>	<b>(924,263)</b>	<b>(1,145,760)</b>	<b>(1,324,720)</b>	<b>(1,551,270)</b>	<b>(1,591,951)</b>	<b>(1,629,158)</b>	<b>(1,609,269)</b>
<b>Net Result (including Depreciation &amp; Other non-cash items)</b>	<b>(2,900,689)</b>	<b>(665,393)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
Add back Depreciation Expense (non-cash)	7,760,614	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822	8,439,822
Add back ELE Expense (non-cash)	-	-	-	-	-	-	-	-	-	-	-
Add back Other Expenses (non-cash)	-	-	-	-	-	-	-	-	-	-	-
Less Other Income (non-cash)	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Budget Surplus/(Deficit)</b>	<b>4,859,925</b>	<b>7,774,429</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>	<b>8,439,822</b>

## Appendix 4

**Bland Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2028**  
**CHARTS - ALL FUNDS (CONSOLIDATED)**  
**Scenario: Post Budget Workshop**

**Income Statement Charts**



## Appendix 5

**Bland Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2029**  
**BUDGET SUMMARY - SEWER FUND**  
**Scenario: STANDARD**

	Current Year 2018/19	2019/20	2020/21	2021/22	2022/23	Projected Years					
	\$	\$	\$	\$	\$	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
						\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
Rates & Annual Charges	1,469,365	1,540,972	1,579,497	1,618,984	1,659,459	1,700,945	1,743,469	1,787,056	1,831,732	1,877,525	1,924,463
User Charges & Fees	31,000	31,100	31,877	32,674	33,491	34,328	35,186	36,066	36,968	37,892	38,839
Interest & Investment Revenue	5,000	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
Other Revenues	40,000	40,000	40,600	41,209	41,827	42,455	43,091	43,738	44,394	45,060	45,736
Grants & Contributions provided for Operating Purposes	20,000	20,000	20,500	21,013	21,538	22,076	22,628	23,194	23,774	24,368	24,977
Grants & Contributions provided for Capital Purposes	1,000	1,000	1,030	1,061	1,093	1,093	1,093	1,093	1,093	1,093	1,093
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,566,366</b>	<b>1,638,572</b>	<b>1,679,004</b>	<b>1,720,440</b>	<b>1,762,907</b>	<b>1,806,397</b>	<b>1,850,967</b>	<b>1,896,646</b>	<b>1,943,460</b>	<b>1,991,438</b>	<b>2,040,608</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	313,484	354,750	367,166	380,017	393,318	407,084	421,332	436,078	451,341	467,138	483,488
Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-
Materials & Contracts	867,985	821,698	841,243	860,812	880,865	902,016	923,077	944,660	967,679	990,346	1,013,576
Depreciation & Amortisation	249,720	425,516	425,516	425,516	425,516	425,516	425,516	425,516	425,516	425,516	425,516
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	95,499	113,920	117,338	120,858	124,483	128,218	132,065	136,026	140,107	144,310	148,640
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>1,526,688</b>	<b>1,715,884</b>	<b>1,751,263</b>	<b>1,787,203</b>	<b>1,824,182</b>	<b>1,862,834</b>	<b>1,901,989</b>	<b>1,942,281</b>	<b>1,984,643</b>	<b>2,027,311</b>	<b>2,071,220</b>
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
<b>Net Operating Profit /(Loss) for the Year</b>	<b>39,678</b>	<b>(77,312)</b>	<b>(72,259)</b>	<b>(66,762)</b>	<b>(61,275)</b>	<b>(56,437)</b>	<b>(51,021)</b>	<b>(45,635)</b>	<b>(41,183)</b>	<b>(35,873)</b>	<b>(30,612)</b>
<b>Capital (Balance Sheet) and Reserve Movements</b>											
Capital Expenditure	(50,000)	(60,000)	-	-	-	-	-	-	-	-	-
Loan Repayments (External)	-	-	-	-	-	-	-	-	-	-	-
Loan Repayments (Internal)	-	-	-	-	-	-	-	-	-	-	-
Finance Lease Repayments	-	-	-	-	-	-	-	-	-	-	-
Internal Loans - Principal Receipt (rec'd from other Funds)	-	-	-	-	-	-	-	-	-	-	-
Bonds & Deposits received	-	-	-	-	-	-	-	-	-	-	-
ELE Provisions received (from other Councils)	-	-	-	-	-	-	-	-	-	-	-
Other Capital Receipts	-	-	-	-	-	-	-	-	-	-	-
Non-cash Expense Contra Income	-	-	-	-	-	-	-	-	-	-	-
Net Transfers (to)/from Reserves	10,322	137,312	72,259	66,762	61,275	56,437	51,021	45,635	41,183	35,873	30,612
<b>Total Capital (Balance Sheet) and Reserve Movements</b>	<b>(39,678)</b>	<b>77,312</b>	<b>72,259</b>	<b>66,762</b>	<b>61,275</b>	<b>56,437</b>	<b>51,021</b>	<b>45,635</b>	<b>41,183</b>	<b>35,873</b>	<b>30,612</b>
<b>Net Result (including Depreciation &amp; Other non-cash items)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>
Add back Depreciation Expense (non-cash)	249,720	425,516	425,516	425,516	425,516	425,516	425,516	425,516	425,516	425,516	425,516
Add back ELE Expense (non-cash)	-	-	-	-	-	-	-	-	-	-	-
Add back Other Expenses (non-cash)	-	-	-	-	-	-	-	-	-	-	-
Less Other Income (non-cash)	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Budget Surplus/(Deficit)</b>	<b>249,720</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>	<b>425,516</b>



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**Resourcing Strategy**  
**Asset Management Strategy**  
**Long Term Financial Plan**  
**Workforce Assessment Plan**



**Your Vision, Our Future – Bland Shire  
Workforce Assessment Plan and Strategy**

Adopted: 19 June 2018

Reviewed: April 2019

Adopted: 25 June 2019