



SHIRE COUNCIL
Blayney

2018/19 – 2027/28

**LONG TERM FINANCIAL
PLAN**



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2018/19 – 2027/28 Long Term Financial Plan

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Adopted

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PREFACE

THE PATH TO FINANCIAL SUSTAINABILITY

In May 2015 Council sought an additional TCorp review to inform its response to Fit for the Future. The outcomes showed even further improvement with an FSR of **moderate** and an Outlook of **positive**.

Council's current position has:

- a large portfolio of operational and community assets,
- balanced cash flows over 10 years,
- a positive financial asset position with low levels of debt, and
- strong cash holdings that provide capacity to manage normal variations in operational performance or provide opportunity for future investment.

The key to long term financial sustainability, is the operational performance of an organisation. Based on current funding levels forecast in the 2018/19 LTFP, Council's pre- capital operating forecast is a strong continuous surplus over the next 10 years.



1 INTRODUCTION

1.1 Objectives

The Long Term Financial Plan (LTFP) forms part of Council's Resourcing Strategy, together with the Asset Management Plan and Workforce Management Plan.

Council's LTFP provides a framework to assess its revenue building capacity to meet the activities and level of services outlined in its Community Strategic Plan (CSP).



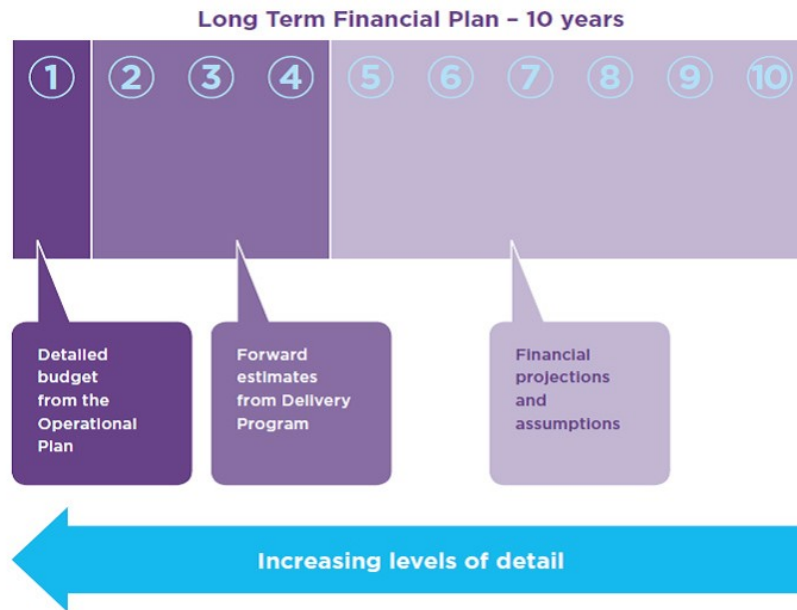
Blayney Shire Council's LTFP seeks to:

- establish greater transparency and accountability of Council to the community;
- provide an opportunity for early identification of financial issues and any likely impacts in the longer term;
- provide a mechanism to:
 - solve financial problems as a whole
 - see how various plans fit together
 - understand the impact of some decisions on other plans or strategies;
- provide a means of measuring Council's success in implementing strategies;
- compare the community wants to financial reality; and,
- confirm that Council can remain financially sustainable in the longer term.

1.2 Timeframe

Council must prepare a LTFP for a minimum of 10 years. It must be updated annually as part of the Operational Plan preparation with adoption and detailed review every 4 years, as part of the Delivery Plan preparation and adoption and review of the CSP.

The Blayney Shire Council LTFP covers a time period spanning ten years from 2018/2019 to 2027/2028.



2. PLANNING ASSUMPTIONS

A LTFP is dependent on a number of planning assumptions. In preparing the LTFP Council considered a range of matters and made appropriate assumptions. These assumptions were used to model and formulate the plan, test a range of scenarios and have ultimately formed the basis of the agreed plan.

Some of the key assumptions/variables reviewed as part of the setup of the LTFP are:

- Financial Assumptions as per table:

Assumption/Variable	Calculation Basis	Year
Rate Peg (Ordinary Rates)	IPART & OLG Figure	2.30% Yr 18-19 2.50% Yr 22-23
Sewer Rates Income	NSW Public Works	5.00% - (Years 1-3)
Waste Rates Income	Based on reasonable cost estimate	3.00% - (Years 2-10)
Fees and Charges Income	User pay fees CPI + 1%	3.50%
Consumer Price Index (CPI)	NSW TCorp Forecast	2.50%
Salaries and Employee On-costs	Award increase 2.5% plus progression based increase 0.50%	3.00%
Interest Rate Income	Current average annual rate of return	2.50%
Interest Rate Expense	TCorp forecast – proposed loans	4.00% - 4.25%
Depreciation		1%

- Service Levels: Refer to Blayney Shire Council Community Strategic Plan (CSP).
- Population Growth: NSW Governments' Planning and Environment Department has the Blayney Shire population to increase by over 8% up to the year 2031. To forecast this is negligible as any increase in revenue maybe offset against any increase in costs servicing a greater population base. As a result, the LTFP has been prepared on the assumption of a constant population base.
- Economic Growth: Due to uncertainties in economic growth rates in regional NSW, the LTFP has been prepared on the assumption of a constant economic growth rate.

As part of the planning process, Council modelled a few scenarios involving variations to the mining income but keeping the asset management plan the

same throughout.

Council found that in the case of a reduction in income the asset management plan would not be achievable without reliance on other compensating measures such as significant expenditure / service reduction strategy or increases to external funding from grants and contributions or special variation to rates. Capital projects would likely be pared back in this event until Council was to achieve a satisfactory solution.

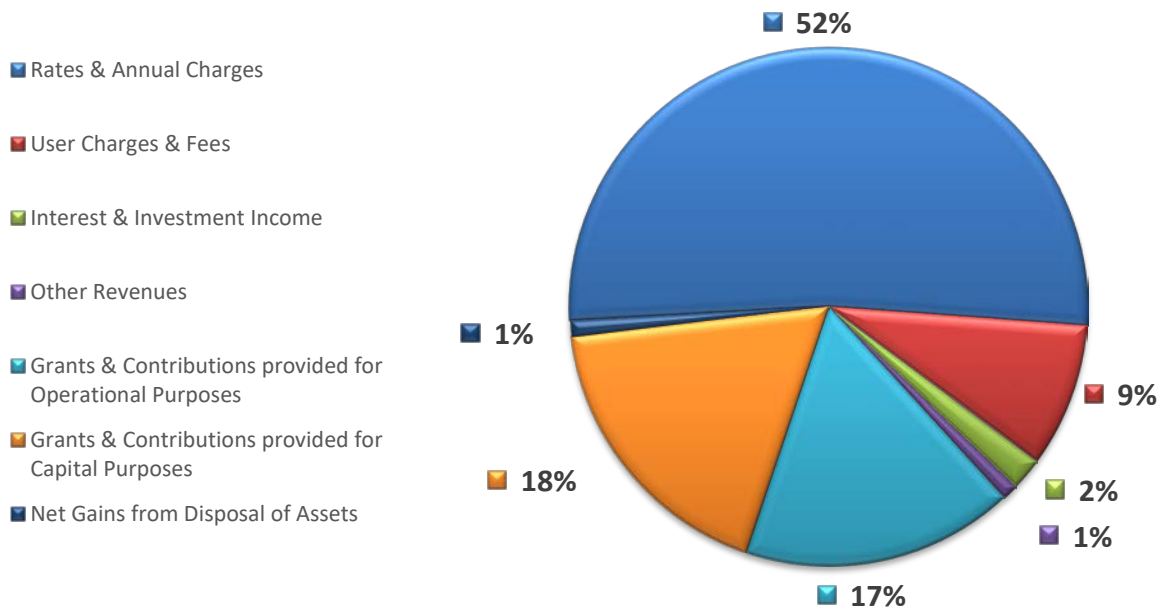


3. REVENUE FORECASTS

The major sources of revenue for councils are:

- Rates and Annual Charges
- User Charges and Fees
- Grants & Contributions
- Investment Revenue
- Borrowings
- Other Revenues

Income from Continuing Operations



3.1 Rates and Annual Charges

The major component of Councils' income is produced via the levying of rates and annual charges, which accounts for 52% of total income.

Blayney Shire Council is proactive and determined to produce a fair balance between rates levied on the shire population and the level of services that can be provided. The amount that is required to be raised from rating is determined after considering Councils' proposed capital works program whilst ensuring the long-term financial viability of the funds.

Council is limited on the percentage that it can increase its rating income known as the Rate Peg. Determined annually by the Independent Pricing and Regulatory Tribunal (IPART) the Rate Peg applies to both Ordinary & Special Rates

Financial Year	Rate Peg
2013/14	3.40%
2014/15	2.30%
2015/16	2.40%
2016/17	1.80%
2017/18	1.50%
5 Year Average	2.28%
2018/19	2.30%

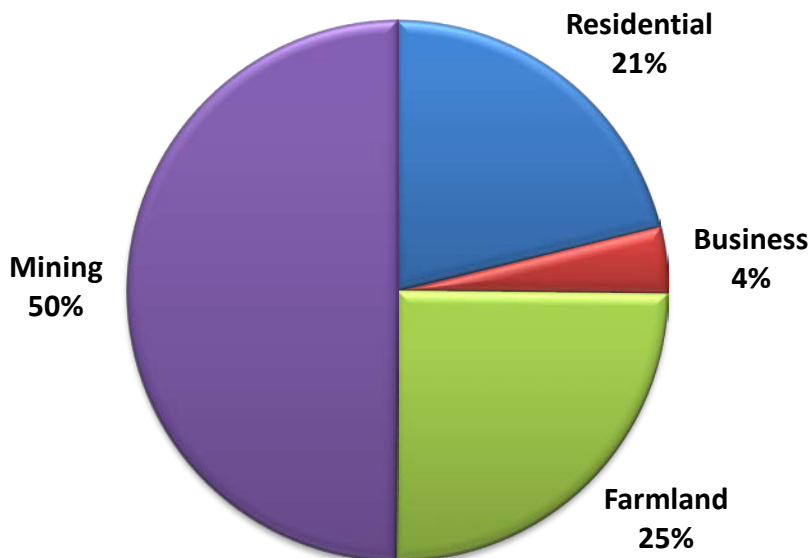
For the 2018/19 financial year, the rate peg has been set at 2.30%. Whilst this is a significant increase from the prior year, it is consistent with the 5-year average and has been modelled for the first 4 years and 2.5% for the remainder of the plan.

Section 492 of the Local Government Act 1993 provides two types of rates: Ordinary rates and Special rates

3.1.1 Ordinary Rates

By virtue of section 494 of the Act, Council is required to make and levy an ordinary rate for each year on all ratable land in its area. This is a mandatory requirement. Land is rated based upon the use of that land or the zoned use of that land. There are four main rating categories, within which Council can create additional sub-categories. The four categories provided by Section 493 of the Act are:

- Farmland
- Residential
- Business
- Mining



All ratable land is classed within one of the four categories unless it is deemed non-ratable, such as a church or school or similar institution.

3.1.2 Special Rates

Council has discretion to levy special rates. Special rates must be made pursuant to section 495 of the Local Government Act 1993 but may be levied under either section 495 or the provisions of Division 2 of Part 5 of Chapter 15 of the act. In the former instance, the special rates may be levied for works or services provided or proposed to be provided by Council (e.g. town improvement works benefiting a specific locality, tourism promotion benefiting a particular ratepayer sector) or for other specific purposes. It is important to note that these rates will usually apply to specific rating categories or specific rating areas. Special rates are also capable of application across all ratepayers. For example, all ratepayers in a Council area could be made subject to a special rate, intended to finance a project that will benefit the whole of the Council area. Special rates can also be raised to fund sewer, water supply and waste management projects.

3.1.3 Rate Pegging

Rate pegging is a term that is commonly associated with section 506 and 509 of the Local Government Act 1993. This term refers to the practice of limiting the amount of revenue a Council can raise from ordinary and special rates by setting a limit on the increase of these rates from previous years. It is important to note that this limit (in the form of a percentage cap) does not apply to an individual's rate levy but rather the total rate levies raised from ordinary and special rates. The Independent Pricing and Regulatory Tribunal (IPART) advise Councils of the allowable rate pegging limit in November/December each year.

3.1.4 Special Rate Variation

Blayney Shire Council has modelled its 10-year LTFP with just the continuation of the Mining only special variation. In 2012/13, pursuant to S.508A Council levied a one off 40.7% special variation to the mining category. The approved variation was reduced by \$127k in 2016/17 following conclusion of the 2008/09 Community Centre special rate variation.

A summary of anticipated income from the current Mining SRV based on the assumptions modelled in this plan is shown below:

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Mining SRV	1,648	1,686	1,724	1,764	1,808	1,853	1,900	1,947	1,996	2,046

Blayney Shire Council's LTFP has not modelled any future Special Rate Variations.

3.2 User Charges & Fees

In accordance with Sections 496, 501 and 502 of the Local Government Act 1993, Council is able to charge for the provision of sewerage and domestic waste services.

3.2.1 Sewerage Charges

The [NSW Best-Practice Management of Water Supply and Sewerage Framework](#) requires Council to prepare and implement a sound 20 to 30 year strategic business plan and financial plan in accordance with the [NSW Water and Sewerage Strategic Business Planning Guidelines](#)

On 9 February 2015, Council adopted the Strategic Business Plan for Sewerage Services (SBP). The Sewer Strategic Plan demonstrates best practice management, which encourages the effective and efficient delivery of sewerage services.

Best Practice requires the SBP be reviewed every four-five years, and provides guidance for the future management of sewerage business. Council is currently in the process of reviewing the SBP, which it hopes to adopt in the coming financial year.

Council has set charges to provide sufficient funds to operate and maintain sewerage services, to re-pay existing loans and to generate additional reserves to provide capital works and upgrades in the future.

For Residential Properties

A uniform sewerage charge will be applied to all residential customers in accordance with the Department of Environment, Climate Change and Water Best Practice sewer pricing guidelines.

For Non-Residential Properties

A two-part tariff, being a connection charge and a usage charge will be applied. Non-residential properties include multiple occupancies, such as non-strata flats and units, and those properties, which are categorised as “business” for rating purposes.

The connection charge is determined by multiplying the access charge applicable to the water service connection size, by the sewerage discharge factor (SDF).

The usage charge is determined by multiplying the number of kilolitres of water consumed, by the SDF, and then by \$1.15.

Council will issue sewer usage charges every three months in arrears, which will be included on the rates instalment notice.

The SDF is a customer’s estimated volume discharged into the sewerage system to the customers total water consumption. For non-residential properties, the SDF varies based on the usage requirements of a customer’s enterprise. For the majority of customers, a SDF is applied within one of the five levels outlined in Councils revenue policy.

Council introduced a framework of consistent charges for Non-Residential Properties across both Blayney and Millthorpe in 2015/16. Council implemented a medium to long-term strategy to ensure charges are set to provide sufficient funds to operate and maintain sewerage services, to re-pay existing loans and to generate additional reserves to provide capital works and upgrades in the future.

3.2.2 Waste Management Charges

The Local Government Act 1993 requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. The service is provided to residents of Blayney, Millthorpe, Carcoar, Lyndhurst, Neville, Newbridge, Hobbys Yards, Barry, Forest Reefs and specific rural areas. The service includes a weekly garbage collection service and a fortnightly recycling collection service.

The Domestic Waste Strategy is supported by a ten-year financial strategy, as part of the LTFP, which determines the annual charge. The forecast increase in the charges has been set in accordance with the strategy and applies a 3% increase to the kerb side domestic waste service throughout the plan. Council will soon tender a new waste contract to commence in the 2018/ 2019 financial year that may impact on the LTFP. Any potential impact as a result of the above will be reflected in the domestic waste user charges.

An additional waste levy is proposed to help offset the rising cost of operating the Blayney Waste Facility. With the increasing cost of processing recyclable products, the levy provides equity for all ratepayers who have access to the waste facility.

3.2.3 Statutory Charges

Council has no discretion to determine the amount of a fee for service when the amount is fixed by regulation or by another authority. Examples of statutory fees include development assessment fees and planning certificates.

The majority of statutory charges do not increase annually in line with CPI, however for the purposes of financial modelling these fees are assumed to increase in line with CPI over the long term.

3.2.4 Other Fees

User fees and charges include office fees (photocopying, binding etc.), fees for use of Council facilities and other statutory and regulatory fees.

No significant new user charge or fee opportunities have been identified as part of the development of the CSP.

3.3 Grants & Contributions

In reviewing operational grants and contributions, it is considered prudent not to forecast an increase, other than for CPI, over the period of the plan. It is unlikely that there will be any increase in grants, or provision of new grants, for current services. Any reduction or discontinuance of grants will be offset by a corresponding reduction in expenditure.

Council receives a general purpose Financial Assistance Grant from the Commonwealth Government. In the 2017 /18 Budget, the Commonwealth Government announced that it was lifting the freeze on indexation of the

Financial Assistance Grants (FAG). Council has forecast a CPI increase in the Financial Assistance Grant over the term of this plan.

The Office of Local Government measures Councils on their reliance on external funding through the Own Source Operating Revenue. Councils should be able to generate greater than 60% of total revenue without the reliance of external funding.

Capital grants and contributions fluctuate from year to year dependent on scheduled capital works programs and available funding programs. Dependent on the funding agreements Council may be required to match funding with monetary or in kind contributions with a strong focus on upgrade or renewal of existing assets over new assets.

Major Grant Funding Forecasts

Project	Funding \$\$	Project Total	Year
Southern Cadia Access	\$576,340	\$1,176,204	18/19
Mandurama Road	\$400,775	\$801,550	18/19
Hobbys Yards Road	\$242,268	\$484,536	18/19
Browns Creek Rd Bridge	\$1,494,447	\$2,323,197	18/19
CentrePoint Upgrade	\$1,900,000	\$3,890,000	18/19 – 19/20
King George Oval Redevelopment	\$1,669,092	\$1,919,092	18/19 – 19/20
Blayney Skate Park Belubula River Walk Stage 1 Lyndhurst Village Link Stage 1 Sporting Ground Upgrade Public Amenities Upgrade	\$741,673	\$741,673	18/19
Blayney Showground MultiPurpose Covered Arena	\$1,500,000	\$1,500,000	18/19 – 19/20
Adelaide St Improvements – Kerb & Blister	\$768,750	\$768,750	19/20
Olive St Mandurama – Reallocate Pedestrian Refuge	\$350,000	\$425,00	20/21
Mandurama Road	\$519,896	\$1,039,792	21/22
Cultural Centre	\$1,000,000	\$1,000,000	22/23
Sewerage Treatment Plan – Capacity Upgrade	\$5,796,375	\$8,917,500	25/26

The Section 94 Developer Contribution Plan aims to generate contributions that will support the maintenance of levels of service for new community infrastructure to the present standard of facilities per head of existing population.

3.4 Investments Revenue

Council's investment strategy is to undertake investment of surplus funds, maximising earnings from authorised investments, whilst ensuring the security of Council funds.

Council's investment policy is conservative and limits investments to those covered by the Government Guarantee. Council's investment portfolio consists of predominately term deposits with major banks and institutions. Council's policy also limits the amount invested per institution ensuring a diversified investment mix and spreading of associated risks.

Forecast returns on Council's investment portfolio are based on the forecast 90 Day Bank Bill Swap Rate plus a small margin of 0.5% to reflect strategic investments in longer-term investment products where appropriate.

Council also aims to ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.

3.5 Borrowings

Councils can finance some of their capital expenditure through the use of borrowings. Typically, these are for expenditures on major infrastructure projects. Borrowing allows Council to spread the cost of these projects over a number of years in order to facilitate inter-generational equity particularly for those long life assets.

Borrowings can also be used to smooth out long-term expenditure peaks and troughs. In financial modelling scenarios, the strategy to address identified funding gaps includes the raising of loans to fund, or part fund, some of the capital projects included in the capital expenditure program.

Council continues to maintain a relatively low debt service cover ratio. However the impact on this ratio and the ability to service proposed borrowings in the future should be assessed when borrowings are being considered to fill funding gaps.

A number of proposed borrowings have been considered in the development of this plan and are summarised below:

Purpose	Amount	Interest Rate	Year	Term
CentrePoint Upgrade	\$1,500,000	4.25%	18/19	20 years
Cowriga Creek Bridge – Carcoar Road	\$750,000	4.50%	19/20	20 Years
Residential Land Development	\$1,320,000	4.00%	18/19	10 Years

** This project is eligible for the Low Cost Loans Initiative being a 50% subsidy on interest costs.*

CentrePoint Major Works

Project Description: The key features of this project includes a new, interactive children’s water playground, a wet level pool deck in the 25 metre lap pool and installation of a new disabled lift, disabled access in the middle pool via a compliant disabled access ramp and two new unisex accessible toilet facilities which are also family change rooms.

Project commencement	2018/19
Project completion	2019/20
Total cost of the project	\$3,890,000
Grant funding sought	\$1,900,000
Other funding – internally restricted cash	\$490,000
Proposed borrowings	\$1,500,000
Estimated annual repayments	\$111,712
Total interest costs	\$734,238

Cowriga Creek Bridge Replacement – Carcoar Road

Project Description: Construction of a bridge on Carcoar Road over Cowriga Creek.

Project commencement	2018/19
Project completion	2019/20
Total cost of the project	\$790,000
Grant funding sought	\$0
Other funding	\$40,000
Proposed borrowings	\$750,000
Estimated annual repayments	\$57,070
Total interest costs	\$391,394

Residential Land Development

Project Description: To address a shortage of residential land in Blayney and an anticipated increase in demand due to an expansion of local industrial and mining development.

Project commencement	2018/19
Project completion	2018/19
Total cost of the project	\$1,320,000
Grant funding sought	\$0
Other funding	\$0
Proposed borrowings	\$1,320,000
Estimated annual repayments	\$160,806
Total interest costs	\$288,056 offset by a 50% subsidy

3.6 Other Revenue

The majority of other revenues are generated by rental income on Council properties and various other sources.

Rentals will vary according to supply and demand, however forecast fluctuations in supply and demand over ten-year period, if available, are not considered reliable. Therefore assuming rents will increase in line with CPI over the long term is considered a reasonable approach.

Given that 'other revenues' represent less than 3% of total revenues the potential margin of error of this assumption, and resultant impact on financial position, is considered immaterial.

3.7 Cash Reserves

An alternative to borrowing for expenditure peaks and troughs is to build up cash reserves in years when expenditure is lower, for use in years when higher expenditure will occur. The problem with cash reserves is that they can often be diverted to uses other than those originally intended, leaving the council short of funds for its other planned expenditures. Cash reserves need to be carefully managed to achieve optimum investment incomes and to be available when needed for planned expenditures. Council is building strong reserves to help fund any capital program shortfalls and future planned works.

4 EXPENDITURE FORECASTS

4.1 Salaries, Wages and Employee On-costs

Council's long-term forecast relating to staffing is contained in detail within the Workforce Management Plan. The Workforce Management Plan also identifies the human resources Blayney Shire Council requires to continue its strategic direction and deliver services in an efficient and effective manner.

Over the last few years, Council has undertaken a number of major infrastructure works programs that required additional resources. Council has staffed these positions using a mixture of existing, temporary and agency staff. It is modelled throughout this plan that these resources will be pared back as the associated projects near completion.

For the purpose of projecting future salary, wage and ELE costs to Council a percentage increase of 3% has been applied (see Planning Assumptions). This is to account for future Award increases and staff progression increases.

Employee on-costs are assigned to labour hours to recover fixed employment costs such as workers compensation and superannuation premiums, supervision and provision of tools and equipment. Further, the attribution of other organisation support costs, such as human resources or IT support, may be distributed based on number of staff or labour hours.

Other employee on-costs e.g. training, protective clothing and travel costs are separately allocated against functions.

Further details about Council's staff costs are included in the Workforce Management Plan.

4.2 Loans / Debt Service Costs

In financial modelling scenarios, the strategy to address identified funding gaps includes the raising of loans to fund, or part fund, some of the capital projects included in the capital works program.

Council's ability to service future debt is measured via the debt service cover ratio. Council has historically maintained a low level of borrowings which makes exceeding the industry benchmark of >2 achievable.

Where possible the term of the loan will be matched against the future economic benefit of the asset. This means that the asset/borrowing will be paid for by residents who will consume the services provided by the asset over its useful life.

Council can now access low cost borrowings through TCorp subject to eligibility. Interest rates can vary anywhere from 0.5% upwards depending on the terms of the borrowings. Indicative rates offered from TCorp have been modelled throughout this plan on the assumption they are eligible.

4.3 Materials, Contracts and Other Operating Costs

Expenditure on materials, contracts and other operating cost has been generally based on CPI. The exceptions to this are expenditures that are either:

- i) not recurrent every year;
- ii) have been identified as increasing by an amount different to CPI; or
- iii) a result of increased services or service levels.

Examples of these expenditures include:

	Cost	Year
Council Elections 2021/22	\$80,000	2020/21 – 2021/22
Council Elections 2025/25	\$89,000	2024/25 – 2025/26
Blayney Settlement Strategy Review	\$175,000	2018/19
Blayney Shire Heritage Conservation Review	\$40,000	2018/19
Sewerage Strategic Business Plan	\$45,000	2018/19
Sewerage Strategic Business Plan	\$55,000	2022/23
Village Sewerage Schemes and IWMC	\$90,747	2019/20
Village Sewerage Schemes and IWMC	\$60,000	2024/25

4.4 Asset Management

Infrastructure (assets) expenditure will progressively be mapped against maintenance and renewal programs recommended by respective asset management plans. In accordance with Council’s asset management review, asset maintenance has been increased by CPI with a strong focus on asset renewals as opposed to construction of new assets.

Subject to available funding and resources, assets should be maintained and renewed in accordance with the respective asset management plans and agreed condition intervention levels.



5 SENSITIVITY ANALYSIS AND FINANCIAL MODELLING

The LTFP is based on a number of underlying assumptions. Sensitivity analysis identifies the impact on Council's financial position of changes in these assumptions and highlights the factors most likely to affect the outcomes of the plan.

Sensitivity analysis looks at "what if" scenarios. For example, what happens to Council's financial position if salary and wages increases are 1% higher than forecast; growth is half that forecast, or investment returns are 1% less than forecast in plan.

All sensitivity analysis was undertaken utilising the status quo of Council's financial position, the impacts were assessed by reference to the changes in the cash and investment balance over the 10 years of the LTFP and the impacts to Council's operating performance.

The major assumptions underpinning the LTFP have been subject to sensitivity analysis which has identified the following impacts:

5.1 Employee Costs

Employee costs make up 39% of projected 2018/2019 operating expenditure. This is reflective of the service based nature of a significant proportion of council activities as well as the construction and maintenance of the considerable infrastructure owned by Council. As it makes up such a large proportion of the operating expenditure budget, and movements in rates of pay are determined through industry wide Award negotiations and market forces, the council is sensitive to unplanned changes in employee costs. The LTFP assumes annual increases of 3% to employee costs.

Due to the above factors an impact of a 1% increase in employee costs each year was modelled and resulted in an average increase of 75k to operating costs over the life of the plan.

5.2 Rates and Annual Charges Revenue

Rates and Annual Charges revenue makes up 52% of the projected 2018/2019 operating revenue. Council cannot set the rate of increase but can only accept the rate pegging imposed on it without a Special Variation application.

The LTFP has been projected on the premise that current rating income collection patterns are maintained. Any financial shocks or changed economic conditions have the ability to impact ratepayer capacity to pay and in so doing will affect the Council cash flow from rating. Annual Charges, particularly domestic waste charges, are susceptible to significant cost increases as a result of legislative and contractual changes in this area of operation (due to Federal and State climate change policies and other regulations/Collection and landfill contractual changes).

5.3 Inflation

Given the considerable number of assets held, constructed and maintained by Council, variations in underlying inflation have the potential to have a significant impact on the LTFP. Council has considerable pressure from rising raw material costs including fuel and other construction materials. Any major unplanned hikes in these costs will impact the LTFP.

5.4 Investment Returns

Council's current approach is that interest earnings from investments are used to fund the operational budget. This source of revenue however, is impacted by the various fluctuations of the investment market and is not necessarily a reliable source of revenue. The potential use of interest income as a source of revenue to balance the operational budget may in turn be impacted.

The impact of both a reduction and increase in investment interest rates of 1% was modelled. The impact over the term of the plan was roughly \$50,000. It was concluded that any impact on Council's operating result was deemed immaterial.

5.5 Grants

The Financial Assistance Grant is calculated using a formula that takes into account the population of the Local Government areas, road lengths and a number of other demographics. Given the complexity of the formula Council forecasts a CPI increase of 2.5% over the life of the plan.

Freezing the indexation applied to the Financial Assistance Grant has occurred in prior years and has the potential to have a significant impact on Council's operating result. Council has modeled freezing the 2.5% increase applied in Scenario 3 and would reduce Council's total Operating Income by roughly \$3,661,893 over the life of the plan.

The Financial Assistance Grant makes up 12% of Council's total income.

In June 2016/17 Council received the first 2 instalments of the 2017/18 Financial Assistance Grant in advance. To date there has been no indication that the advance payments will continue and therefore this plan has been modelled on the basis that any future payments will be made as normal.

Money provided under the Roads to Recovery Program is not intended to replace council spending on roads but to assist councils in their local road construction and maintenance. The Roads to Recovery Program was originally scheduled to conclude in 2019. However due to the heavy reliance of this program throughout NSW there has been much lobbying for the continuation of this program which has now been extended until 2022. The LTFP has been prepared with the assumption that the Roads to Recovery or similar Program will continue indefinitely.

Council has also submitted and in some instances been successful in application of a number of grant funded programs for the completion of a significant number of infrastructure and building projects which have been modelled throughout this plan.

6 PERFORMANCE MEASURES

Financial Analysis

A number of key indicators are used to monitor performance against the LTFP to assess Council's long-term sustainability. These key performance indicators will provide clear targets against which the council can report its progress to the community.

6.1 Cash / Liquidity Position

Cash and cash management is vital for the short and long-term survival and of any business. The ability to convert an asset to cash quickly to meet current obligations/liabilities is an important part of managing Councils' day to day business needs.

Unrestricted Current Ratio

Definition:

$$\frac{\text{Unrestricted Current Assets}}{\text{Unrestricted Current Liabilities}}$$

Description:

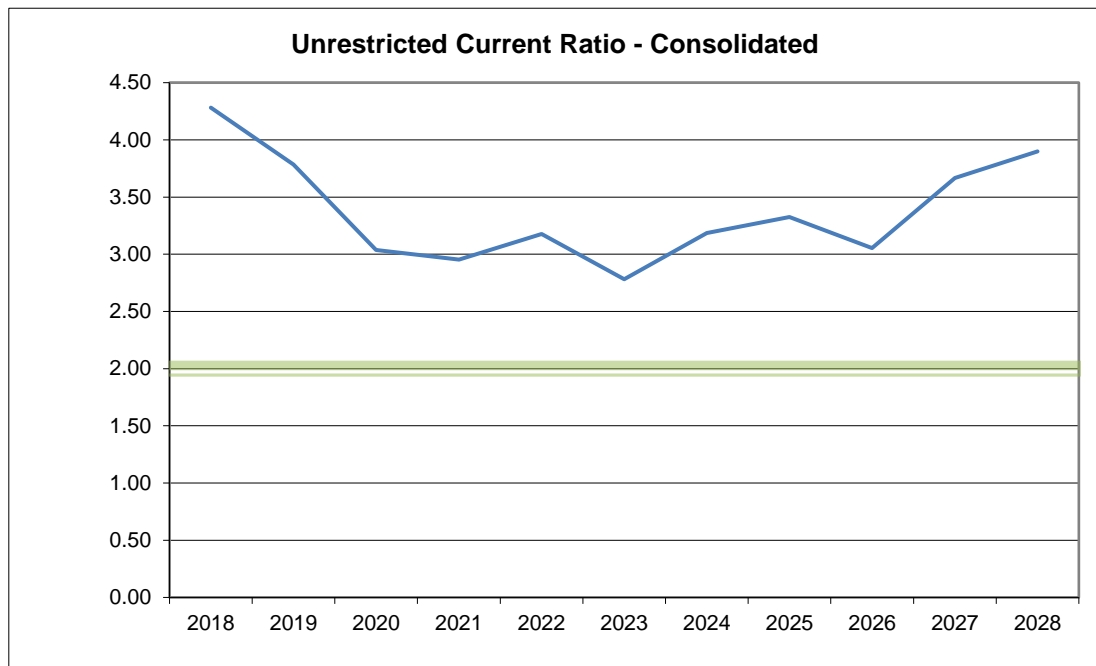
Measures the ability of council to pay its debts as and when they fall due.

Target:

Council aims to maintain a ratio above 2.0 at all times.

Projection:

That the ratio remain above 2.0 for the duration of the LTFP.



6.2 Operating Result

Definition:

Result or surplus/deficit from operations after considering all income and expenditure.

Description:

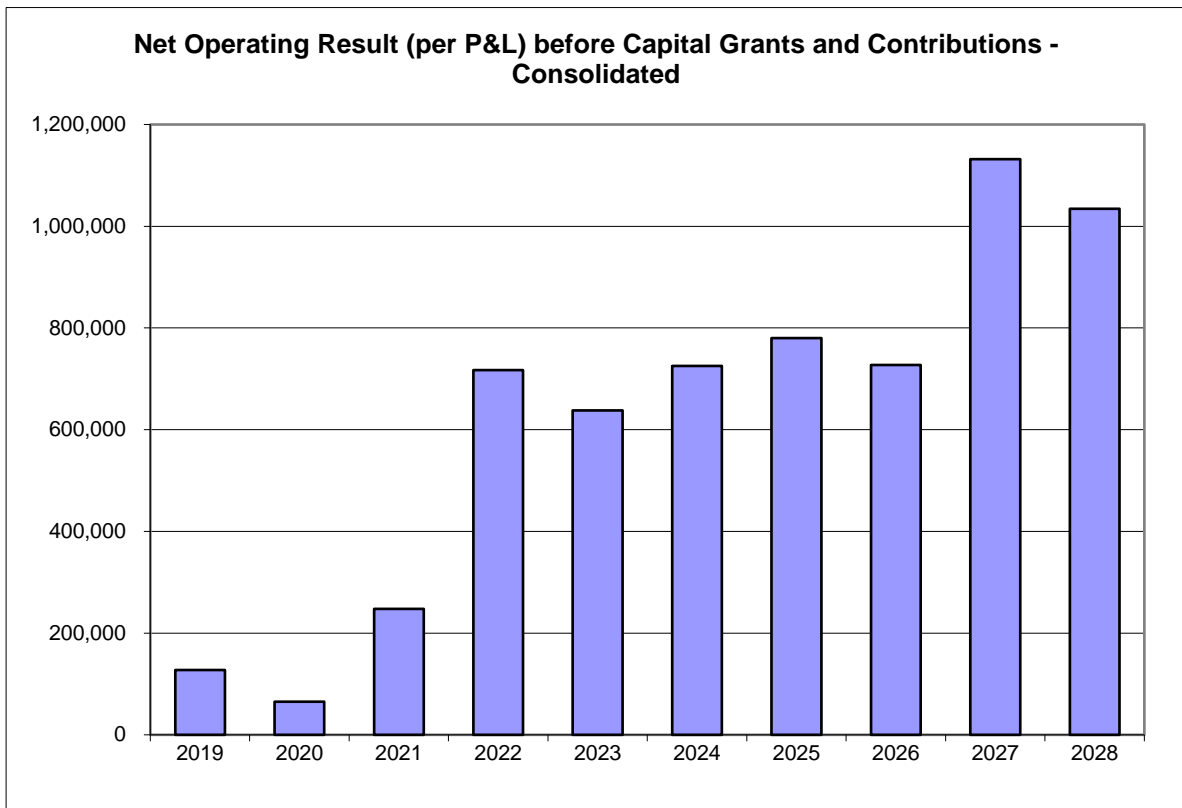
Councils operating result is normally regarded as an important criterion in measuring performance. The issue for Councils is whether the operating results can be maintained and in particular if those operating results can sustain the current level of services into the future.

Target:

To average an operating surplus over 10 years of the LTFP.

Projection:

The following graph projects the estimated result for each year of the LTFP.



6.3 Debt Management

Prudent financial management dictates that a council does not over commit itself to debts that it cannot fulfil. It is important to assess the ongoing risk that is associated with meeting any debt and interest commitments to ensure there are sufficient funds available to meet any current and future liabilities of Council.

Debt Service Cover Ratio

Definition:

Operating result before capital, excluding interest & depreciation
Principal repayments plus borrowing costs

Description:

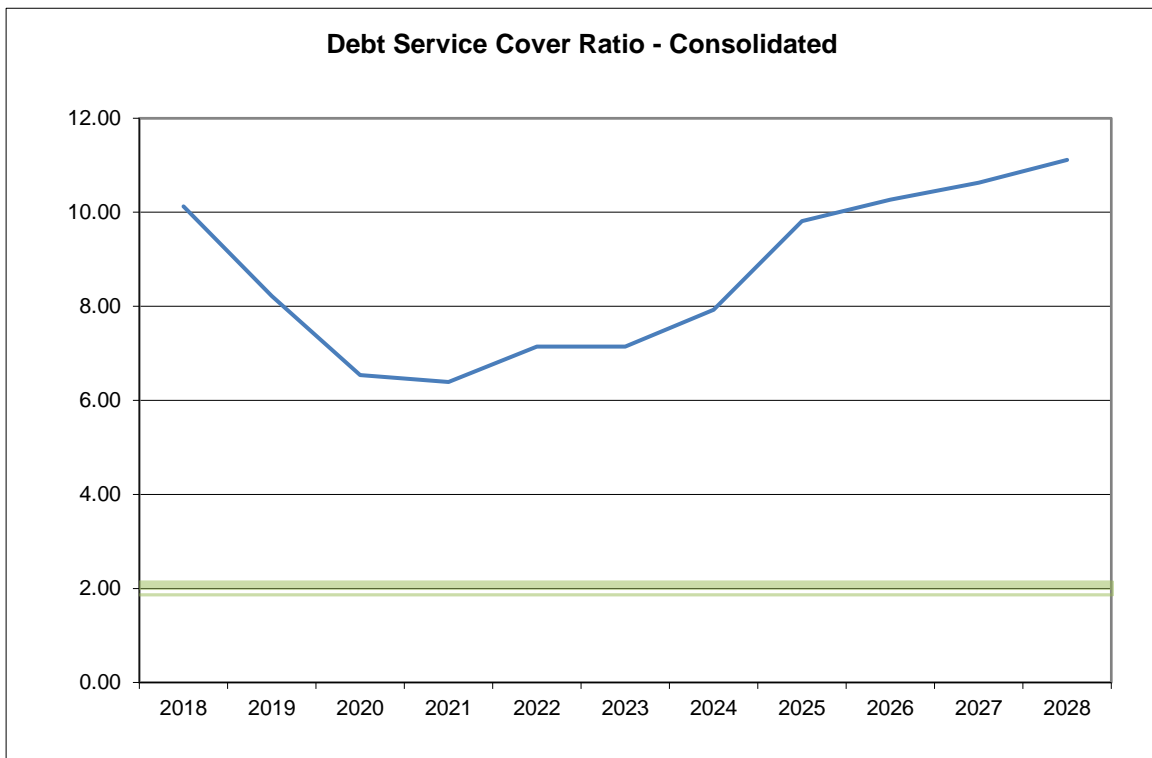
The ratio measures the availability of operating cash to service debt including principal & interest repayments.

Target:

Minimum $\geq 2.00x$

Projection:

The following graph projects the estimated percentage of the LTFP.



6.4 Dependence on Revenue from Rates and Annual Charges

Councils throughout NSW have become dependent on Rating and Annual Charges Revenue to meet the various costs associated with servicing their communities. This dependence highlights the need for Council to look for new opportunities to ensure the long-term sustainability of the Shire.

Own Source Operating Revenue Ratio

Definition:

Total continuing operating revenue excluding grants & contributions
 Total Income from continuing operations

Description:

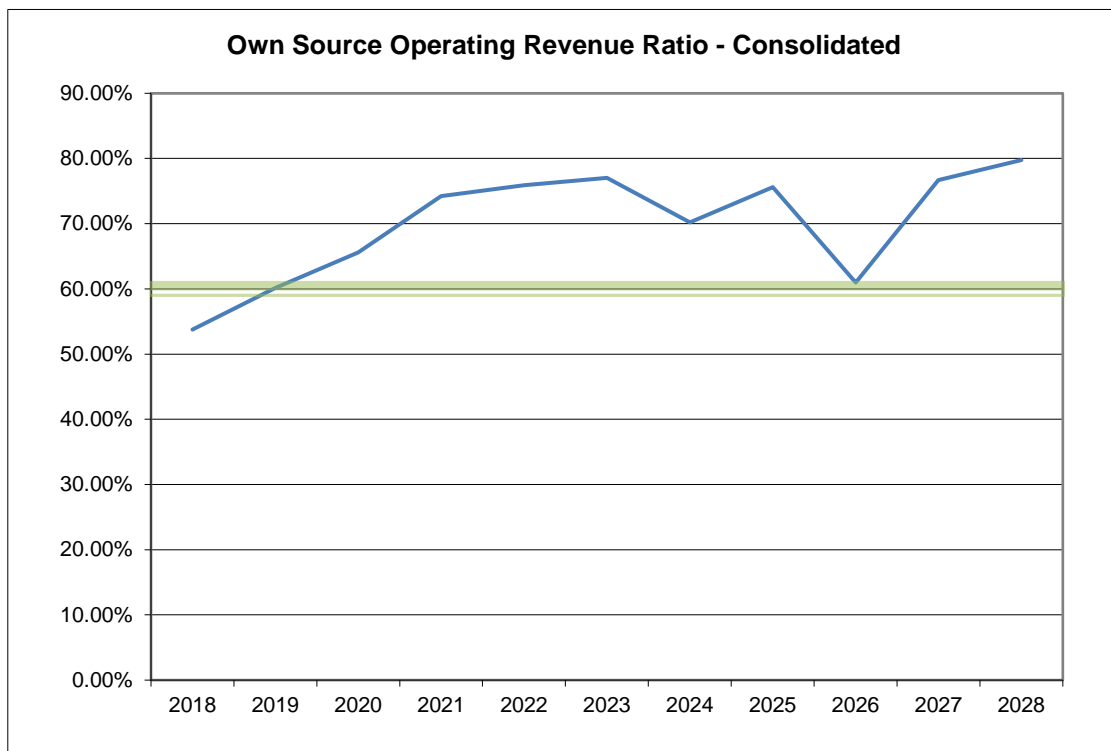
This ratio measures the degree of reliance on external funding sources such as operating grants and contributions.

Target:

Minimum $\geq 60.00\%$

Projection:

The following graph projects the estimated percentage of the LTFP.



7. SCENARIOS

The Long Term Financial Plan spans for the next 10 years addressing Council's revenue streams, pricing policy, assumptions, risks and forecasts. A consolidated income statement, balance sheet & cash flow statement is tabled for each of the three scenarios shown below as follows:

- Base Case
- Increased Development & Mining
- Reduced Mining & Freeze Indexation on Financial Assistance Grants

Base Case

The Base Case simulates Council's current environment using the service levels and resources in accordance with Council's Asset Management Plan and Workforce Management Plans.

Increased Development & Mining

The Increased Development & Mining scenario allows for an increase in Council's rating income to accommodate the likely expansion of the mining industry within the Blayney Shire over the next 10 years and the flow on of increased land development as a result. Council has forecast these assumptions towards the second half of the plan with no immediate impact on the mining rate category.

Reduced Mining & Freeze Indexation on Financial Assistance Grants

The Reduced Mining & Freeze on Indexation of the Financial Assistance Grant was modelled to demonstrate the reliance of Council on these income streams. The Mining rating category makes up over 50% of Council's rate base, any significant impact on the valuation of mining would have a considerable effect on Council's Operating Performance. Similarly, the Financial Assistance Grant also makes up around 12% of Council's income. A freeze on the indexation of financial assistance grants against the increasing cost of fixed expenses such as wages shows a significant disparity over the life of the plan.

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
INCOME STATEMENT - CONSOLIDATED												
Scenario: Base Case	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	10,479,000	10,555,421	10,929,241	11,221,861	11,523,046	12,014,109	12,335,795	12,650,287	12,978,425	13,298,859	13,650,002	14,023,124
User Charges & Fees	2,399,100	1,893,161	1,948,796	2,016,641	2,095,142	2,170,865	2,250,445	2,332,784	2,419,285	2,526,709	2,559,474	2,639,783
Interest & Investment Revenue	514,000	374,705	378,292	387,749	397,443	407,379	417,563	428,002	438,702	449,670	460,912	472,434
Other Revenues	221,000	269,465	217,611	258,999	236,821	251,162	243,063	276,762	249,744	266,200	253,897	271,088
Grants & Contributions provided for Operating Purposes	6,418,800	2,282,015	3,534,470	3,602,584	3,636,506	3,754,821	3,817,521	3,882,904	3,949,679	4,022,577	4,110,013	4,218,935
Grants & Contributions provided for Capital Purposes	2,314,000	8,979,262	5,391,363	3,678,360	1,313,697	960,104	725,434	2,771,461	1,238,300	6,553,888	1,032,312	197,775
Other Income:												
Net gains from the disposal of assets	159,000	687,789	174,031	239,129	274,375	178,735	136,589	91,876	119,136	65,702	273,408	153,514
Joint Ventures & Associated Entities	144,000	-	29,506	106,282	150,792	116,399	100,745	100,745	100,745	100,745	100,745	100,745
Total Income from Continuing Operations	22,648,900	25,041,818	22,603,310	21,511,605	19,627,822	19,853,574	20,027,155	22,534,821	21,494,016	27,284,350	22,440,762	22,077,399
Expenses from Continuing Operations												
Employee Benefits & On-Costs	6,545,000	6,543,078	6,817,499	6,975,028	7,138,650	7,166,606	7,373,873	7,588,763	7,809,942	8,037,595	8,271,911	8,513,096
Borrowing Costs	157,000	157,357	288,422	331,961	330,316	301,739	271,475	240,007	214,396	193,432	171,888	149,205
Materials & Contracts	3,476,000	2,303,888	2,126,249	2,529,073	2,591,527	2,483,809	2,744,129	2,760,365	2,851,840	2,980,854	2,991,750	3,201,273
Depreciation & Amortisation	4,973,000	5,414,363	5,410,058	5,405,058	5,453,493	5,541,017	5,596,402	5,652,201	5,744,458	5,801,877	5,859,871	5,915,908
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	2,674,000	2,649,013	2,442,092	2,527,305	2,552,581	2,683,065	2,678,327	2,796,681	2,854,810	2,989,666	2,981,216	3,066,131
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	17,825,000	17,067,698	17,084,320	17,768,426	18,066,567	18,176,237	18,664,207	19,038,016	19,475,445	20,003,423	20,276,637	20,845,612
Operating Result from Continuing Operations	4,823,900	7,974,120	5,518,991	3,743,180	1,561,255	1,677,337	1,362,949	3,496,805	2,018,571	7,280,927	2,164,126	1,231,787
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	4,823,900	7,974,120	5,518,991	3,743,180	1,561,255	1,677,337	1,362,949	3,496,805	2,018,571	7,280,927	2,164,126	1,231,787
Net Operating Result before Grants and Contributions provided for Capital Purposes	2,509,900	(1,005,142)	127,628	64,820	247,558	717,233	637,514	725,344	780,271	727,039	1,131,814	1,034,012

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
BALANCE SHEET - CONSOLIDATED												
Scenario: Base Case												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390	6,034,383
Investments	7,500,000	7,500,000	8,000,000	8,000,000	8,500,000	9,000,000	9,000,000	9,500,000	10,000,000	7,500,000	8,000,000	9,000,000
Receivables	1,287,900	834,267	764,704	763,708	776,087	809,234	817,357	855,548	877,593	894,403	939,455	958,809
Inventories	1,063,000	716,080	670,021	731,876	759,886	740,099	773,942	783,672	786,632	817,577	817,644	842,625
Other	63,000	40,361	35,816	38,537	39,300	39,284	41,144	42,684	43,103	45,727	45,340	47,381
Non-current assets classified as "held for sale"	650,000	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500
Total Current Assets	20,306,900	15,818,164	15,067,414	14,210,970	14,669,303	15,778,529	15,374,773	16,510,239	17,355,280	14,397,811	16,287,328	17,045,699
Non-Current Assets												
Receivables	126,000	118,579	121,096	124,596	128,195	132,914	136,852	140,830	144,955	149,123	153,554	158,162
Infrastructure, Property, Plant & Equipment	195,034,000	208,804,534	217,439,271	222,284,014	222,718,067	222,596,469	223,692,460	225,414,477	226,053,126	235,802,615	235,509,716	235,462,204
Investments Accounted for using the equity method	20,975,000	20,975,000	21,004,506	21,110,788	21,261,580	21,377,979	21,478,724	21,579,469	21,680,214	21,780,959	21,881,704	21,982,449
Intangible Assets	173,000	100,564	76,795	62,295	58,802	55,274	51,711	48,112	44,477	40,806	37,098	33,390
Non-current assets classified as "held for sale"	-	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500
Total Non-Current Assets	216,308,000	230,486,176	239,129,168	244,069,192	244,654,144	244,650,136	245,847,247	247,670,388	248,410,272	258,261,002	258,069,572	258,123,705
TOTAL ASSETS	236,614,900	246,304,341	254,196,582	258,280,162	259,323,447	260,428,665	261,222,020	264,180,627	265,765,553	272,658,813	274,356,900	275,169,404
LIABILITIES												
Current Liabilities												
Payables	2,143,000	1,129,258	1,079,672	1,164,353	1,189,883	1,186,938	1,218,262	1,242,458	1,255,145	1,305,386	1,300,674	1,340,345
Income received in advance	221,000	176,771	175,121	183,246	186,629	192,954	197,756	205,888	209,585	216,777	222,131	229,773
Borrowings	202,000	317,106	496,644	546,921	575,500	605,763	570,564	450,058	445,158	466,699	466,646	187,006
Provisions	1,753,000	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	4,319,000	3,399,434	3,527,737	3,670,820	3,728,311	3,761,954	3,762,882	3,674,703	3,686,187	3,765,162	3,765,750	3,533,424
Non-Current Liabilities												
Payables	2,000	1,096	1,068	1,138	1,176	1,177	1,218	1,258	1,286	1,344	1,363	1,412
Borrowings	1,780,000	4,439,090	6,684,065	6,881,314	6,305,814	5,700,051	5,129,487	4,679,429	4,234,272	3,767,573	3,300,927	3,113,921
Provisions	779,000	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700
Total Non-Current Liabilities	2,561,000	5,195,886	7,440,834	7,638,152	7,062,690	6,456,928	5,886,406	5,436,388	4,991,258	4,524,617	4,057,990	3,871,033
TOTAL LIABILITIES	6,880,000	8,595,320	10,968,571	11,308,971	10,791,001	10,218,882	9,649,288	9,111,090	8,677,446	8,289,779	7,823,740	7,404,457
Net Assets	229,734,900	237,709,020	243,228,011	246,971,191	248,532,446	250,209,783	251,572,732	255,069,536	257,088,107	264,369,034	266,533,160	267,764,947
EQUITY												
Retained Earnings	93,896,900	101,871,020	107,390,011	111,133,191	112,694,446	114,371,783	115,734,732	119,231,536	121,250,107	128,531,034	130,695,160	131,926,947
Revaluation Reserves	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000
Council Equity Interest	229,734,900	237,709,020	243,228,011	246,971,191	248,532,446	250,209,783	251,572,732	255,069,536	257,088,107	264,369,034	266,533,160	267,764,947
Total Equity	229,734,900	237,709,020	243,228,011	246,971,191	248,532,446	250,209,783	251,572,732	255,069,536	257,088,107	264,369,034	266,533,160	267,764,947

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
CASH FLOW STATEMENT - CONSOLIDATED												
Scenario: Base Case												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	10,494,000	10,494,621	10,919,973	11,214,251	11,515,185	12,002,601	12,327,848	12,642,453	12,970,261	13,290,821	13,641,393	14,013,879
User Charges & Fees	2,238,600	2,226,793	1,943,523	2,003,228	2,081,320	2,156,565	2,235,676	2,317,530	2,403,531	2,510,437	2,542,667	2,622,390
Interest & Investment Revenue Received	475,000	418,842	382,095	400,817	395,084	394,754	427,813	416,684	431,442	451,862	438,327	472,872
Grants & Contributions	8,739,800	11,261,159	8,926,484	7,281,403	4,950,853	4,714,991	4,543,003	6,653,777	5,188,388	10,576,580	5,142,226	4,416,913
Bonds & Deposits Received	9,000	-	-	-	-	-	-	-	-	-	-	-
Other	1,369,763	308,940	223,594	272,116	247,617	257,989	248,222	277,717	258,042	274,416	257,869	280,766
Payments:												
Employee Benefits & On-Costs	(6,393,000)	(6,543,078)	(6,817,499)	(6,975,028)	(7,138,650)	(7,166,606)	(7,373,873)	(7,588,763)	(7,809,942)	(8,037,595)	(8,271,911)	(8,513,096)
Materials & Contracts	(3,614,000)	(3,014,942)	(2,149,197)	(2,515,624)	(2,590,727)	(2,461,236)	(2,743,862)	(2,743,093)	(2,838,828)	(2,962,429)	(2,991,751)	(3,185,877)
Borrowing Costs	(140,600)	(126,191)	(260,938)	(328,684)	(335,844)	(307,539)	(277,562)	(245,648)	(218,633)	(197,551)	(176,178)	(153,672)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-	-	-
Other	(2,866,563)	(2,614,212)	(2,445,636)	(2,523,857)	(2,551,059)	(2,682,979)	(2,676,844)	(2,795,347)	(2,854,248)	(2,987,241)	(2,981,298)	(3,064,363)
Net Cash provided (or used in) Operating Activities	10,312,000	12,411,932	10,722,399	8,828,621	6,573,779	6,908,540	6,710,421	8,935,311	7,530,012	12,919,301	7,601,342	6,889,812
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	-	-	-	-	-	-	-	2,500,000	-	-
Sale of Real Estate Assets	45,000	-	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	341,000	627,300	1,035,251	417,098	393,065	219,659	483,111	433,725	568,192	828,513	444,595	590,119
Deferred Debtors Receipts	8,000	60,500	69,500	-	-	-	-	-	-	-	-	-
Payments:												
Purchase of Investment Securities	8,500,000	-	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(1,000,000)
Purchase of Infrastructure, Property, Plant & Equipment	(10,268,000)	(19,051,971)	(14,882,246)	(10,413,269)	(6,002,743)	(5,456,816)	(7,035,352)	(7,712,467)	(6,828,529)	(16,310,506)	(5,734,451)	(6,301,292)
Deferred Debtors & Advances Made	(80,000)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(1,454,000)	(18,364,171)	(14,277,495)	(9,996,171)	(6,109,678)	(5,737,157)	(6,552,241)	(7,778,742)	(6,760,337)	(12,981,993)	(5,789,856)	(6,711,173)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	3,000,000	2,820,000	750,000	-	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	(190,000)	(225,804)	(395,487)	(502,474)	(546,921)	(575,500)	(605,763)	(570,564)	(450,058)	(445,158)	(466,699)	(466,646)
Net Cash Flow provided (used in) Financing Activities	(190,000)	2,774,196	2,424,513	247,526	(546,921)	(575,500)	(605,763)	(570,564)	(450,058)	(445,158)	(466,699)	(466,646)
Net Increase/(Decrease) in Cash & Cash Equivalents	8,668,000	(3,178,043)	(1,130,584)	(920,024)	(82,820)	595,883	(447,583)	586,005	319,618	(507,849)	1,344,786	(288,007)
plus: Cash, Cash Equivalents & Investments - beginning of year	1,075,000	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390
Cash & Cash Equivalents - end of the year	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390	6,034,383
Cash & Cash Equivalents - end of the year	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390	6,034,383
Investments - end of the year	7,500,000	7,500,000	8,000,000	8,000,000	8,500,000	9,000,000	9,000,000	9,500,000	10,000,000	7,500,000	8,000,000	9,000,000
Cash, Cash Equivalents & Investments - end of the year	17,243,000	14,064,957	13,434,373	12,514,349	12,931,529	14,027,412	13,579,830	14,665,834	15,485,453	12,477,604	14,322,390	15,034,383

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
INCOME STATEMENT - CONSOLIDATED Scenario: Increased Development & Mining	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	10,479,000	10,555,421	10,946,241	11,256,752	11,576,739	12,269,037	12,597,097	12,918,121	13,252,955	13,580,252	13,938,430	14,318,763
User Charges & Fees	2,399,100	1,893,161	1,948,796	2,016,641	2,095,142	2,170,865	2,250,445	2,332,784	2,419,285	2,526,709	2,559,474	2,639,783
Interest & Investment Revenue	514,000	374,705	378,292	387,749	397,443	407,379	417,563	428,002	438,702	449,670	460,912	472,434
Other Revenues	221,000	269,465	217,611	258,999	236,821	251,162	243,063	276,762	249,744	266,200	253,897	271,088
Grants & Contributions provided for Operating Purposes	6,418,800	2,282,015	3,534,470	3,602,584	3,636,506	3,754,821	3,817,521	3,882,904	3,949,679	4,022,577	4,110,013	4,218,935
Grants & Contributions provided for Capital Purposes	2,314,000	8,979,262	5,504,958	3,794,453	1,432,110	1,060,104	725,434	2,771,461	1,238,300	6,553,888	1,032,312	197,775
Other Income:												
Net gains from the disposal of assets	159,000	687,789	174,031	239,129	274,375	178,735	136,589	91,876	119,136	65,702	273,408	153,514
Joint Ventures & Associated Entities	144,000	-	29,506	106,282	150,792	116,399	100,745	100,745	100,745	100,745	100,745	100,745
Total Income from Continuing Operations	22,648,900	25,041,818	22,733,905	21,662,589	19,799,929	20,208,502	20,288,457	22,802,655	21,768,546	27,565,743	22,729,190	22,373,038
Expenses from Continuing Operations												
Employee Benefits & On-Costs	6,545,000	6,543,078	6,817,499	6,975,028	7,138,650	7,166,606	7,373,873	7,588,763	7,809,942	8,037,595	8,271,911	8,513,096
Borrowing Costs	157,000	157,357	288,422	331,961	330,316	301,739	271,475	240,007	214,396	193,432	171,888	149,205
Materials & Contracts	3,476,000	2,303,888	2,126,249	2,529,073	2,591,527	2,483,809	2,744,129	2,760,365	2,851,840	2,980,854	2,991,750	3,201,273
Depreciation & Amortisation	4,973,000	5,414,363	5,410,058	5,405,058	5,453,493	5,541,017	5,596,402	5,652,201	5,744,458	5,801,877	5,859,871	5,915,908
Other Expenses	2,674,000	2,649,013	2,442,092	2,527,305	2,552,581	2,683,065	2,678,327	2,796,681	2,854,810	2,989,666	2,981,216	3,066,131
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	17,825,000	17,067,698	17,084,320	17,768,426	18,066,567	18,176,237	18,664,207	19,038,016	19,475,445	20,003,423	20,276,637	20,845,612
Operating Result from Continuing Operations	4,823,900	7,974,120	5,649,586	3,894,164	1,733,362	2,032,265	1,624,250	3,764,639	2,293,101	7,562,320	2,452,554	1,527,426
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	4,823,900	7,974,120	5,649,586	3,894,164	1,733,362	2,032,265	1,624,250	3,764,639	2,293,101	7,562,320	2,452,554	1,527,426
Net Operating Result before Grants and Contributions provided for Capital Purposes	2,509,900	(1,005,142)	144,628	99,711	301,252	972,162	898,816	993,178	1,054,801	1,008,432	1,420,242	1,329,651

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
BALANCE SHEET - CONSOLIDATED												
Scenario: Increased Development & Mining												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	9,743,000	6,564,957	5,562,182	4,790,464	4,876,734	5,816,989	5,627,187	6,476,949	7,066,925	6,836,193	8,465,024	8,468,163
Investments	7,500,000	7,500,000	8,000,000	8,000,000	8,500,000	9,000,000	9,000,000	9,500,000	10,000,000	7,500,000	8,000,000	9,000,000
Receivables	1,287,900	834,267	767,404	768,996	784,297	826,987	838,600	880,835	907,018	928,070	977,470	1,001,281
Inventories	1,063,000	716,080	670,021	731,876	759,886	740,099	773,942	783,672	786,632	817,577	817,644	842,625
Other	63,000	40,361	35,816	38,537	39,300	39,284	41,144	42,684	43,103	45,727	45,340	47,381
Non-current assets classified as "held for sale"	650,000	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500
Total Current Assets	20,306,900	15,818,164	15,197,923	14,492,373	15,122,718	16,585,859	16,443,372	17,846,640	18,966,178	16,290,067	18,467,977	19,521,950
Non-Current Assets												
Receivables	126,000	118,579	121,181	124,772	128,466	134,197	138,168	142,179	146,337	150,540	155,006	159,651
Infrastructure, Property, Plant & Equipment	195,034,000	208,804,534	217,439,271	222,284,014	222,718,067	222,596,469	223,692,460	225,414,477	226,053,126	235,802,615	235,509,716	235,462,204
Investments Accounted for using the equity method	20,975,000	20,975,000	21,004,506	21,110,788	21,261,580	21,377,979	21,478,724	21,579,469	21,680,214	21,780,959	21,881,704	21,982,449
Intangible Assets	173,000	100,564	76,795	62,295	58,802	55,274	51,711	48,112	44,477	40,806	37,098	33,390
Non-current assets classified as "held for sale"	-	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	216,308,000	230,486,176	239,129,254	244,069,368	244,654,415	244,651,420	245,848,563	247,671,737	248,411,655	258,262,419	258,071,024	258,125,194
TOTAL ASSETS	236,614,900	246,304,341	254,327,177	258,561,741	259,777,132	261,237,279	262,291,935	265,518,377	267,377,833	274,552,486	276,539,001	277,647,144
LIABILITIES												
Current Liabilities												
Payables	2,143,000	1,129,258	1,079,672	1,164,353	1,189,883	1,186,938	1,218,262	1,242,458	1,255,145	1,305,386	1,300,674	1,340,345
Income received in advance	221,000	176,771	175,121	183,246	186,629	192,954	197,756	205,888	209,585	216,777	222,131	229,773
Borrowings	202,000	317,106	496,644	546,921	575,500	605,763	570,564	450,058	445,158	466,699	466,646	187,006
Provisions	1,753,000	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	4,319,000	3,399,434	3,527,737	3,670,820	3,728,311	3,761,954	3,762,882	3,674,703	3,686,187	3,765,162	3,765,750	3,533,424
Non-Current Liabilities												
Payables	2,000	1,096	1,068	1,138	1,176	1,177	1,218	1,258	1,286	1,344	1,363	1,412
Borrowings	1,780,000	4,439,090	6,684,065	6,881,314	6,305,814	5,700,051	5,129,487	4,679,429	4,234,272	3,767,573	3,300,927	3,113,921
Provisions	779,000	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700
Total Non-Current Liabilities	2,561,000	5,195,886	7,440,834	7,638,152	7,062,690	6,456,928	5,886,406	5,436,388	4,991,258	4,524,617	4,057,990	3,871,033
TOTAL LIABILITIES	6,880,000	8,595,320	10,968,571	11,308,971	10,791,001	10,218,882	9,649,288	9,111,090	8,677,446	8,289,779	7,823,740	7,404,457
Net Assets	229,734,900	237,709,020	243,358,606	247,252,770	248,986,132	251,018,397	252,642,647	256,407,286	258,700,387	266,262,707	268,715,261	270,242,687
EQUITY												
Retained Earnings	93,896,900	101,871,020	107,520,606	111,414,770	113,148,132	115,180,397	116,804,647	120,569,286	122,862,387	130,424,707	132,877,261	134,404,687
Revaluation Reserves	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000
Council Equity Interest	229,734,900	237,709,020	243,358,606	247,252,770	248,986,132	251,018,397	252,642,647	256,407,286	258,700,387	266,262,707	268,715,261	270,242,687
Total Equity	229,734,900	237,709,020	243,358,606	247,252,770	248,986,132	251,018,397	252,642,647	256,407,286	258,700,387	266,262,707	268,715,261	270,242,687

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
CASH FLOW STATEMENT - CONSOLIDATED												
Scenario: Increased Development & Mining												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	10,494,000	10,494,621	10,936,612	11,248,762	11,568,479	12,253,254	12,589,014	12,910,149	13,244,649	13,572,068	13,929,671	14,309,365
User Charges & Fees	2,238,600	2,226,793	1,943,523	2,003,228	2,081,320	2,156,565	2,235,676	2,317,530	2,403,531	2,510,437	2,542,667	2,622,390
Interest & Investment Revenue Received	475,000	418,842	380,070	398,527	392,476	388,408	424,075	412,746	427,412	447,732	434,093	468,532
Grants & Contributions	8,739,800	11,261,159	9,040,047	7,397,495	5,069,265	4,814,996	4,543,031	6,653,777	5,188,388	10,576,580	5,142,226	4,416,913
Bonds & Deposits Received	9,000	-	-	-	-	-	-	-	-	-	-	-
Other	1,369,763	308,940	223,226	272,107	247,610	258,048	248,546	277,717	258,042	274,416	257,869	280,766
Payments:												
Employee Benefits & On-Costs	(6,393,000)	(6,543,078)	(6,817,499)	(6,975,028)	(7,138,650)	(7,166,606)	(7,373,873)	(7,588,763)	(7,809,942)	(8,037,595)	(8,271,911)	(8,513,096)
Materials & Contracts	(3,614,000)	(3,014,942)	(2,149,197)	(2,515,624)	(2,590,727)	(2,461,236)	(2,743,862)	(2,743,093)	(2,838,828)	(2,962,429)	(2,991,751)	(3,185,877)
Borrowing Costs	(140,600)	(126,191)	(260,938)	(328,684)	(335,844)	(307,539)	(277,562)	(245,648)	(218,633)	(197,551)	(176,178)	(153,672)
Other	(2,866,563)	(2,614,212)	(2,445,636)	(2,523,857)	(2,551,059)	(2,682,979)	(2,676,844)	(2,795,347)	(2,854,248)	(2,987,241)	(2,981,298)	(3,064,363)
Net Cash provided (or used in) Operating Activities	10,312,000	12,411,932	10,850,208	8,976,927	6,742,870	7,252,911	6,968,202	9,199,068	7,800,370	13,196,418	7,885,387	7,180,958
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	-	-	-	-	-	-	-	2,500,000	-	-
Sale of Real Estate Assets	45,000	-	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	341,000	627,300	1,035,251	417,098	393,065	219,659	483,111	433,725	568,192	828,513	444,595	590,119
Deferred Debtors Receipts	8,000	60,500	69,500	-	-	-	-	-	-	-	-	-
Payments:												
Purchase of Investment Securities	8,500,000	-	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(1,000,000)
Purchase of Infrastructure, Property, Plant & Equipment	(10,268,000)	(19,051,971)	(14,882,246)	(10,413,269)	(6,002,743)	(5,456,816)	(7,035,352)	(7,712,467)	(6,828,529)	(16,310,506)	(5,734,451)	(6,301,292)
Deferred Debtors & Advances Made	(80,000)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(1,454,000)	(18,364,171)	(14,277,495)	(9,996,171)	(6,109,678)	(5,737,157)	(6,552,241)	(7,778,742)	(6,760,337)	(12,981,993)	(5,789,856)	(6,711,173)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	3,000,000	2,820,000	750,000	-	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	(190,000)	(225,804)	(395,487)	(502,474)	(546,921)	(575,500)	(605,763)	(570,564)	(450,058)	(445,158)	(466,699)	(466,646)
Net Cash Flow provided (used in) Financing Activities	(190,000)	2,774,196	2,424,513	247,526	(546,921)	(575,500)	(605,763)	(570,564)	(450,058)	(445,158)	(466,699)	(466,646)
Net Increase/(Decrease) in Cash & Cash Equivalents	8,668,000	(3,178,043)	(1,002,774)	(771,718)	86,270	940,255	(189,802)	849,762	589,976	(230,732)	1,628,831	3,139
plus: Cash, Cash Equivalents & Investments - beginning of year	1,075,000	9,743,000	6,564,957	5,562,182	4,790,464	4,876,734	5,816,989	5,627,187	6,476,949	7,066,925	6,836,193	8,465,024
Cash & Cash Equivalents - end of the year	9,743,000	6,564,957	5,562,182	4,790,464	4,876,734	5,816,989	5,627,187	6,476,949	7,066,925	6,836,193	8,465,024	8,468,163
Cash & Cash Equivalents - end of the year	9,743,000	6,564,957	5,562,182	4,790,464	4,876,734	5,816,989	5,627,187	6,476,949	7,066,925	6,836,193	8,465,024	8,468,163
Investments - end of the year	7,500,000	7,500,000	8,000,000	8,000,000	8,500,000	9,000,000	9,000,000	9,500,000	10,000,000	7,500,000	8,000,000	9,000,000
Cash, Cash Equivalents & Investments - end of the year	17,243,000	14,064,957	13,562,182	12,790,464	13,376,734	14,816,989	14,627,187	15,976,949	17,066,925	14,336,193	16,465,024	17,468,163

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
INCOME STATEMENT - CONSOLIDATED												
Scenario: Reduced Mining & Freeze Indexation on FAGS												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	10,479,000	10,555,421	10,929,241	11,221,861	11,523,046	12,014,109	12,335,795	12,650,287	12,978,425	13,298,859	13,650,002	14,023,124
User Charges & Fees	2,399,100	1,893,161	1,948,796	2,016,641	2,095,142	2,170,865	2,250,445	2,332,784	2,419,285	2,526,709	2,559,474	2,639,783
Interest & Investment Revenue	514,000	374,705	378,292	387,749	397,443	407,379	417,563	428,002	438,702	449,670	460,912	472,434
Other Revenues	221,000	269,465	217,611	258,999	236,821	251,162	243,063	276,762	249,744	266,200	253,897	271,088
Grants & Contributions provided for Operating Purposes	6,418,800	2,282,015	3,534,470	3,602,584	3,636,506	3,754,821	3,817,521	3,882,904	3,949,679	4,022,577	4,110,013	4,218,935
Grants & Contributions provided for Capital Purposes	2,314,000	8,979,262	5,391,363	3,678,360	1,313,697	960,104	725,434	2,771,461	1,238,300	6,553,888	1,032,312	197,775
Other Income:												
Net gains from the disposal of assets	159,000	687,789	174,031	239,129	274,375	178,735	136,589	91,876	119,136	65,702	273,408	153,514
Joint Ventures & Associated Entities	144,000	-	29,506	106,282	150,792	116,399	100,745	100,745	100,745	100,745	100,745	100,745
Total Income from Continuing Operations	22,648,900	25,041,818	22,603,310	21,511,605	19,627,822	19,853,574	20,027,155	22,534,821	21,494,016	27,284,350	22,440,762	22,077,399
Expenses from Continuing Operations												
Employee Benefits & On-Costs	6,545,000	6,543,078	6,817,499	6,975,028	7,138,650	7,166,606	7,373,873	7,588,763	7,809,942	8,037,595	8,271,911	8,513,096
Borrowing Costs	157,000	157,357	288,422	331,961	330,316	301,739	271,475	240,007	214,396	193,432	171,888	149,205
Materials & Contracts	3,476,000	2,303,888	2,126,249	2,529,073	2,591,527	2,483,809	2,744,129	2,760,365	2,851,840	2,980,854	2,991,750	3,201,273
Depreciation & Amortisation	4,973,000	5,414,363	5,410,058	5,405,058	5,453,493	5,541,017	5,596,402	5,652,201	5,744,458	5,801,877	5,859,871	5,915,908
Other Expenses	2,674,000	2,649,013	2,442,092	2,527,305	2,552,581	2,683,065	2,678,327	2,796,681	2,854,810	2,989,666	2,981,216	3,066,131
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	17,825,000	17,067,698	17,084,320	17,768,426	18,066,567	18,176,237	18,664,207	19,038,016	19,475,445	20,003,423	20,276,637	20,845,612
Operating Result from Continuing Operations	4,823,900	7,974,120	5,518,991	3,743,180	1,561,255	1,677,337	1,362,949	3,496,805	2,018,571	7,280,927	2,164,126	1,231,787
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	4,823,900	7,974,120	5,518,991	3,743,180	1,561,255	1,677,337	1,362,949	3,496,805	2,018,571	7,280,927	2,164,126	1,231,787
Net Operating Result before Grants and Contributions provided for Capital Purposes	2,509,900	(1,005,142)	127,628	64,820	247,558	717,233	637,514	725,344	780,271	727,039	1,131,814	1,034,012

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
BALANCE SHEET - CONSOLIDATED												
Scenario: Reduced Mining & Freeze Indexation on FAGS												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390	6,034,383
Investments	7,500,000	7,500,000	8,000,000	8,000,000	8,500,000	9,000,000	9,000,000	9,500,000	10,000,000	7,500,000	8,000,000	9,000,000
Receivables	1,287,900	834,267	764,704	763,708	776,087	809,234	817,357	855,548	877,593	894,403	939,455	958,809
Inventories	1,063,000	716,080	670,021	731,876	759,886	740,099	773,942	783,672	786,632	817,577	817,644	842,625
Other	63,000	40,361	35,816	38,537	39,300	39,284	41,144	42,684	43,103	45,727	45,340	47,381
Non-current assets classified as "held for sale"	650,000	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500
Total Current Assets	20,306,900	15,818,164	15,067,414	14,210,970	14,669,303	15,778,529	15,374,773	16,510,239	17,355,280	14,397,811	16,287,328	17,045,699
Non-Current Assets												
Receivables	126,000	118,579	121,096	124,596	128,195	132,914	136,852	140,830	144,955	149,123	153,554	158,162
Infrastructure, Property, Plant & Equipment	195,034,000	208,804,534	217,439,271	222,284,014	222,718,067	222,596,469	223,692,460	225,414,477	226,053,126	235,802,615	235,509,716	235,462,204
Investments Accounted for using the equity method	20,975,000	20,975,000	21,004,506	21,110,788	21,261,580	21,377,979	21,478,724	21,579,469	21,680,214	21,780,959	21,881,704	21,982,449
Intangible Assets	173,000	100,564	76,795	62,295	58,802	55,274	51,711	48,112	44,477	40,806	37,098	33,390
Non-current assets classified as "held for sale"	-	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500	487,500
Total Non-Current Assets	216,308,000	230,486,176	239,129,168	244,069,192	244,654,144	244,650,136	245,847,247	247,670,388	248,410,272	258,261,002	258,069,572	258,123,705
TOTAL ASSETS	236,614,900	246,304,341	254,196,582	258,280,162	259,323,447	260,428,665	261,222,020	264,180,627	265,765,553	272,658,813	274,356,900	275,169,404
LIABILITIES												
Current Liabilities												
Bank Overdraft	-	-	-	-	-	-	-	-	-	-	-	-
Payables	2,143,000	1,129,258	1,079,672	1,164,353	1,189,883	1,186,938	1,218,262	1,242,458	1,255,145	1,305,386	1,300,674	1,340,345
Income received in advance	221,000	176,771	175,121	183,246	186,629	192,954	197,756	205,888	209,585	216,777	222,131	229,773
Borrowings	202,000	317,106	496,644	546,921	575,500	605,763	570,564	450,058	445,158	466,699	466,646	187,006
Provisions	1,753,000	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300	1,776,300
Liabilities associated with assets classified as "held for sale"	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	4,319,000	3,399,434	3,527,737	3,670,820	3,728,311	3,761,954	3,762,882	3,674,703	3,686,187	3,765,162	3,765,750	3,533,424
Non-Current Liabilities												
Payables	2,000	1,096	1,068	1,138	1,176	1,177	1,218	1,258	1,286	1,344	1,363	1,412
Borrowings	1,780,000	4,439,090	6,684,065	6,881,314	6,305,814	5,700,051	5,129,487	4,679,429	4,234,272	3,767,573	3,300,927	3,113,921
Provisions	779,000	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700	755,700
Total Non-Current Liabilities	2,561,000	5,195,886	7,440,834	7,638,152	7,062,690	6,456,928	5,886,406	5,436,388	4,991,258	4,524,617	4,057,990	3,871,033
TOTAL LIABILITIES	6,880,000	8,595,320	10,968,571	11,308,971	10,791,001	10,218,882	9,649,288	9,111,090	8,677,446	8,289,779	7,823,740	7,404,457
Net Assets	229,734,900	237,709,020	243,228,011	246,971,191	248,532,446	250,209,783	251,572,732	255,069,536	257,088,107	264,369,034	266,533,160	267,764,947
EQUITY												
Retained Earnings	93,896,900	101,871,020	107,390,011	111,133,191	112,694,446	114,371,783	115,734,732	119,231,536	121,250,107	128,531,034	130,695,160	131,926,947
Revaluation Reserves	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000	135,838,000
Council Equity Interest	229,734,900	237,709,020	243,228,011	246,971,191	248,532,446	250,209,783	251,572,732	255,069,536	257,088,107	264,369,034	266,533,160	267,764,947
Total Equity	229,734,900	237,709,020	243,228,011	246,971,191	248,532,446	250,209,783	251,572,732	255,069,536	257,088,107	264,369,034	266,533,160	267,764,947

Blayney Shire Council												
10 Year Financial Plan for the Years ending 30 June 2028												
CASH FLOW STATEMENT - CONSOLIDATED												
Scenario: Reduced Mining & Freeze Indexation on FAGS												
	Actuals	Current Year	Projected Years									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	10,494,000	10,494,621	10,919,973	11,214,251	11,515,185	12,002,601	12,327,848	12,642,453	12,970,261	13,290,821	13,641,393	14,013,879
User Charges & Fees	2,238,600	2,226,793	1,943,523	2,003,228	2,081,320	2,156,565	2,235,676	2,317,530	2,403,531	2,510,437	2,542,667	2,622,390
Interest & Investment Revenue Received	475,000	418,842	382,095	400,817	395,084	394,754	427,813	416,684	431,442	451,862	438,327	472,872
Grants & Contributions	8,739,800	11,261,159	8,926,484	7,281,403	4,950,853	4,714,991	4,543,003	6,653,777	5,188,388	10,576,580	5,142,226	4,416,913
Bonds & Deposits Received	9,000	-	-	-	-	-	-	-	-	-	-	-
Other	1,369,763	308,940	223,594	272,116	247,617	257,989	248,222	277,717	258,042	274,416	257,869	280,766
Payments:												
Employee Benefits & On-Costs	(6,393,000)	(6,543,078)	(6,817,499)	(6,975,028)	(7,138,650)	(7,166,606)	(7,373,873)	(7,588,763)	(7,809,942)	(8,037,595)	(8,271,911)	(8,513,096)
Materials & Contracts	(3,614,000)	(3,014,942)	(2,149,197)	(2,515,624)	(2,590,727)	(2,461,236)	(2,743,862)	(2,743,093)	(2,838,828)	(2,962,429)	(2,991,751)	(3,185,877)
Borrowing Costs	(140,600)	(126,191)	(260,938)	(328,684)	(335,844)	(307,539)	(277,562)	(245,648)	(218,633)	(197,551)	(176,178)	(153,672)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-	-	-
Other	(2,866,563)	(2,614,212)	(2,445,636)	(2,523,857)	(2,551,059)	(2,682,979)	(2,676,844)	(2,795,347)	(2,854,248)	(2,987,241)	(2,981,298)	(3,064,363)
Net Cash provided (or used in) Operating Activities	10,312,000	12,411,932	10,722,399	8,828,621	6,573,779	6,908,540	6,710,421	8,935,311	7,530,012	12,919,301	7,601,342	6,889,812
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	-	-	-	-	-	-	-	2,500,000	-	-
Sale of Real Estate Assets	45,000	-	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	341,000	627,300	1,035,251	417,098	393,065	219,659	483,111	433,725	568,192	828,513	444,595	590,119
Deferred Debtors Receipts	8,000	60,500	69,500	-	-	-	-	-	-	-	-	-
Payments:												
Purchase of Investment Securities	8,500,000	-	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(1,000,000)
Purchase of Infrastructure, Property, Plant & Equipment	(10,268,000)	(19,051,971)	(14,882,246)	(10,413,269)	(6,002,743)	(5,456,816)	(7,035,352)	(7,712,467)	(6,828,529)	(16,310,506)	(5,734,451)	(6,301,292)
Deferred Debtors & Advances Made	(80,000)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(1,454,000)	(18,364,171)	(14,277,495)	(9,996,171)	(6,109,678)	(5,737,157)	(6,552,241)	(7,778,742)	(6,760,337)	(12,981,993)	(5,789,856)	(6,711,173)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	3,000,000	2,820,000	750,000	-	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	(190,000)	(225,804)	(395,487)	(502,474)	(546,921)	(575,500)	(605,763)	(570,564)	(450,058)	(445,158)	(466,699)	(466,646)
Net Cash Flow provided (used in) Financing Activities	(190,000)	2,774,196	2,424,513	247,526	(546,921)	(575,500)	(605,763)	(570,564)	(450,058)	(445,158)	(466,699)	(466,646)
Net Increase/(Decrease) in Cash & Cash Equivalents	8,668,000	(3,178,043)	(1,130,584)	(920,024)	(82,820)	595,883	(447,583)	586,005	319,618	(507,849)	1,344,786	(288,007)
plus: Cash, Cash Equivalents & Investments - beginning of year	1,075,000	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390
Cash & Cash Equivalents - end of the year	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390	6,034,383
Cash & Cash Equivalents - end of the year	9,743,000	6,564,957	5,434,373	4,514,349	4,431,529	5,027,412	4,579,830	5,165,834	5,485,453	4,977,604	6,322,390	6,034,383
Investments - end of the year	7,500,000	7,500,000	8,000,000	8,000,000	8,500,000	9,000,000	9,000,000	9,500,000	10,000,000	7,500,000	8,000,000	9,000,000
Cash, Cash Equivalents & Investments - end of the year	17,243,000	14,064,957	13,434,373	12,514,349	12,931,529	14,027,412	13,579,830	14,665,834	15,485,453	12,477,604	14,322,390	15,034,383

8 CAPITAL EXPENDITURE PROGRAM

Council's 10-year capital expenditure program is made up of both recurrent renewal works such as resealing and plant replacement as well as one off major renewal and new works. Often these works are reliant on obtaining sufficient grant funding.

Council allocates funds to fund the following asset types:

- Buildings
- Other Structures
- Plant & Equipment
- Infrastructure
- Other Business Undertakings
- Sewerage Infrastructure

2018-19 - 2027-28 Long Term Financial Plan Capital Expenditure Program										
	2018/19 Original Budget	2019/20 Original Budget	2020/21 Original Budget	2021/22 Original Budget	2022/23 Original Budget	2023/24 Original Budget	2024/25 Original Budget	2025/26 Original Budget	2026/27 Original Budget	2027/28 Original Budget
Summary										
Buildings	2,794,882	2,824,059	19,577	32,718	47,863	1,086,512	36,164	40,320	50,480	13,644
Other Structures	439,318	1,144,796	1,251,876	123,769	149,538	155,814	162,596	169,387	156,684	164,489
Plant & Equipment	1,520,965	1,138,769	1,197,539	591,819	1,597,522	1,355,825	1,954,031	2,722,488	922,308	2,031,755
Roads & Bridges	8,494,082	4,884,850	3,269,989	4,447,151	4,904,959	4,286,641	4,345,278	3,928,834	4,212,297	4,037,641
Other Business Undertakings	1,320,000	-	-	-	-	-	-	-	-	-
Sewer	253,000	420,795	263,760	261,360	335,468	327,674	320,456	9,449,480	392,682	53,764
Total Capital Expenditure	14,822,247	10,413,269	6,002,741	5,456,817	7,035,351	7,212,466	6,818,525	16,310,509	5,734,451	6,301,293
New Assets										
Buildings	750,000	750,000	-	-	30,000	1,000,000	-	-	-	-
Other Structures	182,655	-	-	-	-	-	-	-	-	-
Roads & Bridges	296,161	1,113,052	478,235	149,495	210,067	734,731	690,704	192,121	450,060	180,351
Other Business Undertakings	1,320,000	-	-	-	-	-	-	-	-	-
Sewer	10,000	150,000	-	-	-	-	-	8,917,500	-	-
Total New Assets	2,558,816	2,013,052	478,235	149,495	240,067	1,734,731	690,704	9,109,621	450,060	180,351
Renewal Assets										
Buildings	2,044,882	2,074,059	19,577	32,718	17,863	86,512	36,164	40,320	50,480	13,644
Other Structures	256,663	1,144,796	1,251,876	123,769	149,538	155,814	162,596	169,387	156,684	164,489
Plant & Equipment	1,520,965	1,138,769	1,197,539	591,819	1,597,522	1,355,825	1,954,031	2,722,488	922,308	2,031,755
Roads & Bridges	8,197,921	3,771,798	2,791,754	4,297,656	4,694,892	3,551,910	3,654,574	3,736,713	3,762,237	3,857,290
Sewer	243,000	270,795	263,760	261,360	335,468	327,674	320,456	531,980	392,682	53,764
Total Renewal Assets	12,263,431	8,400,217	5,524,506	5,307,322	6,795,284	5,477,735	6,127,821	7,200,888	5,284,391	6,120,942

Programmed Infrastructure Renewals

Infrastructure assets including roads, bridges & footpaths make up 49% of Council's total Infrastructure, Property, Plant & Equipment portfolio and not surprisingly makes up the majority of recurrent capital expenditure throughout this plan.

Asset Class	% of expenditure	Average annual budget over the plan	What does it cost?	What does it get us?
Road Rehabilitation	50%	\$2,440,194	390k-400k per km yrs 1&2, 250k-260k per km yrs 3-10	Between 4 & 6kms annually
Reseals	14%	\$429,623	25k per km	17km per year
Heavy Patching	19%	\$537,762	125k per km	4.3km per year
Regional Roads	8%	\$260,692	Rehab 390k-400k per km, Reseals 25k per km, Patching 125k per km	0.6km rehab, 9.5kms reseals or 2kms of heavy patching
Bridges	4%	\$118,107	Varies	Varies
Footpaths	2%	\$48,353	150 per sq metre or 370m ²	320 sq metres
Urban Stormwater	4%	\$67,220	Varies	Varies

Other Major Infrastructure works

Southern Cadia Access

Project Description: To provide a heavy vehicle traffic access route from the Mid-Western Highway near Carcoar directly to the Cadia mine. .

Project commencement	2016/17
Project completion	2018/19
Total cost of the project	\$10,500,000
Grant funding sought	\$5,170,000
Other funding	\$2,180,000
Partner Funding	\$3,150,000

Forest Reefs Road

Project commencement	2018/19
Project completion	2019/20
Total cost of the project	\$1,572,858
Grant funding sought	\$0
Other funding	\$1,572,858

Browns Creek Road Bridge

Project commencement	2018/19
Project completion	2018/19
Total cost of the project	\$2,323,197
Grant funding sought	\$1,494,447
Other funding	\$828,750

Carcoar Rd Bridge, Cowriga Creek

Project commencement	2018/19
Project completion	2019/20
Total cost of the project	\$790,000
Grant funding sought	\$0
Other funding	\$40,000
Proposed borrowings	\$750,000

Mandurama Road

Project commencement	2018/19
Project completion	2018/19
Total cost of the project	\$8,649,308
Grant funding sought	\$4,324,654
Other funding	\$4,324,654

Newbridge Road

Project commencement	2018/19
Project completion	2018/19
Total cost of the project	\$686,750
Grant funding sought	\$0
Other funding	\$686,750

Carbine Road

Project commencement	2021/22
Project completion	2022/23
Total cost of the project	\$1,090,351
Grant funding sought	\$0
Other funding	\$1,090,351

Other Major Capital Works Program

Council has programed a number of significant major capital works program over the term of this plan. The below programs are often reliant on successful grant funding.

CentrePoint

Project Description: The key features of this project includes a new, interactive children’s water playground, a wet level pool deck in the 25 metre lap pool and installation of a new disabled lift, disabled access in the middle pool via a compliant disabled access ramp and two new unisex accessible toilet facilities which are also family change rooms.

Project commencement	2018/19
Project completion	2019/20
Total cost of the project	\$3,890,000
Grant funding sought	\$1,900,000
Other funding – internally restricted cash	\$490,000
Proposed borrowings	\$1,500,000

Multipurpose Covered Arena

Project Description: Multipurpose Covered Arena at Blayney Showground.

Project commencement	2018/19
Project completion	2019/20
Total cost of the project	\$1,500,000
Grant funding sought	\$1,500,000
Other funding	\$0
Proposed borrowings	\$0

Cultural Centre

Project Description: Construction of a Centre for Arts & Cultural services for the Blayney Shire.

Project commencement	2023/24
Project completion	2023/24
Total cost of the project	\$1,000,000
Grant funding sought	\$1,000,000
Other funding	\$0
Proposed borrowings	\$0

King George Oval Redevelopment

Project Description: Construction of a Centre for Arts & Cultural services for the Blayney Shire.

Project commencement	2019/20
Project completion	2020/21
Total cost of the project	\$1,991,000
Grant funding sought	\$1,661,000
Other funding	\$300,000
Proposed borrowings	\$0

Residential Land Redevelopment

Project Description: To address a shortage of residential land in Blayney and an anticipated increase in demand due to an expansion of local industrial and mining development.

Project commencement	2018/19
Project completion	2018/19
Total cost of the project	\$1,320,000
Grant funding sought	\$0
Other funding	\$0
Proposed borrowings	\$1,320,000

Sewerage Treatment Plant

Project Description: Capacity upgrade at Blayney STP.

Project commencement	2025/26
Project completion	2025/26
Total cost of the project	\$8,917,500
Grant funding sought	\$5,796,375
Other funding – Sewer reserves	\$3,121,125
Proposed borrowings	\$0

Sewerage Mains Relining Program

Project Description: Relining and re placement of sewer mains

Project commencement	2018/19
Project completion	Ongoing
Total cost of the project	\$1,775,000
Grant funding sought	\$0
Other funding – Sewer reserves	\$1,775,000 over 10 years
Proposed borrowings	\$0