



**muswellbrook
shire council**

Muswellbrook Shire Council
**EXTRA ORDINARY COUNCIL
MEETING**

BUSINESS PAPER
31 JANUARY 2018



EXTRA ORDINARY COUNCIL MEETING, 31 JANUARY 2018

MUSWELLBROOK SHIRE COUNCIL

P.O Box 122
MUSWELLBROOK
25 January, 2018

Councillors,

You are hereby requested to attend the Extra Ordinary Council Meeting to be held in the CHAMBERS, Administration Centre, Muswellbrook on **31 January, 2018** commencing at 6.00pm.

Steve McDonald
GENERAL MANAGER

Order of Business

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9.1	AWARD OF CONTRACT 2017-2018-0317 - DESIGN AND INSTALLATION OF FIBRE OPTIC NETWORK <i>Item 9.1 is classified CONFIDENTIAL under the provisions of Section10A(2)(d)(ii) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a competitor of the council, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.</i>	
9.2	OPTION TO PURCHASE LAND <i>Item 9.2 is classified CONFIDENTIAL under the provisions of Section10A(2)(d)(ii) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a competitor of the council, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.</i>	
9.3	DELIVERY OF PLANNING AND REGULATORY SERVICES <i>Item 9.3 is classified CONFIDENTIAL under the provisions of Section10A(2)(a) of the local government act 1993, as it deals with personnel matters concerning particular individuals (other than councillors), and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.</i>	
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MUSWELLBROOK SHIRE COUNCIL

AGENDA

1 ACKNOWLEDGEMENT OF COUNTRY

2 CIVIC PRAYER

3 APOLOGIES AND LEAVE OF ABSENCE

4 DISCLOSURE OF ANY PECUNIARY AND NON-PECUNIARY INTEREST

Section 451 of the Local Government Act requires that if a councillor or member of a council or committee has a pecuniary interest in any matter before the council or committee, he/she must disclose the nature of the interest to the meeting as soon as practicable and must not be present at, or in sight of, the meeting, when the matter is being discussed, considered or voted on.

A pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of financial gain or loss (see sections 442 and 443 of the Local Government Act).

A non-pecuniary interest can arise as a result of a private or personal interest which does not involve a financial gain or loss to the councillor or staff member (eg friendship, membership of an association, or involvement or interest in an activity). A councillor must disclose the nature of the interest to the meeting as soon as practicable.

Council's Model Code of Conduct now recognises two forms of non-pecuniary conflict of interests:

- Significant
- Less than significant

A Councillor must make an assessment of the circumstances and determine if the conflict is significant.

If a Councillor determines that a non-pecuniary conflict of interests is less than significant and does not require further action, they must provide an explanation of why it is considered that the conflict does not require further action in the circumstances.

If the Councillor has disclosed the existence of a significant non-pecuniary conflict of interests at a meeting they must not be present at, or in sight of, the meeting, when the matter is being discussed, considered or voted on.

5 PUBLIC PARTICIPATION

6 COMMUNITY INFRASTRUCTURE

6.1 STORMWATER DRAINAGE PRIORITY PROGRAM

Attachments:	A. Stormwater drainage program_SRV
Responsible Officer:	Neil Pope - Director, Community Infrastructure
Author:	Edi Ediriwickrama - Manager, Roads & Drainage
Community Plan Issue:	<i>Our community's infrastructure is planned well, is safe and reliable and provides required levels of service</i>
Community Plan Goal:	<i>Facilitate investment in high quality community infrastructure necessary to a regional centre.</i>
Community Plan Strategy:	<i>Provide a report to Council on options to be funded and the amounts necessary to achieve the Delivery Plan.</i>

PURPOSE

This report provides a prioritised program of works for stormwater drainage management

OFFICER'S RECOMMENDATION

1. Council adopt the priorities for stormwater drainage management as per the attachment A
2. Council consider annual allocation of \$40,000 for stormwater drainage asset condition data collection in future budgets.

Moved: _____ Seconded: _____

CONSULTATION

Sustainability Officer

REPORT

Council considered a report on stormwater drainage management at the Extra Ordinary Meeting in November 2017 and resolved as follows:

3. Council Endorse the methodology for prioritising the stormwater drainage projects; and
4. A further report be prepared developing a program of works based on these criteria that could potentially be funded.

In line with the above resolution, the current outstanding storm water drainage asset renewals, upgrade works to address capacity and/or known flooding issues and storm water quality improvement works have been collated and prioritised. The prioritised program of works is attached to the report as Attachment A. The total estimated cost of the program is \$ 5.65M. The estimated cost of the renewals, upgrades and water quality improvement works are \$ 2.27M, \$ 2.63M and \$ 0.75M respectively.

As future issues emerge, such as remedial works and any other identified upgrade works through future storm water drainage studies, these should be assessed and included in the priority program using these same criteria. For example; when the Hunter River Floodplain Risk Management Study is completed, it may identify viable mitigation works.

As previously reported only 18% of the pipe network has been inspected using the CCTV camera inspections. The condition of the network that has not been inspected through CCTV camera inspections is deduced from the age of the pipes. The extent of the defects or the criticality of defects is not known unless the network is progressively inspected. It is prohibitively expensive to undertake the inspection at once. Council should consider an annual allocation of about \$ 40,000 to undertake these inspections progressively. Once the more accurate condition data of the network is available and the need of new and upgrade works are known through the progressive studies, the current priority program could be reviewed incorporating the new data.

SOCIAL IMPLICATIONS

Some works can have significant social benefit, for example; by improving safety in the public domain, improving access or amenity. However, if the work carried out only benefits a few private properties, it would represent a significant improvement to the subject properties, but have little or no overall community benefit.

FINANCIAL IMPLICATIONS

With the proposed SRV and the Stormwater Management Levy, Council will have an amount of \$4.55M at its disposal over the 10 year period.

The annualised depreciation figure for stormwater assets is currently \$437,000.

This does not include the minor rural culverts and causeways which are currently depreciated with the rural road pavement asset class.

The Stormwater Management Levy raises around \$155,833pa.

The Stormwater Management Levy has restrictions as to how those funds can be spent (LG Act). The income from the charge can be spent on both capital projects and recurrent expenditure relating to new or additional stormwater management services to eligible land. Those revenues cannot be used to fund the stormwater asset renewal or works in rural areas. Council could consider the allocation of a major portion of the proposed SRV income for stormwater drainage asset renewals which is also beneficial for the financial ratio (Asset Renewal).

The current total estimated cost of stormwater asset renewal is about \$2.27M. The target increase in revenue from the SVR of \$300,000pa can be used to fund these outstanding renewal works. But out of the renewal works listed in the attached program, some renewals such as damaged head walls, cracked pits, cracked causeways etc. are not all that critical as those assets with the current defective condition can still provide the service they meant to provide. Therefore it is possible to defer these renewal works and monitor the condition to undertake the renewals when it is essential. The total estimated cost of such renewal works is about \$ 1.4M. The current critical renewal need is about \$ 0.8M. Assuming that about 50% of the renewals that can be deferred would become critical renewals within 10 years, then the total critical renewals over the 10 year period would be \$ 1.5M.

If Council allocates an amount of \$1.5M over 10 years for the renewals, then the balance funds of \$3.05M can be spent on new and upgrade works. It should be noted that with this scenario the annual depreciation expenses will be increased by about \$ 37,500 assuming the asset life of 80 years.

As only 18% of the pipe network has been inspected using the CCTV camera inspections, Council should consider an annual allocation of about \$ 40,000 to undertake these inspections progressively.

POLICY IMPLICATIONS

Council's Policy on Rivers and Drainage Channels R25/1 spells out how Council will be carrying out works on water courses when there are easements exist within private properties. The Policy is silent on its position in relation to undertaking work on water courses within private property where there are no easements for access. However there are provisions in the Roads Act 1993, that Council as a Road Authority is able to undertake work on private properties to drain water from the roads.

Council doesn't have a policy for 'piping of open drains'; but the Rivers and Drainage Channels Policy – R25/1 does touch on the subject. So, it is suggested that the policy be expanded to include situations where the 'improvement treatment' is actually piping.

‘ 10.1 Within Drainage Easements

All requests for improvements in Council drainage easements within private property are to be received and assessed as to whether the work is of net benefit to the community and the environment and prioritised according to budget constraints. If Council is to contribute to the works, the property owner must contribute at least one-half of the cost of the work.

If the work is required to facilitate the development of the land, then the works, if approved, will be at the owner's full cost.'

STATUTORY IMPLICATIONS

Not applicable

LEGAL IMPLICATIONS

There are provisions in the Roads Act 1993; Councils as a Road Authority are able to undertake work on private properties to drain water from roads.

OPERATIONAL PLAN IMPLICATIONS

The report is in line with the requirements of item 19.3.4 of the Operational Plan.

RISK MANAGEMENT IMPLICATIONS

The report recommends a system that prioritises work that will target risk mitigation.

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns - 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
Karoola Park	Grate/drainage structure			Modification of the outlet and renewal of damaged grate	200	50	50		20		320	\$ 90,000.00
Mangoola Road	Culvert	Replacement	3500	Spalling of concrete on a number of	200	0	50	0	0	0	250	\$ 200,000.00
Bylong Valley	Culvert	lining	23000	Lining of the pipes to retain the	150	0	50	0	0	0	200	\$ 50,000.00
Sowerby St - Possum Gully				Lining of approximately 50 of channel just upstream of Sowerby St	100	50					150	\$ 155,000.00
Merton Street	Pipes	New			100	50	0	0	0	0	150	\$ 1,750,000.00
Wells Gully Road	Causeway	Replacement	88-115	Damaged spillway - needs replacement, inlet pipe (dia 300/2	80	0	50	0	0		130	\$ 175,000.00
Lorne Street	Pipes	New		The current drainage is not adequate.	80	30	0	0	10	0	120	\$ 92,000.00
TINDALE ST	Pit			Broken lid	20	0	50	0	0	0	70	\$ 5,000.00
OCTAGONAL	Pit			Pipe connection defect / Grate Bent,	20	0	50	0	0	0	70	\$ 5,200.00
Widden Valley Ro	Culvert	Replacement	6009	Headwall and tailwall damaged -	0	0	50	0	20	0	70	\$ 10,500.00
Widden Valley	Culvert	Replacement	19393	Headwall gone - severely scoured	0	0	50	0	20	0	70	\$ 14,600.00
MCCLINTOCK	Pit			Major cracking	10	0	50	0	0	0	60	\$ 3,500.00
MCCLINTOCK	Pit			Broken Walls / Lintel Raised. Left	10	0	50	0	0	0	60	\$ 6,700.00
Castlerock Rd	Causeway	Replacement	11532-11560	Rough approaches to both sides of floodway - heavy bump onto deck. Small tree in front of 11531 Floodway sign, weeping willow branches covering Floodway sign 11584	10	0	50	0	0	0	60	\$ 45,000.00
Castlerock Rd	Causeway	Replacement	13610-13641	There are two bend signs with 35kph signs before both Floodway signs - floodway signs are only 50m apart - too close to floodway.	10	0	50	0	0	0	60	\$ 45,000.00
NEWMAN ST	Pit			Major Cracking	0	0	50	0	0	0	50	\$ 5,000.00
ROSEMOUNT	Headwall			Right side	0	0	50	0	0	0	50	\$ 3,000.00
ROSEMOUNT	Headwall			Left side	0	0	50	0	0	0	50	\$ 3,000.00
ROSEMOUNT	Headwall			Left side	0	0	50	0	0	0	50	\$ 3,000.00
ANZAC PDE	Pit			Major cracking / Eroded Floor	0	0	50	0	0	0	50	\$ 3,200.00
OSBORN AVE	Pit			Eroded Floor / Cracked Lid	0	0	50	0	0	0	50	\$ 3,400.00
IRONBARK RD	Pit			Eroded Floor	0	0	50	0	0	0	50	\$ 3,400.00
WOLLOMBI RD	Pit			Eroded Floor	0	0	50	0	0	0	50	\$ 3,500.00
OSBORN AVE	Pit			Eroded Floor	0	0	50	0	0	0	50	\$ 3,500.00
BLOODWOOD	Pit			Cracked Walls	0	0	50	0	0	0	50	\$ 3,500.00
ANZAC PDE	Pit			Major cracking / Lid cracked	0	0	50	0	0	0	50	\$ 3,500.00
ANZAC PDE	Pit			Major cracking	0	0	50	0	0	0	50	\$ 3,500.00
SKELLATAR ST	Pit			Eroded Floor	0	0	50	0	0	0	50	\$ 3,800.00
NOWLAND ST	Pit			Eroded Floor	0	0	50	0	0	0	50	\$ 3,800.00
GOULBURN DR	Headwall			Left side	0	0	50	0	0	0	50	\$ 4,000.00
MELALEUCA CL	Pit			Cracked Walls	0	0	50	0	0	0	50	\$ 4,100.00

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns - 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
TINDALE ST	Pit			Major Cracking	0	0	50	0	0	0	50	\$ 4,250.00
CASSIDY AVE	Pit			Cracked Walls / Eroded Floor	0	0	50	0	0	0	50	\$ 4,250.00
QUEEN ST	Pit			Pipe connections poor	0	0	50	0	0	0	50	\$ 4,800.00
CORAL ST	Pit			Cracked Walls / Eroded Floor	0	0	50	0	0	0	50	\$ 5,000.00
PAXTON ST	Pit			20m from Ogilvie st	0	0	50	0	0	0	50	\$ 5,000.00
CHENIN CL	Pit			Replace with new pit and lintol and	0	0	50	0	0	0	50	\$ 8,000.00
BABBINGTON	EndPipe			Pipe completely burried and blocked,	0	0	50	0	0	0	50	\$ 10,000.00
BABBINGTON	EndPipe			Pipe completely burried and blocked,	0	0	50	0	0	0	50	\$ 10,000.00
ROSEMOUNT	Pipe Culvert			0	0	0	50	0	0	0	50	\$ 13,000.00
ROSEMOUNT	Pipe Culvert			0	0	0	50	0	0	0	50	\$ 16,000.00
Baerami Creek Rd	Causeway	Replacement	21667	Silted deck. Deck is undermined	0	0	50	0	0	0	50	\$ 26,000.00
Turnermans Road	Causeway	Replacement	782-798	Shoulders needs work - water holding	0	0	50	0	0	0	50	\$ 95,000.00
Baerami Creek Rd	Causeway	Replacement	7620-7728	Long causeway, Rough surface, Traffic using Downstream side for	0	0	50	0	0		50	\$ 185,000.00
Installation of GPT opposite Thompson St					0	0	0	0	0	50	50	\$ 200,000.00
Installation of GPT at Herron Ln					0	0	0	0	0	50	50	\$ 250,000.00
Installation of GPT at Gyarran St					0	0	0	0	0	50	50	\$ 200,000.00
Installation of GPT at Wilkins St					0	0	0	0	0	50	50	\$ 100,000.00
Bureen Road	Culvert	Replacement	6722	Tailwall is damaged by a large tree -	0	0	40	0	0	0	40	\$ 13,000.00
ANZAC PDE	Pit			Cracked Walls / Broken Lid	0	0	40	0	0	0	40	\$ 2,800.00
FOLEY LN	Pit			0	0	0	40	0	0	0	40	\$ 2,800.00
ANZAC PDE	Pit			Minor Cracking	0	0	40	0	0	0	40	\$ 2,900.00
FOLEY LN	Pit			0	0	0	40	0	0	0	40	\$ 2,900.00
FOLEY LN	Pit			0	0	0	40	0	0	0	40	\$ 2,900.00
CARL ST	Pit			Broken Lid Support	0	0	40	0	0	0	40	\$ 2,900.00
CARL ST	Pit			Broken lid	0	0	40	0	0	0	40	\$ 2,900.00
CAMPION LN	Pit			Cracked Walls	0	0	40	0	0	0	40	\$ 3,200.00
FOLEY LN	Pit			0	0	0	40	0	0	0	40	\$ 3,200.00
ANZAC PDE	Pit			Minor Cracking	0	0	40	0	0	0	40	\$ 3,400.00
HILL ST	Pit			Broken lid	0	0	40	0	0	0	40	\$ 3,800.00
WOOLLYBUTT	Pit			Cracked Walls	0	0	40	0	0	0	40	\$ 3,800.00
HUNTER TCE	Headwall			Major cracking	0	0	40	0	0	0	40	\$ 4,200.00
SKELLATAR ST	Pit			Eroded Floor	0	0	40	0	0	0	40	\$ 4,200.00
Inglewood Road	Culvert	Replacement	754	Headwall badly damaged - replace.	0	0	40	0	0	0	40	\$ 4,500.00
TOBRUK AVE	Pit			Eroded Floor / Cracked Walls	0	0	40	0	0	0	40	\$ 4,600.00
Horseshoe Road	Culvert	Replacement	693	Tailwall destroyed - replace	0	0	40	0	0	0	40	\$ 5,200.00
Bylong Valley	Culvert	Replacement	154	Tailwall damaged - replace (1/2 on	0	0	40	0	0	0	40	\$ 6,500.00
Bureen Road	Culvert	Replacement	8320	Headwall cracked. Tailwall destroyed -	0	0	40	0	0	0	40	\$ 8,500.00
Bureen Road	Culvert	Replacement	9760	Headwall cracked. Tailwall mostly	0	0	40	0	0	0	40	\$ 8,500.00

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns - 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
Martindale Road	Culvert	Replacement	1667	Tailwall missing, pipe damaged - pipe	0	0	40	0	0	0	40	\$ 8,800.00
Martindale Road	Culvert	Replacement	3125	Headwall damaged and 1/2 blocked.	0	0	40	0	0	0	40	\$ 8,800.00
Powers Road	Culvert	Replacement	1266	Headwall damaged and partially	0	0	40	0	0	0	40	\$ 9,500.00
Baerami Creek	Culvert	Replacement	920	Tailwal damaged, blocked, tree need	0	0	40	0	0	0	40	\$ 9,500.00
Albano Road	Culvert	Replacement	9425	Hole in pipe at shoulder	10	0	30	0	0	0	40	\$ 9,800.00
Albano Road	Culvert	Replacement	9573	Hole in pipe at shoulder	10	0	30	0	0	0	40	\$ 9,800.00
BRENTWOOD	Headwall			Major cracking	0	0	40	0	0	0	40	\$ 11,500.00
Giants Creek Road	Causeway	Replacement	23503-23512	Scoured northern side - service	0	0	40	0	0	0	40	\$ 12,000.00
Giants Creek Road	Causeway	Replacement	23599-23608	Scoured downstream side of	0	0	40	0	0	0	40	\$ 12,000.00
Baerami Creek	Culvert	Replacement	21308	corrugated iron construction.	0	0	40	0	0	0	40	\$ 13,500.00
Yarrawa Dev Rd	Causeway	Replacement	1766-1786	Trim grass away from guideposts,	0	0	40	0	0		40	\$ 24,000.00
Widden Valley Road	Causeway	Replacement	8868-8883	Deck has been patched, edge drop	0	0	40	0	0	0	40	\$ 27,000.00
Horseshoe Road	Causeway	Replacement	6370-6388	Spill apron is undermined with cracking - photos available, cracked in the middle and sunk	20	0	20	0	0	0	40	\$ 40,000.00
Widden Valley Road	Causeway	Replacement	13603-13627	Deck has been patched, trim	0	0	40	0	0	0	40	\$ 45,000.00
Albano Road	Causeway	Replacement	1492-1508	Causeway has washaways at time of	0	0	40	0	0	0	40	\$ 55,000.00
Baerami Creek Road	Causeway	Part - Replacement	16322-16412	Silt on deck needs to be cleaned off,	0	0	40	0	0	0	40	\$ 65,000.00
Widden Valley Road	Causeway	Replacement	16156-16178	Deck in poor condition, trim	0	0	40	0	0	0	40	\$ 80,000.00
Lower William	Pipes	New		The current kerb & gutter is not	0	40	0	0	0	0	40	\$ 107,500.00
St Heliers Street	Pipes	New			10	20	0	0	10	0	40	\$ 110,000.00
RACECOURSE	Headwall			0	0	0	30	0	0	0	30	\$ 1,200.00
OGILVIE ST	Headwall			0	0	0	30	0	0	0	30	\$ 1,200.00
GREY GUM RD	Headwall			0	0	0	30	0	0	0	30	\$ 1,200.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 1,200.00
CARL ST	EndPipe			0	0	0	30	0	0	0	30	\$ 1,200.00
IRONBARK RD	Headwall			0	0	0	30	0	0	0	30	\$ 1,200.00
PALACE ST	Headwall			0	0	0	30	0	0	0	30	\$ 1,250.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 1,400.00
PALACE ST	Headwall			0	0	0	30	0	0	0	30	\$ 1,500.00
PALACE ST	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
BABBINGTON	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
GOULBURN DR	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
GOULBURN DR	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 1,600.00
DALWOOD PL	Pit			0	0	0	30	0	0	0	30	\$ 1,800.00
HILL ST	Headwall			Major cracking	0	0	30	0	0	0	30	\$ 1,800.00
GOULBURN DR	Headwall			0	0	0	30	0	0	0	30	\$ 1,800.00

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns - 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
COMMON RD	Headwall			0	0	0	30	0	0	0	30	\$ 1,900.00
GOULBURN DR	Headwall			0	0	0	30	0	0	0	30	\$ 1,900.00
MCCLINTOCK	Pit			Eroded Floor	0	0	30	0	0	0	30	\$ 1,900.00
GOULBURN DR	Headwall			0	0	0	30	0	0	0	30	\$ 2,200.00
SKELLATAR	Headwall			0	0	0	30	0	0	0	30	\$ 2,200.00
RACECOURSE	Headwall			0	0	0	30	0	0	0	30	\$ 2,400.00
WILLIAM ST	Headwall			0	0	0	30	0	0	0	30	\$ 2,400.00
BELL ST, DMN	Headwall			0	0	0	30	0	0	0	30	\$ 2,600.00
GREY GUM RD	Pipe Culvert			0	0	0	30	0	0	0	30	\$ 2,600.00
MERRIWA RD	Headwall			0	0	0	30	0	0	0	30	\$ 2,800.00
BELL ST, MBK	Pit			0	0	0	30	0	0	0	30	\$ 2,800.00
MAITLAND ST	Headwall			0	0	0	30	0	0	0	30	\$ 2,800.00
MAITLAND ST	Headwall			0	0	0	30	0	0	0	30	\$ 2,800.00
WOOLLYBUTT	Pit			Cracking	0	0	30	0	0	0	30	\$ 2,800.00
RACECOURSE	Headwall			0	0	0	30	0	0	0	30	\$ 2,900.00
RACECOURSE	Headwall			0	0	0	30	0	0	0	30	\$ 2,900.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 2,900.00
VALLEY WY	Pit			0	0	0	30	0	0	0	30	\$ 2,900.00
BABBINGTON	Pit			0	0	0	30	0	0	0	30	\$ 2,900.00
WOLLOMBI RD	Pit			0	0	0	30	0	0	0	30	\$ 2,900.00
LAE ST	Pit			0	0	0	30	0	0	0	30	\$ 2,900.00
SHIRAZ ST	Pit			Cracking at pipe joint / Broken lid	0	0	30	0	0	0	30	\$ 2,900.00
PAXTON ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,000.00
PAXTON ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,000.00
PAXTON ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,000.00
IRONBARK RD	Pit			Eroded Floor	0	0	30	0	0	0	30	\$ 3,100.00
PALACE ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,200.00
IRONBARK RD	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
SHIRAZ ST	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
SHIRAZ ST	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
HUMPHRIES ST	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
TOWARRI ST	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
PALACE ST	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
BELL ST, MBK	Headwall			0	0	0	30	0	0	0	30	\$ 3,200.00
TINDALE ST	Pit			Minor Cracking	0	0	30	0	0	0	30	\$ 3,200.00
WOLLOMBI RD	Pit			Eroded Floor	0	0	30	0	0	0	30	\$ 3,200.00
WILLIAM ST	Pit			0	0	0	30	0	0	0	30	\$ 3,200.00
DONALDSON ST	Pit			0	0	0	30	0	0	0	30	\$ 3,400.00
Sydney St	Pit			0	0	0	30	0	0	0	30	\$ 3,400.00

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns - 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
SURVEYOR	Pit			0	0	0	30	0	0	0	30	\$ 3,400.00
THOMAS	Pit			0	0	0	30	0	0	0	30	\$ 3,400.00
CASSIDY AVE	Pit			Eroded Floor	0	0	30	0	0	0	30	\$ 3,400.00
RICHMOND ST	Pit			Cracking	0	0	30	0	0	0	30	\$ 3,400.00
PAXTON ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,400.00
SHIRAZ ST	Pit			Minor Cracking	0	0	30	0	0	0	30	\$ 3,400.00
TRAMINER ST	Pit			Lid surround broken	0	0	30	0	0	0	30	\$ 3,400.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 3,500.00
ROSEMOUNT	Headwall			0	0	0	30	0	0	0	30	\$ 3,500.00
RUTH WHITE	Pit			Minor Cracking	0	0	30	0	0	0	30	\$ 3,500.00
HILL ST	Pit			Cracked Base	0	0	30	0	0	0	30	\$ 3,500.00
ENTERPRISE	Pit			Broken Lintel / Damaged Walls	0	0	30	0	0	0	30	\$ 3,500.00
WOLLOMBI RD	Pit			Cracked Walls	0	0	30	0	0	0	30	\$ 3,500.00
CARL ST	Pit			Broken lid corner	0	0	30	0	0	0	30	\$ 3,500.00
TURTLE ST	Pit			0	0	0	30	0	0	0	30	\$ 3,600.00
OGILVIE ST	Pit			0	0	0	30	0	0	0	30	\$ 3,600.00
MCCLINTOCK	Pit			Broken Lid Surround	0	0	30	0	0	0	30	\$ 3,600.00
ABERDEEN ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,700.00
GOULBURN DR	Headwall			0	0	0	30	0	0	0	30	\$ 3,700.00
ISOBELLA ST	Pit			Eroded Floor	0	0	30	0	0	0	30	\$ 3,700.00
COUSINS ST	Pit			Eroded floor	0	0	30	0	0	0	30	\$ 3,700.00
MCCLINTOCK	Pit			Eroded Floor	0	0	30	0	0	0	30	\$ 3,700.00
ANZAC PDE	Pit			Walls /Lid spalling	0	0	30	0	0	0	30	\$ 3,700.00
ROSEMOUNT	Pit			0	0	0	30	0	0	0	30	\$ 3,800.00
TOBRUK AVE	Pit			Major cracking	0	0	30	0	0	0	30	\$ 3,800.00
MAITLAND ST	Pit			0	0	0	30	0	0	0	30	\$ 3,800.00
BROOK ST	Pit			0	0	0	30	0	0	0	30	\$ 3,800.00
COOK ST	Pit			0	0	0	30	0	0	0	30	\$ 3,800.00
PALACE ST	Headwall			0	0	0	30	0	0	0	30	\$ 3,800.00
ROSEMOUNT	Pipe Culvert			0	0	0	30	0	0	0	30	\$ 3,800.00
OSBORN AVE	Pit			Mild Eroded Floor / Cracked Lid	0	0	30	0	0	0	30	\$ 3,800.00
COOLIBAH CL	Pit			Cracked Walls	0	0	30	0	0	0	30	\$ 3,800.00
MELALEUCA CL	Pit			Cracked Walls	0	0	30	0	0	0	30	\$ 3,800.00
ARLINGHAM CL	Pit			Pipe connection defect	0	0	30	0	0	0	30	\$ 3,800.00
BURGUNDY ST	Pit			Broken Lid / Lintel Steel Loose	0	0	30	0	0	0	30	\$ 3,800.00
TRAMINER ST	Pit			Broken Wall	0	0	30	0	0	0	30	\$ 3,800.00
CABERNET ST	Pit			Cracked Walls	0	0	30	0	0	0	30	\$ 3,800.00
WOLLOMBI RD	Pit			Minor Cracking	0	0	30	0	0	0	30	\$ 3,900.00
Bureen Road	Culvert	Replacement	4050	Tailwall half missing - replace	0	0	30	0	0	0	30	\$ 4,000.00

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns - 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
Bylong Valley	Culvert	Replacement	602	Tailwall damaged - replace	0	0	30	0	0	0	30	\$ 4,000.00
EDINGLASSIE	Pit			0	0	0	30	0	0	0	30	\$ 4,200.00
TARAKAN AVE	Pit			Cracked Walls	0	0	30	0	0	0	30	\$ 4,200.00
TINDALE ST	Pit			No Defects	0	0	30	0	0	0	30	\$ 4,200.00
TARAKAN AVE	Pit			Minor Cracking	0	0	30	0	0	0	30	\$ 4,500.00
Muscle Creek	Culvert	Replacement	2387	Both headwalls damaged and need	0	0	30	0	0	0	30	\$ 4,500.00
MCCLINTOCK	Pit			Eroded Floor / Lintel Raised	0	0	30	0	0	0	30	\$ 4,900.00
Baerami Creek	Culvert	Replacement	3070	Damaged headwall needs	0	0	30	0	0	0	30	\$ 5,000.00
Bylong Valley	Culvert	Replacement	25210	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 5,000.00
Bylong Valley	Culvert	Replacement	25420	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 5,000.00
Hungerford Road	Culvert	Replacement	3579	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 5,000.00
ROSEMOUNT	Pipe Culvert			0	0	0	30	0	0	0	30	\$ 5,800.00
Baerami Creek	Culvert	Replacement	9445	Damaged headwall needs	0	0	30	0	0	0	30	\$ 6,000.00
Widden Valley	Culvert	Replacement	2032	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 6,000.00
Widden Valley	Culvert	Replacement	10223	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 6,000.00
GEORGE ST	Headwall			0	0	0	30	0	0	0	30	\$ 6,500.00
GEORGE ST	Headwall			0	0	0	30	0	0	0	30	\$ 6,500.00
TURNER ST	Headwall			0	0	0	30	0	0	0	30	\$ 6,500.00
Emu Creek Road	Culvert	Replacement	3690	Headwall damaged - replace	0	0	30	0	0	0	30	\$ 6,500.00
Richmond Grove	Culvert	Replacement	815	Tailwall damaged - replace	0	0	30	0	0	0	30	\$ 6,500.00
Widden Valley	Culvert	Replacement	17323	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 6,500.00
Widden Valley	Culvert	Replacement	20219	Headwall damaged - replace.	0	0	30	0	0	0	30	\$ 7,000.00
Widden Valley	Culvert	Replacement	21495	Headwall damaged - replace	0	0	30	0	0	0	30	\$ 7,000.00
Widden Valley	Culvert	Replacement	21670	Headwall damaged - replace	0	0	30	0	0	0	30	\$ 7,000.00
BROOK ST	Pipe Culvert			0	0	0	30	0	0	0	30	\$ 7,800.00
Baerami Creek	Culvert	Replacement	12651	L shaped headwall needs	0	0	30	0	0	0	30	\$ 8,000.00
Baerami Creek	Culvert	Replacement	13063	L shaped headwall needs	0	0	30	0	0	0	30	\$ 8,000.00
Mangoola Road	Culvert	Replacement	45	Tailwall cracked and coming off.	0	0	30	0	0	0	30	\$ 8,000.00
Martindale Road	Culvert	Replacement	25	Tailwall damaged - replace	0	0	30	0	0	0	30	\$ 8,000.00
Baerami Creek	Culvert	Replacement	13545	Damaged headwall needs	0	0	30	0	0	0	30	\$ 8,500.00
Baerami Creek	Culvert	Replacement	13973	Damaged headwall needs	0	0	30	0	0	0	30	\$ 8,500.00
Horseshoe Road	Culvert	Replacement	1049	Headwall mostly missing - replace.	0	0	30	0	0	0	30	\$ 8,800.00
Horseshoe Road	Culvert	Replacement	6270	Headwall destroyed - replace.	0	0	30	0	0	0	30	\$ 8,800.00
Baerami Creek	Culvert	Replacement	21236	Headwall damaged - replace	0	0	30	0	0	0	30	\$ 9,000.00
Bylong Valley	Culvert	Replacement	15404	Headwall damaged - replace 2 pipe	0	0	30	0	0	0	30	\$ 9,000.00
Widden Valley	Culvert	Replacement	18473	Both headwall damaged - replace	0	0	30	0	0	0	30	\$ 9,000.00
Widden Valley	Culvert	Replacement	19961	Both headwalls damaged and need	0	0	30	0	0	0	30	\$ 9,000.00
PALACE ST	Open Channel			0	30	0	0	0	0	0	30	\$ 9,215.00
COMMON RD	Pipe Culvert			Joint Displacement	0	0	30	0	0	0	30	\$ 9,500.00

Road name	Structure Type	Defects	Chainage	Comments	Serious Risk Areas - 200	Serious Flooding Concerns 50	Renewal of Deteriorated Infrastructure - 50	Supporting other Prioritised Work - 50	Work to address Environmental Objectives - 50	Development Pressures - 50	SCORE - 450	Estimated Cost
Baerami Creek	Culvert	Replacement	15953	2/3 blocked	0	0	30	0	0	0	30	\$ 9,500.00
Bylong Valley	Culvert	Replacement	24095	Headwall damaged - replace. Tailwall	0	0	30	0	0	0	30	\$ 9,500.00
Bylong Valley	Culvert	Replacement	24888	Headwall damaged - replace. Tailwall	0	0	30	0	0	0	30	\$ 9,500.00
Turnermans	Culvert	Replacement	405	Headwall damage - replace. Some	0	0	30	0	0	0	30	\$ 9,500.00
Baerami Creek	Culvert	Replacement	8892	Damaged headwall and tail wall	0	0	30	0	0	0	30	\$ 10,500.00
Widden Valley	Culvert	Replacement	20548	Both headwalls damaged and need	0	0	30	0	0	0	30	\$ 10,500.00
TURNER ST	Box Culvert			0	0	0	30	0	0	0	30	\$ 12,500.00
KENILWORTH	Open Channel			0	0	0	30	0	0	0	30	\$ 13,500.00
Muscle Creek Road	Causeway	Replacement	8999-9013	Deck needs repair - service request	0	0	30	0	0	0	30	\$ 28,000.00
Muscle Creek Road	Causeway	Replacement	9866-9879	Replace deck	0	0	30	0	0	0	30	\$ 28,000.00
Paxton Street	Pipes	New		Improve drainage to cater 5 y ARI	0	30	0	0	0	0	30	\$ 210,040.00
Castlerock Road	Culvert	Replacement	7460	Pipes look to have dropped, broken	0	0	20	0	0	0	20	\$ 6,000.00
Castlerock Road	Culvert	Replacement	12534	Pipe tailwall end has hole at top -	0	0	20	0	0	0	20	\$ 6,000.00
Widden Valley	Culvert	Replacement	10134	Headwall - 1/2 wingwall missing -	0	0	20	0	0	0	20	\$ 6,000.00
Rouchel Gap	Culvert	Replacement	1832	Headwall cracked and needs	0	0	20	0	0	0	20	\$ 7,500.00
Castlerock Road	Culvert	Replacement	18057	Lots of movement in pipes, headwall	0	0	20	0	0	0	20	\$ 7,500.00
Bylong Valley	Culvert	Replacement	17295	Some movement in pipe - reinspect	0	0	20	0	0	0	20	\$ 9,000.00
Isobel Street	Pipes	New		Improve drainage to cater 5 y ARI	0	20	0	0	0	0	20	\$ 205,700.00
												\$ 5,650,305.00

7 CORPORATE AND COMMUNITY SERVICES

7.1 REVISED LONG TERM FINANCIAL PLAN

Attachments:	A. Long Term Financial Plan 2017-2028
Responsible Officer:	Fiona Plesman - Director - Planning, Community & Corporate Services
Author:	Natalia Cowley - Manager, Corporate Services
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Work towards the achievement of a sustainable Operating Budget result in the General Fund.</i>

PURPOSE

To present the Long Term Financial Plan ("LTFP") to Councillors for adoption and inclusion in Council's 2018-19 Special Rate Variation ("SRV") Application to the Independent Pricing and Regulatory Tribunal ("IPART").

OFFICER'S RECOMMENDATION

Council adopt the 2018-19 to 2027-28 Long Term Financial Plan.

Moved: _____ **Seconded:** _____

BACKGROUND

Council is required to adopt a Long Term Financial Plan that covers a ten year period. This LTFP is needed to be submitted with the SRV Application in February 2018.

CONSULTATION

Councillor Rush was sent a copy of the LTFP on 18th January 2018.

CONSULTATION WITH COUNCILLOR SPOKESPERSON

Councillor Bailey was sent a copy of the LTFP on 18th January 2018.

REPORT

The base case scenario (**Scenario 1**) in the LTFP is built on the previously endorsed 4 year budget, amended for the following items:

- Updated interest and principal repayments to tie to the banks' actual repayment schedules;
- Updated interest income to better reflect the reserve balance allocations to the different Funds;
- Updated capital expenditure and loan repayments to tie to the Finmod model for the Sewer Fund.

The LTFFP will be used for Council's 2018/19 Special Rate Variation Application and as a result, there is a **Scenario 2** for the General Fund, which overlays the proposed SRV revenue, expenses and capital impacts over Scenario 1 above.

Below is a table summarising the key Income Statement line items for the **General Fund's Scenario 1**:

GENERAL FUND												
Scenario 1 - Income Statement	Actuals	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Total Income from Continuing Operations	38,097	42,341	40,194	41,377	42,341	43,256	44,486	45,771	47,044	48,361	49,711	50,961
Total Expenses from Continuing Operations	30,263	36,572	35,156	36,186	37,123	38,076	39,054	40,049	41,097	42,177	43,286	44,424
Net Operating Result attributable to Council	7,834	5,769	5,038	5,191	5,218	5,180	5,432	5,722	5,948	6,184	6,425	6,537
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	2,927	100	159	289	256	94	219	378	470	570	670	638

The \$162k drop in the operating result in the 2021/22 period to \$94k is due to the refinancing of CBA's \$15m Marketplace loan in 2020/21 from the current 3.06% fixed interest rate to a projected 4.5% interest rate. This loan refinancing has led to a drop in interest income in 2021/22 as a result of the lower General Fund reserves balance due to the higher principal repayments.

Below is a table summarising the key Income Statement line items for the **General Fund's Scenario 2**:

GENERAL FUND												
Scenario 2 - SRV Income Statement	Actual	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Total Income from Continuing Operations	38,097	42,341	56,297	43,314	44,322	45,282	46,559	47,891	49,213	50,580	51,981	53,284
Total Expenses from Continuing Operations	30,263	36,572	35,628	36,914	39,012	39,984	40,981	41,995	43,063	44,163	45,293	46,452
Net Operating Result attributable to Council	7,834	5,769	20,669	6,400	5,310	5,298	5,578	5,896	6,151	6,417	6,688	6,832
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	2,927	100	1,580	1,498	347	212	365	552	673	802	934	933

The \$1.3m+ increase in the operating results for 2018/19 and 2019/2020 is reflective of the SRV profits that are projected for these respective years. The reason for this is because the two projects will be built during 2018-2020 and therefore the annual operational costs will only start during 2020/21, hence the drop in revenue from that year onwards.

Below is a table summarising the key Income Statement line items for the **Water Fund**:

WATER FUND												
Scenario 1 - Income Statement	Actual	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Total Income from Continuing Operations	6,113	6,188	6,456	6,646	6,778	6,882	7,074	7,263	7,539	7,821	8,136	8,451
Total Expenses from Continuing Operations	5,571	6,103	6,329	6,517	6,721	6,873	7,028	7,186	7,347	7,520	7,715	7,916
Net Operating Result attributable to Council	542	85	127	129	56	9	46	77	192	301	421	536
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	214	(312)	(278)	(294)	(378)	(436)	(410)	(391)	(287)	(190)	(82)	20

It is forecasted that the Water Fund's operating result attributable to Council will report an operating profit after grants for the next 9 years and will deliver a profitable operating result before grants and contributions in year 10. The drop in the operating result for 2021/22 is due to a reduction in the investments on hand as at 2020/21, which has decreased the interest income for 2021/22.

Below is a table summarising the key Income Statement line items for the **Sewer Fund**:

SEWER FUND												
Scenario 1 - Income Statement	Actual	Budget	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
For the year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Total Income from Continuing Operations	5,016	13,980	5,265	5,410	5,571	6,126	6,347	6,562	6,794	7,057	7,327	7,621
Total Expenses from Continuing Operations	3,825	4,671	5,191	5,401	5,505	5,566	5,652	5,737	5,824	5,911	6,005	6,104
Net Operating Result attributable to Council	1,191	9,309	74	9	66	560	695	825	971	1,145	1,322	1,518
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	694	30	(375)	(451)	(414)	68	191	308	441	602	765	947

It is forecasted that the Sewer Fund will only be in a deficit position, when grants are excluded, during the 3 years from 2018-2021 due to the reduced interest income as a result of the high utilisation of reserves used for the construction of the Reuse Water Treatment Plan and the associated increased interest expense due to the related borrowings.

Below is a table summarising the key Income Statement line items for the **Future Fund**:

FUTURE FUND												
Scenario 1 - Income Statement For the year	Actual 2016/17	Budget 2017/18	Projected 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24	Projected 2024/25	Projected 2025/26	Projected 2026/27	Projected 2027/28
Total Income from Continuing Operations	2,370	7,201	6,317	6,475	6,637	6,833	7,030	7,247	7,505	7,771	8,056	8,356
Total Expenses from Continuing Operations	1,898	4,158	4,510	4,975	5,180	5,249	5,272	5,316	5,373	5,432	5,491	5,551
Net Operating Result attributable to Council	472	3,043	1,807	1,500	1,456	1,584	1,758	1,931	2,132	2,339	2,565	2,804
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	472	1,590	1,807	1,500	1,456	1,584	1,758	1,931	2,132	2,339	2,565	2,804

The Future Fund is forecasted to continue performing at its current levels of operations, subject to a positive inflationary growth impact.

OPTIONS

There are two options provided which affect the General Fund and they are explained above as Scenario 1 and Scenario 2.

CONCLUSION

The LTFP delivers sustainable performance for both Scenarios over the next 10 years.

SOCIAL IMPLICATIONS

The proposed SRV scenario 2 would further strengthen Council's liveability and attractiveness and improve the way of life for the community in the long term.

FINANCIAL IMPLICATIONS

As outlined in the report and the attachments.

POLICY IMPLICATIONS

Not applicable.

STATUTORY IMPLICATIONS

The accounting entries are in accordance with Australian Accounting Standards.

LEGAL IMPLICATIONS

Not applicable.

OPERATIONAL PLAN IMPLICATIONS

The Long Term Financial Plan forms part of the Integrated Planning and Reporting suite of documents.

RISK MANAGEMENT IMPLICATIONS

Not applicable.

Long Term Financial Plan 2017-2028

Muswellbrook Shire	Actuals	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
For the year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Operating balance ratio excl capital items												
Base Case (Scenario 1)	9%	0%	0%	1%	1%	0%	1%	1%	1%	1%	2%	1%
SRV Case (Scenario 2)	9%	0%	4%	4%	1%	1%	1%	1%	2%	2%	2%	2%
Unrestricted current ratio												
Base Case (Scenario 1)	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52
SRV Case (Scenario 2)	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52	2.52
Rates and annual charges ratio												
Base Case (Scenario 1)	43%	42%	44%	45%	45%	45%	45%	45%	45%	45%	44%	44%
SRV Case (Scenario 2)	43%	42%	47%	48%	48%	48%	48%	48%	48%	47%	47%	47%
Debt service ratio												
Base Case (Scenario 1)	3%	3%	2%	2%	2%	2%	2%	1%	1%	1%	1%	1%
SRV Case (Scenario 2)	3%	3%	7%	6%	3%	3%	3%	3%	2%	2%	2%	2%
Broad liabilities ratio												
Base Case (Scenario 1)	29%	25%	24%	22%	20%	19%	17%	15%	15%	14%	13%	12%
SRV Case (Scenario 2)	29%	25%	51%	45%	42%	39%	36%	34%	32%	30%	28%	27%
Asset renewal ratio												
Base Case (Scenario 1)	37%	189%	163%	99%	100%	106%	106%	106%	107%	106%	104%	101%
SRV Case (Scenario 2)	37%	189%	163%	99%	99%	105%	105%	105%	105%	105%	103%	101%

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8 ADJOURNMENT INTO CLOSED COUNCIL

In accordance with the Local Government Act 1993, and the Local Government (General) Regulation 2005, in the opinion of the General manager, the following business is of a kind as referred to in Section 10A(2) of the Act, and should be dealt with in a Confidential Session of the Council meeting closed to the press and public.

RECOMMENDATION

Council adjourn into Closed Session and members of the press and public be excluded from the meeting of the Closed Session, and access to the correspondence and reports relating to the items considered during the course of the Closed Session be withheld unless declassified by separate resolution. This action is taken in accordance with Section 10A(2) of the Local Government Act, 1993 as the items listed come within the following provisions:

9.1 AWARD OF CONTRACT 2017-2018-0317 - DESIGN AND INSTALLATION OF FIBRE OPTIC NETWORK

Item 9.1 is classified CONFIDENTIAL under the provisions of Section 10A(2)(d)(ii) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a competitor of the council, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

9.2 OPTION TO PURCHASE LAND

Item 9.2 is classified CONFIDENTIAL under the provisions of Section 10A(2)(d)(ii) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a competitor of the council, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

9.3 DELIVERY OF PLANNING AND REGULATORY SERVICES

Item 9.3 is classified CONFIDENTIAL under the provisions of Section 10A(2)(a) of the local government act 1993, as it deals with personnel matters concerning particular individuals (other than councillors), and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

Moved: _____ **Seconded:** _____

9 CLOSED COUNCIL

10 RESUMPTION OF OPEN COUNCIL

11 CLOSURE