

SRV APPLICATION ATTACHMENT E
Long Term Financial Plan

Long Term Financial Plan 2017/2018 to 2026/2027



Bellingen Shire
COUNCIL



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1.0 Introduction

1.1 Overview

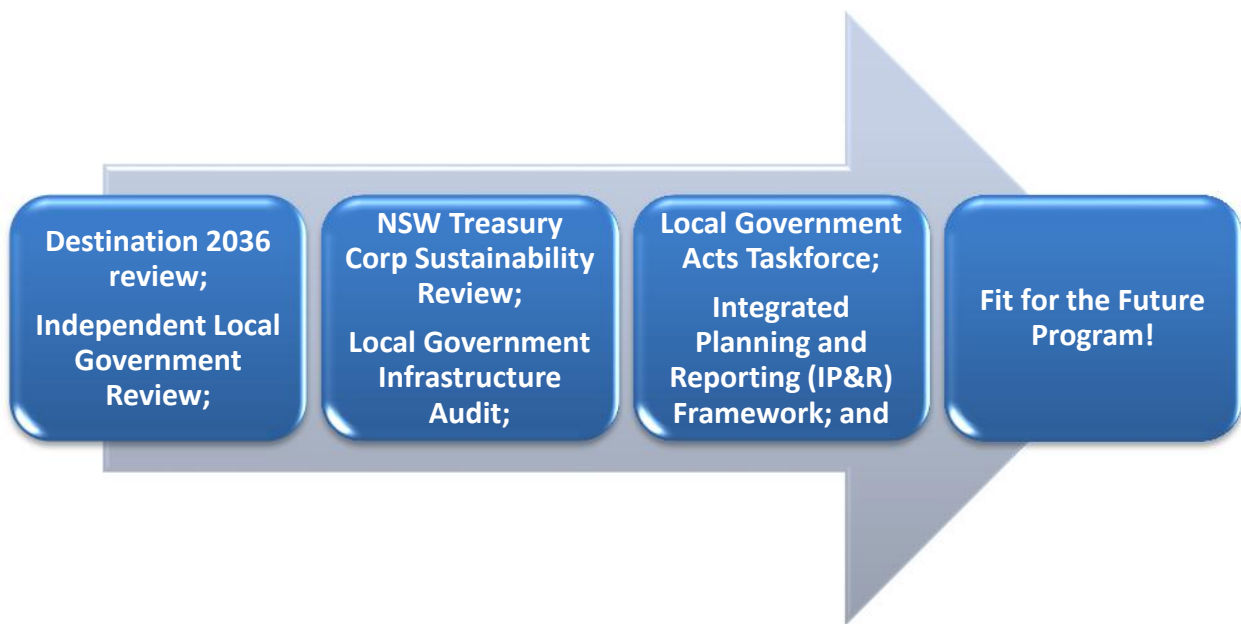
Bellingen Shire has a rich and diverse community with a focus on quality of lifestyle. To ensure that our community's ideals and values of a healthy, safe and sustainable Shire continue into the future, Bellingen Shire Council (BSC) developed its Bellingen Community Vision. To support the Community Vision, Council has developed a Long Term Financial Plan that enables the vision to be translated into reality.

With an annual operating budget of over \$32M for 2017/18, Bellingen Shire Council delivers a wide range of services to a population of over 13,000 residents and to thousands of visitors coming to experience Bellingen's unique natural environment.

Like many councils, Bellingen has faced many challenges over recent years, both from within the Shire and from the wider environment. Rate peg increases set by the NSW Government have often fallen short of inflation over the years, meaning that costs are increasing at a higher rate than revenues. This has meant that councils across the State have been significantly disadvantaged by rate pegging with the effect that councils have, for an extended period, spent less than is required on asset maintenance and renewals. Many services that were handled by the State or Commonwealth Government have been moved to Local Government without an appropriate funding adjustment, a process known as 'cost shifting'. Increased government reporting requirements, such as asset reporting, have also impacted on costs. From within the Shire, the demand for improved service levels and new services has also increased costs.

All of these impacts have left councils with fewer funds to invest in essential services such as infrastructure maintenance and renewal.

As a result of this, in 2011, the NSW Government began an unprecedented era of change to local government starting with a collaboration of councils from across NSW. The aim of the changes to build stronger, more viable local governments that are financially sustainable, innovative and strategic, from which came a series of reviews, programs and initiatives, including:



1.2 Fit for the Future

Fit for the Future (FFF) is a NSW Government initiative aimed at local government reform. The Fit for the Future process was introduced to help councils demonstrate to their communities that they are financially sound, operating efficiently and in a strong position to guide growth and deliver quality services into the future.

The Program provides a roadmap to outline how councils will become 'Fit for the Future'. Councils were assessed on their ability to be sustainable and efficient, effectively manage infrastructure, deliver services for their communities, and have the scale and capacity to engage effectively across community, industry and government.

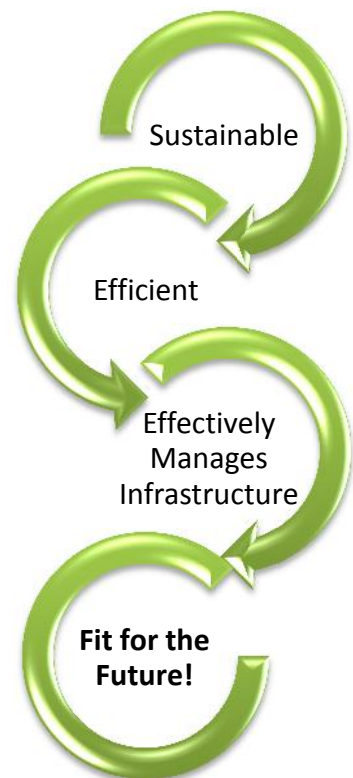
What does this mean for Bellingen Shire Council?

The NSW Government set up the Independent Local Government Review Panel in April 2012 to carry out the reforms proposed under the Destination 2036 report. Some of the reforms proposed were:

- Some councils to consider amalgamating to achieve increased scale and capacity;
- Councils to form Joint Organisational structures to help tackle wider regional issues;
- NSW Treasury Corporation to conduct a financial review and provide a financial sustainability assessment of each council.

Joint Organisations

Regional collaboration and alliancing will be of key importance to the local councils in the region. It is



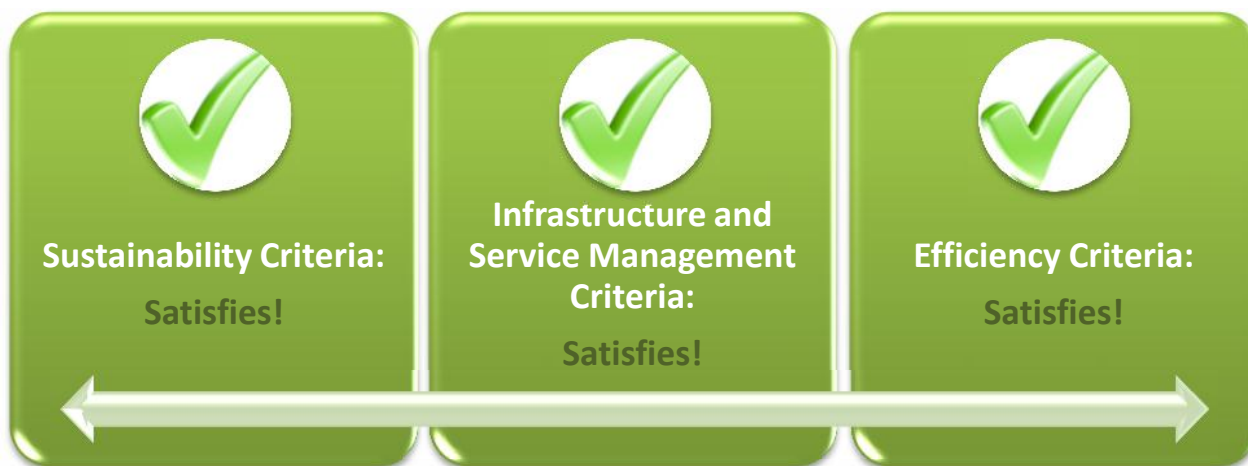
understood that Joint Organisations will be established in 2017 with the objective of councils in the region working together around advocacy and collaboration. Regional Joint Organisations will provide a forum for local councils and the State to work together to deliver regional priorities, such as jobs, education, housing, roads and transport. They will help to connect local priorities from local councils' Community Strategic Plans with regional planning for growth, infrastructure and economic development and provide a means of delivering projects across council boundaries.

The Joint Organisation model was developed in partnership with local councils through a pilot program in five regions during 2015. The proposed model and tools to support implementation were consulted on in June and July 2016 through consultation papers and regional visits.

The Local Government Review Panel also recommended that Bellingen Shire Council retain its independence as a stand-alone council, and become a member of the North Coast Joint Organisation in partnership with three of our neighbouring local councils. The final regional boundaries of the Mid Coast Joint Organisation are yet to be established.

Fit for the Future Outcomes

In December 2016 the NSW Office of Local Government assessed Bellingen's FFF proposal against the Financial Sustainability criteria and associated benchmarks and found Bellingen Shire Council (BSC) to be 'Fit'. The assessment was based on the FFF reassessment proposal, Councils Long Term Financial Plan and other associated documents provided.



BSC now needs to demonstrate how it will remain sustainable, provide efficient and effective services and continue to meet the needs of our local community. In conjunction with the FFF proposal Council has developed an improvement strategy and action plan (roadmap) demonstrating how we can meet the benchmarks provided by the NSW Government. This strategy and action plan was submitted to the Office of Local Government as part of the overall Fit for the Future resubmission in July 2016. Please refer to attachment 20 for the detailed action plan. Progress reporting will be produced regularly to Council.

Council's submission had a strong focus on a number of key financial benchmarks to determine if Council is 'Fit for the Future'. Council's initial result (as at 30 June 2014) met only two of the seven key 'Fit for the Future' performance indicators. By implementing a number of strategies Council was able to satisfy each of the 7 benchmarks in its 2016 reassessment proposal. In order to remain 'Fit for the Future' and receive the benefits offered by the NSW Government, BSC must continue to show that it is effectively managing its infrastructure, with a focus on long term sustainability.

By becoming fit Bellingen Shire Council has the benefits of:

- Access to a NSW Treasury Corporation (TCorp) borrowing facility that will save on the cost of borrowing;
- Priority access to other State funding and grants.

1.4 Legislative Requirements

One of the key changes introduced by the NSW Office of Local Government was the introduction of the Integrated Planning and Reporting (IP&R) Framework. The IP&R Framework recognises that councils' plans and policies need to connect together to achieve the community's needs and aspirations.

As part of the framework, Council is required to prepare a Resourcing Plan which outlines how Council will achieve the aspirations developed from community feedback in the Community Strategic Plan and Bellingen Shire Community Vision.

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

The LTFP is required to be produced annually with a detailed review every four years, and cover a minimum period of 10 years.

In preparing the LTFP, BSC 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; and
- Confirm that Council can remain financially sustainable in the longer term.



The LTFP must include:

- Planning assumptions
- Projected income and expenditure
- Projected balance sheet and cashflow statements
- Performance monitoring methods
- Sensitivity analysis

1.5 Long Term Financial Goals

For Council to be financially sustainable, it must be able to live within its means. Council must move towards a position where its operating revenue is covering its operating expenditure, including the cost of maintaining and renewing its assets.

The LTFP has been prepared with the following objectives in mind:

- Maintaining a fair and equitable rating, fees and charges structure;
- Creating pricing structures that effectively address the economic cost of providing the service whilst not precluding community members access to essential services because of individual economic circumstances (refer section 4.2 User Fees and Charges);
- Allocating resources that achieves a maximum result in meeting Community Vision goals and objectives;
- Building the capacity to progressively increase expenditure on required asset maintenance and renewal in accordance with Council's Asset Management Strategy and Plans;
- Long term financial sustainability;
- Moving towards achieving a minimum break even operating result in the 'general fund' by 2023.



2.0 Planning Assumptions

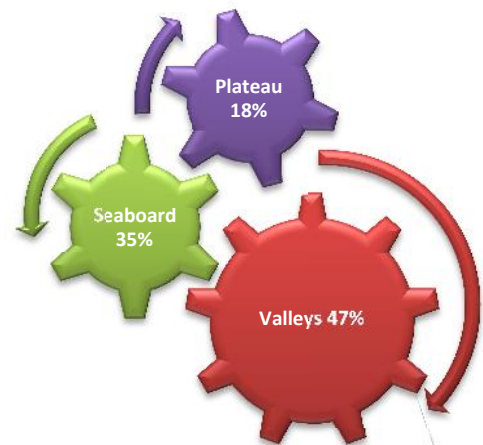
A long term financial plan is dependent on a number of planning assumptions. In preparing the LTFP, Council considered a range of matters and made appropriate assumptions. These assumptions were used to model and formulate the plan, test a range of scenarios and have ultimately formed the basis of the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

2.1 Context

Bellingen Shire is located on the Mid North Coast of NSW halfway between Sydney and Brisbane and just south of Coffs Harbour. It has a total area of 1,605 square kilometres with a coastline of approximately 10km. The region is renowned for its ecological diversity with State Forests and National Parks covering over 53% of the local government area. In 2015, the resident population of the Shire was 13,010. Over the past ten years the population of Bellingen Shire has increased at an average annual rate of 0.9%. The original inhabitants of the Bellingen area were the Gumbaynggirr Aboriginal people.

The Shire consists of three broad topographical areas incorporating the seaboard townships of Mylestom, Repton and Urunga, the valleys of the Bellinger and Kalang rivers and the Dorrigo plateau landscapes. Each has its own characteristics and provides a choice in cultural and natural diversity. This, along with our cultural attractions has created a thriving tourism industry with more than 300,000 visitors coming to our beautiful Shire each year.

Our Community Vision acknowledges the community's vision for the Shire as one that is Connected, Sustainable and Creative.



Industry Employment

The Bellingen Shire has an emerging economy with traditional and non-traditional industries. The 2011 Census data states that construction is the highest employment industry at 25.4%. While agriculture makes up 10% of employment, milk, livestock and vegetables make up 94.9% of commodities. The value of agriculture sat at just under \$25.5M with milk the highest commodity at 50.5%.

The Shire, while still strong in its traditional farming roots, is slowly transitioning into a tourism destination. Key attractions in the Shire include the World Heritage Listed Dorrigo National Park, the Dorrigo Rainforest Centre, beaches, national parks and reserves, cultural attractions and a successful events sector. Aquaculture, agribusiness, arts and cultural industries, organics and regional cuisine and aged care have also developed.

The events sector also plays a significant role in this "creative" economy. The renowned annual Camp Creative, Dorrigo Folk & Bluegrass Festival, Bellingen Music Festival, Bellingen Readers and Writers Festival and Bellingen Winter Music Festival all add to the Shire's already buzzing cultural life. The vibrant monthly Bellingen Markets also provides an opportunity to showcase our people and culture.

Tourism is strengthened by the fantastic climate, a diverse environment, café, market and festival culture and access to a wide range of nature-based recreational activities. The Shire offers a variety of lifestyle choices including the mountainous Dorrigo plateau, suburban township convenience or beachside living. In 2014/15, the total tourism and hospitality sales was \$76M with the total value add being \$43M.



The Shire is a lifestyle region with an emphasis on cultural vibrancy, liveability and social cohesion. It has diverged over the years and is now a mix of traditional and non-traditional farming. Many of today's residents are artists, craftspeople, writers, musicians and horticulturalists, with approximately 12.1% of employed residents having established home-based activities.

Our Shire's unemployment rate currently sits at 8%. This is 2% above the national average. Of those employed, 46.3% are full-time and 43.6% are part-time with 61.7% earning less than \$600 per week.

Demographics and Trends

The index of relative socio-economic disadvantage (SEIFA) highlights the Shire as being ranked in the 50 most disadvantaged LGAs in the State. The Shire sits at 950.1 on the index scale. Two of the three distinct localities of the Shire, individually, register even lower on the index scale, highlighting an increased level of disadvantage (Urunga at 926 and Dorrigo at 928.4).

The 50-59 age group is the largest percentage in our Shire sitting at 17.1% (ABS: 2011) with 44.4% of the Shire aged 50 years or older. The 10-19 age group comes in second sitting at 14.1%.

The projected growth for the Bellingen Shire is 0.9%. According to the NSW Department of Planning, the influencers behind the growth variation include a growing young population, an increase in birth rates and an increase in the number of older people in our Shire.

Infrastructure and Assets

As a local government organisation, Bellingen Shire Council is charged with the responsibility for the delivery of a diverse range of services. As at 30 June 2016, Council has 149 approved positions in a range of professions.

Bellingen Council manages a diverse portfolio of assets valued at over \$0.5 Billion (as at 30 June 2016). A snapshot of the asset base includes:



Key Assumptions

Some of the key variables reviewed as part of the setup of the LTFP include:

- Consumer Price Index (CPI)
- Salaries and Employee Costs
- Investment Income
- Rate Pegging

- Water and Sewer Rates
- Waste Charges
- Other Fees and Charges
- Service Levels - Refer to Bellingen Shire Council Community Vision.
- Population Growth - The LTFP has been prepared on the assumption of a small increase in the population base of 0.9%. This has been reflected in the rate forecasts throughout the LTFP.
- Economic Growth - The LTFP has been prepared on the assumption of a constant economic growth rate (status quo).

Table 2.1: Summary of Key Planning Assumptions

| Assumption/Variable | Calculation Basis | LTFP % |
|-------------------------------------|--|--|
| Consumer Price Index (CPI) | NSW Treasury Corporation Forecasts | 2.50% |
| Salaries and Employee Oncosts | Award increases and performance based increases | 3.50% - 17/18 3.00% (years 2-10) |
| Interest Rate Income | Market estimate | 2.75% - 5.00% |
| Rate Pegging (General Rates Income) | Independent Pricing and Regulatory Tribunal (IPART) and Dept. Local Government figures | 1.50% - 17/18 2.5% - Years 2-10 |
| Sewer Rates Income | Hydro Science draft 30 year business plan | 2.5% |
| Water Rates Income | Hydro Science draft 30 year business plan | 2.5% |
| Waste Charges Income | Based on reasonable cost estimates | 3.00% - 17/18 2.50% (years 2-10) |
| Fees and Charges Income | As per wages above + TCorp Recommendation | 3.50% |

As part of the planning process, Council modelled two different scenarios in the LTFP. The scenarios tested as part of the modelling process are:

- Model 1 – Service Levels Maintained
- Model 2 – Service Levels Reduced

2.2 Model 1 – Service Levels Maintained

‘Model 1’ is the base model used throughout this document and assumes a permanent 6% per year special rate variation across all categories in years 2017/18 – 2020/21. The scenario also models a \$300K operational cost reductions/savings, commencing with \$150K saving in 2017/18 and \$150K in 2018/19, continued throughout the LTFP in order to improve Council’s infrastructure.

All assumptions detailed in Sections 4 and 5 are based on the ‘Model 1’. Please refer to the table in 2.1

for the model assumptions and key indices.

2.3 Model 2 – Service Levels Reduced

The purpose of 'Model 2' is to model the impact on Council's financial position if Council was not to include any new special variation over the life of LTFP, i.e. increase rates by the annual rate peg limit only. This model incorporates a permanent special variation that commenced in the 2014/15 financial year to fund road improvements and maintenance, as well as infrastructure programs. This model incorporates a reduction in infrastructure renewal expenditure, which in turn results in a reduction in service levels.

3.0 Current Financial Position

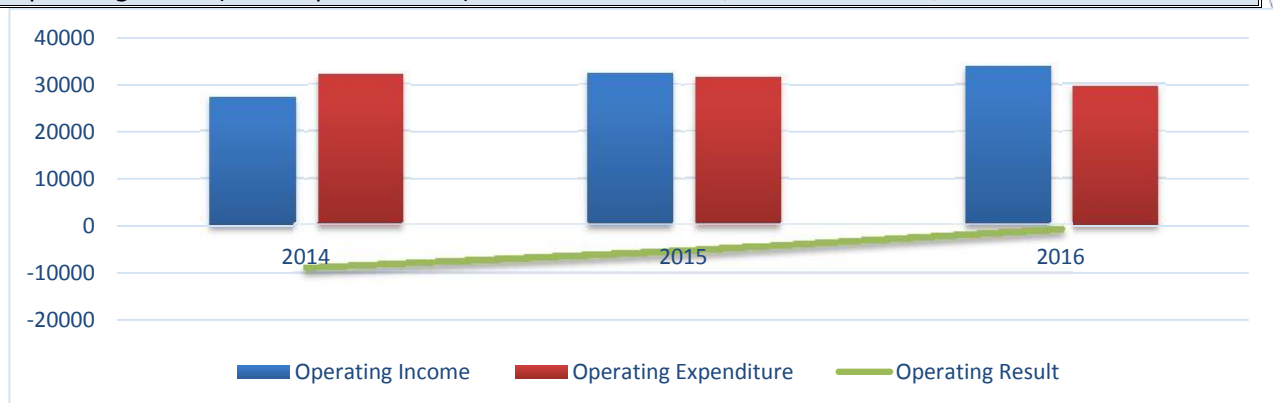
Council has seen a steady improvement in the operating result over the past few years due to a number of initiatives that it has undertaken including in more recent years those commitments in its Fit For the Future (FFF) submissions. Council's overall operating result has improved from a deficit of \$9M in 2014 to a deficit of \$0.9M in 2016, a net decrease of \$8.1M.

The current financial position of BSC is represented in the table below:

Table 3.1 Financial summary as at 30 June 2016 (Source: BSC Financial Statements 15/16)

| | |
|--|----------------|
| INCOME STATEMENT | \$'000 |
| Total Income from Continuing Operations (including capital) | 33,966 |
| Total Expenditure from Continuing Operations | 29,571 |
| Net Operating Result for the year (including capital) | 4,395 |
| Net Operating Result Excluding Capital Revenue | -919 |
| BALANCE SHEET | \$'000 |
| Total Current Assets | 40,138 |
| Total Non-Current Assets | 432,049 |
| Total Current Liabilities | 6,184 |
| Total Non-Current Liabilities | 9,074 |
| Total Equity | 456,929 |
| CASH FLOW STATEMENT | \$'000 |
| Net Cash Provided - Operating Activities | 10,252 |
| Net Cash Used - Investing Activities | -4,647 |
| Net Cash Provided - Financing Activities | -596 |
| Net Decrease in Cash | 5,009 |
| Cash - Beginning of Year | 3,149 |
| Cash End of Year | 8,158 |
| Investments on Hand - End of Year | 26,600 |
| Total Cash, Cash Equivalents & Investments | 34,758 |

| Income/Expense Summary | 2014 | 2015 | 2016 |
|---|--------|--------|--------|
| Total Income (Incl. Capital) | 27,276 | 32,486 | 33,966 |
| Total Expenditure | 32,152 | 31,604 | 29,571 |
| Operating Result (Excl. Capital Income) | -8,963 | -5,438 | -919 |

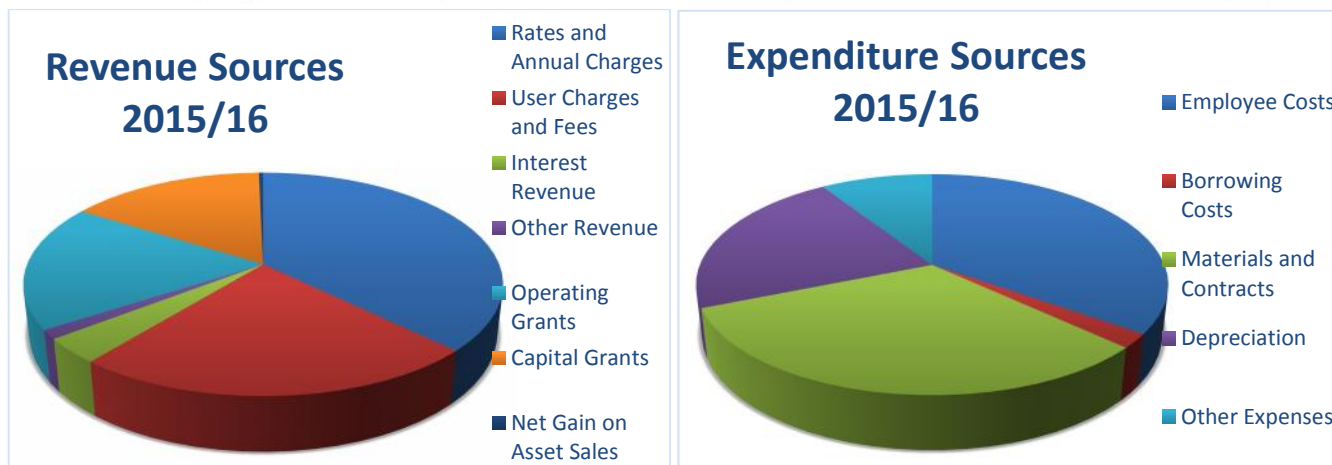


Significant achievements impacting the improvement in results have included:

- Special Rate Variation 2015
- Revaluation of roads, bridges, footpaths and drainage
- Derecognition of Rural Fire Service assets
- Review of fees and charges
- Achievement of Fit for the Future expenditure reduction commitments
- Staffing initiatives including monitoring staff overtime and leave liabilities
- Increase in Roads and Maritime Services State road works
- Shift in operational works to capital works
- Energy efficiency initiatives

The following pie graph shows the breakup of Council’s Income and Expenditure sources for the 2015/16 year:

Table 2.2 Graph of Income and Expenditure as at 30 June 2016 (Source: BSC Financial Statements 15/16)



4.0 Revenue Forecasts

To ensure Council's long term financial sustainability, it is essential that Council increase its revenue. This is however constrained due to:

- The NSW State Government impost of rate pegging which limits the amount that rates can increase annually - frequently, the Council's costs exceed the rate peg due to the cost of providing services increasing at rates higher than that of rate peg (wages etc.)
- Many statutory fees are set by NSW State Government, often not covering the true cost of providing the service that the fee is intended to recover;
- High percentage of non-rateable land - There is 57% of the Council area which is unrateable, meaning Council can only collect rates on 43% of the Shire. Of this 57%, 32.4% is National Parks, 21.4% is State Forests, 0.9% is Crown Land and 2.4% other non-rateable land.
- Little opportunity to generate alternative sources of significant revenue. This is due to the fact that the Council must be risk-averse so that any risks of losing public money due to a proposed business venture is minimised.
- Large percentage of pensioners - The Bellingen Shire also has a high proportion of pensioner and concession holders, with 24% of rateable customers receiving a rebate costing Council over \$240,000 per year. NSW is the only state that requires councils to contribute to the pensioner concession, with 55% paid by the State and 45% covered by the local government authority. For Bellingen this would be equivalent to a 3% special rate increase.
- Low SEIFA ranking – The index of relative socio-economic disadvantage (SEIFA) highlights the Shire as being ranked in the 50 most disadvantaged LGAs in the State. The Shire sits at 950.1 on the index scale. Two of the three distinct localities of the Shire, individually, register even lower on the index scale, highlighting an increased level of disadvantage (Urunga at 926 and Dorrigo at 928.4). This ranking means Council has to be considerate of the communities capacity to pay in terms of generating further revenue from rates and annual charges.

The LTFP revenue projections over the 10 years of the plan have been based on current knowledge of revenue indices, Australian and NSW Government funding indications, historical trend analysis and consultation with key stakeholders.

In order to be financially sustainable into the future, Council has attempted to balance its need to maximise its revenue with the Community Vision's principles of fairness and equity. In light of this, BSC has performed a significant review of its Fees and Charges Policy. Fees and Charges were reassessed having regard to best practice principles and taking into consideration:

- Economic cost of providing the service
- Type of community service
- Regulated charges
- User pays principal
- Market forces

User Fees and Charges are outlined in section 4.2.

4.1 Rates and Annual Charges

Rate Peg

In NSW, increases in general rates are limited by the Independent Pricing and Regulatory Tribunal (IPART) in a practice known as rate pegging. IPART sets the maximum percentage that councils may increase general rates by each year. It is important to note that this limit does not apply to an individual's rate levy but rather the total rate levies raised from ordinary and special rates. The rate peg does not apply to stormwater, waste collection or water and sewerage charges. To seek an increase in rates higher than the rate peg, councils are required to apply to IPART for a Special Rate Variation (SRV).

Rates and Charges Income

Income from rates and annual charges form over a third of Council's revenue. The budget attachments assume a rate peg of 1.50% + a Special Variation of 4.5% for 2017/18 (total 6%). Income generation from rating is then assumed to increase by 6.00% for 2018/2019 onwards for a period of 4 years. This increase is within the expected allowable increase for those councils that have proven to be 'Fit for the Future' without the need to go through the current IPART Special Variation process (should the Office of Local Government take on this recommendation from the Local Government Independent Review Panel in their rewrite of the Local Government Act).

One of the benefits of becoming a Fit for the Future council, that both IPART and the Independent Local Government Review Panel (the Panel) have suggested, is support for a level of "earned autonomy" from rate pegging. Fit for the Future councils would have increased flexibility to set rates within a margin above the rate pegging limit. IPART has suggested a 3% threshold, whereas the Panel suggested up to 5% would be more realistic. The reasoning behind this is to allow councils to make significant short-term inroads into infrastructure backlogs and correcting operating deficits.

'...Work will also continue to develop a streamlined Special Rate Variation process for potential implementation in 2017/18 ...'

FFF Progress Report - Office of Local Government,
January 2016

IPART have been engaged to undertake the review of the rating legislation on behalf of the NSW Office of Local Government and are scheduled to release the final report during the 2016/17 financial year.

Special Rate Variation

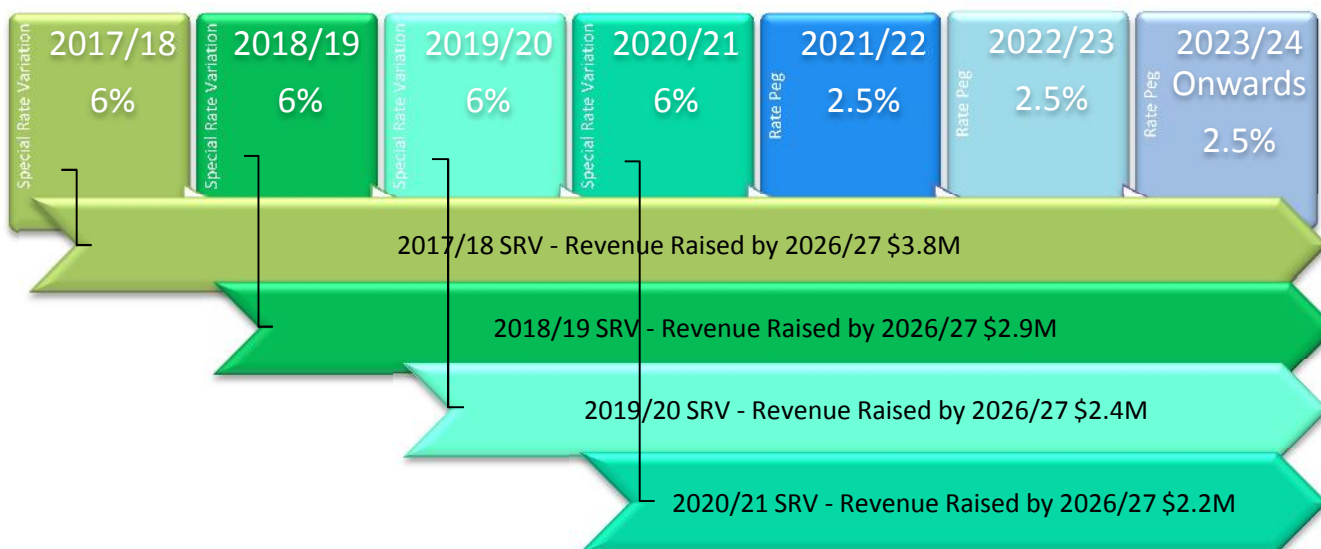
In 2014, Council successfully applied for a Special Rate Variation (SRV) of 9.5% in addition to the rate pegging limit of 2.3%. The SRV was implemented to address the priority works in Council's infrastructure i.e. major renewal works of Council's road and bridge infrastructure. The SRV was accompanied by a successful application for a Local Infrastructure Renewal Scheme (LIRS) grant which provides a 3% loan interest rate subsidy from the Office of Local Government. Accordingly, a bank loan for \$4.85 million was taken out in May 2015 at a rate of 3.75%, the repayments for which are funded by the SRV and LIRS subsidy. These funds are now being utilised for a major upgrade of road infrastructure in the Bellingen Shire.

Council continues to address its infrastructure priorities by successfully applying for a 6% SRV in 2017/18, and applying for 3 consecutive 6% rate rises in years 2018/19 – 2020/21 (19.1% cumulative increase). The additional income generated as part of the special rate variation will target our priority roads in need of urgent resealing repairs along with those bridges currently under load limits and further

identified as needing rehabilitation or replacement.

The following summary outlines the additional revenue generated from the proposed SRV's:

Table 4.1: Forecast Rate Increases 2017/18 to 2020/21



**The above income is based on revenue generated above the rate peg of 1.5% for 2017-18, 2.3% for 2018/19 and 2.5% for 2019/20-2020/21.*

The proposed special rate variation to address our community's transport infrastructure, e.g., our roads and bridges is estimated to have the following impact on the rating categories:

| Annual Rate Increase (%) | 2018/19 | 2019/20 | 2020/21 | Cumulative |
|------------------------------|-------------|-------------|-------------|--------------|
| Rate Peg (Estimate) | 2.3% | 2.5% | 2.5% | |
| Special Rate Variation | 3.7% | 3.5% | 3.5% | |
| Total Annual Increase | 6.0% | 6.0% | 6.0% | 19.1% |

The following summary outlines the additional revenue generated in 2018/19 to 2020/21 from the proposed SRV's:

| Special Rate Variation | Estimated Revenue Generated |
|---|-----------------------------|
| 2018/19 – 6% (Rate Peg 2.3% + SRV 3.7%) | \$271,059 |
| 2019/20 – 6% (Rate Peg 2.5% + SRV 3.5%) | \$271,792 |
| 2020/21 – 6% (Rate Peg 2.5% + SRV 3.5%) | \$288,100 |

For Residential Ratepayers

| Average Rate (Incl. Rate Peg) | Current | 2018/19 | 2019/20 | 2020/21 | Av. Increase |
|-------------------------------|------------|------------|------------|------------|----------------|
| Annual Rate | \$1,078.59 | \$1,143.30 | \$1,211.90 | \$1,284.62 | - |
| Annual Increase | | \$64.72 | \$68.60 | \$72.71 | \$68.68 |
| Weekly Increase | | \$1.24 | \$1.32 | \$1.40 | \$1.32 |

For Business Ratepayers

| Average Rate (Incl. Rate Peg) | Current | 2018/19 | 2019/20 | 2020/21 | Av. Increase |
|-------------------------------|------------|------------|------------|------------|----------------|
| Annual Rate | \$1,341.20 | \$1,421.67 | \$1,506.97 | \$1,597.39 | - |
| Annual Increase | | \$80.47 | \$85.30 | \$90.42 | \$85.40 |
| Weekly Increase | | \$1.55 | \$1.64 | \$1.74 | \$1.64 |

For Farmland Ratepayers

| Average Rate (Incl. Rate Peg) | Current | 2018/19 | 2019/20 | 2020/21 | Av. Increase |
|-------------------------------|------------|------------|------------|------------|-----------------|
| Annual Rate | \$2,520.26 | \$2,671.48 | \$2,831.76 | \$3,001.67 | - |
| Annual Increase | | \$151.22 | \$160.29 | \$169.91 | \$160.47 |
| Weekly Increase | | \$2.91 | \$3.08 | \$3.27 | \$3.09 |

**The above rates are estimates only based on rate category averages. Your final rate amount will be dependent on your land value and the final rates model adopted by Council in June 2018.*

In consideration of the application for a SRV, Council has considered the community's capacity to pay based on the SEIFA Index of Advantage and Disadvantage, level of proposed increase and other cost indices.

Water and Sewerage Charges

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

Best Practice requires the plans to be reviewed every five years and provides guidance for the future management of Council's water and sewerage business. The forecasts provided in Bellingen's detailed Long Term Financial plan will continue to meet the best practice principles.

For Residential Properties

For water, a two-part tariff, being a connection charge and a usage charge, will be applied. Usage charges are based on quarterly meter readings and applied at a per kilolitre rate (refer to Council's Revenue Policy for further information).

For sewerage, a uniform charge will be applied to all residential customers in accordance with the Department of the Environment and Energy, Water and Sewer Best Practice Pricing Guidelines.

For Non-Residential Properties

For water, a two-part tariff, being a connection charge and a usage charge, will be applied. For rating purposes, non-residential properties include multiple occupancies, such as non-strata flats and units, and those properties which are categorised as 'Business'.

For sewerage 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 \$1.03.

Council issues usage charges every three months in arrears, which is included on the quarterly instalment notice.

The SDF is a customer's estimated volume discharged into the sewerage system to the customer's total water consumption. For non-residential properties, the SDF varies based on the usage requirements of a customer's enterprise.

Waste Management Charges

The NSW Local Government Act 1993 requires that Domestic Waste Management Charges must reflect the actual cost of providing those services. The service is provided to the residents of Bellingen, Dorrigo, Urunga, Mylestom and specific rural areas. The service includes a fortnightly general waste collection, a fortnightly recycling collection and a weekly organics waste service.

The Domestic Waste Strategy is supported by a 10 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 requiring a 3% increase to the kerb side domestic waste service and an average of 2.5% increase throughout the remainder of the plan.

4.2 User Fees and Charges

Council annually establishes and regulates its fees and charges in accordance with the provisions of the NSW Local Government Act 1993. Statutory fees are fixed by regulation, legislation or a State/Federal Authority. As such, Council has no influence on how the statutory fee amount is determined nor do such statutory fees tend to increase by CPI or reflect the true cost of providing the service.

A review of the remaining Council fees and charges was undertaken during the year using best value principles of value for money, a consideration for community expectations and values, and a balance between affordability and accessibility of services. As part of the process, BSC undertook training and workshops for managers and responsible officers in effective pricing, provided workshops and information packs for its 355 Committees, benchmarked its fees and charges with other councils and service providers, and improved the format of the fees and charges to better align with the Community Vision.

4.3 Interest Revenue and Investments

It is estimated that the average cash and investments held throughout the 10 year plan will be \$25.2M. Balancing the need to preserve funds and ensure liquidity, with the requirement to maximise returns, is an important aspect of managing Council's investments. In light of this, the Investment Policy (the policy) was reviewed during the year to provide a stronger framework and guidance on which to base investment decisions. The Policy reflects current legislative requirements including the Minister for Local Government Investment Order and the Basel III banking liquidity reforms instituted by the Australian Prudential Regulation Authority.

The budgeted interest rate is determined by a weighted average interest rate based on the 90 day bank bill plus a margin based on the type of investment and duration of investment. The estimated rates used for forecast purposes are as follows:

Table 4.3: Interest rate forecast



4.4 Other Revenues

The majority of other revenues are generated by:

- Rental income on Council properties;
- Cost reimbursements and other recoveries, such as workers compensation, legal fees, property rebates; and
- Scrap metal sales.

Rental income will vary according to supply and demand, however, forecast fluctuations in supply and demand over a 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. Council's property portfolio is currently being reviewed, which will consider the long term viability of owning these properties, along with the creation of a sinking fund to facilitate the divestment and investment in the improvement of various building assets.

All other income sources have been increased in line with CPI.

4.5 Grants and Contributions – Operating and Capital

Grants

Given the uncertain nature of grant funding, the LTFP has been prepared with the following grant funding sources included (all assumed to continue over the duration of the LTFP):

- Roads to Recovery Grant;
- Roads and Maritime Services – Block Grant and Repair Grant (RMS);
- Bridge Renewals Grant;
- Flood Grant (2017/18 only);
- Financial Assistance Grant (FAGs);
- Library Per Capita Grant;
- Noxious Weeds Action Plan;
- Rural Fire Service – Operating and Capital; and
- Heritage Assistance Schemes.

In reviewing grants and contributions, it is considered prudent not to forecast an increase greater than that historically provided to Council, other than 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. The exception to this being forecasts for the bridge renewals program, with estimates made for contributions toward renewing bridges throughout the Shire. Any reduction or discontinuance of grants will be offset by a corresponding reduction in expenditure.

The Financial Assistance Grant issued by the NSW Government was frozen for a period of 3 years ending 2016/2017. An increase of 2.5% in 2017/2018 has been forecast to reflect the indexation being reinstated.

According to the Office of Local Government's January 2016 FFF progress report: *'The NSW Government will continue to work with the Grants Commission to redistribute Financial Assistance Grants to those councils most in need. A detailed review of the current allocation methodology has identified the opportunity for significant improvement. The Grants Commission will be supported to implement these improvements for 2016/17 grant allocations'*. Although the above change could have a positive impact for Bellingen, no allowance has been made for any redistribution as a result of possible future changes to the grants formulae. Should this formulae change in the future, Council will review its revenue forecasts and the need for future proposed SRV's.

Contributions

The Section 94 Developer Contribution Plan (S.94) 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. Council's current S.94 plans for roads and open spaces were reviewed during the 2015/16 financial year to better reflect the current and future needs of our Shire.

5.0 Expenditure Forecasts

In developing the expenditure forecasts, Council has considered its ongoing commitments in alignment with the objectives of BSC's Community Vision.

5.1 Employee Costs

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

Employee costs cover wages, all leave types, training, superannuation and associated costs. Wage increases can be in two parts – increases under the NSW Local Government (State) Award 2014 and grade/step progression under Council's salary structure. The budget factors in a 3.5% increase to overall employee costs in 2017/18 and 3% for the remainder of the LTFP. This assumes that wages will continue to increase in line with the NSW Local Government (State) Award 2010 until such time a new Award is negotiated.

All associated employee costs have also been increased by 3.5%, with the exception of superannuation. The employer contributions for Superannuation Guarantee Contributions (SGC) is programmed by the Federal Government to increase incrementally, by moving towards 12% superannuation guarantee. Contributions will stay at 9.5% until 2018/19 after which they will increase by 0.5% until they reach 12% in 2023/24.

Table 5.1: Employee Cost Increase Assumptions

| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/21 | 2021/2022 Onwards |
|-----------------------------|-----------|-----------|-----------|---------|-------------------|
| Wages | 3.50% | 3.00% | 3.00% | 3.00% | 3.00% |
| All Leave | 3.50% | 3.00% | 3.00% | 3.00% | 3.00% |
| Training | 3.50% | 3.00% | 3.00% | 3.00% | 3.00% |
| Workers Compensation | 3.50% | 3.00% | 3.00% | 3.00% | 3.00% |
| Superannuation | 9.50% | 9.50% | 10.00% | 10.50% | 11.00 -12.00% |

Council is also a party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'. Council's additional contribution for 2017/18 – 2020/2021 is \$68,000 per year as a result of the scheme being underfunded post the Global Financial Crisis.

5.2 Borrowings

Council had a total loan balance outstanding of \$9.032 million as at 30 June 2016. Of this, \$4.85 million was borrowed in May 2015 for infrastructure renewals. The loan was funded by a 9.5% Special Rate Variation approved in 2014 with a 3% interest subsidy by the NSW Government under the Local Infrastructure Renewal Scheme.

Council's estimated required borrowings over the next 10 years are summarised in the following table. The table provided below is based on expected discounted borrowings under the proposed TCorp borrowings facility.

Table 5.2: Summary of new borrowings

| Loan Purpose | Loan Amount | Loan Term | Annual Repayment (Estimate) |
|---|-------------|-----------|-----------------------------|
| Infrastructure Renewal Program 2019/2020 | \$1,500,000 | 20 Years | \$109,313 |
| Infrastructure Renewal Program 2020/2021 | \$1,000,000 | 20 Years | \$79,386 |
| Infrastructure Renewal Program 2021/2022 | \$1,000,000 | 20 Years | \$79,386 |
| Infrastructure Renewal Program 2022/2023 | \$1,000,000 | 20 Years | \$79,386 |

5.3 Materials and Contracts

Expenditure on materials, contracts and other operating costs have 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, for example, increased waste contractor fees in excess of CPI each year reflecting known increases in the Office of Environment and Heritage NSW waste levy on waste disposed as landfill.

5.4 Depreciation

Depreciation expense has been projected based on useful life estimates in accordance with Council's accounting policies and plans. Budgeted capital works expenditure has been included in the depreciation calculation.

It is considered reasonable to assume that future asset revaluations will have an impact on infrastructure values. The LTFP does include the potential impact of future asset revaluations.

5.5 Other Expenses

Generally, other expense budget items have been increased by CPI forecasts or by reviewing historical expenditure trends. Some expenses are sporadic in nature (for example, the conduct of Council elections every four years) or tied to grant funding which has not moved by CPI (for example, the Heritage Assistance Scheme Grant).

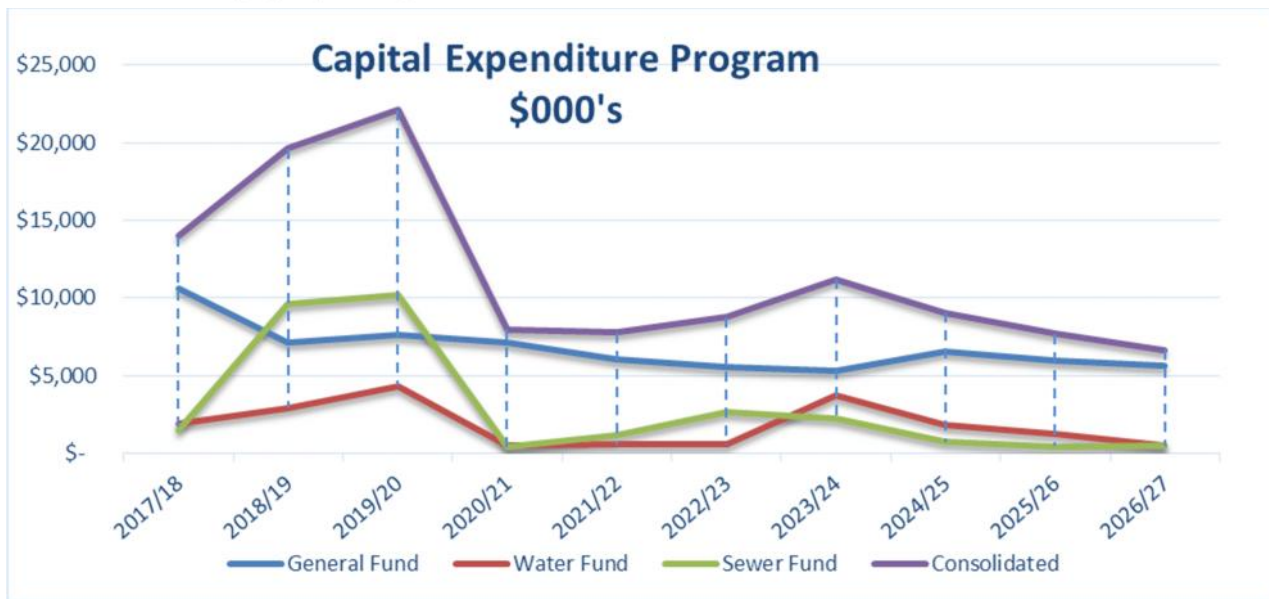
5.6 Asset Management

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 the construction of new assets.

Subject to successful special rate variations and subsequent loan borrowings, assets should be maintained and renewed in accordance with the respective asset management plans and agreed condition intervention levels.

The 10 Year Asset Management Capital Works Program focuses on the renewal of Council’s infrastructure and effective management of Council’s plant and vehicles. The capital works listing in the annexures are based on a consolidated position (as per Attachment 19). Council is currently integrating the full 10 year capital program into Council’s relevant Asset Management Plans.

Table 5.6: Summary of Capital Expenditure



6.0 Performance Measures

A number of key indicators have been used to monitor performance against the LTFP to assess Council's infrastructure management effectiveness and long term sustainability. Reported below are some of the key Fit for the Future ratios, along with other key industry benchmarks.

6.1 FFF Sustainability Measures

Sustainability means that councils will generate sufficient funds over the long term to provide the agreed level and scope of services and infrastructure for communities as identified through the Integrated Planning and Reporting process. It is paramount that Council have a solid long term financial plan that effectively addresses the following long term financial sustainability ratios.

6.1.1 Operating Performance Ratio

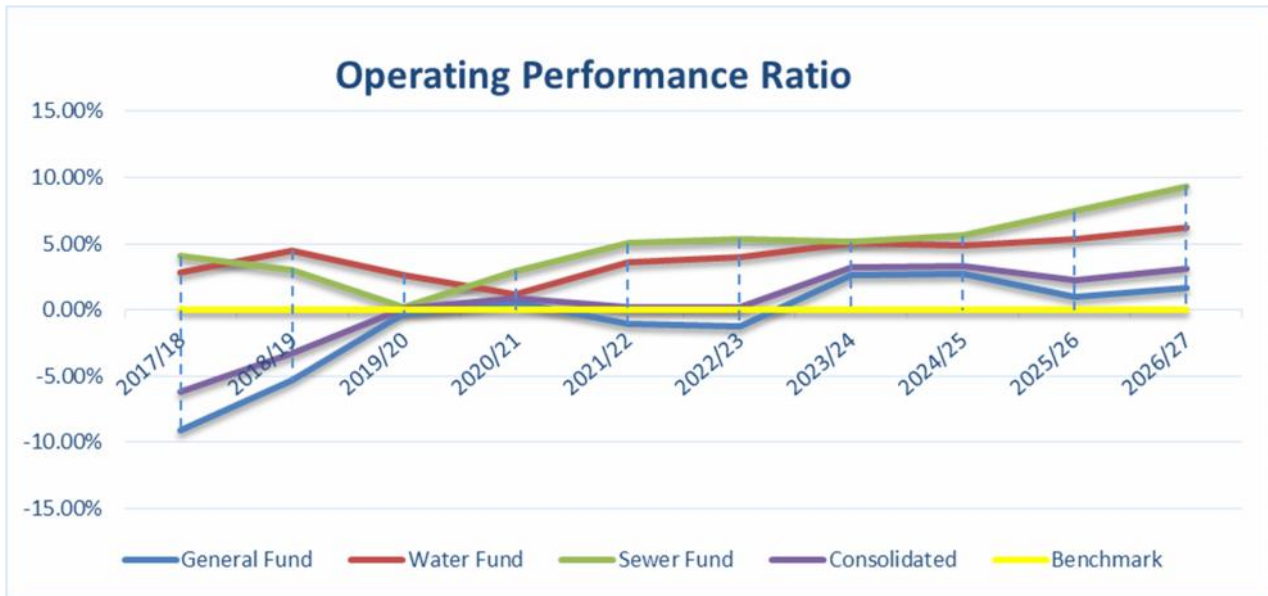
The Operating Performance Ratio is an important criterion in measuring Council's core performance. The issue for Council is whether the operating results can be maintained and, in particular, if those operating results can sustain the current level of services into the future. Council's LTFP shows a significant decrease in deficits primarily due to forecast rate increases and operational savings. It is expected with the forecast trends that this ratio will be achieved in 2023.

| | |
|---------------------------------------|---|
| Calculation | <ul style="list-style-type: none"> • Total continuing operating revenue (exc. capital grants and contributions) less operating expenses ÷ total continuing operating revenue (exc. capital grants and contributions) |
| Sustainable Performance Target | <ul style="list-style-type: none"> • >= break even over 3 years |

Table 6.1: Operating Performance Ratio Forecast

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------|---------|---------|---------|---------|---------|
| General Fund | -9.09% | -5.35% | -0.28% | 0.56% | -1.09% |
| Water Fund | 2.82% | 4.48% | 2.65% | 1.17% | 3.60% |
| Sewer Fund | 4.04% | 3.00% | 0.22% | 2.96% | 5.04% |
| Consolidated | -6.19% | -3.30% | 0.07% | 0.93% | 0.20% |

Table 6.1.1: Operating Performance Ratio Forecast



6.1.2 Own Source Operating Revenue Ratio

This ratio assesses Council’s ability to generate its own revenue, measuring BSC’s dependence on grant revenue. The benchmark of 60% or greater by 2020 set by the OLG has been achieved. This is being driven by an increase in rating revenue and other fees and charges. The graph below includes the IPART approved special variations for 2014/15 of 9.5% plus rate peg.

Calculation

- Total continuing operating revenue less all grants and contributions ÷ total continuing operating revenue inclusive of capital grants and contributions

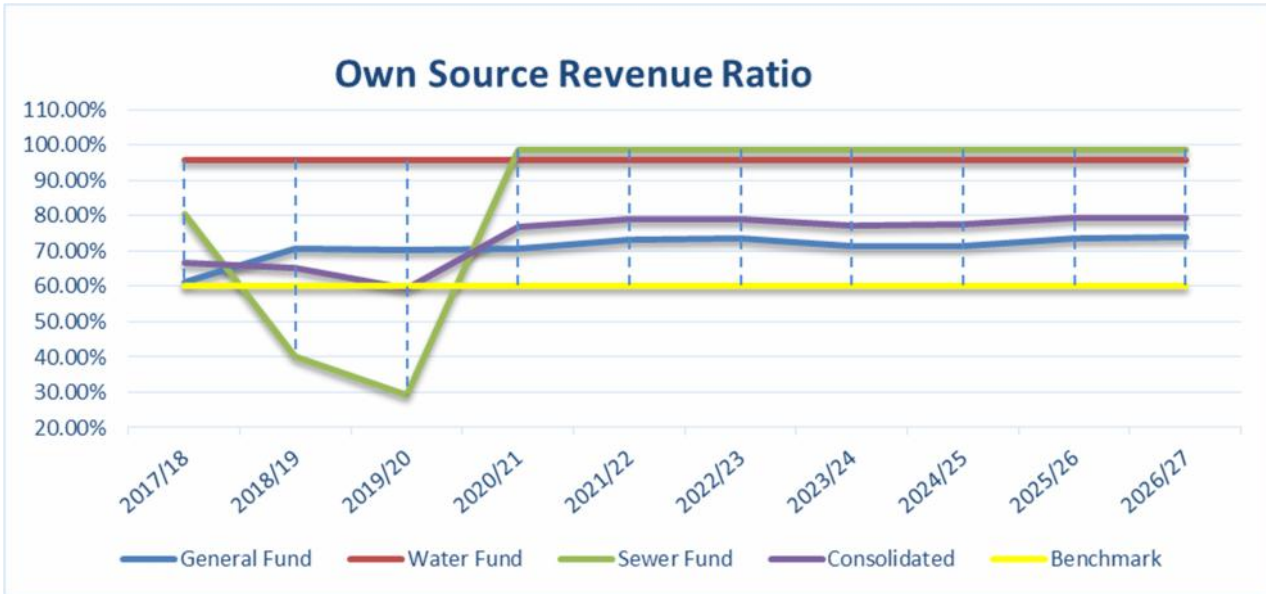
Sustainable Performance Target

- > 60% over 3 years

Table 6.1.2: Own Source Operating Revenue Ratio Forecast

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------|---------|---------|---------|---------|---------|
| General Fund | 63.19% | 70.65% | 70.35% | 70.85% | 73.34% |
| Water Fund | 95.38% | 95.39% | 95.32% | 95.31% | 95.35% |
| Sewer Fund | 80.88% | 39.61% | 29.00% | 98.79% | 98.80% |
| Consolidated | 68.43% | 64.84% | 59.08% | 76.76% | 78.86% |

Table 6.1.3: Own Source Operating Revenue Ratio Forecast



6.1.3 Building and Infrastructure Asset Renewal Ratio

This ratio assesses Council’s ability to sufficiently renew its existing infrastructure. The ratio measures total expenditure on asset renewals when compared to annual depreciation. It is important to note that the need for renewal expenditure is directly linked to where a particular asset is in its lifecycle. For example, a newly constructed bridge may go 20-30 years before needing significant renewal expenditure. In this example, the ratio would show a result well below the benchmark when in fact there is simply a timing difference in the renewal expenditure.

With the above in mind, the benchmark of 100% is met throughout LTFP, however, the spike in years 2017/18 is primarily as a result of the flood works being undertaken during the 2017/18 financial year. The below results are deemed sufficient based on renewal forecasts taking into account expected spikes in renewal funding and determined levels of service.

Calculation

- Building and Infrastructure Asset Renewals ÷ depreciation, Amortisation & Impairment

Sustainable Performance Target

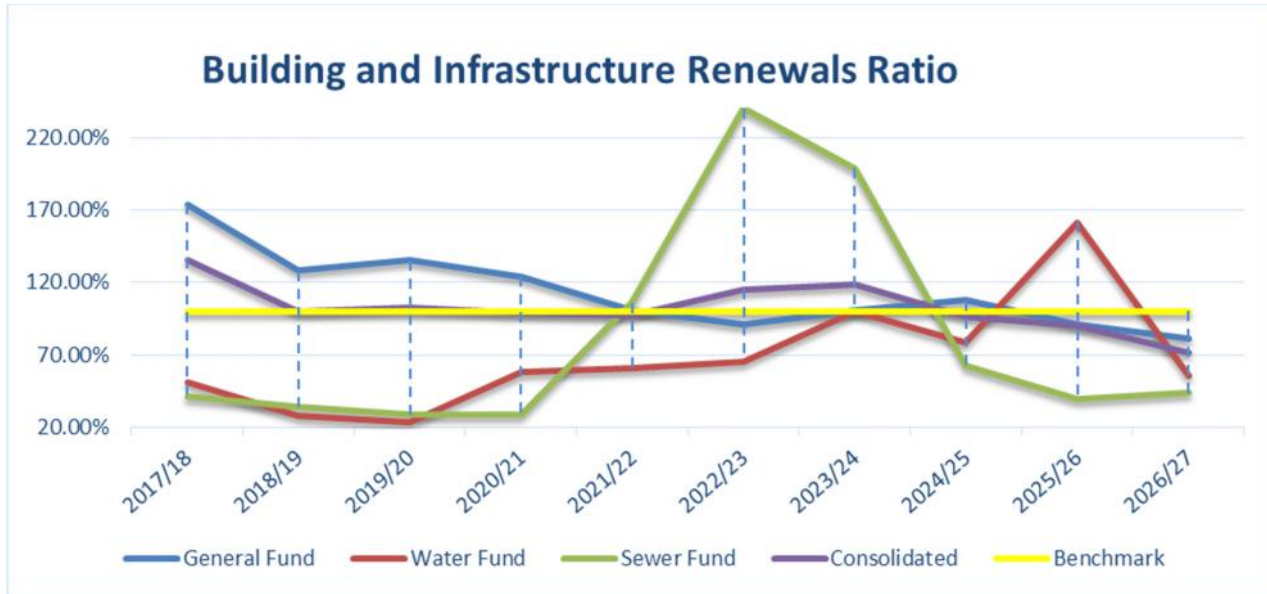
- > 100% over 3 years

Table 6.1.4: Building and Infrastructure Asset Renewal Ratio

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--|---------|---------|---------|---------|---------|
|--|---------|---------|---------|---------|---------|

| | | | | | |
|---------------------|---------|---------|---------|---------|---------|
| General Fund | 173.75% | 128.24% | 135.13% | 124.18% | 101.04% |
| Water Fund | 51.19% | 28.19% | 23.95% | 57.89% | 60.93% |
| Sewer Fund | 40.90% | 34.49% | 28.74% | 29.26% | 106.03% |
| Consolidated | 135.55% | 99.66% | 102.98% | 99.43% | 97.13% |

Table 6.1.5: Building and Infrastructure Asset Renewal Ratio Forecast



6.1.4 Unrestricted Current Ratio

Cash and cash management is vital for the short and long term survival of any business. The ability to convert an asset to cash quickly to meet current obligations/liabilities is an important part of managing Council’s day to day business needs. It is estimated that this benchmark will be achieved throughout the LTFP.

Calculation

- $\text{Unrestricted current assets} \div \text{unrestricted current liabilities}$

Sustainable Performance Target

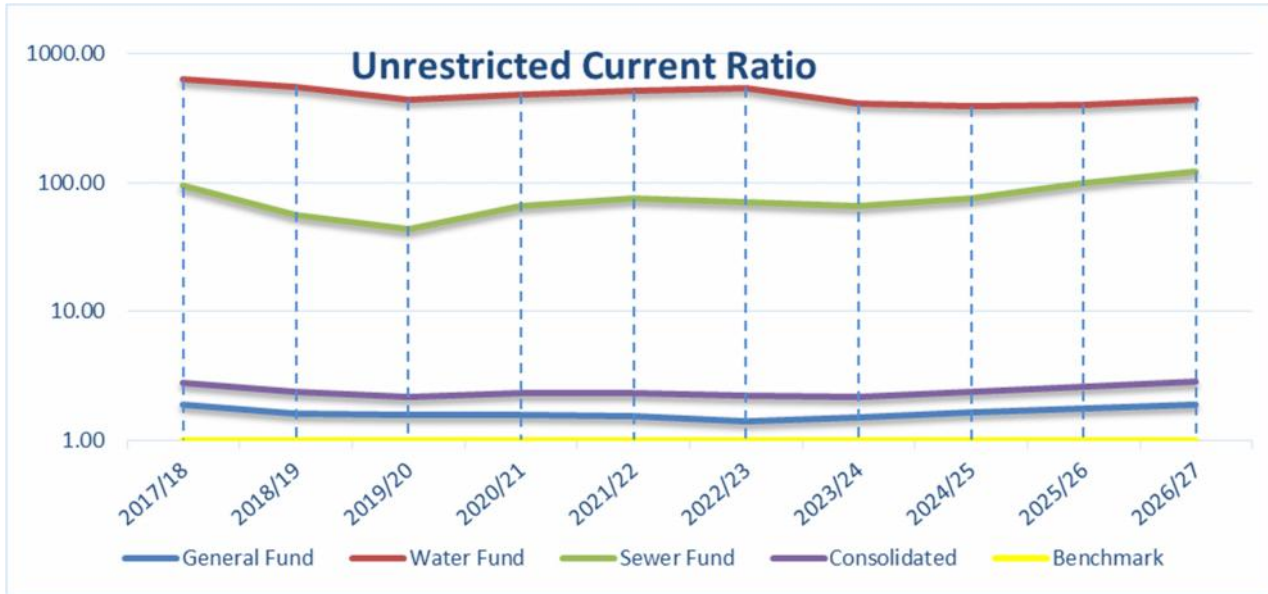
- Maintain a ratio above 1.5 at all times

Table 6.7: Unrestricted Current Ratio Forecast

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------|---------|---------|---------|---------|---------|
| General Fund | 1.88 | 1.62 | 1.56 | 1.57 | 1.54 |

| | | | | | |
|---------------------|--------|--------|--------|--------|--------|
| Water Fund | 629.76 | 556.13 | 436.05 | 485.25 | 512.31 |
| Sewer Fund | 95.45 | 56.52 | 43.82 | 66.23 | 76.15 |
| Consolidated | 2.80 | 2.39 | 2.15 | 2.29 | 2.32 |

Table 6.8: Infrastructure Backlog Ratio Forecast



6.1.5 Debt Service Ratio

The Debt Service Ratio is used to show the percentage of annual revenue necessary to service annual debt obligations e.g. loan repayments. It also shows the commitment of future revenue necessary to fund long term obligations. Council’s LTFP averages 3.97% over the 10 years, well below the maximum benchmark percentage of 20% set by the OLG. The graph below includes current borrowing repayments and proposed future borrowings repayments for loans totalling \$4.5 million, for the purpose of addressing the infrastructure renewal requirements.

Calculation

- Cost of debt service (interest expense & principal repayments) ÷ total continuing operating revenue (exc. capital grants and contributions)

Sustainable Performance Target

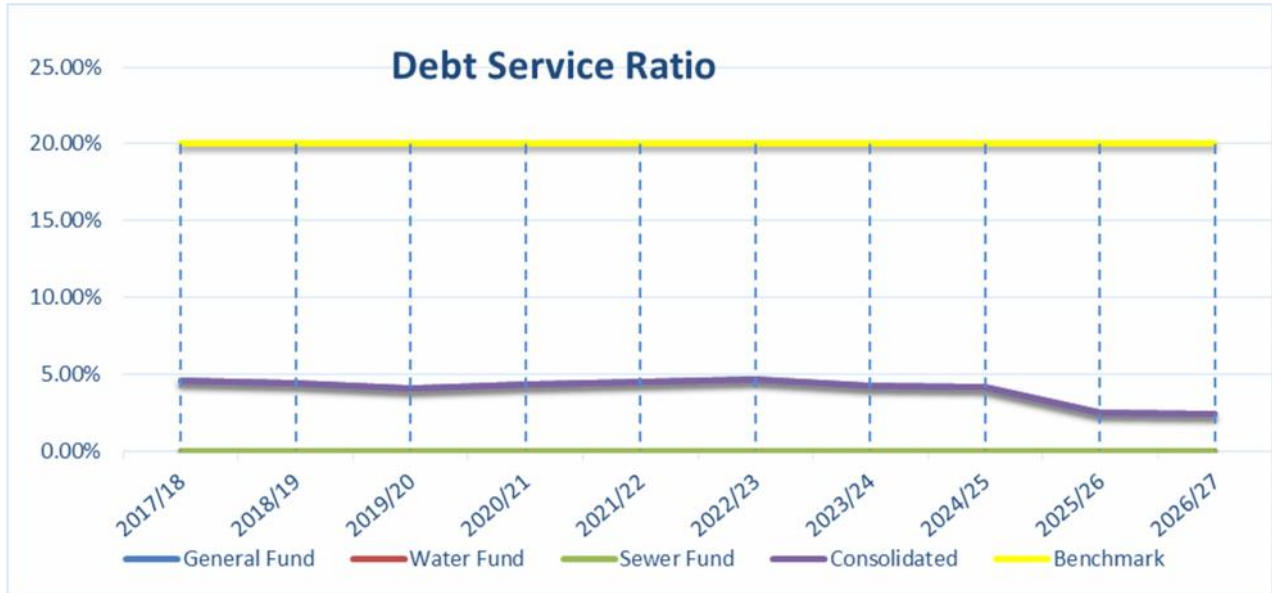
- Maintain a ratio above 0 and below 20% at all times

Table 6.9: Debt Service Ratio Forecast

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------|---------|---------|---------|---------|---------|
| General Fund | 4.65% | 4.51% | 4.15% | 4.34% | 4.57% |
| Water Fund | 0% | 0% | 0% | 0% | 0% |

| | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Sewer Fund | 0% | 0% | 0% | 0% | 0% |
| Consolidated | 4.65% | 4.51% | 4.15% | 4.34% | 4.57% |

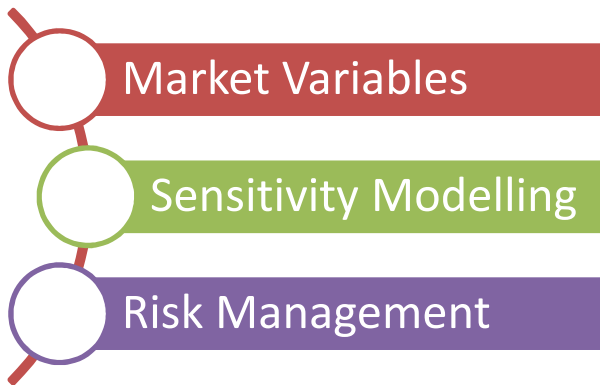
Table 6.10: Debt Service Ratio Forecast



7.0 Sensitivity Analysis and Financial Modelling

The LTFP is based on a number of underlying assumptions. Under the IP&R Legislation Council is required to undertake sensitivity analysis on its LTFP assumptions. Sensitivity analysis identifies the impact on Council's financial position effected by 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 wage increases are 1% higher than forecast, growth is half of that forecast, or investment returns are 1% less than forecast in the plan.



All sensitivity analysis was undertaken utilising 'Model 1' and the impacts were assessed by reference to the changes in the cash and investment balance in year 10 (2026/27) of the LTFP. The major underlying assumptions underpinning the LTFP have been subject to sensitivity analysis which has identified the

following impacts.

7.1 Employee Costs

Employee costs make up 37% of projected 2017/18 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 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 3.5% (2017/18) and 3% (Years 2 – 10) to employee costs.

Due to the above factors, an impact of a 1% increase in employee costs each year was modelled. The analysis indicated that the cash and investment balance would be reduced by an estimated \$5.22M over the 10 years ending 2026/2027 of the LTFP.

7.2 Rates and Annual Charges Revenue

Rates and Annual Charges revenue makes up over 51% of the projected 2017/2018 operating revenue. Council cannot set the rate of increase in general rates but can only accept the rate pegging imposed on it without a special variation application. The LTFP includes a rate peg increase of 1.5% in 2017/18 and a permanent 6% SRV for years 2017/18 – 2020/21]. If these increases are not achieved, Council will need to adjust expenditure or revenue appropriately.

The LTFP modelling has been devised with scenarios that include the special rate variation, however, progress in addressing the Council asset renewal and maintenance challenges is contingent on the success of any applications to increase rates through a special variation or on the assumption that Council will have flexibility to set rates of up to 5% above the rate peg without formal approval. 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 change in this area of operation (due to Federal and State climate change policies and other regulations).

Due to Council's reliance on rate revenue, an impact of a 1% reduction in rates revenue each year was modelled, assuming that any special variation would also be reduced by 1%. The analysis indicated that the cash and investment balance would be reduced by an estimated \$6.4M over the 10 years ending 2026/27 of the LTFP.

7.3 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.

7.4 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 a reduction in investment interest rates of 1% was modelled. The analysis indicated that the cash and investment balance would be reduced by an estimated \$1.5M over the 10 years ending 2026/27 of the LTFP.

7.5 Grants and Contributions

Council relies heavily on income from the Federal Government Financial Assistance and the Roads to Recovery grant programs. These grants respectively make up 10% and 1% of Council's total revenue in 2017/18.

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, it is difficult to calculate any potential impacts to Council if any of the inputs were to

change.

Funds 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 or maintenance. The Roads to Recovery Program is 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. The LTFP has been prepared with the assumption that the Roads to Recovery Program will continue indefinitely.

8.0 Appendices

Attachment 1 – ‘Model 1’ Projected Income Statement

| Bellingen Shire Council | | | | | | | | | | | | |
|---|-------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 10 Year Financial Plan for the Years ending 30 June 2027 | | | | | | | | | | | | |
| INCOME STATEMENT - CONSOLIDATED | | | | | | | | | | | | |
| Scenario: Model 1 - Service Levels Maintained | | | | | | | | | | | | |
| | Actuals | Current Year | Projected Years | | | | | | | | | |
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Income from Continuing Operations | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | |
| Rates & Annual Charges | 12,682,000 | 13,224,753 | 13,846,079 | 14,529,488 | 15,238,773 | 16,296,140 | 16,783,824 | 17,280,386 | 17,792,565 | 18,319,788 | 18,858,727 | 19,413,308 |
| User Charges & Fees | 7,986,000 | 6,218,204 | 6,479,820 | 6,684,274 | 6,894,232 | 7,110,818 | 7,334,244 | 7,564,726 | 7,802,489 | 8,047,763 | 8,289,196 | 8,537,872 |
| Interest & Investment Revenue | 1,228,000 | 1,068,007 | 962,156 | 843,603 | 781,312 | 786,801 | 875,958 | 919,902 | 973,350 | 1,059,700 | 1,152,787 | 1,287,665 |
| Other Revenues | 438,000 | 506,142 | 520,253 | 535,861 | 551,937 | 568,495 | 585,550 | 603,116 | 621,210 | 639,846 | 659,041 | 678,813 |
| Grants & Contributions provided for Operating Purposes | 6,200,000 | 6,760,195 | 5,446,593 | 5,560,299 | 6,534,916 | 6,672,905 | 6,014,048 | 6,159,904 | 7,154,472 | 7,308,683 | 6,676,646 | 6,860,776 |
| Grants & Contributions provided for Capital Purposes | 5,314,000 | 12,877,725 | 4,615,548 | 6,690,433 | 9,721,585 | 823,217 | 843,339 | 863,964 | 885,104 | 906,774 | 928,985 | 951,751 |
| Other Income: | | | | | | | | | | | | |
| Net gains from the disposal of assets | 118,000 | - | - | - | - | - | - | - | - | - | - | - |
| Total Income from Continuing Operations | 33,966,000 | 40,655,026 | 31,870,450 | 34,843,958 | 39,722,755 | 32,258,375 | 32,436,962 | 33,391,998 | 35,229,190 | 36,282,554 | 36,565,382 | 37,730,184 |
| Expenses from Continuing Operations | | | | | | | | | | | | |
| Employee Benefits & On-Costs | 10,302,000 | 10,469,048 | 10,774,901 | 10,989,678 | 11,256,997 | 11,614,569 | 11,847,396 | 12,339,719 | 12,753,875 | 13,180,212 | 13,619,093 | 14,017,230 |
| Borrowing Costs | 613,000 | 557,037 | 558,734 | 516,896 | 478,646 | 494,233 | 495,120 | 492,593 | 486,269 | 435,247 | 388,598 | 359,674 |
| Materials & Contracts | 9,440,000 | 8,662,755 | 7,869,504 | 7,697,595 | 7,886,741 | 8,096,765 | 8,307,478 | 8,524,058 | 8,746,696 | 8,975,584 | 9,219,014 | 9,469,102 |
| Depreciation & Amortisation | 6,519,000 | 7,273,355 | 7,224,632 | 7,315,923 | 7,751,073 | 8,124,803 | 8,160,051 | 8,279,630 | 8,398,955 | 8,521,018 | 8,606,228 | 8,692,290 |
| Other Expenses | 2,697,000 | 2,887,628 | 2,515,237 | 2,561,668 | 2,607,403 | 2,811,722 | 2,719,663 | 2,829,763 | 2,866,563 | 3,085,604 | 2,990,427 | 3,092,688 |
| Total Expenses from Continuing Operations | 29,571,000 | 29,849,823 | 28,943,008 | 29,081,761 | 29,980,861 | 31,142,092 | 31,529,707 | 32,465,763 | 33,252,358 | 34,197,666 | 34,823,360 | 35,630,984 |
| Operating Result from Continuing Operations | 4,395,000 | 10,805,203 | 2,927,441 | 5,762,196 | 9,741,894 | 1,116,283 | 907,255 | 926,235 | 1,976,832 | 2,084,887 | 1,742,022 | 2,099,200 |
| Discontinued Operations - Profit/(Loss) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit/(Loss) from Discontinued Operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Result for the Year | 4,395,000 | 10,805,203 | 2,927,441 | 5,762,196 | 9,741,894 | 1,116,283 | 907,255 | 926,235 | 1,976,832 | 2,084,887 | 1,742,022 | 2,099,200 |
| Net Operating Result before Grants and Contributions provided for Capital Purposes | (919,000) | (2,072,522) | (1,688,106) | (928,236) | 20,309 | 293,066 | 63,917 | 62,271 | 1,091,728 | 1,178,114 | 813,037 | 1,147,449 |

Attachment 2 – ‘Model 1’ Projected Balance Sheet

**Bellingin Shire Council
10 Year Financial Plan for the Years ending 30 June 2027**

BALANCE SHEET - CONSOLIDATED

Scenario: Model 1 - Service Levels Maintained

| | Actuals 2015/16 | Current Year 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Projected Years | | | | | 2026/27 |
|---|--------------------|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash & Cash Equivalents | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,411,159 | 1,828,649 | 2,167,488 | 2,467,903 | 2,144,578 | 2,045,753 | 2,451,933 | 2,871,065 |
| Investments | 26,600,000 | 20,573,471 | 13,271,913 | 10,117,374 | 9,263,108 | 9,974,366 | 10,027,649 | 8,966,690 | 9,036,455 | 9,384,867 | 10,274,804 | 11,748,472 |
| Receivables | 5,096,000 | 2,541,085 | 2,438,836 | 2,413,883 | 2,491,906 | 2,588,950 | 2,663,132 | 2,758,477 | 2,870,176 | 2,946,686 | 3,036,764 | 3,156,587 |
| Inventories | 249,000 | 278,996 | 256,529 | 252,460 | 258,571 | 265,476 | 272,317 | 279,336 | 286,536 | 293,923 | 301,815 | 309,921 |
| Other | 35,000 | 29,420 | 26,494 | 26,200 | 26,833 | 27,900 | 28,222 | 29,078 | 29,762 | 30,929 | 31,309 | 32,212 |
| Total Current Assets | 40,138,000 | 26,010,042 | 17,697,310 | 14,559,917 | 13,451,576 | 14,685,341 | 15,158,809 | 14,501,484 | 14,367,507 | 14,702,159 | 16,096,624 | 18,118,257 |
| Non-Current Assets | | | | | | | | | | | | |
| Investments | - | 9,198,635 | 13,410,463 | 9,441,379 | 7,355,869 | 8,119,480 | 9,479,743 | 11,068,577 | 9,712,690 | 10,485,684 | 11,855,105 | 14,091,114 |
| Receivables | 119,000 | 117,856 | 123,622 | 129,645 | 136,020 | 142,766 | 146,648 | 150,645 | 154,770 | 159,016 | 163,348 | 167,804 |
| Infrastructure, Property, Plant & Equipment | 430,006,000 | 446,330,936 | 452,476,013 | 464,315,938 | 478,035,849 | 477,367,412 | 476,520,154 | 476,552,766 | 479,079,770 | 479,098,577 | 477,611,078 | 474,992,151 |
| Investment Property | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 |
| Total Non-Current Assets | 432,049,000 | 457,571,426 | 467,934,098 | 475,810,961 | 487,451,738 | 487,553,657 | 488,070,544 | 489,695,987 | 490,871,229 | 491,667,277 | 491,553,530 | 491,175,069 |
| TOTAL ASSETS | 472,187,000 | 483,581,468 | 485,631,408 | 490,370,879 | 500,903,314 | 502,238,999 | 503,229,354 | 504,197,471 | 505,238,736 | 506,369,436 | 507,650,155 | 509,293,326 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Payables | 2,767,000 | 2,982,171 | 2,803,019 | 2,527,134 | 2,596,354 | 2,688,161 | 2,722,164 | 2,796,864 | 2,843,929 | 2,923,395 | 2,958,357 | 3,027,518 |
| Borrowings | 628,000 | 698,587 | 740,429 | 778,679 | 872,405 | 950,904 | 1,032,816 | 982,632 | 1,033,654 | 496,266 | 525,189 | 562,157 |
| Provisions | 2,789,000 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 |
| Total Current Liabilities | 6,184,000 | 6,458,320 | 6,321,010 | 6,083,375 | 6,246,321 | 6,416,627 | 6,532,543 | 6,557,058 | 6,655,145 | 6,197,223 | 6,261,108 | 6,367,237 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Payables | 7,000 | 6,176 | 6,412 | - | - | - | - | - | - | - | - | - |
| Borrowings | 8,403,000 | 8,707,332 | 7,966,904 | 7,188,225 | 7,815,820 | 7,864,917 | 7,832,101 | 7,849,468 | 6,815,814 | 6,319,549 | 5,794,360 | 5,232,203 |
| Provisions | 664,000 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 |
| Total Non-Current Liabilities | 9,074,000 | 9,388,946 | 8,648,754 | 7,863,663 | 8,491,258 | 8,540,355 | 8,507,538 | 8,524,906 | 7,491,252 | 6,994,987 | 6,469,798 | 5,907,641 |
| TOTAL LIABILITIES | 15,258,000 | 15,847,266 | 14,969,764 | 13,947,038 | 14,737,579 | 14,956,982 | 15,040,081 | 15,081,964 | 14,146,397 | 13,192,209 | 12,730,906 | 12,274,878 |
| Net Assets | 456,929,000 | 467,734,203 | 470,661,644 | 476,423,841 | 486,165,735 | 487,282,017 | 488,189,272 | 489,115,507 | 491,092,339 | 493,177,227 | 494,919,249 | 497,018,449 |
| EQUITY | | | | | | | | | | | | |
| Retained Earnings | 264,096,000 | 274,901,203 | 277,828,644 | 283,590,841 | 293,332,735 | 294,449,017 | 295,356,272 | 296,282,507 | 298,259,339 | 300,344,227 | 302,086,249 | 304,185,449 |
| Revaluation Reserves | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 |
| Council Equity Interest | 456,929,000 | 467,734,203 | 470,661,644 | 476,423,841 | 486,165,735 | 487,282,017 | 488,189,272 | 489,115,507 | 491,092,339 | 493,177,227 | 494,919,249 | 497,018,449 |
| Minority Equity Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Equity | 456,929,000 | 467,734,203 | 470,661,644 | 476,423,841 | 486,165,735 | 487,282,017 | 488,189,272 | 489,115,507 | 491,092,339 | 493,177,227 | 494,919,249 | 497,018,449 |

Attachment 3 – ‘Model 1’ Projected Cash Flow Statement

| Bellingen Shire Council | | | | | | | | | | | | |
|---|--------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 10 Year Financial Plan for the Years ending 30 June 2027 | | | | | | | | | | | | |
| CASH FLOW STATEMENT - CONSOLIDATED | | | | | | | | | | | | |
| Scenario: Model 1 - Service Levels Maintained | | | | | | | | | | | | |
| | Actuals | Current Year | Projected Years | | | | | | | | | |
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Flows from Operating Activities | | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | | |
| Rates & Annual Charges | 12,703,000 | 13,028,316 | 13,809,287 | 14,490,970 | 15,194,470 | 16,230,359 | 16,744,055 | 17,245,287 | 17,756,466 | 18,282,692 | 18,820,714 | 19,374,250 |
| User Charges & Fees | 8,249,000 | 6,582,504 | 6,455,366 | 6,665,404 | 6,874,952 | 7,090,937 | 7,313,743 | 7,543,586 | 7,780,689 | 8,025,283 | 8,266,813 | 8,514,817 |
| Interest & Investment Revenue Received | 1,310,000 | 946,923 | 1,001,896 | 896,354 | 769,651 | 775,142 | 855,279 | 883,648 | 932,535 | 1,045,770 | 1,116,816 | 1,233,426 |
| Grants & Contributions | 11,514,000 | 19,637,920 | 10,062,141 | 12,250,731 | 16,256,501 | 7,496,121 | 6,857,387 | 7,023,868 | 8,039,577 | 8,215,457 | 7,605,631 | 7,812,527 |
| Bonds & Deposits Received | 10,000 | - | - | - | - | - | - | - | - | - | - | - |
| Other | 3,391,000 | 3,012,769 | 648,558 | 569,446 | 553,318 | 573,102 | 595,929 | 603,982 | 612,053 | 640,781 | 669,376 | 679,502 |
| Payments: | | | | | | | | | | | | |
| Employee Benefits & On-Costs | (10,635,000) | (10,365,556) | (10,765,125) | (11,254,946) | (11,256,997) | (11,614,569) | (11,847,396) | (12,339,719) | (12,753,875) | (13,180,212) | (13,619,093) | (14,017,230) |
| Materials & Contracts | (12,124,000) | (8,604,673) | (8,032,422) | (7,708,942) | (7,845,842) | (8,025,962) | (8,288,885) | (8,464,446) | (8,700,424) | (8,897,033) | (9,193,101) | (9,409,527) |
| Borrowing Costs | (592,000) | (526,027) | (569,430) | (528,233) | (467,602) | (492,280) | (494,368) | (493,095) | (501,314) | (451,073) | (396,196) | (367,715) |
| Other | (3,574,000) | (2,887,628) | (2,515,237) | (2,561,668) | (2,607,403) | (2,811,722) | (2,719,663) | (2,829,763) | (2,866,563) | (3,085,604) | (2,990,427) | (3,092,688) |
| Net Cash provided (or used in) Operating Activities | 10,252,000 | 20,824,547 | 10,095,034 | 12,819,116 | 17,471,047 | 9,221,129 | 9,016,081 | 9,173,348 | 10,299,144 | 10,596,060 | 10,280,532 | 10,727,362 |
| Cash Flows from Investing Activities | | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | | |
| Sale of Investment Securities | 4,700,000 | - | 3,660,349 | 7,123,624 | 3,364,143 | 127,933 | - | 927,096 | 2,212,924 | 443,501 | - | - |
| Sale of Infrastructure, Property, Plant & Equipment | 278,000 | 583,000 | 730,825 | 457,955 | 636,670 | 534,959 | 445,134 | 463,534 | 272,957 | 499,155 | 556,184 | 582,943 |
| Deferred Debtors Receipts | 2,000 | - | - | - | - | - | - | - | - | - | - | - |
| Payments: | | | | | | | | | | | | |
| Purchase of Investment Securities | - | (3,172,106) | (570,619) | - | (424,367) | (1,602,802) | (1,413,546) | (1,454,970) | (926,802) | (1,564,907) | (2,259,358) | (3,709,676) |
| Purchase of Infrastructure, Property, Plant & Equipment | (9,627,000) | (24,181,291) | (14,100,535) | (19,613,803) | (22,107,655) | (7,991,324) | (7,757,927) | (8,775,776) | (11,198,915) | (9,038,980) | (7,674,913) | (6,656,307) |
| Net Cash provided (or used in) Investing Activities | (4,647,000) | (26,770,397) | (10,279,980) | (12,032,225) | (18,531,209) | (8,931,235) | (8,726,339) | (8,840,117) | (9,639,837) | (9,661,232) | (9,378,087) | (9,783,040) |
| Cash Flows from Financing Activities | | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | | |
| Proceeds from Borrowings & Advances | - | 1,000,000 | - | - | 1,500,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - | - | - |
| Payments: | | | | | | | | | | | | |
| Repayment of Borrowings & Advances | (596,000) | (625,081) | (698,587) | (740,429) | (778,679) | (872,405) | (950,904) | (1,032,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Cash Flow provided (used in) Financing Activities | (596,000) | 374,919 | (698,587) | (740,429) | 721,321 | 127,595 | 49,096 | (32,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 5,009,000 | (5,570,930) | (883,532) | 46,463 | (338,841) | 417,490 | 338,839 | 300,415 | (323,324) | (98,825) | 406,180 | 419,132 |
| plus: Cash, Cash Equivalents & Investments - beginning of year | 3,149,000 | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,411,159 | 1,828,649 | 2,167,488 | 2,467,903 | 2,144,578 | 2,045,753 | 2,451,933 |
| Cash & Cash Equivalents - end of the year | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,411,159 | 1,828,649 | 2,167,488 | 2,467,903 | 2,144,578 | 2,045,753 | 2,451,933 | 2,871,065 |
| Cash & Cash Equivalents - end of the year | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,411,159 | 1,828,649 | 2,167,488 | 2,467,903 | 2,144,578 | 2,045,753 | 2,451,933 | 2,871,065 |
| Investments - end of the year | 26,600,000 | 29,772,106 | 26,682,376 | 19,558,753 | 16,618,977 | 18,093,847 | 19,507,392 | 20,035,267 | 18,749,145 | 19,870,551 | 22,129,909 | 25,839,585 |
| Cash, Cash Equivalents & Investments - end of the year | 34,758,000 | 32,359,176 | 28,385,914 | 21,308,753 | 18,030,136 | 19,922,495 | 21,674,880 | 22,503,169 | 20,893,723 | 21,916,304 | 24,581,842 | 28,710,650 |

Attachment 4 – 'Model 2' Projected Income Statement

Bellinghen Shire Council
10 Year Financial Plan for the Years ending 30 June 2027

INCOME STATEMENT - CONSOLIDATED

Scenario: Model 2 - Service Levels Reduced

| | Actuals 2015/16 \$ | Current Year 2016/17 \$ | 2017/18 \$ | 2018/19 \$ | 2019/20 \$ | 2020/21 \$ | Projected Years | | | | | 2026/27 \$ |
|---|--------------------------|-------------------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | | | 2021/22 \$ | 2022/23 \$ | 2023/24 \$ | 2024/25 \$ | 2025/26 \$ | |
| Income from Continuing Operations | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | |
| Rates & Annual Charges | 12,682,000 | 13,224,753 | 13,536,312 | 13,955,763 | 14,377,998 | 15,123,587 | 15,581,957 | 16,048,328 | 16,529,556 | 17,025,050 | 17,531,462 | 18,052,699 |
| User Charges & Fees | 7,986,000 | 6,218,204 | 6,479,820 | 6,684,274 | 6,894,232 | 7,110,818 | 7,334,244 | 7,564,726 | 7,802,489 | 8,047,763 | 8,289,196 | 8,537,872 |
| Interest & Investment Revenue | 1,228,000 | 1,068,007 | 962,156 | 843,603 | 781,312 | 786,801 | 875,958 | 919,902 | 973,350 | 1,059,700 | 1,152,787 | 1,287,665 |
| Other Revenues | 438,000 | 506,142 | 520,253 | 535,861 | 551,937 | 568,495 | 585,550 | 603,116 | 621,210 | 639,846 | 659,041 | 678,813 |
| Grants & Contributions provided for Operating Purposes | 6,200,000 | 6,760,195 | 5,446,593 | 5,560,299 | 6,534,916 | 6,672,905 | 6,014,048 | 6,159,904 | 7,154,472 | 7,308,683 | 6,676,646 | 6,860,776 |
| Grants & Contributions provided for Capital Purposes | 5,314,000 | 12,877,725 | 4,615,548 | 6,690,433 | 9,721,585 | 823,217 | 843,339 | 863,964 | 885,104 | 906,774 | 928,985 | 951,751 |
| Other Income: | | | | | | | | | | | | |
| Net gains from the disposal of assets | 118,000 | - | - | - | - | - | - | - | - | - | - | - |
| Total Income from Continuing Operations | 33,966,000 | 40,655,026 | 31,560,682 | 34,270,233 | 38,861,980 | 31,085,822 | 31,235,096 | 32,159,940 | 33,966,181 | 34,987,816 | 35,238,118 | 36,369,575 |
| Expenses from Continuing Operations | | | | | | | | | | | | |
| Employee Benefits & On-Costs | 10,302,000 | 10,469,048 | 10,774,901 | 10,989,678 | 11,256,997 | 11,614,569 | 11,847,396 | 12,339,719 | 12,753,875 | 13,180,212 | 13,619,093 | 14,017,230 |
| Borrowing Costs | 613,000 | 557,037 | 558,734 | 516,896 | 478,646 | 494,233 | 495,120 | 492,593 | 486,269 | 435,247 | 388,598 | 359,674 |
| Materials & Contracts | 9,440,000 | 8,662,755 | 7,869,504 | 7,697,595 | 7,886,741 | 8,096,765 | 8,307,478 | 8,524,058 | 8,746,696 | 8,975,584 | 9,219,014 | 9,469,102 |
| Depreciation & Amortisation | 6,519,000 | 7,273,355 | 7,224,632 | 7,315,923 | 7,751,073 | 8,124,803 | 8,160,051 | 8,279,630 | 8,398,955 | 8,521,018 | 8,606,228 | 8,692,290 |
| Other Expenses | 2,697,000 | 2,887,628 | 2,515,237 | 2,561,668 | 2,607,403 | 2,811,722 | 2,719,663 | 2,829,763 | 2,866,563 | 3,085,604 | 2,990,427 | 3,092,688 |
| Total Expenses from Continuing Operations | 29,571,000 | 29,849,823 | 28,943,008 | 29,081,761 | 29,980,861 | 31,142,092 | 31,529,707 | 32,465,763 | 33,252,358 | 34,197,666 | 34,823,360 | 35,630,984 |
| Operating Result from Continuing Operations | 4,395,000 | 10,805,203 | 2,617,674 | 5,188,471 | 8,881,119 | (56,270) | (294,612) | (305,824) | 713,823 | 790,149 | 414,757 | 738,590 |
| Discontinued Operations - Profit/(Loss) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit/(Loss) from Discontinued Operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Result for the Year | 4,395,000 | 10,805,203 | 2,617,674 | 5,188,471 | 8,881,119 | (56,270) | (294,612) | (305,824) | 713,823 | 790,149 | 414,757 | 738,590 |
| Net Operating Result before Grants and Contributions provided for Capital Purposes | (919,000) | (2,072,522) | (1,997,874) | (1,501,961) | (840,466) | (879,487) | (1,137,950) | (1,169,787) | (171,281) | (116,624) | (514,227) | (213,160) |

Attachment 5 – ‘Model 2’ Projected Balance Sheet

Bellingin Shire Council
10 Year Financial Plan for the Years ending 30 June 2027

BALANCE SHEET - CONSOLIDATED

Scenario: Model 2 - Service Levels Reduced

| | Actuals 2015/16 | Current Year 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Projected Years | | | | | 2026/27 |
|---|--------------------|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash & Cash Equivalents | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,654,848 | 1,828,649 | 2,260,449 | 2,523,523 | 2,209,676 | 2,099,307 | 2,521,309 | 2,925,438 |
| Investments | 26,600,000 | 20,573,471 | 13,670,247 | 10,705,095 | 10,019,868 | 10,697,177 | 10,738,801 | 9,303,182 | 9,430,285 | 9,708,860 | 10,694,516 | 12,077,420 |
| Receivables | 5,096,000 | 2,541,085 | 2,439,542 | 2,409,792 | 2,488,962 | 2,561,868 | 2,639,517 | 2,721,826 | 2,835,498 | 2,906,957 | 3,000,659 | 3,114,235 |
| Inventories | 249,000 | 278,996 | 256,529 | 252,460 | 258,571 | 265,476 | 272,317 | 279,336 | 286,536 | 293,923 | 301,815 | 309,921 |
| Other | 35,000 | 29,420 | 26,494 | 26,200 | 26,833 | 27,900 | 28,222 | 29,078 | 29,762 | 30,929 | 31,309 | 32,212 |
| Total Current Assets | 40,138,000 | 26,010,042 | 18,096,351 | 15,143,547 | 14,449,081 | 15,381,070 | 15,939,307 | 14,856,946 | 14,791,757 | 15,039,977 | 16,549,608 | 18,459,227 |
| Non-Current Assets | | | | | | | | | | | | |
| Investments | - | 9,198,635 | 13,480,758 | 9,545,094 | 7,489,415 | 8,199,793 | 9,605,240 | 11,232,668 | 9,904,741 | 10,643,680 | 12,059,778 | 14,251,526 |
| Receivables | 119,000 | 117,856 | 120,367 | 123,617 | 126,976 | 130,446 | 134,020 | 137,700 | 141,500 | 145,413 | 149,402 | 153,509 |
| Infrastructure, Property, Plant & Equipment | 430,006,000 | 446,330,936 | 451,696,013 | 462,743,438 | 475,158,037 | 473,671,154 | 471,491,989 | 470,678,897 | 471,846,055 | 470,690,519 | 467,713,818 | 463,890,460 |
| Investment Property | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 |
| Total Non-Current Assets | 432,049,000 | 457,571,426 | 467,221,138 | 474,336,149 | 484,698,427 | 483,925,392 | 483,155,250 | 483,973,266 | 483,816,296 | 483,403,612 | 481,846,999 | 480,219,495 |
| TOTAL ASSETS | 472,187,000 | 483,581,468 | 485,317,488 | 489,479,696 | 499,147,509 | 499,306,462 | 499,094,557 | 498,830,211 | 498,608,053 | 498,443,589 | 498,396,607 | 498,678,722 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Payables | 2,767,000 | 2,982,171 | 2,798,867 | 2,519,444 | 2,584,816 | 2,672,444 | 2,706,054 | 2,780,349 | 2,826,999 | 2,906,040 | 2,940,566 | 3,009,280 |
| Borrowings | 628,000 | 698,587 | 740,429 | 778,679 | 872,405 | 950,904 | 1,032,816 | 982,632 | 1,033,654 | 496,266 | 525,189 | 562,157 |
| Provisions | 2,789,000 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 |
| Total Current Liabilities | 6,184,000 | 6,458,320 | 6,316,858 | 6,075,685 | 6,234,783 | 6,400,910 | 6,516,433 | 6,540,543 | 6,638,215 | 6,179,868 | 6,243,317 | 6,348,999 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Payables | 7,000 | 6,176 | 6,412 | - | - | - | - | - | - | - | - | - |
| Borrowings | 8,403,000 | 8,707,332 | 7,966,904 | 7,188,225 | 7,815,820 | 7,864,917 | 7,832,101 | 7,849,468 | 6,815,814 | 6,319,549 | 5,794,360 | 5,232,203 |
| Provisions | 664,000 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 |
| Total Non-Current Liabilities | 9,074,000 | 9,388,946 | 8,648,754 | 7,863,663 | 8,491,258 | 8,540,355 | 8,507,538 | 8,524,906 | 7,491,252 | 6,994,987 | 6,469,798 | 5,907,641 |
| TOTAL LIABILITIES | 15,258,000 | 15,847,266 | 14,965,611 | 13,939,348 | 14,726,041 | 14,941,264 | 15,023,971 | 15,065,449 | 14,129,468 | 13,174,854 | 12,713,115 | 12,256,640 |
| Net Assets | 456,929,000 | 467,734,203 | 470,351,877 | 475,540,348 | 484,421,468 | 484,365,197 | 484,070,586 | 483,764,762 | 484,478,585 | 485,268,735 | 485,683,492 | 486,422,082 |
| EQUITY | | | | | | | | | | | | |
| Retained Earnings | 264,096,000 | 274,901,203 | 277,518,877 | 282,707,348 | 291,588,468 | 291,532,197 | 291,237,586 | 290,931,762 | 291,645,585 | 292,435,735 | 292,850,492 | 293,589,082 |
| Revaluation Reserves | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 | 192,833,000 |
| Council Equity Interest | 456,929,000 | 467,734,203 | 470,351,877 | 475,540,348 | 484,421,468 | 484,365,197 | 484,070,586 | 483,764,762 | 484,478,585 | 485,268,735 | 485,683,492 | 486,422,082 |
| Minority Equity Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Equity | 456,929,000 | 467,734,203 | 470,351,877 | 475,540,348 | 484,421,468 | 484,365,197 | 484,070,586 | 483,764,762 | 484,478,585 | 485,268,735 | 485,683,492 | 486,422,082 |

Attachment 6 – ‘Model 2’ Projected Cash Flow Statement

Bellinghen Shire Council

10 Year Financial Plan for the Years ending 30 June 2027

CASH FLOW STATEMENT - CONSOLIDATED

Scenario: Model 2 - Service Levels Reduced

| | Actuals 2015/16 \$ | Current Year 2016/17 \$ | 2017/18 \$ | 2018/19 \$ | 2019/20 \$ | 2020/21 \$ | Projected Years | | | | | |
|---|--------------------------|-------------------------------|--------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | | | | | 2021/22 \$ | 2022/23 \$ | 2023/24 \$ | 2024/25 \$ | 2025/26 \$ | 2026/27 \$ |
| Cash Flows from Operating Activities | | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | | |
| Rates & Annual Charges | 12,703,000 | 13,028,316 | 13,508,435 | 13,924,842 | 14,341,956 | 15,066,779 | 15,543,032 | 16,014,098 | 16,494,348 | 16,988,867 | 17,494,385 | 18,014,600 |
| User Charges & Fees | 8,249,000 | 6,582,504 | 6,455,366 | 6,665,404 | 6,874,952 | 7,090,937 | 7,313,743 | 7,543,586 | 7,780,689 | 8,025,283 | 8,266,813 | 8,514,817 |
| Interest & Investment Revenue Received | 1,310,000 | 946,923 | 995,529 | 896,328 | 763,258 | 793,583 | 851,276 | 896,132 | 929,996 | 1,050,241 | 1,112,597 | 1,239,064 |
| Grants & Contributions | 11,514,000 | 19,637,920 | 10,062,141 | 12,250,731 | 16,256,501 | 7,496,121 | 6,857,387 | 7,023,868 | 8,039,577 | 8,215,457 | 7,605,631 | 7,812,527 |
| Bonds & Deposits Received | 10,000 | - | - | - | - | - | - | - | - | - | - | - |
| Other | 3,391,000 | 3,012,769 | 644,405 | 565,908 | 549,471 | 568,923 | 595,536 | 603,577 | 611,638 | 640,356 | 668,940 | 679,055 |
| Payments: | | | | | | | | | | | | |
| Employee Benefits & On-Costs | (10,635,000) | (10,365,556) | (10,765,125) | (11,254,946) | (11,256,997) | (11,614,569) | (11,847,396) | (12,339,719) | (12,753,875) | (13,180,212) | (13,619,093) | (14,017,230) |
| Materials & Contracts | (12,124,000) | (8,604,673) | (8,032,422) | (7,708,942) | (7,845,842) | (8,025,962) | (8,288,885) | (8,464,446) | (8,700,424) | (8,897,033) | (9,193,101) | (9,409,527) |
| Borrowing Costs | (592,000) | (526,027) | (569,430) | (528,233) | (467,602) | (492,280) | (494,368) | (493,095) | (501,314) | (451,073) | (396,196) | (367,715) |
| Other | (3,574,000) | (2,887,628) | (2,515,237) | (2,561,668) | (2,607,403) | (2,811,722) | (2,719,663) | (2,829,763) | (2,866,563) | (3,085,604) | (2,990,427) | (3,092,688) |
| Net Cash provided (or used in) Operating Activities | 10,252,000 | 20,824,547 | 9,783,663 | 12,249,423 | 16,608,293 | 8,071,811 | 7,810,663 | 7,954,238 | 9,034,072 | 9,306,282 | 8,949,548 | 9,372,903 |
| Cash Flows from Investing Activities | | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | | |
| Sale of Investment Securities | 4,700,000 | - | 3,191,720 | 6,900,816 | 3,165,273 | 215,116 | - | 927,096 | 2,212,924 | 443,501 | - | - |
| Sale of Infrastructure, Property, Plant & Equipment | 278,000 | 583,000 | 730,825 | 457,955 | 636,670 | 534,959 | 445,134 | 463,534 | 272,957 | 499,155 | 556,184 | 582,943 |
| Deferred Debtors Receipts | 2,000 | - | - | - | - | - | - | - | - | - | - | - |
| Payments: | | | | | | | | | | | | |
| Purchase of Investment Securities | - | (3,172,106) | (570,619) | - | (424,367) | (1,602,802) | (1,447,072) | (1,118,905) | (1,012,099) | (1,461,015) | (2,401,754) | (3,574,652) |
| Purchase of Infrastructure, Property, Plant & Equipment | (9,627,000) | (24,181,291) | (13,320,535) | (18,821,303) | (20,802,342) | (7,172,879) | (6,426,021) | (7,930,072) | (9,839,069) | (7,864,637) | (6,185,711) | (5,451,876) |
| Net Cash provided (or used in) Investing Activities | (4,647,000) | (26,770,397) | (9,968,609) | (11,462,532) | (17,424,766) | (8,025,606) | (7,427,959) | (7,658,348) | (8,365,287) | (8,382,997) | (8,031,281) | (8,443,585) |
| Cash Flows from Financing Activities | | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | | |
| Proceeds from Borrowings & Advances | - | 1,000,000 | - | - | 1,500,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - | - | - |
| Payments: | | | | | | | | | | | | |
| Repayment of Borrowings & Advances | (596,000) | (625,081) | (698,587) | (740,429) | (778,679) | (872,405) | (950,904) | (1,032,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Cash Flow provided (used in) Financing Activities | (596,000) | 374,919 | (698,587) | (740,429) | 721,321 | 127,595 | 49,096 | (32,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 5,009,000 | (5,570,930) | (883,532) | 46,463 | (95,152) | 173,801 | 431,800 | 263,074 | (313,847) | (110,369) | 422,001 | 404,130 |
| plus: Cash, Cash Equivalents & Investments - beginning of year | 3,149,000 | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,654,848 | 1,828,649 | 2,260,449 | 2,523,523 | 2,209,676 | 2,099,307 | 2,521,309 |
| Cash & Cash Equivalents - end of the year | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,654,848 | 1,828,649 | 2,260,449 | 2,523,523 | 2,209,676 | 2,099,307 | 2,521,309 | 2,925,438 |
| Cash & Cash Equivalents - end of the year | 8,158,000 | 2,587,070 | 1,703,537 | 1,750,000 | 1,654,848 | 1,828,649 | 2,260,449 | 2,523,523 | 2,209,676 | 2,099,307 | 2,521,309 | 2,925,438 |
| Investments - end of the year | 26,600,000 | 29,772,106 | 27,151,005 | 20,250,189 | 17,509,283 | 18,896,969 | 20,344,041 | 20,535,851 | 19,335,026 | 20,352,540 | 22,754,294 | 26,328,946 |
| Cash, Cash Equivalents & Investments - end of the year | 34,758,000 | 32,359,176 | 28,854,542 | 22,000,189 | 19,164,131 | 20,725,618 | 22,604,490 | 23,059,374 | 21,544,702 | 22,451,848 | 25,275,603 | 29,254,385 |

Attachment 7 - 'Model 1' Projected Income Statement (General Fund)

Bellingen Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
INCOME STATEMENT - GENERAL FUND
Scenario: Model 1 - Service Levels Maintained

| | Actuals | Current Year | Projected Years | | | | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Income from Continuing Operations | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | |
| Rates & Annual Charges | 9,272,000 | 9,669,994 | 10,200,332 | 10,760,895 | 11,354,515 | 11,983,096 | 12,338,717 | 12,704,832 | 13,082,724 | 13,471,706 | 13,868,333 | 14,276,411 |
| User Charges & Fees | 6,099,000 | 4,241,401 | 4,434,910 | 4,567,957 | 4,704,996 | 4,846,146 | 4,991,530 | 5,141,276 | 5,295,514 | 5,454,380 | 5,618,011 | 5,786,552 |
| Interest & Investment Revenue | 614,000 | 440,167 | 497,319 | 423,088 | 369,034 | 365,703 | 416,052 | 446,144 | 506,684 | 606,084 | 639,171 | 695,049 |
| Other Revenues | 432,000 | 492,496 | 506,198 | 521,384 | 537,025 | 553,136 | 569,730 | 586,822 | 604,426 | 622,559 | 641,236 | 660,473 |
| Grants & Contributions provided for Operating Purposes | 6,103,000 | 6,666,018 | 5,348,734 | 5,459,275 | 6,430,861 | 6,565,728 | 5,903,656 | 6,046,201 | 7,037,358 | 7,188,055 | 6,552,399 | 6,732,801 |
| Grants & Contributions provided for Capital Purposes | 4,352,000 | 12,769,725 | 3,759,548 | 1,302,484 | 719,588 | 737,119 | 755,089 | 773,508 | 792,387 | 811,739 | 831,574 | 851,905 |
| Other Income: | | | | | | | | | | | | |
| Net gains from the disposal of assets | 112,000 | - | - | - | - | - | - | - | - | - | - | - |
| Total Income from Continuing Operations | 26,984,000 | 34,279,800 | 24,747,040 | 23,035,083 | 24,116,019 | 25,050,927 | 24,974,774 | 25,698,783 | 27,319,094 | 28,154,523 | 28,150,725 | 29,003,191 |
| Expenses from Continuing Operations | | | | | | | | | | | | |
| Employee Benefits & On-Costs | 8,144,000 | 8,106,857 | 8,417,060 | 8,561,102 | 8,765,563 | 9,038,092 | 9,203,625 | 9,606,335 | 9,938,489 | 10,280,365 | 10,632,250 | 10,940,782 |
| Borrowing Costs | 613,000 | 557,037 | 558,734 | 516,896 | 478,646 | 494,233 | 495,120 | 492,593 | 486,269 | 435,247 | 388,598 | 359,674 |
| Materials & Contracts | 8,433,000 | 7,667,131 | 6,732,992 | 6,544,974 | 6,718,184 | 6,901,676 | 7,090,222 | 7,283,961 | 7,483,039 | 7,687,602 | 7,898,833 | 8,115,916 |
| Depreciation & Amortisation | 4,732,000 | 5,267,142 | 5,138,533 | 5,189,918 | 5,381,817 | 5,435,636 | 5,489,992 | 5,544,892 | 5,600,341 | 5,656,344 | 5,712,908 | 5,770,037 |
| Other Expenses | 2,121,000 | 2,286,300 | 2,048,096 | 2,082,849 | 2,116,614 | 2,308,663 | 2,204,027 | 2,301,236 | 2,324,824 | 2,530,321 | 2,421,262 | 2,509,293 |
| Total Expenses from Continuing Operations | 24,043,000 | 23,884,467 | 22,895,415 | 22,895,740 | 23,460,824 | 24,178,300 | 24,482,985 | 25,229,018 | 25,832,962 | 26,589,880 | 27,053,850 | 27,695,702 |
| Operating Result from Continuing Operations | 2,941,000 | 10,395,333 | 1,851,625 | 139,343 | 655,195 | 872,628 | 491,789 | 469,765 | 1,486,132 | 1,564,643 | 1,096,874 | 1,307,489 |
| Discontinued Operations - Profit/(Loss) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit/(Loss) from Discontinued Operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Result for the Year | 2,941,000 | 10,395,333 | 1,851,625 | 139,343 | 655,195 | 872,628 | 491,789 | 469,765 | 1,486,132 | 1,564,643 | 1,096,874 | 1,307,489 |
| Net Operating Result before Grants and Contributions provided for Capital Purposes | (1,411,000) | (2,374,392) | (1,907,923) | (1,163,141) | (64,393) | 135,508 | (263,300) | (303,743) | 693,745 | 752,904 | 265,301 | 455,584 |

Attachment 8 - 'Model 1' Projected Balance Sheet (General Fund)

Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - GENERAL FUND
Scenario: Model 1 - Service Levels Maintained

| | Actuals | Current Year | Projected Years | | | | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash & Cash Equivalents | 1,495,000 | 901,280 | 750,000 | 750,000 | 750,000 | 750,000 | 953,852 | 1,041,600 | 1,144,578 | 1,162,490 | 1,248,046 | 1,391,804 |
| Investments | 14,600,000 | 10,950,000 | 9,351,868 | 7,405,888 | 7,236,849 | 7,547,406 | 7,296,968 | 6,301,474 | 6,924,471 | 7,032,832 | 7,550,431 | 8,420,133 |
| Receivables | 3,696,000 | 1,579,783 | 1,449,725 | 1,395,718 | 1,439,810 | 1,482,228 | 1,519,708 | 1,583,083 | 1,661,904 | 1,704,603 | 1,760,705 | 1,845,616 |
| Inventories | 232,000 | 262,202 | 236,434 | 232,166 | 238,244 | 244,644 | 251,218 | 257,969 | 264,903 | 272,025 | 279,370 | 286,914 |
| Other | 35,000 | 29,420 | 26,494 | 26,200 | 26,833 | 27,900 | 28,222 | 29,078 | 29,762 | 30,929 | 31,309 | 32,212 |
| Total Current Assets | 20,058,000 | 13,722,686 | 11,814,521 | 9,809,973 | 9,691,736 | 10,052,179 | 10,049,968 | 9,213,204 | 10,025,617 | 10,202,878 | 10,869,861 | 11,976,679 |
| Non-Current Assets | | | | | | | | | | | | |
| Investments | - | 3,650,000 | 1,650,330 | 1,306,921 | 1,277,091 | 838,601 | 1,287,700 | 3,072,930 | 3,376,735 | 3,429,578 | 3,681,987 | 4,106,099 |
| Receivables | 119,000 | 117,856 | 123,622 | 129,645 | 136,020 | 142,766 | 146,648 | 150,645 | 154,770 | 159,016 | 163,348 | 167,804 |
| Infrastructure, Property, Plant & Equipment | 339,488,000 | 353,159,149 | 358,035,066 | 359,493,166 | 361,080,113 | 362,242,842 | 362,366,393 | 361,924,994 | 361,354,611 | 361,730,092 | 361,441,214 | 360,756,541 |
| Investment Property | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 |
| Total Non-Current Assets | 341,531,000 | 358,851,004 | 361,733,017 | 362,853,732 | 364,417,223 | 365,148,209 | 365,724,741 | 367,072,568 | 366,810,117 | 367,242,687 | 367,210,548 | 366,954,445 |
| TOTAL ASSETS | 361,589,000 | 372,573,690 | 373,547,538 | 372,663,706 | 374,108,959 | 375,200,387 | 375,774,709 | 376,285,772 | 376,835,734 | 377,445,565 | 378,080,409 | 378,931,124 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Payables | 2,742,000 | 2,957,262 | 2,777,837 | 2,501,501 | 2,570,239 | 2,661,444 | 2,694,880 | 2,768,994 | 2,815,455 | 2,894,297 | 2,928,532 | 2,996,947 |
| Borrowings | 628,000 | 698,587 | 740,429 | 778,679 | 872,405 | 950,904 | 1,032,816 | 982,632 | 1,033,654 | 496,266 | 525,189 | 562,157 |
| Provisions | 2,789,000 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 |
| Total Current Liabilities | 6,159,000 | 6,433,411 | 6,295,827 | 6,057,742 | 6,220,205 | 6,389,909 | 6,505,258 | 6,529,188 | 6,626,671 | 6,168,125 | 6,231,284 | 6,336,666 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Payables | 7,000 | 6,176 | 6,412 | - | - | - | - | - | - | - | - | - |
| Borrowings | 8,403,000 | 8,707,332 | 7,966,904 | 7,188,225 | 7,815,820 | 7,864,917 | 7,832,101 | 7,849,468 | 6,815,814 | 6,319,549 | 5,794,360 | 5,232,203 |
| Provisions | 664,000 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 |
| Total Non-Current Liabilities | 9,074,000 | 9,388,946 | 8,648,754 | 7,863,663 | 8,491,258 | 8,540,355 | 8,507,538 | 8,524,906 | 7,491,252 | 6,994,987 | 6,469,798 | 5,907,641 |
| TOTAL LIABILITIES | 15,233,000 | 15,822,357 | 14,944,581 | 13,921,405 | 14,711,464 | 14,930,264 | 15,012,796 | 15,054,095 | 14,117,924 | 13,163,112 | 12,701,081 | 12,244,307 |
| Net Assets | 346,356,000 | 356,751,333 | 358,602,958 | 358,742,301 | 359,397,496 | 360,270,123 | 360,761,913 | 361,231,678 | 362,717,810 | 364,282,453 | 365,379,328 | 366,686,817 |
| EQUITY | | | | | | | | | | | | |
| Retained Earnings | 233,681,000 | 244,076,333 | 245,927,958 | 246,067,301 | 246,722,496 | 247,595,123 | 248,086,913 | 248,556,678 | 250,042,810 | 251,607,453 | 252,704,328 | 254,011,817 |
| Revaluation Reserves | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 |
| Council Equity Interest | 346,356,000 | 356,751,333 | 358,602,958 | 358,742,301 | 359,397,496 | 360,270,123 | 360,761,913 | 361,231,678 | 362,717,810 | 364,282,453 | 365,379,328 | 366,686,817 |
| Minority Equity Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Equity | 346,356,000 | 356,751,333 | 358,602,958 | 358,742,301 | 359,397,496 | 360,270,123 | 360,761,913 | 361,231,678 | 362,717,810 | 364,282,453 | 365,379,328 | 366,686,817 |

Attachment 9 - 'Model 1' Projected Cash Flow Statement (General Fund)

Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
CASH FLOW STATEMENT - GENERAL FUND
Scenario: Model 1 - Service Levels Maintained

| | 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 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Flows from Operating Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Rates & Annual Charges | 9,537,685 | 10,185,068 | 10,744,762 | 11,337,431 | 11,965,005 | 12,328,482 | 12,694,295 | 13,071,848 | 13,460,511 | 13,856,918 | 14,264,666 |
| User Charges & Fees | 4,766,290 | 4,415,880 | 4,554,873 | 4,691,519 | 4,832,265 | 4,977,233 | 5,126,550 | 5,280,346 | 5,438,757 | 5,601,919 | 5,769,977 |
| Interest & Investment Revenue Received | 319,083 | 537,059 | 475,839 | 357,372 | 354,044 | 395,374 | 409,890 | 465,869 | 592,154 | 603,200 | 640,810 |
| Grants & Contributions | 19,435,743 | 9,108,282 | 6,761,759 | 7,150,449 | 7,302,847 | 6,658,745 | 6,819,709 | 7,829,745 | 7,999,794 | 7,383,973 | 7,584,706 |
| Other | 2,335,707 | 635,359 | 555,852 | 539,316 | 558,680 | 581,074 | 588,682 | 596,294 | 624,549 | 652,656 | 662,281 |
| Payments: | | | | | | | | | | | |
| Employee Benefits & On-Costs | (8,003,365) | (8,407,283) | (8,826,370) | (8,765,563) | (9,038,092) | (9,203,625) | (9,606,335) | (9,938,489) | (10,280,365) | (10,632,250) | (10,940,782) |
| Materials & Contracts | (7,609,163) | (6,892,884) | (6,556,574) | (6,677,734) | (6,830,969) | (7,071,928) | (7,224,667) | (7,437,105) | (7,609,410) | (7,873,100) | (8,056,525) |
| Borrowing Costs | (526,027) | (569,430) | (528,233) | (467,602) | (492,280) | (494,368) | (493,095) | (501,314) | (451,073) | (396,196) | (367,715) |
| Other | (2,286,300) | (2,048,096) | (2,082,849) | (2,116,614) | (2,308,663) | (2,204,027) | (2,301,236) | (2,324,824) | (2,530,321) | (2,421,262) | (2,509,293) |
| Net Cash provided (or used in) Operating Activities | 17,969,652 | 6,963,954 | 5,099,059 | 6,048,574 | 6,342,837 | 5,966,960 | 6,013,792 | 7,042,371 | 7,244,595 | 6,775,859 | 7,048,125 |
| Cash Flows from Investing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Sale of Investment Securities | - | 3,597,802 | 2,289,388 | 198,870 | 127,933 | - | - | - | - | - | - |
| Sale of Infrastructure, Property, Plant & Equipment | 583,000 | 730,825 | 457,955 | 636,670 | 534,959 | 445,134 | 463,534 | 272,957 | 499,155 | 556,184 | 582,943 |
| Payments: | | | | | | | | | | | |
| Purchase of Investment Securities | - | - | - | - | - | (198,662) | (789,735) | (926,802) | (161,204) | (770,008) | (1,293,814) |
| Purchase of Infrastructure, Property, Plant & Equipment | (19,521,291) | (10,745,275) | (7,105,973) | (7,605,435) | (7,133,324) | (6,058,677) | (5,567,026) | (5,302,915) | (6,530,980) | (5,980,213) | (5,668,307) |
| Net Cash provided (or used in) Investing Activities | (18,938,291) | (6,416,648) | (4,358,630) | (6,769,895) | (6,470,432) | (5,812,205) | (5,893,227) | (5,956,761) | (6,193,029) | (6,194,037) | (6,379,179) |
| Cash Flows from Financing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Proceeds from Borrowings & Advances | 1,000,000 | - | - | 1,500,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - | - | - |
| Payments: | | | | | | | | | | | |
| Repayment of Borrowings & Advances | (625,081) | (698,587) | (740,429) | (778,679) | (872,405) | (950,904) | (1,032,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Cash Flow provided (used in) Financing Activities | 374,919 | (698,587) | (740,429) | 721,321 | 127,595 | 49,096 | (32,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (593,720) | (151,280) | 0 | 0 | 0 | 203,852 | 87,748 | 102,978 | 17,912 | 85,556 | 143,757 |
| plus: Cash, Cash Equivalents & Investments - beginning of year | 1,495,000 | 901,280 | 750,000 | 750,000 | 750,000 | 750,000 | 953,852 | 1,041,600 | 1,144,578 | 1,162,490 | 1,248,046 |
| Cash & Cash Equivalents - end of the year | 901,280 | 750,000 | 750,000 | 750,000 | 750,000 | 953,852 | 1,041,600 | 1,144,578 | 1,162,490 | 1,248,046 | 1,391,804 |
| Cash & Cash Equivalents - end of the year | 901,280 | 750,000 | 750,000 | 750,000 | 750,000 | 953,852 | 1,041,600 | 1,144,578 | 1,162,490 | 1,248,046 | 1,391,804 |
| Investments - end of the year | 14,600,000 | 11,002,198 | 8,712,810 | 8,513,940 | 8,386,007 | 8,584,669 | 9,374,404 | 10,301,206 | 10,462,410 | 11,232,418 | 12,526,232 |
| Cash, Cash Equivalents & Investments - end of the year | 15,501,280 | 11,752,198 | 9,462,810 | 9,263,940 | 9,136,007 | 9,538,521 | 10,416,004 | 11,445,784 | 11,624,900 | 12,480,465 | 13,918,036 |

Attachment 10 - 'Model 1' Projected Income Statement (Water Fund)

| Bellingen Shire Council | | | | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 10 Year Financial Plan for the Years ending 30 June 2027 | | | | | | | | | | | | |
| INCOME STATEMENT - WATER FUND | | | | | | | | | | | | |
| Scenario: Model 1 - Service Levels Maintained | | | | | | | | | | | | |
| | Actuals | Current Year | Projected Years | | | | | | | | | |
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Income from Continuing Operations | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | |
| Rates & Annual Charges | 457,000 | 502,079 | 516,750 | 529,668 | 548,165 | 561,869 | 581,397 | 595,932 | 610,830 | 626,101 | 641,753 | 657,797 |
| User Charges & Fees | 1,688,000 | 1,770,535 | 1,832,453 | 1,896,538 | 1,962,863 | 2,031,509 | 2,102,556 | 2,176,087 | 2,252,190 | 2,330,956 | 2,400,884 | 2,472,911 |
| Interest & Investment Revenue | 482,000 | 554,476 | 322,837 | 368,155 | 313,548 | 299,985 | 315,399 | 328,847 | 350,337 | 331,858 | 336,858 | 351,858 |
| Other Revenues | 6,000 | 13,116 | 13,509 | 13,915 | 14,332 | 14,762 | 15,205 | 15,661 | 16,131 | 16,615 | 17,113 | 17,627 |
| Grants & Contributions provided for Operating Purposes | 55,000 | 50,562 | 52,079 | 53,642 | 55,251 | 56,909 | 58,616 | 60,374 | 62,185 | 64,051 | 65,973 | 67,952 |
| Grants & Contributions provided for Capital Purposes | 31,000 | 78,000 | 78,000 | 81,948 | 83,997 | 86,097 | 88,250 | 90,456 | 92,717 | 95,035 | 97,411 | 99,846 |
| Other Income: | | | | | | | | | | | | |
| Net gains from the disposal of assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Joint Ventures & Associated Entities | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Income from Continuing Operations | 2,719,000 | 2,968,767 | 2,815,629 | 2,943,866 | 2,978,157 | 3,051,131 | 3,161,422 | 3,267,357 | 3,384,391 | 3,464,615 | 3,559,992 | 3,667,990 |
| Expenses from Continuing Operations | | | | | | | | | | | | |
| Employee Benefits & On-Costs | 998,000 | 1,073,322 | 1,115,480 | 1,148,944 | 1,173,413 | 1,218,915 | 1,245,482 | 1,293,147 | 1,331,941 | 1,371,899 | 1,413,056 | 1,455,448 |
| Borrowing Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Materials & Contracts | 330,000 | 355,056 | 424,848 | 429,036 | 429,729 | 440,412 | 446,083 | 451,734 | 457,363 | 462,961 | 474,535 | 486,399 |
| Depreciation & Amortisation | 718,000 | 891,213 | 918,949 | 949,518 | 1,003,003 | 1,054,393 | 1,048,937 | 1,076,405 | 1,103,698 | 1,131,808 | 1,143,127 | 1,154,558 |
| Impairment | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Expenses | 329,000 | 287,849 | 201,245 | 206,276 | 211,433 | 216,719 | 222,137 | 227,690 | 233,382 | 239,217 | 245,197 | 251,327 |
| Total Expenses from Continuing Operations | 2,375,000 | 2,607,440 | 2,660,522 | 2,733,774 | 2,817,577 | 2,930,439 | 2,962,639 | 3,048,977 | 3,126,384 | 3,205,886 | 3,275,916 | 3,347,732 |
| Operating Result from Continuing Operations | 344,000 | 361,327 | 155,107 | 210,092 | 160,579 | 120,692 | 198,783 | 218,380 | 258,008 | 258,729 | 284,076 | 320,258 |
| Discontinued Operations - Profit/(Loss) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit/(Loss) from Discontinued Operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Result for the Year | 344,000 | 361,327 | 155,107 | 210,092 | 160,579 | 120,692 | 198,783 | 218,380 | 258,008 | 258,729 | 284,076 | 320,258 |
| Net Operating Result before Grants and Contributions provided for Capital Purposes | 313,000 | 283,328 | 77,107 | 128,143 | 76,582 | 34,595 | 110,534 | 127,924 | 165,291 | 163,694 | 186,665 | 220,412 |

Attachment 11 - 'Model 1' Projected Balance Sheet (Water Fund)

Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - WATER FUND
Scenario: Model 1 - Service Levels Maintained

| | Actuals | Current Year | Projected Years | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash & Cash Equivalents | 5,351,000 | 1,295,654 | 500,000 | 500,000 | 500,000 | 785,335 | 852,387 | 926,302 | 500,000 | 500,000 | 655,140 | 757,809 |
| Investments | 10,000,000 | 8,745,667 | 2,899,586 | 2,454,970 | 1,663,651 | 1,767,004 | 1,917,871 | 2,084,180 | 1,600,569 | 1,489,693 | 1,489,693 | 1,705,070 |
| Receivables | 834,000 | 660,888 | 680,910 | 699,251 | 723,615 | 743,117 | 768,911 | 789,645 | 810,951 | 832,843 | 854,541 | 876,807 |
| Inventories | 17,000 | 16,794 | 20,095 | 20,293 | 20,326 | 20,832 | 21,100 | 21,367 | 21,633 | 21,898 | 22,446 | 23,007 |
| Total Current Assets | 16,202,000 | 10,719,004 | 4,100,591 | 3,674,514 | 2,907,592 | 3,316,287 | 3,560,269 | 3,821,495 | 2,933,152 | 2,844,434 | 3,021,819 | 3,362,693 |
| Non-Current Assets | | | | | | | | | | | | |
| Investments | - | 2,915,222 | 8,698,757 | 7,364,909 | 4,990,954 | 5,301,011 | 5,753,614 | 6,252,540 | 4,801,706 | 4,469,080 | 4,469,080 | 5,115,210 |
| Receivables | - | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure, Property, Plant & Equipment | 44,394,000 | 47,322,787 | 48,312,598 | 50,282,710 | 53,584,227 | 52,986,334 | 52,488,647 | 51,946,991 | 54,544,294 | 55,224,485 | 55,331,359 | 54,664,801 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Non-Current Assets | 44,394,000 | 50,238,010 | 57,011,355 | 57,647,619 | 58,575,181 | 58,287,345 | 58,242,261 | 58,199,532 | 59,345,999 | 59,693,565 | 59,800,439 | 59,780,011 |
| TOTAL ASSETS | 60,596,000 | 60,957,014 | 61,111,946 | 61,322,134 | 61,482,774 | 61,603,632 | 61,802,530 | 62,021,026 | 62,279,152 | 62,537,999 | 62,822,258 | 63,142,703 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Bank Overdraft | - | - | - | - | - | - | - | - | - | - | - | - |
| Payables | 7,000 | 6,686 | 6,511 | 6,607 | 6,668 | 6,834 | 6,949 | 7,066 | 7,184 | 7,303 | 7,485 | 7,672 |
| Borrowings | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Current Liabilities | 7,000 | 6,686 | 6,511 | 6,607 | 6,668 | 6,834 | 6,949 | 7,066 | 7,184 | 7,303 | 7,485 | 7,672 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Payables | - | - | - | - | - | - | - | - | - | - | - | - |
| Borrowings | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Non-Current Liabilities | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL LIABILITIES | 7,000 | 6,686 | 6,511 | 6,607 | 6,668 | 6,834 | 6,949 | 7,066 | 7,184 | 7,303 | 7,485 | 7,672 |
| Net Assets | 60,589,000 | 60,950,327 | 61,105,435 | 61,315,526 | 61,476,106 | 61,596,798 | 61,795,581 | 62,013,960 | 62,271,968 | 62,530,697 | 62,814,773 | 63,135,031 |
| EQUITY | | | | | | | | | | | | |
| Retained Earnings | 19,135,000 | 19,496,327 | 19,651,435 | 19,861,526 | 20,022,106 | 20,142,798 | 20,341,581 | 20,559,960 | 20,817,968 | 21,076,697 | 21,360,773 | 21,681,031 |
| Revaluation Reserves | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 | 41,454,000 |
| Council Equity Interest | 60,589,000 | 60,950,327 | 61,105,435 | 61,315,526 | 61,476,106 | 61,596,798 | 61,795,581 | 62,013,960 | 62,271,968 | 62,530,697 | 62,814,773 | 63,135,031 |
| Minority Equity Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Equity | 60,589,000 | 60,950,327 | 61,105,435 | 61,315,526 | 61,476,106 | 61,596,798 | 61,795,581 | 62,013,960 | 62,271,968 | 62,530,697 | 62,814,773 | 63,135,031 |

Attachment 12 - 'Model 1' Projected Cash Flow Statement (Water Fund)

Bellingh Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
CASH FLOW STATEMENT - WATER FUND
Scenario: Model 1 - Service Levels Maintained

| | 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 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Flows from Operating Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Rates & Annual Charges | 481,846 | 501,343 | 516,102 | 528,742 | 547,478 | 560,891 | 580,669 | 595,185 | 610,065 | 625,317 | 640,950 |
| User Charges & Fees | 1,648,683 | 1,828,192 | 1,892,127 | 1,958,299 | 2,026,785 | 2,097,666 | 2,171,026 | 2,246,953 | 2,325,535 | 2,396,072 | 2,467,954 |
| Interest & Investment Revenue Received | 554,476 | 322,837 | 368,155 | 313,548 | 299,985 | 315,399 | 328,847 | 350,337 | 331,858 | 336,858 | 351,858 |
| Grants & Contributions | 128,562 | 130,079 | 135,590 | 139,248 | 143,006 | 146,865 | 150,830 | 154,903 | 159,086 | 163,384 | 167,798 |
| Other | 328,312 | 13,155 | 13,550 | 13,956 | 14,375 | 14,806 | 15,251 | 15,708 | 16,179 | 16,665 | 17,165 |
| Payments: | | | | | | | | | | | |
| Employee Benefits & On-Costs | (1,073,322) | (1,115,480) | (1,148,944) | (1,173,413) | (1,218,915) | (1,245,482) | (1,293,147) | (1,331,941) | (1,371,899) | (1,413,056) | (1,455,448) |
| Materials & Contracts | (355,164) | (428,324) | (429,138) | (429,701) | (440,752) | (446,236) | (451,885) | (457,511) | (463,107) | (474,900) | (486,773) |
| Borrowing Costs | - | - | - | - | - | - | - | - | - | - | - |
| Other | (287,849) | (201,245) | (206,276) | (211,433) | (216,719) | (222,137) | (227,690) | (233,382) | (239,217) | (245,197) | (251,327) |
| Net Cash provided (or used in) Operating Activities | 1,425,544 | 1,050,559 | 1,141,166 | 1,139,247 | 1,155,244 | 1,221,773 | 1,273,900 | 1,340,252 | 1,368,499 | 1,405,140 | 1,452,175 |
| Cash Flows from Investing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Sale of Investment Securities | - | 62,547 | 1,778,464 | 3,165,273 | - | - | - | 1,934,446 | 443,501 | - | - |
| Other Investing Activity Receipts | - | - | - | - | - | - | - | - | - | - | - |
| Payments: | | | | | | | | | | | |
| Purchase of Investment Securities | (1,660,890) | - | - | - | (413,409) | (603,471) | (665,235) | - | - | - | (861,506) |
| Purchase of Infrastructure, Property, Plant & Equipment | (3,820,000) | (1,908,760) | (2,919,630) | (4,304,520) | (456,500) | (551,250) | (534,750) | (3,701,000) | (1,812,000) | (1,250,000) | (488,000) |
| Other Investing Activity Payments | - | - | - | - | - | - | - | - | - | - | - |
| Net Cash provided (or used in) Investing Activities | (5,480,890) | (1,846,213) | (1,141,166) | (1,139,247) | (869,909) | (1,154,721) | (1,199,985) | (1,766,554) | (1,368,499) | (1,250,000) | (1,349,506) |
| Cash Flows from Financing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Other Financing Activity Receipts | - | - | - | - | - | - | - | - | - | - | - |
| Payments: | | | | | | | | | | | |
| Other Financing Activity Payments | - | - | - | - | - | - | - | - | - | - | - |
| Net Cash Flow provided (used in) Financing Activities | - | - | - | - | - | - | - | - | - | - | - |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (4,055,346) | (795,654) | - | (0) | 285,335 | 67,052 | 73,915 | (426,302) | (0) | 155,140 | 102,669 |
| plus: Cash, Cash Equivalents & Investments - beginning of year | 5,351,000 | 1,295,654 | 500,000 | 500,000 | 500,000 | 785,335 | 852,387 | 926,302 | 500,000 | 500,000 | 655,140 |
| Cash & Cash Equivalents - end of the year | 1,295,654 | 500,000 | 500,000 | 500,000 | 785,335 | 852,387 | 926,302 | 500,000 | 500,000 | 655,140 | 757,809 |
| Cash & Cash Equivalents - end of the year | 1,295,654 | 500,000 | 500,000 | 500,000 | 785,335 | 852,387 | 926,302 | 500,000 | 500,000 | 655,140 | 757,809 |
| Investments - end of the year | 11,660,890 | 11,598,343 | 9,819,879 | 6,654,606 | 7,068,015 | 7,671,485 | 8,336,720 | 6,402,274 | 5,958,773 | 5,958,773 | 6,820,280 |
| Cash, Cash Equivalents & Investments - end of the year | 12,956,544 | 12,098,343 | 10,319,879 | 7,154,606 | 7,853,350 | 8,523,873 | 9,263,023 | 6,902,274 | 6,458,773 | 6,613,913 | 7,578,088 |

Attachment 13 - 'Model 1' Projected Income Statement (Sewer Fund)

| Bellinghen Shire Council | | | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 10 Year Financial Plan for the Years ending 30 June 2027 | | | | | | | | | | | | |
| INCOME STATEMENT - SEWER FUND | | | | | | | | | | | | |
| Scenario: Model 1 - Service Levels Maintained | | | | | | | | | | | | |
| | Actuals | Current Year | Projected Years | | | | | | | | | |
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Income from Continuing Operations | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | |
| Rates & Annual Charges | 2,953,000 | 3,052,681 | 3,128,998 | 3,238,925 | 3,336,093 | 3,751,175 | 3,863,711 | 3,979,622 | 4,099,011 | 4,221,981 | 4,348,640 | 4,479,100 |
| User Charges & Fees | 199,000 | 206,269 | 212,457 | 219,779 | 226,372 | 233,163 | 240,158 | 247,363 | 254,784 | 262,427 | 270,300 | 278,409 |
| Interest & Investment Revenue | 132,000 | 73,364 | 142,000 | 52,360 | 98,731 | 121,113 | 144,506 | 144,911 | 116,329 | 121,758 | 176,758 | 240,758 |
| Other Revenues | - | 530 | 546 | 563 | 580 | 597 | 615 | 633 | 652 | 672 | 692 | 713 |
| Grants & Contributions provided for Operating Purposes | 42,000 | 43,615 | 45,780 | 47,382 | 48,804 | 50,268 | 51,776 | 53,329 | 54,929 | 56,577 | 58,274 | 60,023 |
| Grants & Contributions provided for Capital Purposes | 931,000 | 30,000 | 778,000 | 5,306,000 | 8,918,000 | - | - | - | - | - | - | - |
| Total Income from Continuing Operations | 4,263,000 | 3,406,459 | 4,307,781 | 8,865,009 | 12,628,579 | 4,156,316 | 4,300,766 | 4,425,859 | 4,525,705 | 4,663,416 | 4,854,666 | 5,059,003 |
| Expenses from Continuing Operations | | | | | | | | | | | | |
| Employee Benefits & On-Costs | 1,160,000 | 1,288,869 | 1,242,361 | 1,279,632 | 1,318,021 | 1,357,562 | 1,398,289 | 1,440,237 | 1,483,444 | 1,527,948 | 1,573,786 | 1,621,000 |
| Borrowing Costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Materials & Contracts | 677,000 | 640,568 | 711,664 | 723,584 | 738,829 | 754,677 | 771,174 | 788,362 | 806,294 | 825,020 | 845,646 | 866,787 |
| Depreciation & Amortisation | 1,069,000 | 1,115,000 | 1,167,150 | 1,176,488 | 1,366,252 | 1,634,774 | 1,621,122 | 1,658,333 | 1,694,916 | 1,732,865 | 1,750,194 | 1,767,696 |
| Impairment | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Expenses | 247,000 | 313,478 | 265,896 | 272,543 | 279,357 | 286,341 | 293,499 | 300,837 | 308,357 | 316,066 | 323,968 | 332,067 |
| Total Expenses from Continuing Operations | 3,153,000 | 3,357,916 | 3,387,072 | 3,452,247 | 3,702,459 | 4,033,354 | 4,084,083 | 4,187,769 | 4,293,013 | 4,401,900 | 4,493,594 | 4,587,550 |
| Operating Result from Continuing Operations | 1,110,000 | 48,542 | 920,709 | 5,412,761 | 8,926,120 | 122,963 | 216,683 | 238,090 | 232,692 | 261,516 | 361,071 | 471,453 |
| Discontinued Operations - Profit/(Loss) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit/(Loss) from Discontinued Operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Result for the Year | 1,110,000 | 48,542 | 920,709 | 5,412,761 | 8,926,120 | 122,963 | 216,683 | 238,090 | 232,692 | 261,516 | 361,071 | 471,453 |
| Net Operating Result before Grants and Contributions provided for Capital Purposes | 179,000 | 18,542 | 142,709 | 106,762 | 8,120 | 122,963 | 216,683 | 238,090 | 232,692 | 261,516 | 361,071 | 471,453 |

Attachment 14 - 'Model 1' Projected Balance Sheet (Sewer Fund)

Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - SEWER FUND
Scenario: Model 1 - Service Levels Maintained

| | Actuals 2015/16 \$ | Current Year 2016/17 \$ | 2017/18 \$ | 2018/19 \$ | 2019/20 \$ | 2020/21 \$ | Projected Years | | | | | |
|---|--------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | | | 2021/22 \$ | 2022/23 \$ | 2023/24 \$ | 2024/25 \$ | 2025/26 \$ | 2026/27 \$ |
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash & Cash Equivalents | 1,312,000 | 390,135 | 453,537 | 500,000 | 161,159 | 293,314 | 361,249 | 500,000 | 500,000 | 383,263 | 548,746 | 721,453 |
| Investments | 2,000,000 | 877,804 | 1,020,459 | 256,516 | 362,608 | 659,956 | 812,810 | 581,036 | 511,416 | 862,342 | 1,234,679 | 1,623,268 |
| Receivables | 566,000 | 300,413 | 308,201 | 318,913 | 328,481 | 363,606 | 374,514 | 385,749 | 397,322 | 409,241 | 421,518 | 434,164 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Current Assets | 3,878,000 | 1,568,353 | 1,782,197 | 1,075,429 | 852,248 | 1,316,876 | 1,548,572 | 1,466,785 | 1,408,738 | 1,654,846 | 2,204,944 | 2,778,885 |
| Non-Current Assets | | | | | | | | | | | | |
| Investments | - | 2,633,412 | 3,061,377 | 769,548 | 1,087,824 | 1,979,869 | 2,438,429 | 1,743,107 | 1,534,249 | 2,587,026 | 3,704,038 | 4,869,805 |
| Receivables | - | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure, Property, Plant & Equipment | 46,124,000 | 45,849,000 | 46,128,349 | 54,540,062 | 63,371,509 | 62,138,235 | 61,665,114 | 62,680,781 | 63,180,865 | 62,143,999 | 60,838,505 | 59,570,809 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Non-Current Assets | 46,124,000 | 48,482,412 | 49,189,726 | 55,309,610 | 64,459,333 | 64,118,104 | 64,103,542 | 64,423,888 | 64,715,113 | 64,731,025 | 64,542,544 | 64,440,614 |
| TOTAL ASSETS | 50,002,000 | 50,050,765 | 50,971,923 | 56,385,039 | 65,311,581 | 65,434,980 | 65,652,114 | 65,890,673 | 66,123,851 | 66,385,872 | 66,747,488 | 67,219,499 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Payables | 18,000 | 18,222 | 18,671 | 19,026 | 19,447 | 19,883 | 20,335 | 20,804 | 21,290 | 21,795 | 22,340 | 22,898 |
| Borrowings | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Current Liabilities | 18,000 | 18,222 | 18,671 | 19,026 | 19,447 | 19,883 | 20,335 | 20,804 | 21,290 | 21,795 | 22,340 | 22,898 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Payables | - | - | - | - | - | - | - | - | - | - | - | - |
| Borrowings | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Non-Current Liabilities | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL LIABILITIES | 18,000 | 18,222 | 18,671 | 19,026 | 19,447 | 19,883 | 20,335 | 20,804 | 21,290 | 21,795 | 22,340 | 22,898 |
| Net Assets | 49,984,000 | 50,032,542 | 50,953,252 | 56,366,013 | 65,292,133 | 65,415,096 | 65,631,779 | 65,869,869 | 66,102,561 | 66,364,077 | 66,725,148 | 67,196,601 |
| EQUITY | | | | | | | | | | | | |
| Retained Earnings | 11,280,000 | 11,328,542 | 12,249,252 | 17,662,013 | 26,588,133 | 26,711,096 | 26,927,779 | 27,165,869 | 27,398,561 | 27,660,077 | 28,021,148 | 28,492,601 |
| Revaluation Reserves | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 | 38,704,000 |
| Council Equity Interest | 49,984,000 | 50,032,542 | 50,953,252 | 56,366,013 | 65,292,133 | 65,415,096 | 65,631,779 | 65,869,869 | 66,102,561 | 66,364,077 | 66,725,148 | 67,196,601 |
| Minority Equity Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Equity | 49,984,000 | 50,032,542 | 50,953,252 | 56,366,013 | 65,292,133 | 65,415,096 | 65,631,779 | 65,869,869 | 66,102,561 | 66,364,077 | 66,725,148 | 67,196,601 |

Attachment 15 - 'Model 1' Projected Cash Flow Statement (Sewer Fund)

Bellingham Shire Council
 10 Year Financial Plan for the Years ending 30 June 2027
 CASH FLOW STATEMENT - SEWER FUND
 Scenario: Model 1 - Service Levels Maintained

| | 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 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Flows from Operating Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Rates & Annual Charges | 3,008,785 | 3,122,875 | 3,230,106 | 3,328,297 | 3,717,876 | 3,854,683 | 3,970,323 | 4,089,433 | 4,212,116 | 4,338,479 | 4,468,634 |
| User Charges & Fees | 167,531 | 211,295 | 218,404 | 225,134 | 231,888 | 238,845 | 246,010 | 253,390 | 260,992 | 268,822 | 276,886 |
| Interest & Investment Revenue Received | 73,364 | 142,000 | 52,360 | 98,731 | 121,113 | 144,506 | 144,911 | 116,329 | 121,758 | 176,758 | 240,758 |
| Grants & Contributions | 73,615 | 823,780 | 5,353,382 | 8,966,804 | 50,268 | 51,776 | 53,329 | 54,929 | 56,577 | 58,274 | 60,023 |
| Other | 348,750 | 43 | 44 | 46 | 47 | 48 | 50 | 51 | 53 | 54 | 56 |
| Payments: | | | | | | | | | | | |
| Employee Benefits & On-Costs | (1,288,869) | (1,242,361) | (1,279,632) | (1,318,021) | (1,357,562) | (1,398,289) | (1,440,237) | (1,483,444) | (1,527,948) | (1,573,786) | (1,621,000) |
| Materials & Contracts | (640,346) | (711,215) | (723,230) | (738,407) | (754,241) | (770,722) | (787,894) | (805,808) | (824,516) | (845,101) | (866,229) |
| Borrowing Costs | - | - | - | - | - | - | - | - | - | - | - |
| Bonds & Deposits Refunded | - | - | - | - | - | - | - | - | - | - | - |
| Other | (313,478) | (265,896) | (272,543) | (279,357) | (286,341) | (293,499) | (300,837) | (308,357) | (316,066) | (323,968) | (332,067) |
| Net Cash provided (or used in) Operating Activities | 1,429,352 | 2,080,521 | 6,578,891 | 10,283,226 | 1,723,048 | 1,827,348 | 1,885,656 | 1,916,522 | 1,982,967 | 2,099,533 | 2,227,062 |
| Cash Flows from Investing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Sale of Investment Securities | - | - | 3,055,771 | - | - | - | 927,096 | 278,478 | - | - | - |
| Other Investing Activity Receipts | - | - | - | - | - | - | - | - | - | - | - |
| Payments: | | | | | | | | | | | |
| Purchase of Investment Securities | (1,511,217) | (570,619) | - | (424,367) | (1,189,393) | (611,413) | - | - | (1,403,703) | (1,489,350) | (1,554,356) |
| Purchase of Investment Property | - | - | - | - | - | - | - | - | - | - | - |
| Purchase of Infrastructure, Property, Plant & Equipment | (840,000) | (1,446,500) | (9,588,200) | (10,197,700) | (401,500) | (1,148,000) | (2,674,000) | (2,195,000) | (696,000) | (444,700) | (500,000) |
| Other Investing Activity Payments | - | - | - | - | - | - | - | - | - | - | - |
| Net Cash provided (or used in) Investing Activities | (2,351,217) | (2,017,119) | (6,532,429) | (10,622,067) | (1,590,893) | (1,759,413) | (1,746,904) | (1,916,522) | (2,099,703) | (1,934,050) | (2,054,356) |
| Cash Flows from Financing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Other Financing Activity Receipts | - | - | - | - | - | - | - | - | - | - | - |
| Payments: | | | | | | | | | | | |
| Other Financing Activity Payments | - | - | - | - | - | - | - | - | - | - | - |
| Net Cash Flow provided (used in) Financing Activities | - | - | - | - | - | - | - | - | - | - | - |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (921,865) | 63,402 | 46,463 | (338,841) | 132,155 | 67,935 | 138,751 | 0 | (116,737) | 165,483 | 172,706 |
| plus: Cash, Cash Equivalents & Investments - beginning of year | 1,312,000 | 390,135 | 453,537 | 500,000 | 161,159 | 293,314 | 361,249 | 500,000 | 500,000 | 383,263 | 548,746 |
| Cash & Cash Equivalents - end of the year | 390,135 | 453,537 | 500,000 | 161,159 | 293,314 | 361,249 | 500,000 | 500,000 | 383,263 | 548,746 | 721,453 |
| Cash & Cash Equivalents - end of the year | 390,135 | 453,537 | 500,000 | 161,159 | 293,314 | 361,249 | 500,000 | 500,000 | 383,263 | 548,746 | 721,453 |
| Investments - end of the year | 3,511,217 | 4,081,835 | 1,026,064 | 1,450,431 | 2,639,825 | 3,251,238 | 2,324,143 | 2,045,665 | 3,449,368 | 4,938,718 | 6,493,073 |
| Cash, Cash Equivalents & Investments - end of the year | 3,901,352 | 4,535,373 | 1,526,064 | 1,611,590 | 2,933,139 | 3,612,487 | 2,824,143 | 2,545,665 | 3,832,631 | 5,487,464 | 7,214,526 |

Attachment 16 - 'Model 2' Projected Income Statement (General Fund)

Bellingen Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
INCOME STATEMENT - GENERAL FUND
Scenario: Model 2 - Service Levels Reduced

| | Actuals | Current Year | Projected Years | | | | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|-------------------|
| | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Income from Continuing Operations | | | | | | | | | | | | |
| Revenue: | | | | | | | | | | | | |
| Rates & Annual Charges | 9,272,000 | 9,669,994 | 9,890,564 | 10,187,170 | 10,493,741 | 10,810,543 | 11,136,850 | 11,472,774 | 11,819,715 | 12,176,968 | 12,541,068 | 12,915,802 |
| User Charges & Fees | 6,099,000 | 4,241,401 | 4,434,910 | 4,567,957 | 4,704,996 | 4,846,146 | 4,991,530 | 5,141,276 | 5,295,514 | 5,454,380 | 5,618,011 | 5,786,552 |
| Interest & Investment Revenue | 614,000 | 440,167 | 497,319 | 423,088 | 369,034 | 365,703 | 416,052 | 446,144 | 506,684 | 606,084 | 639,171 | 695,049 |
| Other Revenues | 432,000 | 492,496 | 506,198 | 521,384 | 537,025 | 553,136 | 569,730 | 586,822 | 604,426 | 622,559 | 641,236 | 660,473 |
| Grants & Contributions provided for Operating Purposes | 6,103,000 | 6,666,018 | 5,348,734 | 5,459,275 | 6,430,861 | 6,565,728 | 5,903,656 | 6,046,201 | 7,037,358 | 7,188,055 | 6,552,399 | 6,732,801 |
| Grants & Contributions provided for Capital Purposes | 4,352,000 | 12,769,725 | 3,759,548 | 1,302,484 | 719,588 | 737,119 | 755,089 | 773,508 | 792,387 | 811,739 | 831,574 | 851,905 |
| Other Income: | | | | | | | | | | | | |
| Net gains from the disposal of assets | 112,000 | - | - | - | - | - | - | - | - | - | - | - |
| Joint Ventures & Associated Entities | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Income from Continuing Operations | 26,984,000 | 34,279,800 | 24,437,272 | 22,461,358 | 23,255,245 | 23,878,374 | 23,772,908 | 24,466,724 | 26,056,085 | 26,859,785 | 26,823,460 | 27,642,582 |
| Expenses from Continuing Operations | | | | | | | | | | | | |
| Employee Benefits & On-Costs | 8,144,000 | 8,106,857 | 8,417,060 | 8,561,102 | 8,765,563 | 9,038,092 | 9,203,625 | 9,606,335 | 9,938,489 | 10,280,365 | 10,632,250 | 10,940,782 |
| Borrowing Costs | 613,000 | 557,037 | 558,734 | 516,896 | 478,646 | 494,233 | 495,120 | 492,593 | 486,269 | 435,247 | 388,598 | 359,674 |
| Materials & Contracts | 8,433,000 | 7,667,131 | 6,732,992 | 6,544,974 | 6,718,184 | 6,901,676 | 7,090,222 | 7,283,961 | 7,483,039 | 7,687,602 | 7,898,833 | 8,115,916 |
| Depreciation & Amortisation | 4,732,000 | 5,267,142 | 5,138,533 | 5,189,918 | 5,381,817 | 5,435,636 | 5,489,992 | 5,544,892 | 5,600,341 | 5,656,344 | 5,712,908 | 5,770,037 |
| Impairment | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Expenses | 2,121,000 | 2,286,300 | 2,048,096 | 2,082,849 | 2,116,614 | 2,308,663 | 2,204,027 | 2,301,236 | 2,324,824 | 2,530,321 | 2,421,262 | 2,509,293 |
| Interest & Investment Losses | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Losses from the Disposal of Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Joint Ventures & Associated Entities | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenses from Continuing Operations | 24,043,000 | 23,884,467 | 22,895,415 | 22,895,740 | 23,460,824 | 24,178,300 | 24,482,985 | 25,229,018 | 25,832,962 | 26,589,880 | 27,053,850 | 27,695,702 |
| Operating Result from Continuing Operations | 2,941,000 | 10,395,333 | 1,541,857 | (434,382) | (205,580) | (299,925) | (710,077) | (762,293) | 223,123 | 269,905 | (230,390) | (53,120) |
| Discontinued Operations - Profit/(Loss) | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Profit/(Loss) from Discontinued Operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Net Operating Result for the Year | 2,941,000 | 10,395,333 | 1,541,857 | (434,382) | (205,580) | (299,925) | (710,077) | (762,293) | 223,123 | 269,905 | (230,390) | (53,120) |
| Net Operating Result before Grants and Contributions provided for Capital Purposes | (1,411,000) | (2,374,392) | (2,217,690) | (1,736,866) | (925,168) | (1,037,045) | (1,465,166) | (1,535,801) | (569,264) | (541,834) | (1,061,964) | (905,025) |

Attachment 17 - 'Model 2' Projected Balance Sheet (General Fund)

Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - GENERAL FUND
Scenario: Model 2 - Service Levels Reduced

| | Actuals 2015/16 \$ | Current Year 2016/17 \$ | 2017/18 \$ | 2018/19 \$ | 2019/20 \$ | 2020/21 \$ | Projected Years | | | | | 2026/27 \$ |
|--|--------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | | | | | 2021/22 \$ | 2022/23 \$ | 2023/24 \$ | 2024/25 \$ | 2025/26 \$ | |
| ASSETS | | | | | | | | | | | | |
| Current Assets | | | | | | | | | | | | |
| Cash & Cash Equivalents | 1,495,000 | 901,280 | 750,000 | 750,000 | 993,689 | 750,000 | 1,046,813 | 1,097,221 | 1,209,676 | 1,216,044 | 1,317,423 | 1,446,177 |
| Investments | 14,600,000 | 10,950,000 | 9,750,203 | 7,993,609 | 7,993,609 | 8,270,217 | 8,008,120 | 6,637,967 | 7,318,300 | 7,356,825 | 7,970,143 | 8,749,082 |
| Receivables | 3,696,000 | 1,579,783 | 1,450,431 | 1,391,628 | 1,436,866 | 1,455,146 | 1,496,092 | 1,546,432 | 1,627,226 | 1,664,874 | 1,724,600 | 1,803,264 |
| Inventories | 232,000 | 262,202 | 236,434 | 232,166 | 238,244 | 244,644 | 251,218 | 257,969 | 264,903 | 272,025 | 279,370 | 286,914 |
| Other | 35,000 | 29,420 | 26,494 | 26,200 | 26,833 | 27,900 | 28,222 | 29,078 | 29,762 | 30,929 | 31,309 | 32,212 |
| Non-current assets classified as "held for sale" | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Current Assets | 20,058,000 | 13,722,686 | 12,213,562 | 10,393,603 | 10,689,241 | 10,747,907 | 10,830,466 | 9,568,666 | 10,449,867 | 10,540,697 | 11,322,844 | 12,317,649 |
| Non-Current Assets | | | | | | | | | | | | |
| Investments | - | 3,650,000 | 1,720,624 | 1,410,637 | 1,410,637 | 918,913 | 1,413,198 | 3,237,021 | 3,568,787 | 3,587,574 | 3,886,660 | 4,266,511 |
| Receivables | 119,000 | 117,856 | 120,367 | 123,617 | 126,976 | 130,446 | 134,020 | 137,700 | 141,500 | 145,413 | 149,402 | 153,509 |
| Infrastructure, Property, Plant & Equipment | 339,488,000 | 353,159,149 | 357,255,066 | 357,920,666 | 358,202,300 | 358,546,584 | 357,338,229 | 356,051,125 | 354,120,896 | 353,322,035 | 351,543,954 | 349,654,850 |
| Investment Property | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 | 1,924,000 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Non-Current Assets | 341,531,000 | 358,851,004 | 361,020,057 | 361,378,920 | 361,663,913 | 361,519,943 | 360,809,447 | 361,349,846 | 359,755,183 | 358,979,021 | 357,504,017 | 355,998,870 |
| TOTAL ASSETS | 361,589,000 | 372,573,690 | 373,233,619 | 371,772,523 | 372,353,154 | 372,267,850 | 371,639,912 | 370,918,512 | 370,205,050 | 369,519,718 | 368,826,861 | 368,316,520 |
| LIABILITIES | | | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | | | |
| Bank Overdraft | - | - | - | - | - | - | - | - | - | - | - | - |
| Payables | 2,742,000 | 2,957,262 | 2,773,684 | 2,493,810 | 2,558,700 | 2,645,726 | 2,678,769 | 2,752,479 | 2,798,525 | 2,876,942 | 2,910,741 | 2,978,709 |
| Borrowings | 628,000 | 698,587 | 740,429 | 778,679 | 872,405 | 950,904 | 1,032,816 | 982,632 | 1,033,654 | 496,266 | 525,189 | 562,157 |
| Provisions | 2,789,000 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 | 2,777,562 |
| Liabilities associated with assets classified as "held for sale" | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Current Liabilities | 6,159,000 | 6,433,411 | 6,291,675 | 6,050,051 | 6,208,667 | 6,374,192 | 6,489,148 | 6,512,673 | 6,609,742 | 6,150,770 | 6,213,493 | 6,318,428 |
| Non-Current Liabilities | | | | | | | | | | | | |
| Payables | 7,000 | 6,176 | 6,412 | - | - | - | - | - | - | - | - | - |
| Borrowings | 8,403,000 | 8,707,332 | 7,966,904 | 7,188,225 | 7,815,820 | 7,864,917 | 7,832,101 | 7,849,468 | 6,815,814 | 6,319,549 | 5,794,360 | 5,232,203 |
| Provisions | 664,000 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 | 675,438 |
| Liabilities associated with assets classified as "held for sale" | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Non-Current Liabilities | 9,074,000 | 9,388,946 | 8,648,754 | 7,863,663 | 8,491,258 | 8,540,355 | 8,507,538 | 8,524,906 | 7,491,252 | 6,994,987 | 6,469,798 | 5,907,641 |
| TOTAL LIABILITIES | 15,233,000 | 15,822,357 | 14,940,429 | 13,913,714 | 14,699,926 | 14,914,547 | 14,996,686 | 15,037,580 | 14,100,994 | 13,145,757 | 12,683,290 | 12,226,069 |
| Net Assets | 346,356,000 | 356,751,333 | 358,293,190 | 357,858,808 | 357,653,229 | 357,353,303 | 356,643,226 | 355,880,933 | 356,104,056 | 356,373,961 | 356,143,571 | 356,090,450 |
| EQUITY | | | | | | | | | | | | |
| Retained Earnings | 233,681,000 | 244,076,333 | 245,618,190 | 245,183,808 | 244,978,229 | 244,678,303 | 243,968,226 | 243,205,933 | 243,429,056 | 243,698,961 | 243,468,571 | 243,415,450 |
| Revaluation Reserves | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 | 112,675,000 |
| Council Equity Interest | 346,356,000 | 356,751,333 | 358,293,190 | 357,858,808 | 357,653,229 | 357,353,303 | 356,643,226 | 355,880,933 | 356,104,056 | 356,373,961 | 356,143,571 | 356,090,450 |
| Total Equity | 346,356,000 | 356,751,333 | 358,293,190 | 357,858,808 | 357,653,229 | 357,353,303 | 356,643,226 | 355,880,933 | 356,104,056 | 356,373,961 | 356,143,571 | 356,090,450 |

Attachment 18 - 'Model 2' Projected Cash Flow Statement (General Fund)

Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2027

CASH FLOW STATEMENT - GENERAL FUND

Scenario: Model 2 - Service Levels Reduced

| | 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 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash Flows from Operating Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Rates & Annual Charges | 9,537,685 | 9,884,216 | 10,178,634 | 10,484,917 | 10,801,425 | 11,127,459 | 11,463,106 | 11,809,730 | 12,166,686 | 12,530,589 | 12,905,017 |
| User Charges & Fees | 4,766,290 | 4,415,880 | 4,554,873 | 4,691,519 | 4,832,265 | 4,977,233 | 5,126,550 | 5,280,346 | 5,438,757 | 5,601,919 | 5,769,977 |
| Interest & Investment Revenue Received | 319,083 | 530,692 | 475,813 | 350,979 | 372,485 | 391,371 | 422,374 | 463,330 | 596,625 | 598,981 | 646,448 |
| Grants & Contributions | 19,435,743 | 9,108,282 | 6,761,759 | 7,150,449 | 7,302,847 | 6,658,745 | 6,819,709 | 7,829,745 | 7,999,794 | 7,383,973 | 7,584,706 |
| Bonds & Deposits Received | - | - | - | - | - | - | - | - | - | - | - |
| Other | 2,335,707 | 631,207 | 552,314 | 535,469 | 554,501 | 580,681 | 588,277 | 595,879 | 624,124 | 652,220 | 661,834 |
| Payments: | | | | | | | | | | | |
| Employee Benefits & On-Costs | (8,003,365) | (8,407,283) | (8,826,370) | (8,765,563) | (9,038,092) | (9,203,625) | (9,606,335) | (9,938,489) | (10,280,365) | (10,632,250) | (10,940,782) |
| Materials & Contracts | (7,609,163) | (6,892,884) | (6,556,574) | (6,677,734) | (6,830,969) | (7,071,928) | (7,224,667) | (7,437,105) | (7,609,410) | (7,873,100) | (8,056,525) |
| Borrowing Costs | (526,027) | (569,430) | (528,233) | (467,602) | (492,280) | (494,368) | (493,095) | (501,314) | (451,073) | (396,196) | (367,715) |
| Bonds & Deposits Refunded | - | - | - | - | - | - | - | - | - | - | - |
| Other | (2,286,300) | (2,048,096) | (2,082,849) | (2,116,614) | (2,308,663) | (2,204,027) | (2,301,236) | (2,324,824) | (2,530,321) | (2,421,262) | (2,509,293) |
| Net Cash provided (or used in) Operating Activities | 17,969,652 | 6,652,583 | 4,529,366 | 5,185,820 | 5,193,519 | 4,761,541 | 4,794,682 | 5,777,299 | 5,954,816 | 5,444,876 | 5,693,666 |
| Cash Flows from Investing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Sale of Investment Securities | - | 3,129,173 | 2,066,581 | - | 215,116 | - | - | - | - | - | - |
| Sale of Infrastructure, Property, Plant & Equipment | 583,000 | 730,825 | 457,955 | 636,670 | 534,959 | 445,134 | 463,534 | 272,957 | 499,155 | 556,184 | 582,943 |
| Payments: | | | | | | | | | | | |
| Purchase of Investment Securities | - | - | - | - | - | (232,188) | (453,670) | (1,012,099) | (57,312) | (912,404) | (1,158,790) |
| Purchase of Investment Property | - | - | - | - | - | - | - | - | - | - | - |
| Purchase of Infrastructure, Property, Plant & Equipment | (19,521,291) | (9,965,275) | (6,313,473) | (6,300,122) | (6,314,879) | (4,726,771) | (4,721,322) | (3,943,069) | (5,356,637) | (4,491,011) | (4,463,876) |
| Net Cash provided (or used in) Investing Activities | (18,938,291) | (6,105,277) | (3,788,938) | (5,663,452) | (5,564,803) | (4,513,825) | (4,711,458) | (4,682,211) | (4,914,794) | (4,847,232) | (5,039,723) |
| Cash Flows from Financing Activities | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Proceeds from Borrowings & Advances | 1,000,000 | - | - | 1,500,000 | 1,000,000 | 1,000,000 | 1,000,000 | - | - | - | - |
| Payments: | | | | | | | | | | | |
| Repayment of Borrowings & Advances | (625,081) | (698,587) | (740,429) | (778,679) | (872,405) | (950,904) | (1,032,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Cash Flow provided (used in) Financing Activities | 374,919 | (698,587) | (740,429) | 721,321 | 127,595 | 49,096 | (32,816) | (982,632) | (1,033,654) | (496,266) | (525,189) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (593,720) | (151,280) | 0 | 243,689 | (243,689) | 296,813 | 50,408 | 112,455 | 6,368 | 101,378 | 128,754 |
| plus: Cash, Cash Equivalents & Investments - beginning of year | 1,495,000 | 901,280 | 750,000 | 750,000 | 993,689 | 750,000 | 1,046,813 | 1,097,221 | 1,209,676 | 1,216,044 | 1,317,423 |
| Cash & Cash Equivalents - end of the year | 901,280 | 750,000 | 750,000 | 993,689 | 750,000 | 1,046,813 | 1,097,221 | 1,209,676 | 1,216,044 | 1,317,423 | 1,446,177 |
| Cash & Cash Equivalents - end of the year | 901,280 | 750,000 | 750,000 | 993,689 | 750,000 | 1,046,813 | 1,097,221 | 1,209,676 | 1,216,044 | 1,317,423 | 1,446,177 |
| Investments - end of the year | 14,600,000 | 11,470,827 | 9,404,246 | 9,404,246 | 9,189,130 | 9,421,318 | 9,874,988 | 10,887,087 | 10,944,399 | 11,856,803 | 13,015,593 |
| Cash, Cash Equivalents & Investments - end of the year | 15,501,280 | 12,220,827 | 10,154,246 | 10,397,935 | 9,939,130 | 10,468,131 | 10,972,209 | 12,096,763 | 12,160,443 | 13,174,226 | 14,461,770 |

Bellingen Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
Capital Expenditure - Consolidated Fund
Scenario: Model 1 - Service Levels Maintained

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | Total |
|---|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|--------------------|
| Plant and Equipment/Other | | | | | | | | | | | |
| Plant Replacement - Light/Major/Minor | 1,819,000 | 1,297,250 | 1,699,506 | 1,756,969 | 1,637,038 | 1,491,314 | 784,597 | 1,667,887 | 1,820,887 | 1,935,071 | 15,909,519 |
| IT Hardware and Software | 287,280 | 406,040 | 159,880 | 38,600 | 24,600 | 49,470 | 24,600 | 38,600 | 39,470 | 24,600 | 1,093,140 |
| Other Capital Works | 487,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 1,027,000 |
| Total Plant and Equipment | 2,593,280 | 1,763,290 | 1,919,386 | 1,855,569 | 1,721,638 | 1,600,784 | 869,197 | 1,766,487 | 1,920,357 | 2,019,671 | 18,029,659 |
| Roads and Footpaths | | | | | | | | | | | |
| Roads - Renewals | 2,404,000 | 1,766,194 | 2,638,424 | 2,036,270 | 622,275 | 521,862 | 1,037,737 | 1,287,361 | 499,545 | 515,102 | 13,328,770 |
| Roads - Heavy Patching and Resealing (Renewals) | 591,220 | 753,508 | 699,979 | 717,478 | 735,415 | 753,801 | 772,646 | 791,962 | 811,761 | 832,055 | 7,459,825 |
| Roads - Gravel Resheeting (Renewals) | 205,000 | 210,125 | 215,378 | 220,763 | 226,282 | 231,939 | 237,737 | 243,681 | 249,773 | 256,017 | 2,296,693 |
| Roads - Shoulder Resheeting Sealed Roads (Renewals) | 51,250 | 52,531 | 53,845 | 55,191 | 56,570 | 57,985 | 59,434 | 60,920 | 62,443 | 64,004 | 574,173 |
| Roads - Unsealed Roads Heavy Formation (Renewals) | 205,000 | 210,125 | 215,378 | 220,763 | 226,282 | 231,939 | 237,737 | 243,681 | 249,773 | 256,017 | 2,296,693 |
| Roads - Kerb and Gutter (Renewals) | 61,500 | 63,038 | 64,613 | 66,229 | 67,884 | 69,582 | 71,321 | 73,104 | 74,932 | 76,805 | 689,008 |
| Roads - Regional Roads (Renewals) | 150,000 | 531,849 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 1,881,849 |
| Main Street Renewal | 428,400 | - | - | - | - | - | - | - | - | - | 428,400 |
| Roads - New Assets/Upgrade | 1,210,000 | - | - | - | - | - | - | - | - | - | 1,210,000 |
| Total Roads | 5,306,370 | 3,587,370 | 4,037,617 | 3,466,693 | 2,084,708 | 2,017,106 | 2,566,613 | 2,850,709 | 2,098,226 | 2,150,000 | 30,165,412 |
| Bridges | | | | | | | | | | | |
| Bridge - Renewals | 2,885,625 | 1,755,313 | 1,648,431 | 1,811,061 | 2,252,330 | 1,949,133 | 1,867,106 | 1,913,784 | 1,961,629 | 1,498,636 | 19,543,048 |
| Total Bridges | 2,885,625 | 1,755,313 | 1,648,431 | 1,811,061 | 2,252,330 | 1,949,133 | 1,867,106 | 1,913,784 | 1,961,629 | 1,498,636 | 19,543,048 |
| Water | | | | | | | | | | | |
| Infrastructure, Property, Plant and Equipment | 1,908,760 | 2,919,630 | 4,304,520 | 456,500 | 551,250 | 534,750 | 3,701,000 | 1,812,000 | 1,250,000 | 488,000 | 17,926,410 |
| Total Water | 1,908,760 | 2,919,630 | 4,304,520 | 456,500 | 551,250 | 534,750 | 3,701,000 | 1,812,000 | 1,250,000 | 488,000 | 17,926,410 |
| Sewer | | | | | | | | | | | |
| Infrastructure, Property, Plant and Equipment | 1,446,500 | 9,588,200 | 10,197,700 | 401,500 | 1,148,000 | 2,674,000 | 2,195,000 | 696,000 | 444,700 | 500,000 | 29,291,600 |
| Total Sewer | 1,446,500 | 9,588,200 | 10,197,700 | 401,500 | 1,148,000 | 2,674,000 | 2,195,000 | 696,000 | 444,700 | 500,000 | 29,291,600 |
| Total Capital Works | 14,140,535 | 19,613,802 | 22,107,654 | 7,991,323 | 7,757,926 | 8,775,774 | 11,198,916 | 9,038,980 | 7,674,912 | 6,656,307 | 114,956,129 |

Capital Works Program 17/18

| Function | Job No. | Description | Type of Capital Expenditure | Amount | Own Source Revenue | Grant Funding | Reserve | Loan | R2R (\$425,000) | SRV15 (592,000) | SRV17 (\$310,000) | Source of Funding |
|---|---------|--|-----------------------------|---------------------|--------------------|---------------|---------------------|-------------|-----------------|-----------------|-------------------|---|
| General Fund Capital Expenditure | | | | | | | | | | | | |
| Administration | | Plant Replacement Program small plant and equipment | renewal | \$ 1,809,000 | | | \$ 1,809,000 | | | | | Plant Reserve - GF |
| | | | | \$ 10,000 | | | \$ 10,000 | | | | | Plant Reserve - GF |
| Administration | 125111 | It Hardware Desktops | renewal | \$ 21,000 | \$ 21,000 | | | | | | | General Fund |
| Administration | 125114 | It Hardware Server | renewal | \$ 81,000 | \$ 81,000 | | | | | | | General Fund |
| Administration | 125115 | It Software | renewal | \$ 25,000 | \$ 25,000 | | | | | | | General Fund |
| Administration | 125126 | Ecm Upgrade | renewal | \$ 25,000 | \$ 25,000 | | | | | | | General Fund |
| Administration | 125127 | Replacement Of Corporate System | renewal | \$ 109,200 | \$ 109,200 | | | | | | | General Fund |
| Administration | 125124 | Depot link - Fibre | upgrade | \$ 194,000 | \$ 194,000 | | | | | | | General Fund |
| Swimming Pools | 125666 | Dorrigo Pool - Filtration Equipment Upgrade | renewal | \$ 15,000 | \$ 15,000 | | | | | | | General Fund |
| Waste | 53220 | Raleigh Bowerhouse Reuse Centre | upgrade | \$ 48,000 | \$ 48,000 | | | | | | | Waste Reserve |
| Buildings | | Emulsion Tank | renewal | \$ 80,000 | \$ 80,000 | | | | | | | General Fund |
| Recreation | | Arthur Keough Reserve - Riparian Restoration Works | | \$ 90,000 | | | \$ 90,000 | | | | | S94 |
| Recreation | | Arthur Keough Reserve - Marker Signage x 1 | | \$ 5,000 | | | \$ 5,000 | | | | | S94 |
| Recreation | | Earl Preston Reserve - Marker Signage x1, Interpretive Signage x 2 | | \$ 15,000 | | | \$ 15,000 | | | | | S94 |
| Recreation | | Briken Bridge - Marker Signage x 1 | | \$ 5,000 | | | \$ 5,000 | | | | | S94 |
| Recreation | | Caparao's Reserve - Marker Signage x 1 | new | \$ 5,000 | | | \$ 5,000 | | | | | S94 |
| Recreation | | Playground Equipment - Renewal | renewal | \$ 90,000 | | | | | | | | |
| Recreation | | PAMP capex | new | \$ 60,000 | | | \$ 60,000 | | | | | S94 |
| Waste | | Replacement Of Corporate System | | \$ 26,800 | | | \$ 26,800 | | | | | Waste Reserve |
| TOTAL | | | | \$ 2,714,000 | \$ 598,200 | \$ - | \$ 2,025,800 | \$ - | \$ - | \$ - | \$ - | |
| Heavy Patching & Resealing | | | | | | | | | | | | |
| Transport & Communications | 411144 | HP & Resealing local sealed roads | Renewal | \$ 591,220 | | | | | \$ 281,220 | | \$ 310,000 | R2R, SRV |
| Transport & Communications | | Regional Roads Resealing | Renewal | \$ 150,000 | \$ 150,000 | | | | | | | RMS Block Grant |
| Gravel Resheeting | | | | | | | | | | | | |
| Transport & Communications | 411165 | Gravel Resheeting - Unsealed Roads | Renewal | \$ 205,000 | | | | | | \$ 205,000 | | SRV |
| Transport & Communications | 411164 | Shoulder Resheeting - Local Sealed Roads | Renewal | \$ 51,250 | | | | | | \$ 51,250 | | SRV |
| Formation Renewals | | | | | | | | | | | | |
| Transport & Communications | 411149 | Heavy Formation Renewal - Local Unsealed Roads | Renewal | \$ 205,000 | | | | | | \$ 205,000 | | SRL |
| Bridge Renewals | | | | | | | | | | | | |
| Transport & Communications | 411231 | Timber Bridge Renewal Program | Renewal | \$ 1,717,625 | \$ 800,000 | | \$ 643,095 | \$ 143,780 | \$ 130,750 | | | Infra Loan - \$643,095 SRV15 - \$130,750 R2R - \$143,780 Fixing Country Roads - \$400,000 Bridge Renewal R3 - \$400,000 |
| Transport & Communications | | Deep Creek Bridge Renewal | Renewal | \$ 1,168,000 | \$ 1,168,000 | | | | | | | Bridge Renewal G - \$584,000 Repair G - \$222,492 Fixing Country Roads \$361,508 |

Road Renewals

| | | | | | | | | | | | | |
|----------------------------|--------|--|---------|--------------|-----------|------------|--|------------|--|--------------|--|----------|
| Transport & Communications | 411166 | Sealed Roads Renewal Program | Renewal | \$ 1,158,250 | | | | | | \$ 1,158,250 | | SRV Loan |
| Transport & Communications | 411887 | Sateg 3 Bellingon Town Centre Beautification | | \$ 428,400 | | \$ 285,000 | | \$ 143,400 | | | | RMS, S94 |
| Transport & Communications | | Stage 4 - Urunga to Hungry head Shared Pathway | New | \$ 350,000 | | \$ 175,000 | | \$ 175,000 | | | | RMS, S94 |
| Transport & Communications | 411150 | K&G Renewal - Urban Sealed Roads | Renewal | \$ 61,500 | \$ 61,500 | | | | | | | SRV |

Roads - New Assets / Upgrade

| | | | | | | | | | | | | |
|----------------------------|--|--|-----------------|------------|------------|--|--|--|--|--|--|--|
| Transport & Communications | | Kalang Road - Seal ~ 600m Isolated gravel section | renewal/upgrade | \$ 232,000 | \$ 232,000 | | | | | | | |
| Transport & Communications | | Summersville Road - Seal ~600m isolated gravel section | renewal/upgrade | \$ 300,000 | \$ 300,000 | | | | | | | |
| Transport & Communications | | Unallocated | | \$ 168,000 | \$ 168,000 | | | | | | | |

Flood Damage

| | | | | | | | | | | | | |
|----------------------------|--------|-------------------------|---------|--------------|--|--------------|--|--|--|--|--|-------|
| Transport & Communications | 411168 | 2016 Flood Damage Claim | Renewal | \$ 245,750 | | \$ 245,750 | | | | | | NDRRA |
| Transport & Communications | | 2017 Flood Damage Claim | Renewal | \$ 1,000,000 | | \$ 1,000,000 | | | | | | NDRRA |

Earth Retaining Structures

| | | | | | | | | | | | | |
|----------------------------|--|--------------------------|---------|------------|------------|--|--|--|--|--|--|--------------|
| Transport & Communications | | 42 Hillside Drive Urunga | Renewal | \$ 395,000 | \$ 395,000 | | | | | | | general fund |
| Transport & Communications | | Ford Street | Renewal | \$ 925,000 | \$ 925,000 | | | | | | | general fund |
| Transport & Communications | | Hamond Street | Renewal | \$ 243,000 | \$ 243,000 | | | | | | | |

TOTAL \$ 9,594,995 \$ 2,324,500 \$ 3,823,750 \$ 318,400 \$ 1,801,345 \$ 425,000 \$ 592,000 \$ 310,000

Water Fund Capital Expenditure

| | | | | | | | | | | | | |
|-------|--------|--|---------|--------------|------|------------|--------------|------|------|------|------|------------|
| Water | 126000 | Reservoirs - Ladder Renewal | renewal | \$ 25,000 | | \$ 25,000 | | | | | | Water Fund |
| Water | 126001 | Water Meters Renewal | renewal | \$ 25,000 | | \$ 25,000 | | | | | | Water Fund |
| Water | 126005 | New Water Services all areas | renewal | \$ 20,000 | | \$ 20,000 | | | | | | Water Fund |
| Water | | Mains Renewal - Robert Street - 108m | renewal | \$ 30,000 | | \$ 30,000 | | | | | | Water Fund |
| Water | | Mains Renewal - Ginaqay Way - 98m | renewal | \$ 25,000 | | \$ 25,000 | | | | | | Water Fund |
| Water | | Mains Renewal - Marxh Hillto Raleigh dam trunk main - stage 2. | renewal | \$ 555,000 | | \$ 555,000 | | | | | | Water Fund |
| Water | | Convert BWTP tp PLC and SCADA control | renewal | \$ 200,000 | | \$ 200,000 | | | | | | Water Fund |
| Water | | Mains Renewal - Connel Park - 20m | renewal | \$ 5,000 | | \$ 5,000 | | | | | | Water Fund |
| Water | 126042 | Stop Valve Renewal | renewal | \$ 15,000 | | \$ 15,000 | | | | | | Water Fund |
| Water | | New roof - infiltration well shed | renewal | \$ 20,000 | | \$ 20,000 | | | | | | Water Fund |
| Water | 126189 | Water Strategic Studies IWCM/ secure yeild analysis | renewal | \$ 80,000 | | \$ 80,000 | | | | | | Water Fund |
| Water | | Urunga South Reservoir - Planning Report | new | \$ 200,000 | | \$ 200,000 | | | | | | Water Fund |
| Water | | Urunga South Reuse Water Reservoir - Planning Report | new | \$ 200,000 | | \$ 200,000 | | | | | | Water Fund |
| Water | | Water Main extension under Kalang River | New | \$ 441,000 | | \$ 441,000 | | | | | | Water Fund |
| Water | | Telemetry Renewal Study | renewal | \$ 20,000 | | \$ 20,000 | | | | | | Water Fund |
| Water | | New corporate asset and finance management system | renewal | \$ 65,200 | | \$ 65,200 | | | | | | Water Fund |
| TOTAL | | | | \$ 1,926,200 | \$ - | \$ - | \$ 1,926,200 | \$ - | \$ - | \$ - | \$ - | |

Sewerage Fund Capital Expenses

| | | | | | | | | | | | | |
|-------|--|---|---------|------------|--|------------|--|--|--|--|--|------------|
| Sewer | | Pump Stations - switch board and well renewal | upgrade | \$ 85,000 | | \$ 85,000 | | | | | | Sewer Fund |
| Sewer | | Reticulation Mains - relining program | upgrade | \$ 130,000 | | \$ 130,000 | | | | | | Sewer Fund |
| Sewer | | Infiltration study - smoke testing | upgrade | \$ 45,000 | | \$ 45,000 | | | | | | Sewer Fund |
| Sewer | | New corporate asset and finance management system | new | \$ 65,200 | | \$ 65,200 | | | | | | Sewer Fund |

Backlog Sewer Program

| | | | | | | | | | | | | |
|-------|--|---------------------------------|--|--------------|------------|------------|------------|--|--|--|--|--------------------|
| | | Sewer Mylestom | | \$ 250,000 | \$ 125,000 | \$ 125,000 | | | | | | grant / sewer fund |
| | | Sewer Repton | | \$ 28,000 | \$ 14,000 | \$ 14,000 | | | | | | grant / sewer fund |
| | | Sewer Raleigh | | \$ 200,000 | \$ 100,000 | \$ 100,000 | | | | | | grant / sewer fund |
| | | Sewer Raleigh Industrial Estate | | \$ 26,000 | \$ 13,000 | \$ 13,000 | | | | | | grant / sewer fund |
| | | Sewer Norco | | \$ 6,000 | \$ 3,000 | \$ 3,000 | | | | | | grant / sewer fund |
| | | Increase Capacity on Urunga STP | | \$ 376,000 | \$ 188,000 | \$ 188,000 | | | | | | grant / sewer fund |
| | | Yellow Rock SPS upgrade | | \$ 175,000 | \$ 87,500 | \$ 87,500 | | | | | | grant / sewer fund |
| TOTAL | | | | \$ 1,386,200 | \$ - | \$ 530,500 | \$ 855,700 | | | | | |

Attachment 20 – Fit for the Future Improvement Action Plan

| Action | Outcome | Milestones | Financial Implications/ modelling | Link to Council Plan/ Framework | Risk |
|--|---|--------------------------|--|---|--|
| Deliver strategies through the FSPB to enable ongoing savings and efficiencies | Strategies delivered informing the Operational Plan within the IP&R framework that delivers savings of \$150K in 2017/18 and \$150K 2018/19 | 30 June 2017 and ongoing | Modelled through the LTFP process as indicated in Financial Services Model 1 | <ul style="list-style-type: none"> • LTFP • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Inability to achieve full realisation of savings |
| Ongoing review of fees and charges with the intent of identifying additional income streams and creating an increased revenue base | Additional revenue streams identified and increase of revenue base | 30 April 2017 | Modelled through the LTFP process as indicated in Financial Services Model 1 | <ul style="list-style-type: none"> • LTFP • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Community response in accepting reviewed fees and charges |
| Make application to IPART for SRV for 17/18 according to the IPART guidelines | SRV approved for 17/18 | 29 February 2017 | Modelled through the LTFP process as indicated in Financial Services Model 1 | <ul style="list-style-type: none"> • LTFP • IP&R | <ul style="list-style-type: none"> • Community choose not to accept rate increase • IPART decline application for rate increase |
| Continue to undertake service reviews as recommended within the KPMG/ MIDROC shared services report | Service reviews completed | 30 June 2017 | Potential savings/efficiencies identified | <ul style="list-style-type: none"> • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Level of savings anticipated not realised due to number of willing councils to participate in service arrangements |
| Continue to investigate shared service opportunities with Kempsey and Nambucca councils (and other willing councils) as recommended within the KPMG/ MIDROC shared services report | Shared service arrangements established under an MOU | 30 June 2017 | Potential savings/efficiencies identified | <ul style="list-style-type: none"> • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Level of savings anticipated not realised due to number of willing councils to participate in service arrangements |
| Continue to hold negotiations with intent to establish initial scope, framework and Terms of Reference with North Coast JO councils | Initial scope, framework and Terms of Reference established with North Coast JO councils | 30 June 2017 | Potential benefits through further regional procurement and greater regional collaboration | <ul style="list-style-type: none"> • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Impact of amalgamations on the form and membership of the North Coast Joint Organisation. • Government processes do not support early starter opportunity for councils involved in the North Cost Joint Organisation. |

| Action | Outcome | Milestones | Financial Implications/ modelling | Link to Council Plan/ Framework | Risk |
|--|--|-------------------------|---|--|---|
| Continue review of Council's Asset Management Framework to refine definitions of asset conditions, service levels, useful lives and required annual maintenance taking into account community expectations | Review completed and robust Asset Management Framework established | 30 June 2017 | Greater asset modelling leading to more accurate financial reporting | <ul style="list-style-type: none"> • LTFFP • Asset Management Plan • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Time and resourcing constraints against projected timeframe |
| Develop a structure of service level agreements that informs the Asset Management Framework | Service level agreement framework developed that provides greater clarity around community service level expectations | Ongoing | Positively influences Council's Asset Management Framework to provide better guidance around Council's (asset renewal and maintenance) long term resourcing decisions | <ul style="list-style-type: none"> • LTFFP • IP&R – Operational Plan • Infrastructure Works Program • Community Vision Theme | <ul style="list-style-type: none"> • Lack of community agreement on overall service levels to establish framework |
| Continue to undertake a review of Council's services | Service reviews undertaken with the view that ongoing assessment will need to be considered based on previous actions relating to informing service levels | Ongoing | Ongoing savings and efficiencies identified | <ul style="list-style-type: none"> • LTFFP • IP&R – Operational Plan • Infrastructure Works Program • Community Vision Theme | <ul style="list-style-type: none"> • Time and resources not able to be allocated to the reviews to meet outcomes within a reasonable timeframe |
| Develop a strategy from identified land use options to enable future growth opportunities | Strategy developed | 30 June 2017 | Future economic growth leading to greater revenue base | <ul style="list-style-type: none"> • Land Use Strategy • Growth management strategy | <ul style="list-style-type: none"> • Improvements to enable growth opportunity considered cost prohibitive • Legislative and regulatory blockages |
| Develop a strategy to identify ongoing efficiencies | Strategy developed | 30 June 2017 | Realise ongoing efficiencies | <ul style="list-style-type: none"> • IP&R – Operational Plan | <ul style="list-style-type: none"> • Not realising ongoing efficiencies |
| Council to continue to meet legislative and operational requirements, e.g., IP&R and Enterprise Risk Management | Meet legislative and operational requirements | Per statutory deadlines | All legislative requirements met within current budget allocation | <ul style="list-style-type: none"> • LTFFP • IP&R – Operational Plan • Community Vision Theme | <ul style="list-style-type: none"> • Do not meet legislative and operational requirements |
| Continue to collaborate with other councils and industry partners in relation to business and economic development and tourism | Joint investment opportunities identified | 30 June 2017 | Potential economic benefits realised | <ul style="list-style-type: none"> • IP&R • Community Vision Themes | <ul style="list-style-type: none"> • Parties not willing or able to collaborate • No investment opportunities identified |