



# Long Term Financial Plan 2016-2025



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# 1 INTRODUCTION

## 1.1 Objectives

The Long Term Financial Plan (LTFP) is an important part of Council's strategic planning process. This is the point where long-term community aspirations and goals are tested against financial realities. It is also where Council and the community may decide what resources Council needs to influence and work with other parties so that they can deliver on the needs of the community.

The LTFP seeks to answer the questions:

- Can we survive the pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- How can we go about achieving these outcomes?

The LTFP is developed to apply the adopted Financial Strategy and to ensure Council meets the intention of Fit for the Future and in working towards achieving the relevant benchmarks.

The LTFP is a decision-making and problem-solving tool. It is not intended that the LTFP is set into the future – it is a guide for future action. The modelling that occurs as part of the plan will help Council to weather unexpected events. It will also provide an opportunity for Council to identify financial opportunities and importantly issues at an early stage and gauge the effect of these into the longer term.

If Council resolves in the future to amend its service profile to include an increased or decreased level of service to the community then the LTFP will need to be recalculated accordingly which may result in changes to the LTFP.

This document aims to demonstrate to the public that Council will remain sustainable if “all things remain equal”. If Council's charter changes over the years (legislation changes, statutory changes, community projects, etc.) then Council will review its revenue streams to determine the most effective method of funding these changes or amending the Council's service profile accordingly.

## 1.2 Timeframe

A Long Term Financial Plan may be prepared for any length of time. The Office of Local Government (OLG) has set the minimum timeframe at ten years. Bega Valley Shire Council's LTFP covers the time period from 2015/2016 to 2024/2025.

Over that period, Council intends to be responsible with its decisions to spend funds, and raise revenues, so that its activities are financially sustainable. This approach includes raising debt to recognise that the cost and benefit of new or renewed assets should be borne by current and future ratepayers and accord with inter-generational equity.

## 1.3 Method

Bega Valley Shire Council's LTFP is based on the six foundations as detailed in the Office of Local Government Integrated Planning and Reporting manual. These foundations are:

- Planning Assumptions
- Revenue Forecasts
- Expenditure Forecasts
- Asset Management
- Performance Measurements

It also reflects the newly implemented State Government 'Fit for the Future' benchmarks.

## 1.4 Structure

The LTFP is structured into five main sections.

**Introduction:** Provides a brief introduction to the plan and its objectives it aims to meet.

### **Section 1: Foundation One – Planning Assumptions**

This section details the financial assumptions made in developing the LTFP.

### **Section 2: Foundation Two – Revenue Forecasts**

This section details the Council's major sources of revenue and the assumptions used in forecasting these figures.

### **Section 3: Foundation Three – Expenditure Forecasts**

This section details the Council's major areas of expenditure and the assumptions used in the forecasting these figures.

### **Section 4: Foundation Four – Asset Management**

This section details some of the financial considerations given to the implementation of the Asset Strategy and Asset Management Plans.

### **Section 5: Foundation Five – Performance Measure – Fit for the Future**

This section measures Council's long term estimates outcomes against a number of financial indicators and ratios, including those now in place through the State Government's Fit for the Future program.

## 1.5 Background

### Your Place, Our Place, Great Place...

The Bega Valley Shire is located at the south-eastern extremity of New South Wales. The Shire's coastal fringe extends from Wallaga Lake in the north to Cape Howe and the Victorian border in the south. Collectively this 225-kilometre section of coastline forms the beautiful Sapphire Coast. Inland the higher peaks of the Great Dividing Range give way to rolling hills and numerous rivers and streams. While the longest coastal LGA in NSW, approximately 73% of the Shire's 6,280 square kilometres is National Park or State Forest. The Shire has a relatively small population of approximately 34000 people. The Shire's combination of natural beauty, temperate climate, its proximity to Sydney, Melbourne and Canberra and its range of towns, villages and recreational opportunities and commercial enterprises has attracted visitors and new residents for many years.

Council adopted its first Resourcing Strategy in conjunction with the inaugural Community Strategic Plan (*Begavalley2030*) in June 2011 following extensive community discussion and exhibition of the draft suite of plans. The Resourcing Strategy's Long Term Financial Plan (LTFP) was based on the Review Today (RT) 'Responsible Scenario' endorsed in principle by council in February 2011 following its presentation to community at the conclusion of the 'asset and financial sustainability review' independently conducted by Prof Percy Allan in 2010/11. The key levers from that report which framed Council's first LTFP included:

*That Council adopt the 'Responsible Scenario' in principle, subject to further investigation of alternatives, to inform the preparation of the Bega Valley 2030 (Community Strategic Plan), and the Delivery Program, applying the following:*

*a. Goalposts:*

- i. sustainable debt ratio of 41% in ten years*
- ii. annual operating budget surplus of 2.5% in ten years*
- iii. Infrastructure backlog of 2% in ten years*

*b. Levers:*

- i. Rate revenues increasing 2.2%pa on average above CPI*
- ii. Fees and charges revenues increasing 2.6%pa on average above CPI*
- iii. Water and sewer revenues 2.5%pa on average above CPI*
- iv. Service spending limited to increase of 1.3%pa on average above CPI*
- v. Infrastructure stock expansion of 0.5%pa on average*

*c. Principles:*

- i. All running costs including infrastructure maintenance, depreciation and interest expenses from operating revenues.*
- ii. Merit and collective services should be funded from taxes, fines and regulatory fees (e.g. rates)*
- iii. Personal or property services from user charges.*
- iv. All infrastructure rehabilitation and renewals from asset depreciation cash provisions in the operating account.*
- v. All infrastructure enhancements from a combination of operating surpluses, capital revenues and borrowings*

d. *Alternatives:*

- i. *Raising debt, with principal and interest serviced by new revenue sources, such as rate special variation, development contributions/levy, dividends, asset sales or lease.*
- ii. *Other operating sources, such as increased government grants*
- iii. *Major community and infrastructure projects that are the subject of strategies and plans, funded by debt and/or serviced by new revenue sources*
- iv. *Commercial opportunities to fund new infrastructure, services or to service debt*
- v. *Investment and loan reviews*

The 'Responsible Scenario' adopted by Council at this time established a number of fiscal targets and levers to achieve sustainability over 10 years, comprising:

Targets	Levers
Infrastructure backlog < 2%	General rates increase 2.2% above CPI each year over 10 years
Nett Financial Liability ratio < 80%	Water and Sewer charges increase 2.6% above CPI each year over 10 years
Operating surplus ratio > 2.5%;	General fees and charges increase 2.6% above CPI each year over 10 years
	Raise borrowings to \$18m over 10 years
	Enhance infrastructure @ half population growth (0.5% pa)
	Grow non-infrastructure services @ population growth (1.3% pa)
	Grants grow in real terms only, but increases above CPI matched by growth in services attributed to those grants

The adopted 2012 Resourcing Strategy noted that as detailed asset management plans were progressively refined to define the asset 'intervention levels' and standards accepted by Council and the community, estimates may then be formed to renew and maintain infrastructure and facilities based on appropriate levels of service.

Similarly, to identify services and functions capable of quarantine or containing growth to accord with the 'Asset and Financial Sustainability Review' service cap recommendations, an assessment of service nett cost, revenue recovery, demand and growth was undertaken during 2011/12 to inform the next Delivery Program and revenue policy.



At that time, Council also considered the capability of the organisation to *achieve* the:

- Strategic actions contained in the Delivery Plan, and
- Continuation of existing services contained in the Level of Service statement, having regard to the:
  - ✦ Infrastructure backlog,
  - ✦ Scale of flood renewal works,
  - ✦ Predicted demand and opportunity for growth in services,
  - ✦ Scale of annual revotes (incomplete works and projects),
  - ✦ Size and movement of annual surpluses and reserves, and
  - ✦ Existing and potential cost recoveries

Council has now reviewed its position, and has reinforced its Resourcing Strategy and Asset management Plans which has resulted in a formal review of its Financial Strategy and development of the LTFP.

## 2 Planning Assumptions

There are four (4) main assumptions underlying this LTFP.

1. BVSC's Asset Management Plans (AMP's) reflect an accurate maintenance profile for all of Councils \$1.5 bil of assets.
2. BVSC's Major Project list reflects accurate costing for all of Council's known major projects over the term of the LTFP.
3. That BVSC's current service standards are at the required levels i.e. there are no expected increases to level of services in any of Council's operational areas.
4. That Council's mandated requirements will remain unchanged over the period covered by this LTFP. If there is an increase in Councils legal obligations or service profile then it is likely that Council will incur an increase in operating expenditure which will require a "re-working" of this LTFP.

Council is aware that the Fit for the Future program may see changes over the next few years. This will be monitored. In terms of indexation assumptions, the table below outlines the indexation estimates used in the LTFP's.

ASSUMPTION / VARIABLE	CALCULATION BASIS - PLANNED	AMOUNT
<b>Overall</b>	Base date \$2016	
Property Growth	Review Today	1.00%
Population Growth	Review Today	1.00%
Valuation/Property Growth	Past Trends	0.50%
CPI Indexation	This LTFP is shown in 2016 dollars. There is no indexation shown. However the LGCI will be used as indexation for BVSC.	
Local Government Cost Index (LGCI) – used for Rate Pegging	IPART have published their long term growth forecasts using a 3% LGCI.	

A major consideration of this LTFP is that the financial models used as the basis for this document are only as good as the information at hand at the time of publishing. The LTFP should be updated each year as "better" quality information is calculated.

Council modified the Responsible Scenario recommended by Review Today to cover the following:

- reducing scale and timing of proposed rates and charges increases below that recommended by Review Today
- extending the timescale of asset renewals and enhancements to manage the infrastructure backlog over 20 years, rather than 10 years

- options to rationalise some assets (such as toilets and structures) and focus on asset renewal, rather than enhancement, including introducing two new special rate variations - Roads in 2014 and Sports & Recreation in 2015 (replacing expiring special variation) and another new special variation in 2016 for Public Domain.
- reducing the rate of non-infrastructure service growth above CPI to half the rate of population growth, based on predicted shift in service demand
- including annual growth in the rates base
- borrowing over a 10 year principal and interest term, rather than 20 year interest only term proposed by Review Today
- reassignment of accumulated revotes and development contributions (upon review of those plans)
- utilisation of accumulated reserves
- sale of surplus property, or development of real estate in accord with adopted 'land investment strategy'
- raising and utilisation of dividends from water and sewer utilities, subject to compliance with 'best practice' guidelines, for urban services or reimbursement of s64 headworks for community projects
- maintaining the 'narrowing the gap' financing principles adopted with the Financial Strategy

Originally Council adopted its Land Investment Strategy to roll out from 2012. Council has only divested several small properties and is currently reviewing the Strategy. This aspect is now represented appropriately in this plan.

Council amended its financial policy to shift funding towards infrastructure renewal by:

- Assigning general rates and utility charges, and tied grants and contributions, to asset maintenance, renewal and operations, and servicing debt
- Assigning fees, charges, grants and other contributions to non-infrastructure and support services, including the financial assistance grant
- Assigning debt, capital grants and contributions to new assets, where debt was supported by new revenues (i.e. rate increase, contributions or dividends)

It is anticipated that as pension rebates rise, and the rate of volunteer contributions decline in the next 10 years, that those reserves may be used to minimise the extent of loan borrowings or rate rises in the second ten year term.

## 2.1 Forecast

Based on planning assumptions, in real terms (i.e. excluding the effect of inflation/CPI), Bega Valley Shire Council anticipates in 10 years:

- In relation to Consolidated Balance Sheet (page 34):
  - Equity will increase due to improved condition (and value) of assets
  - Debt will be reduced to \$13 mil, with liabilities representing 20% of liquid assets
  - Cash and Investments will grow to \$77 mil as buffer against future borrowings
  - Working capital will remain at 5% of total expense, operating and capital, as buffer for emergency events

- In relation to Consolidated Cash Flow (page 35):
  - Reliance on rates and annual charges will remain around 50%, to meet asset and debt servicing costs
  - Grants won't increase, other than to directly offset services or projects tied to a grant contract, requiring further (innovative) means to raise revenues such as fees or returns through property development
  - Pension rebates will grow by 2.7% to \$1.9 mil per annum, eroding the rate dollar by 4%
- In relation to Infrastructure:
  - The asset base will grow by 128 mil to \$1.117 bil
  - The asset renewal spend will be on average \$17m per annum, representing 14% of the annual budget and 2% of the asset base
  - The asset backlog will be between 2-4%, meaning these assets will be below acceptable standard and decisions are required to retain or rationalise
  - Operating costs of assets will exceed CPI as energy and insurance costs rise, and volunteer management and maintenance of facilities declines
  - Rate variations will be required to operate and maintain assets, or service debts raised to renew or upgrade assets
  - As development (subdivision and multi-unit) activity grows in accord with LEP/DCP, the rates base will grow by 0.5% with more utility connections, and development contributions will support asset upgrades or servicing debt
- In relation to Services:
  - Growth in the community (children, youth, aged, disability, indigenous) sector will exceed CPI due to population and demographic change, and governments' funding and contracting direct with council for those services
  - Regulatory services will reflect development cycles and legislative trends, with no growth on average, but becoming largely recoverable by fees, grants and fines
  - Any extension of services beyond current levels, unless matched by government grant or user fees, will require special rate variations
  - Organisation support costs will remain below 10% of operational expenditure
- In relation to Organisation:
  - The asset management element of the organisation will be 20% larger to undertake or support asset maintenance, renewal and upgrades
  - Wages expenditure will remain below 40% of operational expenditure

# 3 Revenue Forecasts

Section 491 of the Local Government Act 1993 NSW sets out the main sources of Councils' revenue. They are as follows:

- Rates
- Charges
- Fees
- Grants
- Borrowings

## 3.1 Rates

The Office of Local Government through its health check reporting framework outlines that a Council should generate between 40%-50% its operating revenue from its Rate base. Rates are a significant form of revenue for a Council and are an integral part of any strategic planning.

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

### 3.1.1 Ordinary Rates

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

- Farmland
- Residential
- Business
- Mining

BVSC utilises the first three categories only as no mining takes place within our Shire. All rateable land is classed within one of the four categories unless it is deemed non-rateable, such as a church or school or similar institution.

### 3.1.2 Special Rates

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

Council area. Special rates can also be raised to fund sewer, water supply and waste management projects. Council currently has no Special Rates. (Note: This is not a special variation to general rates).

### 3.1.3 Rate Pegging

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

From 1993 -2011 the Office of Local Government calculated the Rate Pegging percentage. You can see in graph below, the trend of rate pegging versus CPI movements. However from the 2011-2012 financial year the responsibility for the methodology and calculation of the Rate Pegging percentage has been transferred to the Independent Pricing and Regulatory Tribunal (IPART). IPART have indicated to Councils a new methodology for calculating the Local Government Cost Index (LGCI) which forms a major part of the Rate Pegging percentage each year. The table below highlights the factors and their relevant weighting that IPART use in order to calculate the LGCI.

Council has chosen to assign general rates, with the exception of special rate variations granted by the Minister for services such as libraries, weeds, galleries and tourism (refer 3.1.4) to the operations, maintenance and renewal of infrastructure.

The table below represents the table used by IPART to calculate the Local Government Cost Index (LGCI). In future years BVSC will be tying actual costs fluctuations to the IPART table to give an indication of actual movements against IPART's estimated movements. Any differences may give rise to the basis for further rating increases through the application of a 508(a) special variation application.

Cost items	Effective weights as at end Sep 2013 (%)	Price change to end Sep 2014 (% annual average)	Contribution to index change (percentage points)
<b>Operating costs</b>			
Employee benefits and on-costs	41.70%	2.70%	1.14%
Plant & equipment leasing	0.40%	(1.90%)	(0.01%)
Operating contracts	1.30%	1.80%	0.02%
Legal & accounting services	1.10%	3.10%	0.03%
Office & building cleaning services	0.20%	2.00%	0.00%
Other business services	5.90%	2.30%	0.13%
Insurance	1.90%	0.30%	0.01%
Telecommunications, telephone & internet services	0.50%	0.10%	0.00%
Printing publishing & advertising	0.50%	8.60%	0.04%
Motor vehicle parts	0.50%	2.30%	0.01%
Motor vehicle repairs & servicing	0.70%	(2.80%)	(0.02%)

Cost items	Effective weights as at end Sep 2013 (%)	Price change to end Sep 2014 (% annual average)	Contribution to index change (percentage points)
Automotive fuel	1.20%	3.80%	0.05%
Electricity	3.80%	1.00%	0.04%
Gas	0.10%	10.20%	0.01%
Water & sewerage	0.50%	2.80%	0.01%
Road, footpath, kerbing, bridge & drain building materials	3.10%	3.20%	0.10%
Other building & construction materials	0.80%	1.90%	0.01%
Office supplies	0.30%	1.30%	0.00%
Emergency services levies	1.40%	2.50%	0.03%
Other expenses <sup>a</sup>	8.60%	2.60%	0.22%
Borrowing Costs			
<b>Capital costs</b>			
Buildings – non-dwelling	6.10%	1.90%	0.11%
Construction works - road, drains, footpaths, kerbing, bridges	13.90%	3.20%	0.45%
Construction works - other	1.40%	3.20%	0.04%
Plant & equipment – machinery	3.70%	0.30%	0.01%
Plant & equipment – furniture etc	0.20%	1.60%	0.00%
Information technology & software	0.30%	(3.00%)	(0.01%)
Loan Repayments (Principals)			
<b>Total change in LGCI</b>	<b>100.00%</b>		<b>2.47%</b>

<sup>a</sup> Includes miscellaneous expenses with low weights in the Index, eg, councillor and mayoral fees.

**Notes:** Figures may not add due to rounding. Percentage changes are calculated from unrounded numbers.

### 3.1.4 Special Rate Variations

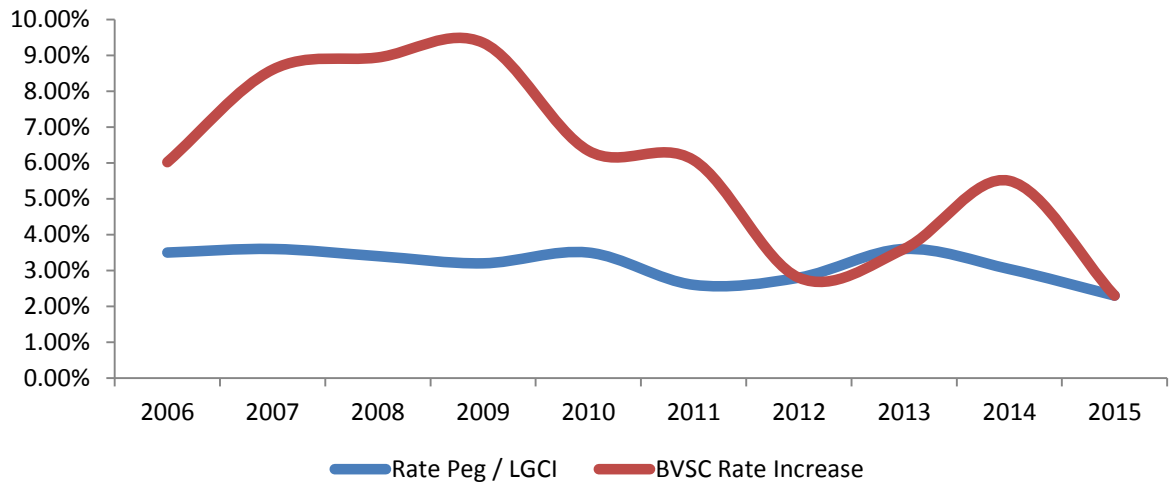
If a council wishes to increase its Rates revenue by more than Rate Pegging then that Council is required to submit for a Special Variation (SV). As with Rate Pegging, IPART is responsible for the granting or refusal of SV applications. BVSC has a number of active Special Variations which have been outlined below. These Special Variations are for specific purposes and have been tied to the relevant expenditure in the budgets. Each SV has been isolated against the planned expenditure and LGIC annual increases are allocated to the same program.

Active Special Variation/Levy	Commencement Year	Expiry Year	2016 \$
Environmental Levy	2006	On-going	\$384,000
Emergency Services	2007	On-going	\$600,000
Engineering Administration for RFS	2007	On-going	\$49,000
Loan Repayments	2007	On-going	\$152,000
Libraries	2008	On-going	\$189,000
Art Gallery	2008	On-going	\$127,000
Visitor Info Centres / Tourism	2008	On-going	\$189,000
Weeds Management	2008	On-going	\$408,000
Road Stabilisation	2009	On-going	\$267,000
Timber Bridge Rehabilitisation	2009	On-going	\$124,000
Armco Culvert Restoration	2009	On-going	\$124,000
Footpath Trip Hazard	2009	On-going	\$7,000
Recreation Building and Pools	2009	On-going	\$86,000
Ocean Lifeguards	2009	On-going	\$183,000
Urban Street Construction	2009	On-going	\$245,000
Kerb & Guttering	2009	On-going	\$53,000
SCT Funding	2012	2031	\$282,000
Airport	2012	2031	\$374,000
Collector Roads	2014	On-going	\$410,000
Recreation Facilities	2015	On-going	\$535,000
Public Domain and Buildings	2016	On-going	\$440,000
<b>Total</b>			<b>\$5,228,000</b>

The amounts collected from Special Rates Variations are indexed by LGCI each year and allocated to the purpose they've been collected for.



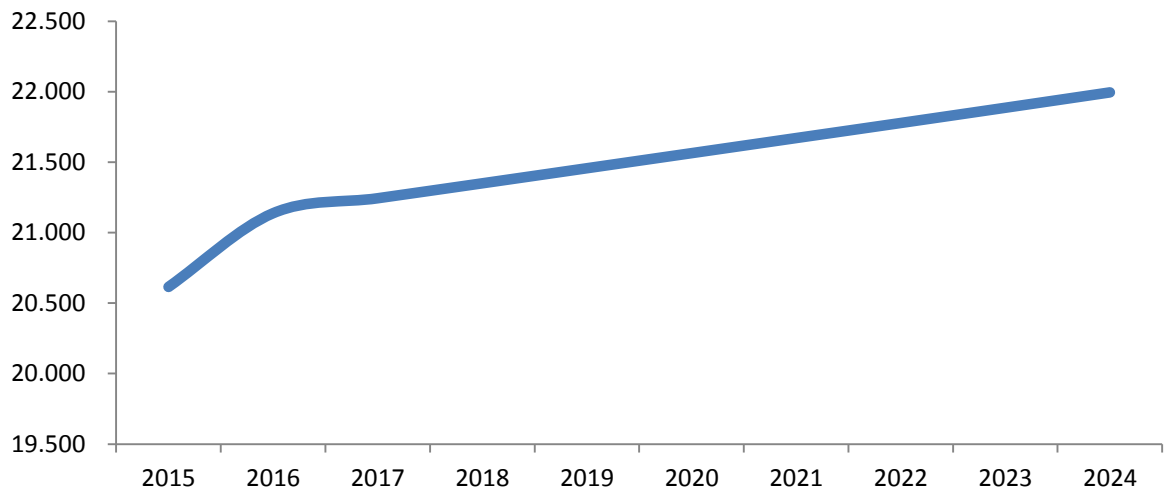
## Rate Pegging compared to BVSC Rate Increases



### 3.1.5 Rate Yield

Bega Valley Shire Council has a notional rate yield of \$22.027 mil for the 2016 financial year.

## Rate Yield in 2015 \$ over term of LTFP



## 3.2 Charges

### 3.2.1 Development Contributions (Section 94)

New Section 94 and Section 94a Contribution Plans have now been adopted and income received will assist Council to provide the appropriate public amenities required to maintain and enhance amenity and service delivery within the Shire. Existing contributions held in accord with s94 plans, will be aggregated and used for renewals or upgrades in accord with the new Contribution Plans.

### 3.2.2 Other Fees

Other fees that Council charge includes (but not limited to):

- Section 603
- Office fees (photocopying, binding etc.)
- Freedom of Information searches
- Hire of Council property (Hall hire, chambers etc.)
- Pool fees
- Cemetery fees
- Aerodrome fees
- Sports fields fees
- Ranger fees (Dog, cat, stock, pound etc.)
- Building Control fees (Compliance and building certificates, DA fees etc.)
- Health Control fees
- Landfill fees
- Water and Sewer fees

Council attempts to recover the full costs on all fees (unless otherwise advised through statutory or regulatory means). As a result the LTFP continues to include a target to increase the recovery rate of Fees by increasing the overall charges yield by 2.6% in real terms, as recommended by Review Today and adopted by Council.

In terms of sensitivity analysis, this is a fairly low risk target as 2.6% equates to approx. \$150,000 per annum. As such, if the target is not achieved the maximum risk is \$150,000 per annum.

### 3.2.3 Grants

Council is in receipt of a number of Operating and Capital grants. For the purpose of this LTFP, operating grants are forecast with a CPI + population growth index. Capital grants however are forecast very conservatively. The reasoning behind this is that Capital grants are often tied to specific projects that may not be in the LTFP so any capital grants above our standard general purpose capital grants would be tied to that specific expenditure.

Two of our major grants are:

#### **3.2.3.1 Roads to Recovery**

The Roads to Recovery (R2R) program is a Federal Government initiative providing direct funding to local communities. The program was established in recognition of the increasing backlog in local road maintenance and has become an essential element in assisting local government to maintain and upgrade the local road network.

Since its inception in February 2001, three R2R programs have been completed. From 2014-15 to 2018-19 the Government will provide \$2.1 billion to Australia's local councils.

Roads to Recovery allocations for the councils in each jurisdiction (except the ACT as it is a unitary jurisdiction) have been determined on the basis of the recommendations of the Local Government Grants Commissions in each state and the Northern Territory for the roads component of the Financial Assistance Grants. This is the same methodology as was used for this purpose in previous Roads to Recovery programmes.. Bega Valley Shire Council's allocation for the 5 year period being \$5,188,730

R2R funds are utilised for the maintenance and upgrade of the local road network. It must be noted that money provided under the Roads to Recovery Program is not intended to replace council spending on roads or State Government assistance to Councils for local road construction or maintenance.

Council receives approx. \$870,000 from this grant and is assigned to roads infrastructure.

#### **3.2.3.2 Financial Assistance Grants**

Local government financial assistance grants are general purpose grants that are paid to local councils under the provisions of the Commonwealth *Local Government (Financial Assistance) Act 1995*. This legislation also details how the total amount of grant funds is determined and how the funds are to be distributed between the States (including the ACT and the NT). The Federal Government has traditionally indexed this allocation annually. In 2014 the Government announced the capping of the amount for the foreseeable future.

#### **3.2.3.3 General Purpose Component of FAG**

The Grants Commission attempts to assess the extent of relative disadvantage between councils. The approach taken considers cost disadvantage in the provision of services on the one hand (expenditure allowances) and an assessment of revenue raising capacity on the other (revenue allowances). Because the grants are unconditional the methodology is objective and excludes, as far as practicable, councils' policies and practices (the effort neutral principle).

Council receives approx. \$5m from this grant, and is applied to services that are not fully funded by other grants or fees.

#### **3.2.3.4 Local Roads Component of FAG**

The allocation method for this component was developed by the NSW Roads and Traffic Authority, now Roads and Maritime Services (RMS). Each council receives funding based on their proportion of the State's population, local road length and the length of bridges on local roads.

Council receives approx. \$1.7m from this grant which is assigned to roads infrastructure.

Staff apply for other capital or recurrent grants to provide services performed by Council designated under the grant programme. Other grants that Council is in receipt of include:

- Community Care and Services
- Environmental Protection
- Library
- Noxious Weeds
- Recreation Facility
- Various Road and Bridge Programmes
- Children's Services

### **3.3 Investments / Interest**

#### **Investment Policy**

The Local Government Act, Regulations and Code of Accounting Practice & Financial Reporting provide the framework around which Councils are required to exercise their powers of investment.

Council's investment strategy aims to:

- Ensure that investments comply with relevant legislative guidelines.
- Ensure that investments comply with Council's current investment policy constraints.
- Maximise earnings from authorised investments.
- Maximise the percentage of the investment portfolio that is capital guaranteed.

The strategy recognises the dual aim of protecting the capital invested and maximising the interest earned on the investment.

#### **Makeup of Council's Investment Portfolio**

Council's current investment policy directs funds to term deposits only.

### Impact on Interest Received

The interest received by Council on the different types of investments currently in the portfolio is summarised below.

BVSC has chosen to remain very conservative in the forecasting of investment interest rates. We have chosen to forecast at a rate of 3% return. The rationale behind this is that it is not possible to forecast interest rate returns over a long term. Council has experienced years where the interest rate commenced at over 8% and finished the year at 3%. We do not forecast that the swap rate will drop below 2.5% which should provide retail rates of at least 3%. Any yield over and above 3% is 'quarantined' for infrastructure spending in arrears.

The LTFP models a 3% return on our reserve balance. As stated above, this is a very conservative estimate of investment yields.

## 3.4 Borrowings

Council has adopted a position of recognising that debt is required to renew and upgrade infrastructure, under the inter-generational equity principle. The retirement of debt allows more funds to be placed into cash funded renewals in later years of the LTFP.

The Water, Sewer and Waste debts are expected to fall significantly. If Council's service profiles remain consistent with the current service profile then the LTFP shows that no further debt is required in any of these funds. The Water and Waste funds will have no debt and the Sewer fund will see its debt balances reduce.

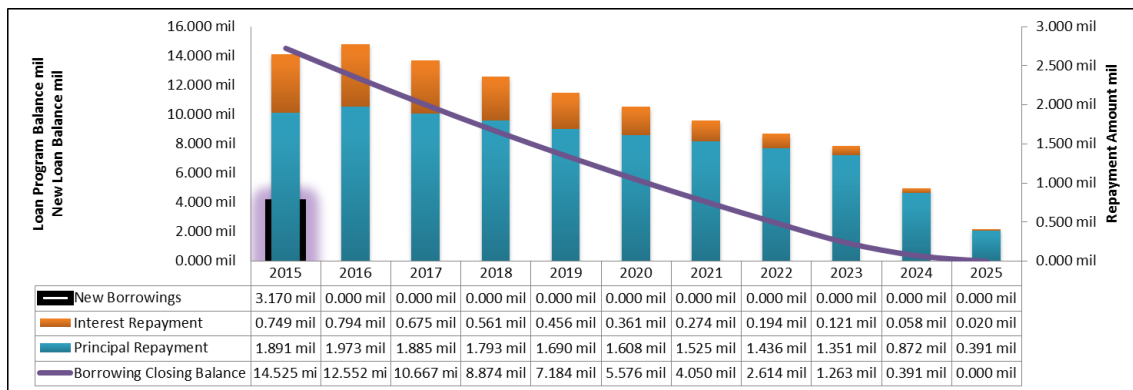
In the General Fund Council's previous debt practice was to borrow \$1m/year for renewals or capital works over 10 years. This practice has enabled much debt to be retired from 2010, allowing Council to consider new borrowings or cash funding renewals in the next 10 years.

Council's policy is for principal and interest to be serviced by new revenue sources, such as rate through a special variation, development contributions/levy, dividends, asset sales or leases, primarily on a 10 year terms but for larger assets, matched to asset life (i.e. 20 years).

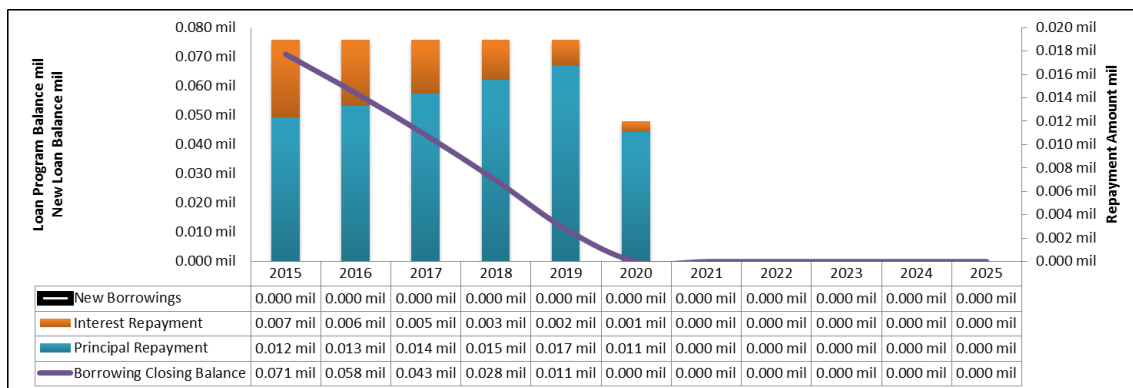
Council's Finance Strategy notes that a benchmark Debt Servicing Ratio of less than 20% is to be maintained at all times.

All loans will be sourced over 10 year principle and interest. This LTFP concludes with a lower debt program than it commenced with. The chart below shows the loan program by fund over the term of the LTFP which currently has no new borrowings identified.

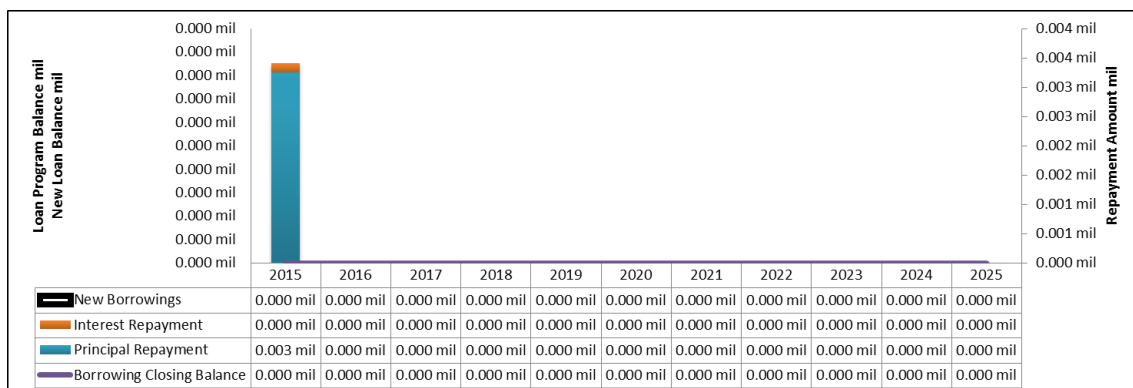
## General Fund



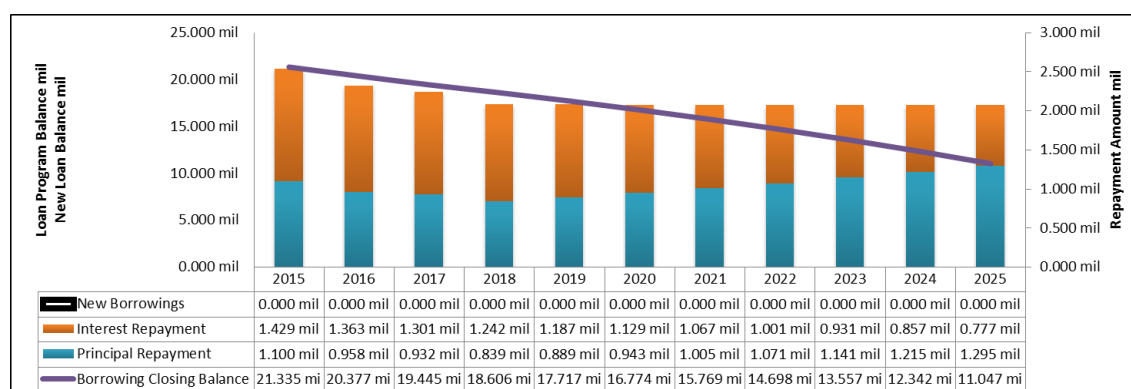
## Waste Fund



## Water Fund



## Sewer Fund



## 3.5 Cash Reserves

### Introduction

Restricted funds are maintained by Council to satisfy external and internal requirements and demands. External restrictions apply to unexpended loan funds, developer contributions, unexpended grants and levies raised for specific purposes which include domestic waste management, water and sewerage rates. Internal restrictions apply to contributions, employee leave entitlements, asset replacement, revotes and any other purpose that Council resolves. It is a requirement of the *Local Government Act 1993 (LGA)* that all externally restricted funds are cash backed at all times and internally restricted funds are cash backed at the end of each financial year.

At the start of the LTFP period, General Fund reserves are \$8.7 mil increasing to \$16.3 mil in nett terms in 10 years.

Unspent reserves, revotes and development contributions form much of the initial injections into renewals until debt are taken up, which is then to be serviced in part by the proposed 2 special rate variations. Unspent renewals or upgrades allocations in any year are placed in the asset replacement reserves.

Water, sewer and waste reserves are expected to rise significantly. However, the infrastructure backlog is expected to rise substantially as recent capital projects begin to age and deteriorate. By retaining significant reserves over the next 20 years, Council is able to potentially avoid drawing down of debt in order to fund the capital required to renew and maintain these large backlogs.

For a detailed list of reserve descriptions and balances please view the latest Budget Review document on the Council's website under publications.

### 3.5.1 External Reserves

External Reserves are those which Council are required to restrict due to legislative requirements. The relevant legislation for Local Government is The Local Government Act 1993 Sec 408-411 and the Local Government (General) Regulation 2005 Sec 204-205. It is a requirement of this legislation that externally restricted funds must always be cash backed.

### 3.5.2 Internal Reserves

Internal Reserves originated in commercial accounting as a device to reserve certain portions of profit in order to make them unavailable for distribution as dividends. They set aside profits for future liabilities and provisions e.g. employee leave entitlements, plant purchases, property acquisitions and investments. However, it was always recognised that the appropriation of profits into reserves did not guarantee that the cash was available for the purpose when required. In Local Government the emphasis has been to support the reserve with cash.

Around 30% of the Employee Leave Entitlement liability will be held in reserve, rising where required accommodating predicted retirements. Reserves are held for funded programs to cover 100% of their entitlements.

For the purpose of this LTFP, reserves are grouped into Asset Replacement reserve and others. The reasoning being that the Asset Replacement reserve is directly targeted to asset renewals while most other reserves have specific purpose restrictions placed on them. The chart below illustrates the predicted movement in the asset replacement reserve over the term of the LTFP. All revoted funds will be channelled through the Asset Replacement Reserve over the next ten years.

The LTFP indicates that while the early years draw on existing cash reserves, revotes and accumulated development contributions, where permitted by the new contribution plans, the annual results will cause transfers to and from cash reserves. Similarly, the annual balance of underspent renewals will be placed in the asset replacement reserves for assignment in accord with the AMPs. The first year of additional contributions received from the new s94/94A plan will be pooled.



# 4 EXPENDITURE FORECASTS

## 4.1 Service Provision

The LTFP terms all non-infrastructures related operating expense as Service Provision. Service Provision includes functions such as:

Liveability	Enterprising
Community Services Children's Services Libraries and Gallery Volunteer Management Health Services Fire Protection Animal Control Beach Control	Business Growth Tourism Infrastructure Saleyard Quarries Private Works Property
Sustainability	Accessibility
Planning Services Building Control Regulatory Services (Rangers) Environment Management Vegetation Management Water Services Sewer Services Waste Services	Urban Streets Rural Roads Regional Roads Bridges Carparks Airport Stormwater Management Cemeteries Parks & Gardens Jetties & Wharves Sportsgrounds Public Halls Emergency Services (SES) Council Buildings Recreation Facilities Swimming Pools Cycleway Bus Shelters
Organisation	
Elected Officials Governance Human Resources Finance Information Technology Organisational Support (Contact Centre) Records Management Plant	

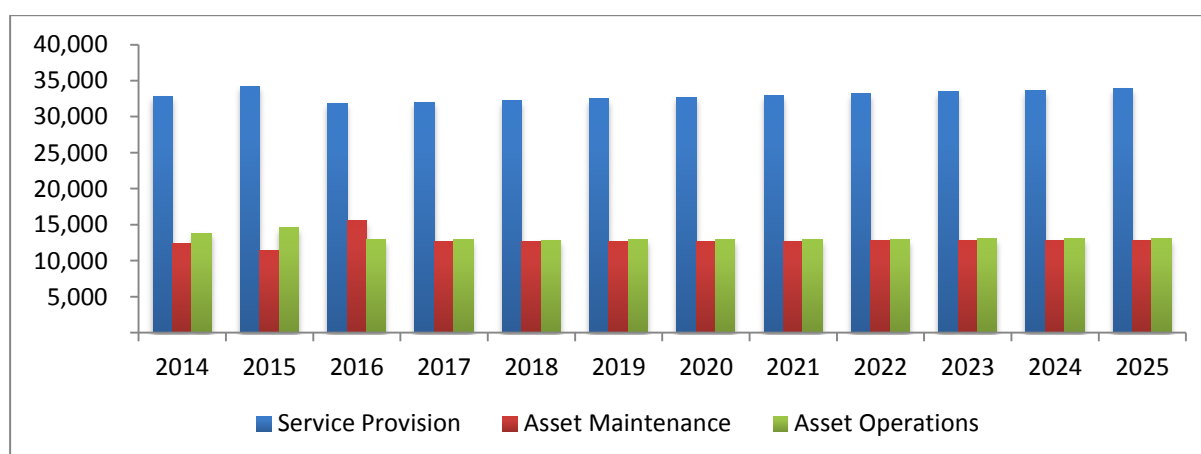
The LTFP Service Provision has been mapped back to a detailed operating budget and tested against real expenditure profiles.

Across all service areas, the revised LTFP proposes half the rate of population growth recommended by Review Today, in real terms – some may grow higher than others due to demand, but globally capped at 0.5% above CPI. Any particular budget year may vary to the LTFP should new contracts fully supported by grants and fees, be attained. A number of NSW community service contracts are being extended to local councils. However that growth is also metered through planned productivity savings.

Approximately half of Service Provision is salaries and wages. These are fairly constant as most Council staff is governed under a state award with set increases at set intervals.

The other half of service provision is materials, contracts, suppliers, etc. The LTFP targets considerable efficiency gains in this area. Council is in the process of formulating a strategy to leverage Councils procurement position to ensure better pricing and therefore receive efficiency savings over a longer term.

Organisation-wide saving will be sought by trimming employment and training related expenses and realising better investment returns, further effort has been and will continue to be applied to the high transaction costs of business such as procurement, accounts payable, technology, locational intelligence, mobile apps, and payroll.



# 5 Asset Management

Council has adopted Asset Management Plans (AM Plans) on its website which outlines the Asset Maintenance, Operations, Renewals, Upgrade requirements for each of its asset classes to achieve the adopted back log (2%).

The ability to achieve and afford the estimated scale of asset renewals to maintain the asset backlog at an acceptable level, requires pushing out the renewal schedule to 20 years, rationalising a number of assets, and deferring some asset enhancements. Intervention levels, standards and levels of service were adopted with those AMPs. Strategic thinking was applied, including putting resource effort into collector roads for example, rather than spreading renewal dollars too broadly and ineffectively.

It is expected that as renewals increase, the scale of maintenance should decline. Similarly, as facility assets are rationalised, and services contracts improved, then facility operating costs should also decline.

The LTFP takes the targets set out in the AM Plans and makes sure they can be funded in a sustainable manner.

Over the course of the LTFP Council intends to spend on average \$26m per annum on maintaining and operating its \$1.25 bil asset base.

For 2016-2025, the Operating LTFP provides for asset maintenance and operational expenditure of \$260 mil; while the Capital LTFP provides for asset renewals of \$169 mil and asset upgrades of \$106 mil.

The list of projects in above can be found in the Major Projects list attached to this document.

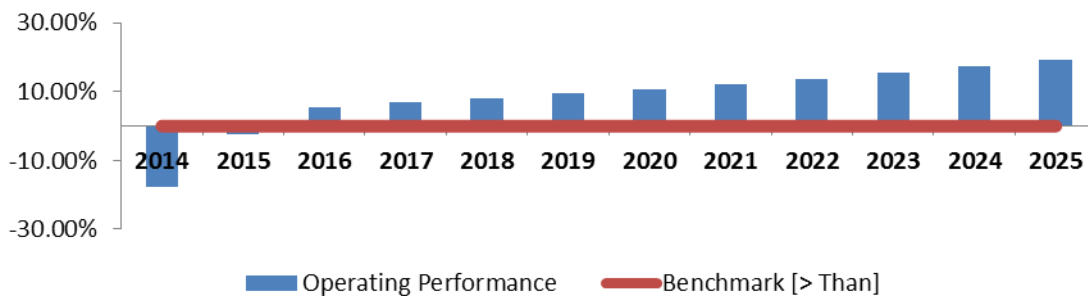
If either the service level or backlog profile of Councils assets are changed then a “re-work” of the LTFP will be required.

# 6 Performance Indicators

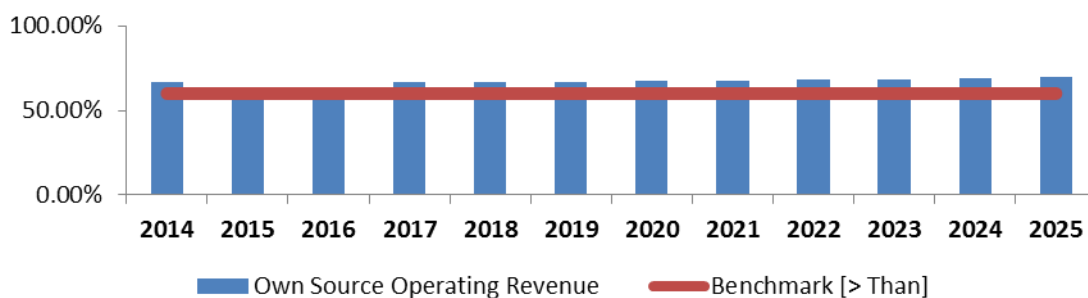
The financial indicators used in the LTFP consist of a number of indicators derived from the Fit for the Future benchmarks as well as other indicators Council believes to be important to the long term sustainability. Below are the indicators for Council's General Fund for the next 10 years.

## 6.1 Sustainability Indicators

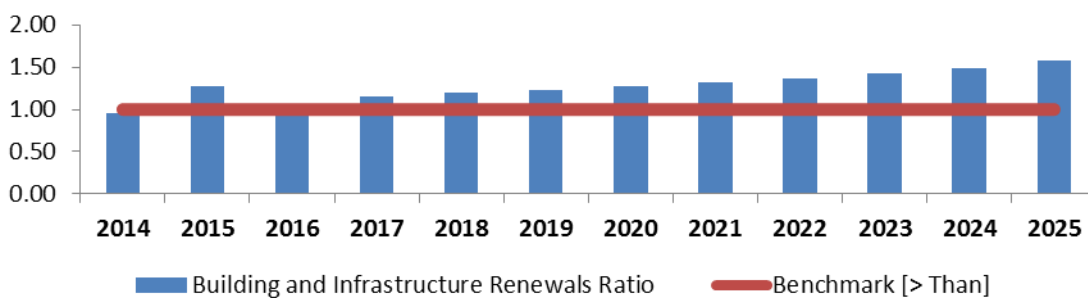
### *Operating Performance Ratio*



### *Own Source Operating Revenue Ratio*

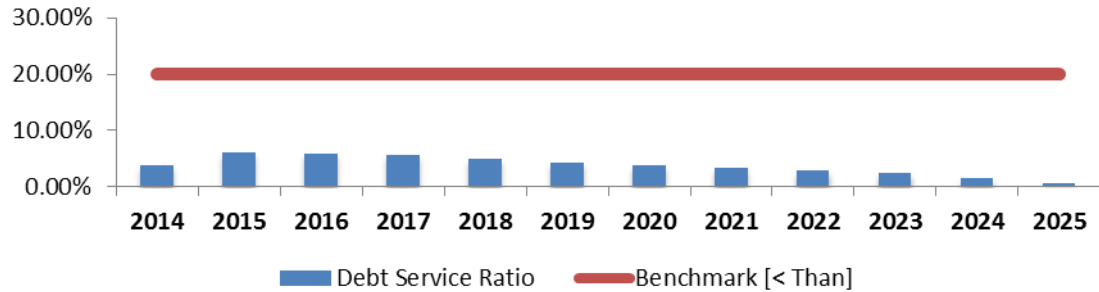


### *Building and Infrastructure Renewals Ratio*



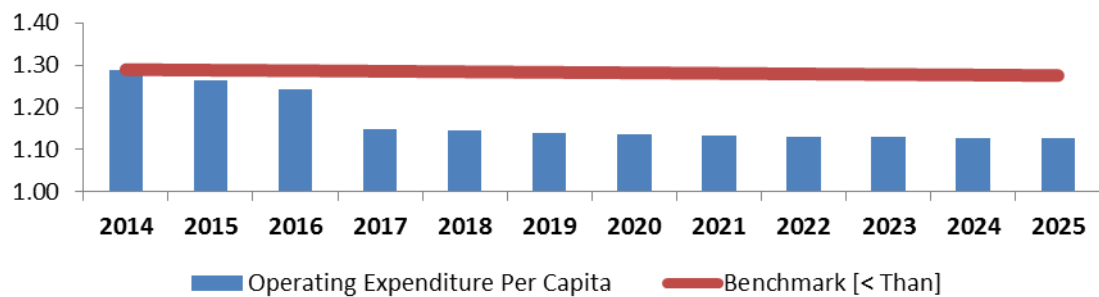
## 6.2 Infrastructure and Service Management

### Debt Service Cover Ratio



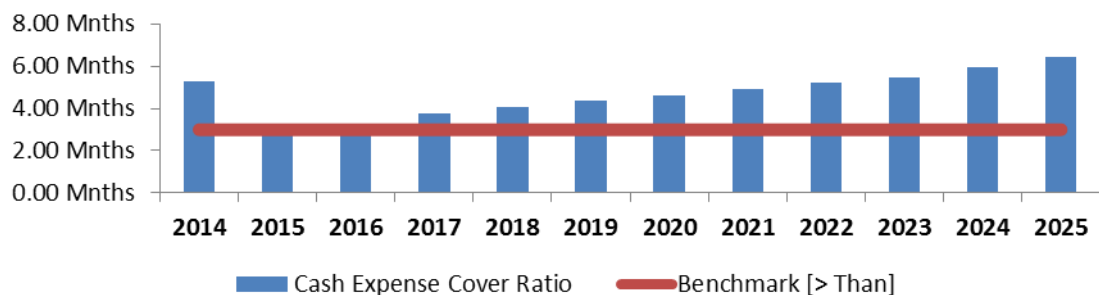
## 6.3 Efficiency

### Operating Expenditure per Capita

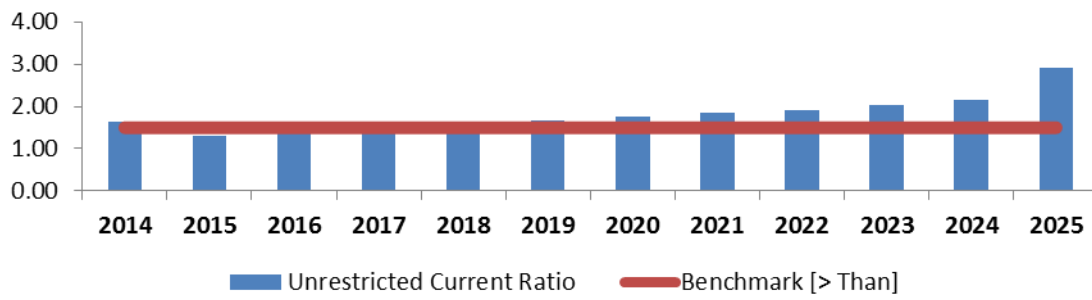


## 6.4 Other Ratios

### Cash Expense Cover Ratio



### Unrestricted Current Ratio



# 7 Attachments

1. Income Statement - Consolidated
2. Balance Sheet - Consolidated
3. Cash flow Statement - Consolidated
4. Long Term Financial Plan [General]
5. Long Term Financial Plan [Plant]
6. Long Term Financial Plan [Waste]
7. Long Term Financial Plan [Water]
8. Long Term Financial Plan [Sewer]
9. Major Projects Schedule

# LTFP Attachments



# Bega Valley Shire Council

## 10 Year Financial Plan for the Years ending 30 June 2025

### INCOME STATEMENT

	Actuals											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income from Continuing Operations</b>												
<b>Revenue:</b>												
Rates & Annual Charges	43,310	44,770	46,451	46,651	45,762	45,956	46,151	46,344	46,538	46,733	46,927	47,121
User Charges & Fees	14,213	15,530	15,937	16,378	18,412	18,942	19,550	20,251	21,062	22,006	23,109	24,400
Interest & Investment Revenue	2,318	2,073	1,584	1,619	1,409	1,404	1,588	1,753	1,661	1,677	1,823	2,006
Other Revenues	739	709	585	584	585	586	585	588	587	588	589	589
Grants & Contributions provided for Operating Purposes	11,026	14,020	16,021	13,208	13,333	13,460	13,590	13,719	13,851	13,983	14,115	14,268
Grants & Contributions provided for Capital Purposes	4,550	6,795	5,495	4,001	4,041	4,082	5,044	5,984	4,529	4,574	4,620	4,666
<b>Other Income:</b>												
Net Gains from the Disposal of Assets												
Joint Ventures & Associated Entities												
<b>Total Income from Continuing Operations</b>	<b>76,156</b>	<b>83,897</b>	<b>86,073</b>	<b>82,441</b>	<b>83,542</b>	<b>84,430</b>	<b>86,508</b>	<b>88,639</b>	<b>88,228</b>	<b>89,561</b>	<b>91,183</b>	<b>93,050</b>
<b>Expenses from Continuing Operations</b>												
Employee Benefits & On-Costs	27,491	29,445	29,109	29,347	29,578	29,812	30,048	30,285	30,524	30,766	31,012	31,260
Borrowing Costs	2,125	2,178	2,005	1,784	1,577	1,399	1,232	1,078	941	810	692	595
Materials & Contracts	18,923	17,521	17,506	14,296	14,054	13,889	13,720	13,545	13,365	13,275	13,087	12,893
Depreciation & Amortisation	23,296	23,296	22,096	22,096	22,096	22,096	22,096	22,096	22,096	22,096	22,096	22,096
Impairment												
Other Expenses	6,122	6,554	6,553	6,591	6,615	6,618	6,622	6,625	6,629	6,660	6,664	6,668
Interest & Investment Losses												
Net Losses from the Disposal of Assets	150											
Joint Ventures & Associated Entities												
<b>Total Expenses from Continuing Operations</b>	<b>78,107</b>	<b>78,994</b>	<b>77,269</b>	<b>74,114</b>	<b>73,920</b>	<b>73,814</b>	<b>73,718</b>	<b>73,629</b>	<b>73,555</b>	<b>73,607</b>	<b>73,551</b>	<b>73,512</b>
<b>Operating Result from Continuing Operations</b>	<b>(1,951)</b>	<b>4,903</b>	<b>8,804</b>	<b>8,327</b>	<b>9,622</b>	<b>10,616</b>	<b>12,790</b>	<b>15,010</b>	<b>14,673</b>	<b>15,954</b>	<b>17,632</b>	<b>19,538</b>
Discontinued Operations - Profit/(Loss)												
<b>Net Profit/(Loss) from Discontinued Operations</b>												
<b>Net Operating Result for the Year</b>	<b>(1,951)</b>	<b>4,903</b>	<b>8,804</b>	<b>8,327</b>	<b>9,622</b>	<b>10,616</b>	<b>12,790</b>	<b>15,010</b>	<b>14,673</b>	<b>15,954</b>	<b>17,632</b>	<b>19,538</b>
Net Operating Result before Grants and Contributions provided for Capital Purposes		(1,892)	3,309	4,326	5,581	6,534	7,746	9,026	10,144	11,380	13,012	14,872

# Bega Valley Council

## 10 Year Financial Plan for the Years ending 30 June 2025

### BALANCE SHEET

	Actuals											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash & Cash Equivalents	27,347	35,479	36,977	33,836	34,826	41,984	47,465	49,392	50,747	57,934	65,780	61,914
Investments [Current]	26,000	9,000	9,000	9,000	9,000	11,000	12,000	12,000	13,000	14,000	16,000	15,000
Receivables [Current]	5,401	4,057	4,196	4,012	4,078	4,122	4,218	4,315	4,299	4,365	4,438	4,523
Inventories [Current]	770	770	770	770	770	770	770	770	770	770	770	770
Other Assets [Current]	15	15	15	15	15	15	15	15	15	15	15	15
<b>Total Current Assets</b>	<b>59,533</b>	<b>49,321</b>	<b>50,958</b>	<b>47,633</b>	<b>48,689</b>	<b>57,891</b>	<b>64,468</b>	<b>66,492</b>	<b>68,831</b>	<b>77,084</b>	<b>87,003</b>	<b>82,222</b>
<b>Non-Current Assets</b>												
Investments [Non-Current]	-	-	-	-	-	-	-	-	-	-	-	-
Receivables [Non-Current]	45	45	45	45	45	45	45	45	45	45	45	45
Inventories [Non-Current]	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	988,737	1,004,262	1,013,311	1,024,633	1,035,128	1,036,737	1,046,194	1,059,461	1,074,736	1,083,979	1,094,673	1,119,699
Other Assets [Non-Current]	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>988,782</b>	<b>1,004,307</b>	<b>1,013,356</b>	<b>1,024,678</b>	<b>1,035,173</b>	<b>1,036,782</b>	<b>1,046,239</b>	<b>1,059,506</b>	<b>1,074,781</b>	<b>1,084,024</b>	<b>1,094,718</b>	<b>1,119,744</b>
<b>TOTAL ASSETS</b>	<b>1,048,315</b>	<b>1,053,628</b>	<b>1,064,314</b>	<b>1,072,311</b>	<b>1,083,862</b>	<b>1,094,673</b>	<b>1,110,707</b>	<b>1,125,998</b>	<b>1,143,612</b>	<b>1,161,108</b>	<b>1,181,721</b>	<b>1,201,966</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Payables [Current]	5,483	939	932	873	873	874	875	877	877	881	882	883
Borrowings [Current]	3,006	2,885	2,981	2,734	2,509	2,550	2,554	2,735	2,651	2,367	1,984	1,676
Provisions [Current]	7,131	7,131	7,131	7,131	7,131	7,131	7,131	7,131	7,131	7,131	7,131	7,131
<b>Total Current Liabilities</b>	<b>15,620</b>	<b>10,955</b>	<b>11,044</b>	<b>10,738</b>	<b>10,513</b>	<b>10,555</b>	<b>10,560</b>	<b>10,743</b>	<b>10,659</b>	<b>10,379</b>	<b>9,997</b>	<b>9,690</b>
<b>Non-Current Liabilities</b>												
Payables	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings [Non-Current]	32,760	33,183	30,142	27,640	25,368	22,947	20,663	18,301	16,285	14,543	13,278	12,292
Provisions [Non-Current]	4,202	4,202	4,202	4,202	4,202	4,202	4,202	4,202	4,202	4,202	4,202	4,202
<b>Total Non-Current Liabilities</b>	<b>36,962</b>	<b>37,385</b>	<b>34,344</b>	<b>31,842</b>	<b>29,570</b>	<b>27,149</b>	<b>24,865</b>	<b>22,503</b>	<b>20,487</b>	<b>18,745</b>	<b>17,480</b>	<b>16,494</b>
<b>TOTAL LIABILITIES</b>	<b>52,582</b>	<b>48,340</b>	<b>45,388</b>	<b>42,580</b>	<b>40,083</b>	<b>37,704</b>	<b>35,425</b>	<b>33,246</b>	<b>31,146</b>	<b>29,124</b>	<b>27,477</b>	<b>26,184</b>
<b>Net Assets</b>	<b>995,733</b>	<b>1,005,288</b>	<b>1,018,926</b>	<b>1,029,731</b>	<b>1,043,779</b>	<b>1,056,969</b>	<b>1,075,282</b>	<b>1,092,752</b>	<b>1,112,466</b>	<b>1,131,984</b>	<b>1,154,244</b>	<b>1,175,782</b>
<b>EQUITY</b>												
Retained Earnings	544,049	548,952	557,756	566,083	575,705	586,321	599,111	614,121	628,794	644,748	662,380	681,918
Revaluation Reserves	451,684	456,336	461,170	463,648	468,074	470,648	476,171	478,631	483,672	487,236	491,864	493,864
<b>Total Equity</b>	<b>995,733</b>	<b>1,005,288</b>	<b>1,018,926</b>	<b>1,029,731</b>	<b>1,043,779</b>	<b>1,056,969</b>	<b>1,075,282</b>	<b>1,092,752</b>	<b>1,112,466</b>	<b>1,131,984</b>	<b>1,154,244</b>	<b>1,175,782</b>


# Bega Valley Shire Council

## 10 Year Financial Plan for the Years ending 30 June 2025

### CASH FLOW STATEMENT

	Actuals											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>												
<b>Receipts:</b>												
Rates & Annual Charges	43,322	45,232	46,367	46,641	45,807	45,946	46,141	46,335	46,528	46,723	46,918	47,111
User Charges & Fees	15,903	17,454	15,917	16,356	18,310	18,916	19,519	20,216	21,022	21,959	23,054	24,335
Interest & Investment Revenue Received	2,371											
Grants & Contributions	16,040	19,774	21,481	17,425	17,365	17,534	18,578	19,650	18,445	18,548	18,726	18,924
Other Receipts	4,909	2,782	2,169	2,203	1,994	1,990	2,173	2,341	2,248	2,265	2,412	2,595
<b>Payments:</b>												
Employee Benefits & On-Costs	(30,377)	(28,856)	(29,116)	(29,342)	(29,573)	(29,808)	(30,043)	(30,280)	(30,520)	(30,761)	(31,007)	(31,255)
Materials & Contracts	(22,199)	(19,913)	(17,506)	(14,360)	(14,059)	(13,892)	(13,724)	(13,548)	(13,369)	(13,276)	(13,091)	(12,897)
Borrowing Costs	(2,093)	(2,178)	(2,005)	(1,784)	(1,577)	(1,399)	(1,232)	(1,078)	(941)	(810)	(692)	(595)
Bonds & Deposits Refunded												
Other Payments	(6,870)	(6,554)	(6,553)	(6,591)	(6,615)	(6,618)	(6,622)	(6,625)	(6,629)	(6,660)	(6,664)	(6,668)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>21,006</b>	<b>27,741</b>	<b>30,754</b>	<b>30,548</b>	<b>31,652</b>	<b>32,669</b>	<b>34,790</b>	<b>37,011</b>	<b>36,784</b>	<b>37,988</b>	<b>39,656</b>	<b>41,550</b>
<b>Cash Flows from Investing Activities</b>												
<b>Receipts:</b>												
Sale of Infrastructure, Property, Plant & Equipment	1,232	2,326	2,417	1,239	2,213	1,287	2,762	1,230	2,521	1,782	2,314	1,000
<b>Payments:</b>												
Purchase of Infrastructure, Property, Plant & Equipment	(30,837)	(39,237)	(28,728)	(32,179)	(30,378)	(22,418)	(28,791)	(34,133)	(34,850)	(29,557)	(30,476)	(46,122)
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(29,605)</b>	<b>(36,911)</b>	<b>(26,311)</b>	<b>(30,940)</b>	<b>(28,165)</b>	<b>(21,131)</b>	<b>(26,029)</b>	<b>(32,903)</b>	<b>(32,329)</b>	<b>(27,775)</b>	<b>(28,162)</b>	<b>(45,122)</b>
<b>Cash Flows from Financing Activities</b>												
<b>Receipts:</b>												
Proceeds from Borrowings & Advances	5,000	3,170										
<b>Payments:</b>												
Repayment of Borrowings & Advances	(2,454)	(2,868)	(2,945)	(2,749)	(2,497)	(2,380)	(2,280)	(2,181)	(2,100)	(2,026)	(1,648)	(1,294)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>2,546</b>	<b>302</b>	<b>(2,945)</b>	<b>(2,749)</b>	<b>(2,497)</b>	<b>(2,380)</b>	<b>(2,280)</b>	<b>(2,181)</b>	<b>(2,100)</b>	<b>(2,026)</b>	<b>(1,648)</b>	<b>(1,294)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(6,053)</b>	<b>(8,868)</b>	<b>1,498</b>	<b>(3,141)</b>	<b>990</b>	<b>9,158</b>	<b>6,481</b>	<b>1,927</b>	<b>2,355</b>	<b>8,187</b>	<b>9,846</b>	<b>(4,866)</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>59,400</b>	<b>53,347</b>	<b>44,479</b>	<b>45,977</b>	<b>42,836</b>	<b>43,826</b>	<b>52,984</b>	<b>59,465</b>	<b>61,392</b>	<b>63,747</b>	<b>71,934</b>	<b>81,780</b>
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>53,347</b>	<b>44,479</b>	<b>45,977</b>	<b>42,836</b>	<b>43,826</b>	<b>52,984</b>	<b>59,465</b>	<b>61,392</b>	<b>63,747</b>	<b>71,934</b>	<b>81,780</b>	<b>76,914</b>

# Bega Valley Shire Council

General	Actuals											
	2014 \$'000	2015 \$'000	2016 \$'000	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000
<b>Operating Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Rates and Annual Charges	19,974	20,615	21,641	21,734	21,828	21,922	22,016	22,109	22,203	22,297	22,390	22,484
Fees and Charges	4,558	5,489	5,917	6,307	6,719	7,194	7,745	8,389	9,142	10,026	11,068	12,296
Operating Grants	10,361	13,287	15,337	12,512	12,625	12,740	12,857	12,973	13,091	13,209	13,328	13,466
Other Revenue	1,618	1,649	1,190	1,205	1,220	1,235	1,248	1,265	1,278	1,290	1,303	1,315
Lease Income	296	370	213	218	223	229	234	240	245	251	257	263
<b>Total Revenue</b>	<b>36,808</b>	<b>41,411</b>	<b>44,298</b>	<b>41,975</b>	<b>42,614</b>	<b>43,319</b>	<b>44,099</b>	<b>44,975</b>	<b>45,957</b>	<b>47,072</b>	<b>48,345</b>	<b>49,822</b>
Service Provision	20,225	20,607	18,643	18,762	18,973	19,186	19,401	19,617	19,835	20,056	20,279	20,505
Asset Maintenance	7,544	6,225	9,163	6,223	6,223	6,223	6,223	6,223	6,223	6,223	6,223	6,223
Asset Operations	4,408	4,212	4,163	4,164	4,164	4,164	4,164	4,164	4,164	4,164	4,164	4,164
Loan Interest	635	742	795	658	529	420	322	235	162	98	46	15
Asset Depreciation	10,553	10,552	9,352	9,352	9,352	9,352	9,352	9,352	9,352	9,352	9,352	9,352
<b>Total Expenses</b>	<b>43,364</b>	<b>42,338</b>	<b>42,116</b>	<b>39,158</b>	<b>39,240</b>	<b>39,344</b>	<b>39,461</b>	<b>39,590</b>	<b>39,735</b>	<b>39,892</b>	<b>40,063</b>	<b>40,258</b>
<b>Operating Surplus / (Deficit)</b>	<b>(6,556)</b>	<b>(927)</b>	<b>2,182</b>	<b>2,817</b>	<b>3,374</b>	<b>3,976</b>	<b>4,638</b>	<b>5,385</b>	<b>6,222</b>	<b>7,181</b>	<b>8,282</b>	<b>9,565</b>
<b>Capital Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Capital Grants	2,184	3,562	1,626	1,642	1,658	1,675	1,691	1,708	1,724	1,741	1,759	1,776
Developers Contribution	308	641	310	313	316	319	322	326	329	333	336	340
Capital Contributions	45	18										
Asset Sales	12	292										
Land Sales	200	264										
Loan Proceeds	5,000	3,170										
Reserves Tfr From	9,239	7,697	349	100	100	100	100	100	100	100	100	100
Cashflow Generated By Annual Depreciation Charge	10,553	10,552	9,352	9,352	9,352	9,352	9,352	9,352	9,352	9,352	9,352	9,352
<b>Total Receipts</b>	<b>27,540</b>	<b>26,196</b>	<b>11,637</b>	<b>11,407</b>	<b>11,426</b>	<b>11,446</b>	<b>11,465</b>	<b>11,485</b>	<b>11,505</b>	<b>11,526</b>	<b>11,547</b>	<b>11,568</b>
Asset Purchases	562	90	91	91	91	91	91	91	91	91	91	91
Infrastructure Renewals	8,630	13,221	9,784	10,615	10,960	11,325	11,710	12,136	12,606	13,132	13,706	14,533
Infrastructure Upgrade and New	5,950	7,901	1,294	980	1,325	1,690	2,075	2,501	2,971	3,497	4,071	4,898
Loan Principal	1,595	1,753	1,971	1,830	1,690	1,551	1,431	1,316	1,204	1,098	688	300
Reserves Tfr To	3,717	2,304	679	708	736	766	797	826	857	889	1,274	1,312
<b>Total Payments</b>	<b>20,453</b>	<b>25,269</b>	<b>13,818</b>	<b>14,223</b>	<b>14,800</b>	<b>15,421</b>	<b>16,103</b>	<b>16,870</b>	<b>17,727</b>	<b>18,706</b>	<b>19,829</b>	<b>21,132</b>
<b>Capital Surplus / (Deficit)</b>	<b>7,086</b>	<b>927</b>	<b>(2,182)</b>	<b>(2,817)</b>	<b>(3,374)</b>	<b>(3,976)</b>	<b>(4,638)</b>	<b>(5,385)</b>	<b>(6,222)</b>	<b>(7,181)</b>	<b>(8,282)</b>	<b>(9,565)</b>
<b>OVERALL SURPLUS / (DEFICIT)</b>		<b>530</b>										
<b>Reserve Position made up of:</b>												
Asset Replacement Reserve	14,128	8,734	9,064	9,672	10,307	10,973	11,669	12,395	13,152	13,940	15,114	16,326
Other Reserves	159	305	305	305	305	305	305	305	305	305	305	305
	<b>13,969</b>	<b>8,429</b>	<b>8,759</b>	<b>9,366</b>	<b>10,002</b>	<b>10,667</b>	<b>11,364</b>	<b>12,090</b>	<b>12,846</b>	<b>13,635</b>	<b>14,809</b>	<b>16,020</b>

# Bega Valley Shire Council

Plant	Actuals											
	2014 \$'000	2015 \$'000	2016 \$'000	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000
<b>Operating Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Rates and Annual Charges												
Fees and Charges	5,725	6,782	7,148	7,334	7,525	7,720	7,921	8,127	8,338	8,555	8,778	9,006
Operating Grants												
Other Revenue	357											
Lease Income												
<b>Total Revenue</b>	<b>6,082</b>	<b>6,782</b>	<b>7,148</b>	<b>7,334</b>	<b>7,525</b>	<b>7,720</b>	<b>7,921</b>	<b>8,127</b>	<b>8,338</b>	<b>8,555</b>	<b>8,778</b>	<b>9,006</b>
Service Provision	829	555	356	358	360	362	364	366	368	370	372	374
Asset Maintenance												
Asset Operations	3,553	4,239	4,121	4,121	4,121	4,121	4,121	4,121	4,121	4,121	4,121	4,121
Loan Interest												
Asset Depreciation	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551
<b>Total Expenses</b>	<b>5,933</b>	<b>6,345</b>	<b>6,028</b>	<b>6,030</b>	<b>6,032</b>	<b>6,034</b>	<b>6,036</b>	<b>6,038</b>	<b>6,040</b>	<b>6,042</b>	<b>6,044</b>	<b>6,046</b>
<b>Operating Surplus / (Deficit)</b>	<b>149</b>	<b>437</b>	<b>1,120</b>	<b>1,304</b>	<b>1,493</b>	<b>1,686</b>	<b>1,885</b>	<b>2,089</b>	<b>2,298</b>	<b>2,513</b>	<b>2,734</b>	<b>2,960</b>
<b>Capital Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Capital Grants												
Developers Contribution												
Capital Contributions												
Asset Sales	935	1,770	2,417	1,239	2,213	1,287	2,762	1,230	2,521	1,782	2,314	1,000
Land Sales												
Loan Proceeds												
Reserves Tfr From	926		367									
Cashflow Generated By Annual Depreciation Charge	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551	1,551
<b>Total Receipts</b>	<b>3,412</b>	<b>3,321</b>	<b>4,335</b>	<b>2,790</b>	<b>3,764</b>	<b>2,838</b>	<b>4,313</b>	<b>2,781</b>	<b>4,072</b>	<b>3,333</b>	<b>3,865</b>	<b>2,551</b>
Asset Purchases	3,560	3,692	5,455	2,143	4,296	1,886	5,742	2,335	5,539	3,487	5,080	1,840
Infrastructure Renewals												
Infrastructure Upgrade and New												
Loan Principal												
Reserves Tfr To		66		1,952	961	2,639	456	2,535	832	2,360	1,519	3,671
<b>Total Payments</b>	<b>3,560</b>	<b>3,758</b>	<b>5,455</b>	<b>4,095</b>	<b>5,257</b>	<b>4,525</b>	<b>6,198</b>	<b>4,870</b>	<b>6,371</b>	<b>5,847</b>	<b>6,599</b>	<b>5,511</b>
<b>Capital Surplus / (Deficit)</b>	<b>(148)</b>	<b>(437)</b>	<b>(1,120)</b>	<b>(1,305)</b>	<b>(1,493)</b>	<b>(1,687)</b>	<b>(1,885)</b>	<b>(2,089)</b>	<b>(2,299)</b>	<b>(2,514)</b>	<b>(2,734)</b>	<b>(2,960)</b>
<b>OVERALL SURPLUS / (DEFICIT)</b>												
<b>Reserve Position made up of:</b>	<b>555</b>	<b>621</b>	<b>255</b>	<b>2,206</b>	<b>3,167</b>	<b>5,806</b>	<b>6,262</b>	<b>8,797</b>	<b>9,628</b>	<b>11,988</b>	<b>13,507</b>	<b>17,178</b>
Asset Replacement Reserve												
Other Reserves	555	621	255	2,206	3,167	5,806	6,262	8,797	9,628	11,988	13,507	17,178

# Bega Valley Shire Council

Waste	Actuals											
	2014 \$'000	2015 \$'000	2016 \$'000	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000
<b>Operating Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Rates and Annual Charges	7,068	7,238	7,411	7,441	7,472	7,502	7,532	7,562	7,593	7,624	7,654	7,685
Fees and Charges	1,586	1,565	1,523	1,562	1,603	1,644	1,687	1,731	1,776	1,822	1,869	1,918
Operating Grants	157	180	181	186	190	195	199	204	209	214	219	225
Other Revenue	211	185	181	229	232	285	322	364	408	454	498	588
Lease Income	1	1	1	1	1	1	1	1	1	1	1	1
<b>Total Revenue</b>	<b>9,023</b>	<b>9,169</b>	<b>9,297</b>	<b>9,419</b>	<b>9,498</b>	<b>9,627</b>	<b>9,741</b>	<b>9,862</b>	<b>9,987</b>	<b>10,115</b>	<b>10,241</b>	<b>10,417</b>
Service Provision	3,924	4,587	4,228	4,230	4,232	4,234	4,236	4,238	4,240	4,242	4,245	4,247
Asset Maintenance	2,310	2,498	2,546	2,546	2,546	2,546	2,546	2,546	2,546	2,546	2,546	2,546
Asset Operations	5		12	12	12	12	12	12	12	12	12	12
Loan Interest	7	7	6	4	3	2	1					
Asset Depreciation	155	156	156	156	156	156	156	156	156	156	156	156
<b>Total Expenses</b>	<b>6,401</b>	<b>7,248</b>	<b>6,948</b>	<b>6,948</b>	<b>6,949</b>	<b>6,950</b>	<b>6,951</b>	<b>6,952</b>	<b>6,954</b>	<b>6,956</b>	<b>6,959</b>	<b>6,961</b>
<b>Operating Surplus / (Deficit)</b>	<b>2,622</b>	<b>1,921</b>	<b>2,349</b>	<b>2,471</b>	<b>2,549</b>	<b>2,677</b>	<b>2,790</b>	<b>2,910</b>	<b>3,033</b>	<b>3,159</b>	<b>3,282</b>	<b>3,456</b>
<b>Capital Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Capital Grants												
Developers Contribution												
Capital Contributions												
Asset Sales												
Land Sales												
Loan Proceeds												
Reserves Tfr From	1,936	515										
Cashflow Generated By Annual Depreciation Charge	155	156	156	156	156	156	156	156	156	156	156	156
<b>Total Receipts</b>	<b>2,091</b>	<b>671</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>	<b>156</b>
Asset Purchases				518	518	518	518	518	518	518		
Infrastructure Renewals	1,684											
Infrastructure Upgrade and New	2,839	2,215	777	1,815	259	830	777	777	777	934		
Loan Principal	11	12	13	14	15	15	10					
Reserves Tfr To	179	365	1,715	281	1,913	1,470	1,642	1,772	1,895	1,864	3,440	3,612
<b>Total Payments</b>	<b>4,713</b>	<b>2,592</b>	<b>2,505</b>	<b>2,628</b>	<b>2,705</b>	<b>2,833</b>	<b>2,947</b>	<b>3,067</b>	<b>3,190</b>	<b>3,316</b>	<b>3,440</b>	<b>3,612</b>
<b>Capital Surplus / (Deficit)</b>	<b>(2,622)</b>	<b>(1,921)</b>	<b>(2,349)</b>	<b>(2,472)</b>	<b>(2,549)</b>	<b>(2,677)</b>	<b>(2,791)</b>	<b>(2,911)</b>	<b>(3,034)</b>	<b>(3,160)</b>	<b>(3,284)</b>	<b>(3,456)</b>
<b>OVERALL SURPLUS / (DEFICIT)</b>												
<b>Reserve Position made up of:</b>	<b>5,111</b>	<b>4,961</b>	<b>6,676</b>	<b>6,957</b>	<b>8,870</b>	<b>10,340</b>	<b>11,982</b>	<b>13,754</b>	<b>15,648</b>	<b>17,512</b>	<b>20,951</b>	<b>24,563</b>
Asset Replacement Reserve												
Other Reserves	5,111	4,961	6,676	6,957	8,870	10,340	11,982	13,754	15,648	17,512	20,951	24,563

# Bega Valley Shire Council

Water	Actuals											
	2014 \$'000	2015 \$'000	2016 \$'000	2017 \$'000	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000
<b>Operating Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Rates and Annual Charges	2,762	2,854	2,922	2,931	3,663	3,674	3,684	3,694	3,705	3,715	3,725	3,734
Fees and Charges	6,665	6,777	6,944	6,948	8,686	8,691	8,697	8,703	8,709	8,715	8,722	8,728
Operating Grants	151	141	149	153	157	161	166	170	175	179	184	189
Other Revenue	635	623	505	441	435	536	635	676	681	698	767	834
Lease Income												
<b>Total Revenue</b>	<b>10,213</b>	<b>10,395</b>	<b>10,519</b>	<b>10,472</b>	<b>12,940</b>	<b>13,061</b>	<b>13,181</b>	<b>13,243</b>	<b>13,269</b>	<b>13,306</b>	<b>13,397</b>	<b>13,485</b>
Service Provision	3,826	4,452	4,524	4,532	4,541	4,549	4,558	4,566	4,575	4,584	4,593	4,602
Asset Maintenance	1,748	1,553	1,942	1,962	1,982	2,002	2,023	2,043	2,064	2,085	2,107	2,128
Asset Operations	1,722	1,311	1,324	1,357	1,459	1,473	1,487	1,502	1,516	1,653	1,670	1,687
Loan Interest	0											
Asset Depreciation	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204
<b>Total Expenses</b>	<b>11,501</b>	<b>11,520</b>	<b>11,993</b>	<b>12,055</b>	<b>12,185</b>	<b>12,228</b>	<b>12,271</b>	<b>12,315</b>	<b>12,358</b>	<b>12,525</b>	<b>12,573</b>	<b>12,620</b>
<b>Operating Surplus / (Deficit)</b>	<b>(1,288)</b>	<b>(1,125)</b>	<b>(1,474)</b>	<b>(1,583)</b>	<b>755</b>	<b>833</b>	<b>910</b>	<b>928</b>	<b>911</b>	<b>781</b>	<b>824</b>	<b>865</b>
<b>Capital Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Capital Grants												
Developers Contribution	700	988	1,022	1,032	1,042	1,053	1,063	1,074	1,084	1,095	1,106	1,117
Capital Contributions												
Asset Sales	35											
Land Sales												
Loan Proceeds												
Reserves Tfr From		2,960	3,383	238								19,430
Cashflow Generated By Annual Depreciation Charge	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204	4,204
<b>Total Receipts</b>	<b>4,939</b>	<b>8,152</b>	<b>8,609</b>	<b>5,474</b>	<b>5,246</b>	<b>5,257</b>	<b>5,267</b>	<b>5,278</b>	<b>5,288</b>	<b>5,299</b>	<b>5,310</b>	<b>24,751</b>
Asset Purchases	16											
Infrastructure Renewals	1,839	2,459	2,493	2,493	2,515	1,451	1,418	1,418	1,418	2,703	2,703	2,703
Infrastructure Upgrade and New	768	3,577	3,383	1,398	161	1,290	3,222	4,415	4,023	871	887	19,430
Loan Principal	3	3										
Reserves Tfr To	1,025	988	1,259		3,325	3,349	1,537	373	758	2,506	2,544	3,483
<b>Total Payments</b>	<b>3,652</b>	<b>7,027</b>	<b>7,135</b>	<b>3,891</b>	<b>6,001</b>	<b>6,090</b>	<b>6,177</b>	<b>6,206</b>	<b>6,199</b>	<b>6,080</b>	<b>6,134</b>	<b>25,616</b>
<b>Capital Surplus / (Deficit)</b>	<b>1,288</b>	<b>1,125</b>	<b>1,474</b>	<b>1,583</b>	<b>(755)</b>	<b>(833)</b>	<b>(910)</b>	<b>(928)</b>	<b>(911)</b>	<b>(781)</b>	<b>(824)</b>	<b>(865)</b>
<b>OVERALL SURPLUS / (DEFICIT)</b>	<b>(0)</b>											
<b>Reserve Position made up of:</b>												
Asset Replacement Reserve	2,910	2,910	4,169	4,169	7,493	10,842	12,379	12,751	13,509	16,015	18,559	2,611
Other Reserves	11,137	9,165	5,782	5,544	5,544	5,544	5,544	5,544	5,544	5,544	5,544	5,544

# Bega Valley Shire Council

Sewer	Actuals											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Rates and Annual Charges	13,513	14,063	14,478	14,545	12,800	12,859	12,919	12,979	13,038	13,098	13,158	13,219
Fees and Charges	1,510	1,328	1,340	1,343	1,182	1,184	1,186	1,188	1,190	1,192	1,194	1,196
Operating Grants	126	123	129	133	136	140	144	148	152	156	160	164
Other Revenue	688	614	518	554	332	159	193	261	107	48	69	83
Lease Income												
<b>Total Revenue</b>	<b>15,837</b>	<b>16,128</b>	<b>16,465</b>	<b>16,574</b>	<b>14,449</b>	<b>14,341</b>	<b>14,441</b>	<b>14,575</b>	<b>14,486</b>	<b>14,493</b>	<b>14,580</b>	<b>14,661</b>
Service Provision	4,010	4,054	4,040	4,048	4,056	4,064	4,073	4,081	4,090	4,098	4,107	4,116
Asset Maintenance	769	1,138	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985	1,985
Asset Operations	4,169	4,871	3,271	3,271	3,121	3,121	3,121	3,121	3,121	3,121	3,121	3,121
Loan Interest	1,483	1,429	1,363	1,264	1,170	1,085	1,002	919	840	758	676	595
Asset Depreciation	6,834	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833
<b>Total Expenses</b>	<b>17,265</b>	<b>18,325</b>	<b>17,491</b>	<b>17,400</b>	<b>17,164</b>	<b>17,088</b>	<b>17,013</b>	<b>16,939</b>	<b>16,868</b>	<b>16,795</b>	<b>16,722</b>	<b>16,650</b>
<b>Operating Surplus / (Deficit)</b>	<b>(1,428)</b>	<b>(2,197)</b>	<b>(1,026)</b>	<b>(826)</b>	<b>(2,715)</b>	<b>(2,747)</b>	<b>(2,572)</b>	<b>(2,364)</b>	<b>(2,382)</b>	<b>(2,302)</b>	<b>(2,142)</b>	<b>(1,989)</b>
<b>Capital Budget (All Forecast Years Expressed In Constant 2016 Dollars)</b>												
Capital Grants												
Developers Contribution	1,216	1,586	2,538	1,015	1,025	1,036	1,968	2,878	1,392	1,406	1,420	1,434
Capital Contributions	98											
Asset Sales	35											
Land Sales												
Loan Proceeds												
Reserves Tfr From	1,143	1,586		6,622	5,903			3,461	1,962			
Cashflow Generated By Annual Depreciation Charge	6,834	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833
<b>Total Receipts</b>	<b>9,325</b>	<b>10,005</b>	<b>9,371</b>	<b>14,470</b>	<b>13,761</b>	<b>7,869</b>	<b>8,801</b>	<b>13,171</b>	<b>10,186</b>	<b>8,239</b>	<b>8,253</b>	<b>8,267</b>
Asset Purchases	94											
Infrastructure Renewals	1,336	2,030	2,149	2,149	2,451	2,451	2,451	2,451	2,451	3,537	3,889	2,628
Infrastructure Upgrade and New	4,222	1,310	3,302	9,977	7,803	887	787	7,491	4,457	787	50	
Loan Principal	844	1,100	961	905	792	814	839	865	896	928	960	994
Reserves Tfr To	1,401	3,368	1,933	613		970	2,152			685	1,212	2,656
<b>Total Payments</b>	<b>7,897</b>	<b>7,808</b>	<b>8,345</b>	<b>13,644</b>	<b>11,046</b>	<b>5,122</b>	<b>6,229</b>	<b>10,807</b>	<b>7,804</b>	<b>5,937</b>	<b>6,111</b>	<b>6,278</b>
<b>Capital Surplus / (Deficit)</b>	<b>1,428</b>	<b>2,197</b>	<b>1,026</b>	<b>826</b>	<b>2,715</b>	<b>2,747</b>	<b>2,572</b>	<b>2,364</b>	<b>2,382</b>	<b>2,302</b>	<b>2,142</b>	<b>1,989</b>
<b>OVERALL SURPLUS / (DEFICIT)</b>	<b>(0)</b>											
<b>Reserve Position made up of:</b>												
Asset Replacement Reserve	2,700	2,700	4,633	5,246	2,598	3,568	5,719	2,259	297	982	2,194	4,850
Other Reserves	8,445	10,227	10,227	3,605	350	350	350	350	350	350	350	350



## Capital Expenditure Funded in the LTFP [All amounts are expressed in constant 2016\$ | '\$000]

Years ----->	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>General Fund</i>										
Headline	867	1,960	2,649	3,379	4,150	5,002	5,941	6,994	8,141	9,795
<b>Infrastructure Renewals</b>	<b>980</b>	<b>1,325</b>	<b>1,690</b>	<b>2,075</b>	<b>2,501</b>	<b>2,971</b>	<b>3,497</b>	<b>4,071</b>	<b>4,898</b>	<b>4,898</b>
Headline Projects		980	1,325	1,690	2,075	2,501	2,971	3,497	4,071	4,898
<b>Infrastructure Upgrade and New</b>	<b>867</b>	<b>980</b>	<b>1,325</b>	<b>1,690</b>	<b>2,075</b>	<b>2,501</b>	<b>2,971</b>	<b>3,497</b>	<b>4,071</b>	<b>4,898</b>
Main Street Program	538									
Sundry Renewals	329									
Headline Projects		980	1,325	1,690	2,075	2,501	2,971	3,497	4,071	4,898
Leisure	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320
<b>Infrastructure Renewals</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>	<b>1,320</b>
Recreation General Renewals	780	780	780	780	780	780	780	780	780	780
SV - Recreation Facilities	540	540	540	540	540	540	540	540	540	540
Civil Assets	525	370	370	370	370	370	370	370	370	370
<b>Infrastructure Renewals</b>	<b>325</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>	<b>370</b>
Cycleways Renewal Program	55	100	100	100	100	100	100	100	100	100
Stormwater Renewal Program	270	270	270	270	270	270	270	270	270	270
<b>Infrastructure Upgrade and New</b>	<b>200</b>									
Stormwater Upgrade Program	155									
Cycleways Upgrade Program	45									
Community and Culture	440	440	440	440	440	440	440	440	440	440
<b>Infrastructure Renewals</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>	<b>440</b>
SV - Public Domain Areas and Buildings	440	440	440	440	440	440	440	440	440	440

## Capital Expenditure Funded in the LTFP [All amounts are expressed in constant 2016\$ | '\$000]

Years ----->	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>General Fund</i>										
Transport Services	6,926	6,505	6,505	6,505	6,505	6,505	6,505	6,505	6,505	6,505
<b>Infrastructure Renewals</b>	<b>6,161</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>	<b>6,505</b>
Concrete Bridge Rehabilitation		160	160	160	160	160	160	160	160	160
Flood Proofing	100	120	120	120	120	120	120	120	120	120
Footpath Renewal Program		200	200	200	200	200	200	200	200	200
Kerb & Gutter Renewal Program		200	200	200	200	200	200	200	200	200
Repair Program		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Reseals		500	500	500	500	500	500	500	500	500
Roads to Recovery		850	850	850	850	850	850	850	850	850
Rural Seal Rehabilitation Program		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
SV - Collector Roads		425	425	425	425	425	425	425	425	425
Timber Bridge Rehabilitation Program		700	700	700	700	700	700	700	700	700
Urban Sealed Rehabilitation Program		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Concrete Bridge Program	230									
Timber Bridge Program	880									
Regional Rd Sealed Program	1,070									
Regional Rd Unsealed Program	80									
Regional Rd Reseals Program	500									
Rural Rd Sealed Program	980									
Rural Rd Unsealed Program	370									
Rural Rd Reseal Program	510									
Urban Rd Sealed Program	920									
Urban Rd Reseal Program	521									
<b>Infrastructure Upgrade and New</b>	<b>765</b>									
Bridge Construction	300									
Rural Rd Unsealed Program	300									
Urban Rd Reseal Program	165									

## Capital Expenditure Funded in the LTFP [All amounts are expressed in constant 2016\$ | '\$000]

Years ----->	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>Waste Fund</i>										
Waste Services	777	2,333	777	1,348	1,295	1,295	1,295	1,452		
<b>Infrastructure Renewals</b>		<b>518</b>	<b>518</b>	<b>518</b>	<b>518</b>	<b>518</b>	<b>518</b>	<b>518</b>		
Bins Microchipping Renewal Program [General]		518	518	518	518	518	518	518		
<b>Infrastructure Upgrade and New</b>	<b>777</b>	<b>1,815</b>	<b>259</b>	<b>830</b>	<b>777</b>	<b>777</b>	<b>777</b>	<b>934</b>		
Bermagui Transfer Station	777									
Central Waste Facility				830				934		
Eden Transfer Station		1,815								
Food/Garden Co-composting Facility										
Integrated Materials Recovery Facility										
Rural Transfer Station					777	777	777			
Wallagoot Transfer Station			259							
<i>Water Fund</i>										
Water Services	5,876	3,891	2,676	2,741	4,640	5,833	5,441	3,574	3,590	22,133
<b>Infrastructure Renewals</b>	<b>2,493</b>	<b>2,493</b>	<b>2,515</b>	<b>1,451</b>	<b>1,418</b>	<b>1,418</b>	<b>1,418</b>	<b>2,703</b>	<b>2,703</b>	<b>2,703</b>
30-year Renewal Works (AMP & Consolidated)	2,493	2,493	2,493	1,418	1,095	1,418	1,418	2,703	2,703	2,703
Tantawanglo-Kiah Pumpstation			22	33	323					
<b>Infrastructure Upgrade and New</b>	<b>3,383</b>	<b>1,398</b>	<b>161</b>	<b>1,290</b>	<b>3,222</b>	<b>4,415</b>	<b>4,023</b>	<b>871</b>	<b>887</b>	<b>19,430</b>
Bega-Tathra Water Treatment Plant						276	228	228	235	5,851
Bemboka Water Treatment Plant	2,256	752								
Bermagui Water Treatment Plant							281	351	351	3,120
Nutley's Creek Reservoir	1,074	538								
Tantawanglo-Kiah Mains	53	108	161	1,290	3,222	3,760	3,222			
Tantawanglo-Kiah Treatment Plant						379	292	292	301	10,459

## Capital Expenditure Funded in the LTFP [All amounts are expressed in constant 2016\$ | '\$000]

Years ----->	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<i>Sewer Fund</i>										
Sewer Services	5,451	12,126	10,254	3,338	3,238	9,942	6,908	4,324	3,939	2,628
<b>Infrastructure Renewals</b>	<b>2,149</b>	<b>2,149</b>	<b>2,451</b>	<b>2,451</b>	<b>2,451</b>	<b>2,451</b>	<b>2,451</b>	<b>3,537</b>	<b>3,889</b>	<b>2,628</b>
Sewer AMP 2015_S3_V3	2,149	2,149	2,451	2,451	2,451	2,451	2,451	3,537	3,889	2,628
<b>Infrastructure Upgrade and New</b>	<b>3,302</b>	<b>9,977</b>	<b>7,803</b>	<b>887</b>	<b>787</b>	<b>7,491</b>	<b>4,457</b>	<b>787</b>	<b>50</b>	
Bega Swan Street SPS upgrade										
Bermagui STP DO Control pasveer ditches	30									
Bermagui STP New drying beds, access rd and hard stand area year 1	400									
Bermagui STP New inlet balance tank year 1	500									
Bermagui STP Upgrade RAS system	150									
Percentage of Capital upgrade for relining sewer in Eden & Bega to reduce	787	787	787	787	787	787	787	787		
Tura Beach STP new Drying beds year 1	800									
West Pambula Pressure sewer mains	635									
Bega STP convert storm pond to effluent balance										
Bega STP reconfigure drying beds										
Bega STP Storm Pond										
Bermagui STP New drying beds, access rd and hard stand area year 2		550								
Bermagui STP New inlet balance tank year 2		500								
Merimbula effluent disposal upgrade year 1		7,340								
Tura Beach STP new Drying beds year 2		800								
Bermagui STP Effluent reuse			2,097							
Merimbula effluent disposal upgrade year 2			4,719							
Reconfigure Tathra STP sludge drying beds, decommission Lagoon 1			200							
Eden STP Aerobic digester and sludge drying bed reconfiguration SID				100						
Eden STP Aerobic digester and sludge drying bed reconfiguration Construction						2,300				
Merimbula Effluent Reuse upgrade						4,404	3,670			
Bega STP storm pond and drying bed revision SID									50	