



BELLINGEN SHIRE COUNCIL LONG TERM FINANCIAL PLAN 2021/2022 TO 2030/2031



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1.0 Introduction

1.1 Overview

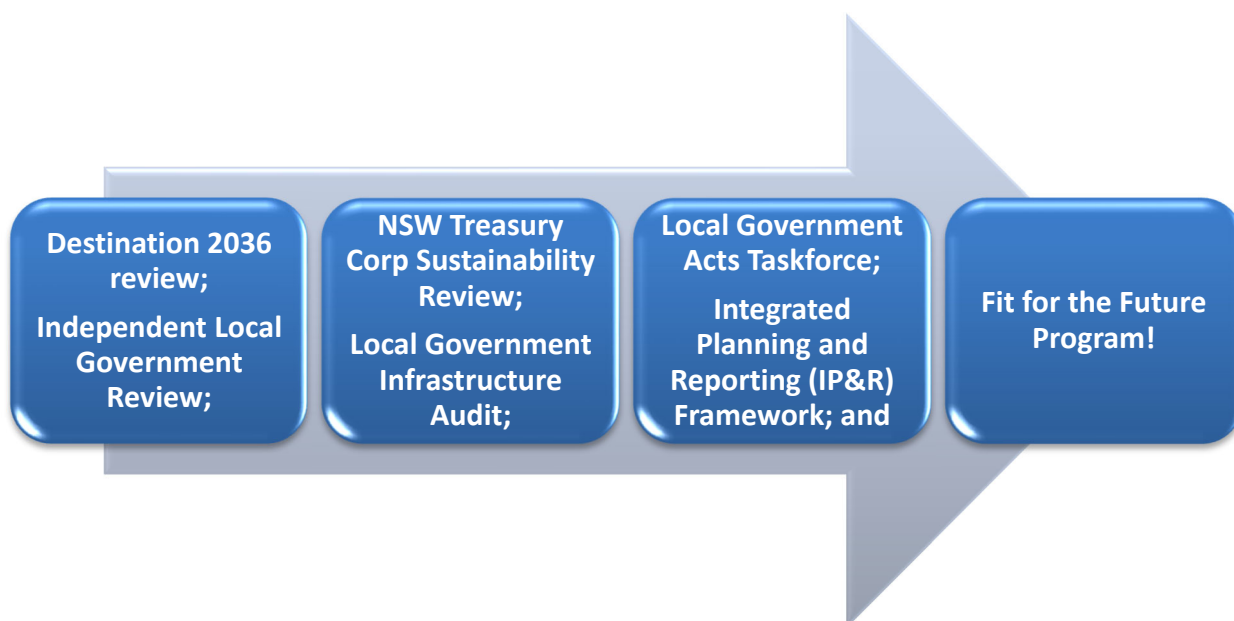
Bellingen Shire has a rich and diverse community with a focus on quality of lifestyle. To ensure that our community's ideals and values of a healthy, safe and sustainable Shire continue into the future, Bellingen Shire Council (BSC) developed its Bellingen Community Vision. To support the Community Vision,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

With an annual budget of over \$49M for 2021/22, 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

The Fit for the Future (FFF) program was 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.

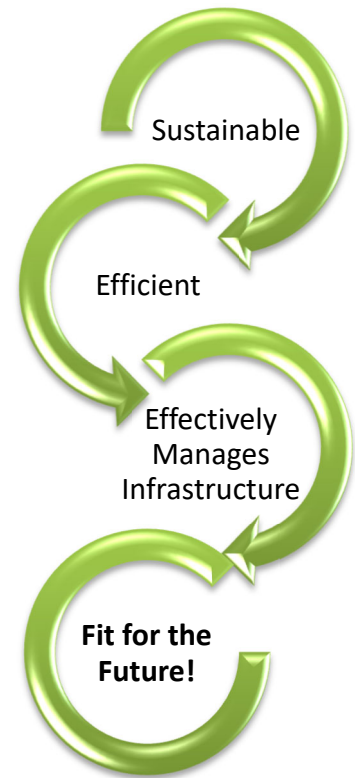
Joint Organisations

Regional Joint Organisations 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.

Eighty-five councils in regional NSW are now members of the 13 joint organisations: Canberra Region, Central NSW, Far North West, Far South West, Hunter, Illawarra Shoalhaven, Mid North Coast, Namoi, New England, Northern Rivers, Orana, Riverina and Murray, and Riverina. Bellingen is part of the Mid North Coast Joint Organisation, comprising of Port Macquarie-Hastings and Kempsey Councils.

The State's joint organisation network was officially launched at a forum attended by senior parliamentarians, government officials and joint organisation chairs at Parliament House on 16 August 2018.

The new voluntary partnerships, involving 90 per cent of eligible councils, will benefit local communities across regional NSW by working across traditional council boundaries.



Council's submission had a strong focus on a number of key financial benchmarks to determine if Council is 'Fit for the Future'. By implementing a number of strategies Council was able to satisfy each of the 7 benchmarks in its 2016 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'.



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 1,602 square kilometres with a coastline of approximately 15km. The region is renowned for its ecological diversity with State Forests and National Parks covering over 53% of the local government area. The original inhabitants of the Bellingen area were the Gumbaynggirr Aboriginal people.

For 2020, the estimated resident population of the Shire is 13,141. Since the previous year, the population has grown by 1.14%. This compares to a 0.83% growth rate in Regional NSW. This growth is not evenly distributed though on either a geographical, or age basis, with population growth occurring disproportionately in the Bellingen Valley and Seaboard regions, and focused in the over 60 age demographic. Areas such as the Dorrigo plateau continued a trend of population decline.

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.

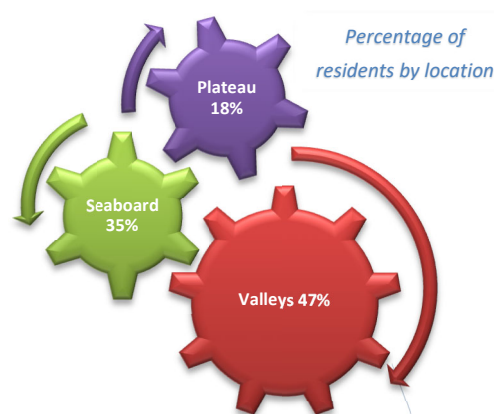
Our Community Vision acknowledges the community's vision for the Shire as one that is Connected, Sustainable and Creative.

Industry Employment

The Bellingen Shire has an emerging economy with traditional and non-traditional industries. The 2016 Census data states that health care and social assistance is the highest employment industry at 16.8%, followed by Education and Training at 11.1% and Retail Trade at 9.8%.

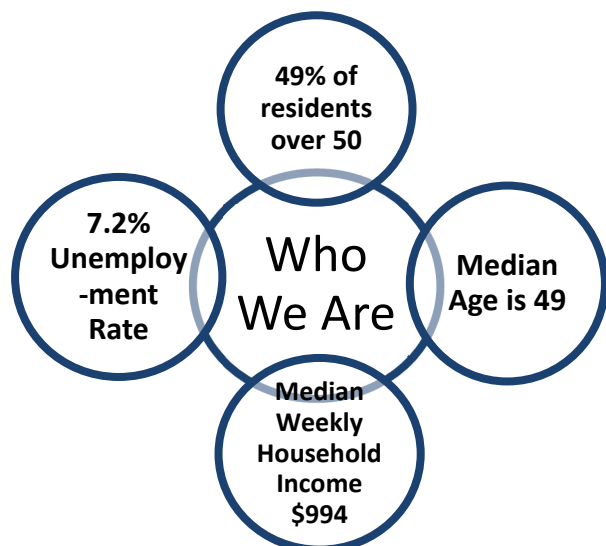
The Shire, while still strong in its traditional farming roots, is slowly transitioning into a tourism destination. Key attractions in the Shire include the World Heritage Listed Dorrigo National Park, the Dorrigo Rainforest Centre, beaches, national parks and reserves, cultural attractions and a successful 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.

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.

Demographics and Trends

The index of relative socio-economic disadvantage (SEIFA) highlights the Shire as being ranked in the bottom 50% of the most disadvantaged LGAs in the State. The Shire sits at 966 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 935 and Dorrigo at 920).

The 55-59 age group is the largest percentage in our Shire sitting at 9% (ABS: 2016) with 49% of the Shire aged 50 years or older.

According to the NSW Department of Planning and Environment the projected growth for the Bellingen Shire is 0.38% to the year 2026.

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 2020, Council has 149 approved positions in a range of professions.

Bellingen Shire Council manages a diverse portfolio of assets valued at over \$0.5 Billion (as at 30 June 2020). A snapshot of our infrastructure asset base includes:



Key Assumptions

Impact of COVID-19/Flooding

COVID-19 and the recent flood events has introduced an element of uncertainty into the annual planning and budgeting processes. The impacts felt by these events are in addition to economic and social impacts felt from recent bushfires and drought during the 2019/20 and 2020/21 financial years. Council's finances have been impacted by the response to these event in supporting the community. Accordingly, the

documents being presented to Council and subsequently to the community, represent the organisation's best efforts in defining what activities and programs Council is able to progress, and the Council response to the evolving situation within the resources available.

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 Peg
- 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 0.38%. 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)	Reserve Bank of Australia (RBA) Forecasts	2.50%
Salaries and Employee Oncosts	Award increases and performance based increases	2.00% - 21/22 2.50% (years 2-10)
Interest Rate Income	Market estimate	2.00% - 3.50%
Rate Pegging (General Rates Income)	Independent Pricing and Regulatory Tribunal (IPART) and Dept. Local Government figures	2.00% - 21/22 2.5% - Years 2-10
Fees and Charges Income	As per wages above + TCorp Recommendation	3.50% were appropriate

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 – Introduce special rate variation (SRV) in 2023 and 2024 for Emergency Services Levy
- Model 2 – No new special rate variations (SRV)

2.2 Model 1 – Introduce SRV in 2023 and 2024 for Emergency Services Levy (ESL)

'Model 1' is the base model used throughout this document and assumes a 6% SRV in both the 2023/24 and 2024/25 years to cover the costs of the Emergency Services Levy (total of 12%).

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 – No new Special Rate Variation

The purpose of 'Model 2' is to model the impact on Council's financial position if Council was not to include any new Special Rate Variations in the 10 year plan.

3.0 Current Financial Position

Council has seen an improvement in the operating result over recent 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 \$0.85M in 2020, a net improvement of \$8.1M.

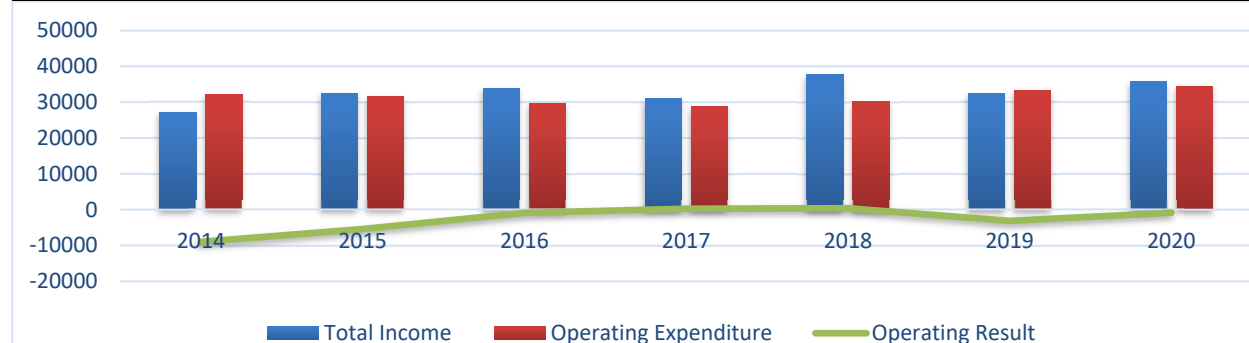
Net improvement to operating result of \$8.1M over past 6 years!

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

Table 3.1 Financial summary as at 30 June 2020 (Source: BSC Financial Statements 19/20)

INCOME STATEMENT		\$'000
Total Income from Continuing Operations (including capital)		35,690
Total Expenditure from Continuing Operations		34,482
Net Operating Result for the year (including capital)		1,208
Net Operating Result Excluding Capital Revenue		-850
BALANCE SHEET		\$'000
Total Current Assets		33,012
Total Non-Current Assets		460,032
Total Current Liabilities		9,627
Total Non-Current Liabilities		6,763
Total Equity		476,654
CASH FLOW STATEMENT		\$'000
Net Cash Provided - Operating Activities		7,122
Net Cash Used - Investing Activities		1,216
Net Cash Provided - Financing Activities		-738
Net Increase in Cash		7,600
Cash - Beginning of Year		1,376
Cash End of Year		8,976
Investments on Hand - End of Year		16,919
Total Cash, Cash Equivalents & Investments		25,895

Income/Expense Summary	2014	2015	2016	2017	2018	2019	2020
Total Income (Incl. Capital)	27,276	32,486	33,966	30,951	37,684	32,395	35,690
Total Expenditure	32,152	31,604	29,571	28,699	30,084	33,148	34,482
Operating Result (Excl. Capital Income)	-8,963	-5,438	-919	277	430	-3,131	-850

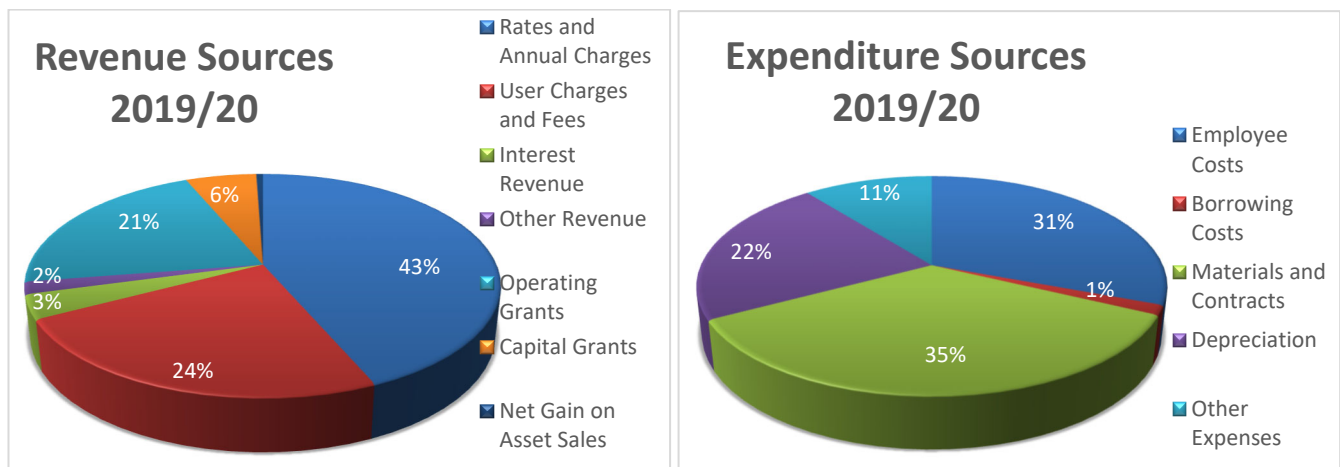


Significant achievements impacting the improvement in results have included:

- Successful Special Rate Variation Applications:
 - 2015 - 11.3% rate rise generating \$650K
 - 2018 – 6% rate rise generating \$342K
 - 2019 - 6% rate rise generating \$291K
 - 2020 – 6% rate rise generating \$269K
- Revaluation of Roads, Bridges, Footpaths and Drainage
- Derecognition of Rural Fire Service assets
- Review of fees and charges
- Increase in Roads and Maritime Services state road works
- Shift in operational works to capital works
- Energy efficiency initiatives \$580K 2013 ↓ \$404K 2020
- Improvement in workers compensation premiums \$703K in 2012 ↓ \$296K 2020

The following pie graphs show the breakup of Council’s Income and Expenditure sources for the 2019/20 year:

Table 2.2 Graph of Income and Expenditure as at 30 June 2020 (Source: BSC Financial Statements 19/20)



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 - Council's costs continue to exceed the rate peg due to the cost of providing services increasing at rates higher than that of rate peg (wages etc.)
- 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.
- 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;
- 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 \$240K 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 3.3% special rate increase.
- Low SEIFA ranking – The index of relative socio-economic disadvantage (SEIFA) highlights the Shire as being ranked in the bottom 50% of the most disadvantaged LGAs in the State. The Shire sits at 966 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 935 and Dorrigo at 920). This ranking means Council has to be considerate of the community's 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). IPART has set the 2021/22 rate peg at 2.0%.

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 2.0% plus a SRV catchup from the 2020/21 year of 3.4% in 2021/22 (total of 5.4%). Income generation from rating is then assumed to increase by rate peg in 2022/23 followed by 2 years of 6% SRV's inclusive of rate peg, returning to the annual rate peg limit from 2025/26 onwards.

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 received 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 a further 6% SRV for years 2018/19, 2019/20 and 2020/21 (2020/21 SRV delayed to 2021/22). The additional income generated will allow Council to attend to urgent road resurfacing works that has been both assessed and prioritised. This will also allow a greater focus on the strategic management of its infrastructure while putting steps in place to ensure that any renewal requirements are addressed.

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

Table 4.1: Forecast Rate Increases



In consideration of the application for a SRV, Council has considered the community's capacity to pay based on 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 \$1.40.

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 based on 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 5% increase to the kerb side domestic waste service in 2021/22 and a 3.5% 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, benchmarked its fees and charges with other councils and service providers, and improved the format of the fees and charges.

4.3 Interest Revenue and Investments

It is estimated that the average cash and investments held throughout the 10 year plan will be \$23M. 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: Investment Returns 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;
- 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.

For financial years 2021/22 to 2023/24 Council is expected significant grant revenues for the following projects:

- | | |
|---|---------|
| • Fixing Country Bridges/Bridge Renewal Program | \$20.8M |
| • Sewering Coastal Villages | \$10.0M |
| • Memorial Hall Grant Funding | \$ 2.1M |

Contributions

The Section 7.12 Developer Contribution Plan (S.7.12) 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 plans have been reviewed during 2020/21 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 2017 and grade/step progression under Council's salary structure. The budget factors in a 2.0% increase to overall employee costs in 2021/22 and 2% for the remainder of the LTFP. This assumes that wages will continue to increase in line with the NSW Local Government (State) Award 2017 until such time a new Award is negotiated.

All associated employee costs have also been increased by 2.0%, 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 2020/21 after which they will increase by 0.5% until they reach 12% in 2025/26.

Table 5.1: Employee Cost Increase Assumptions

	2021/22	2022/23	2023/24	2024/25	2025/26 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	10.0%	10.50%	11.00%	11.50%	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 2021/2022 is \$39,500 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 \$6.3 million as at 30 June 2020. 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
Infrastructure Renewal Program 2021/2022	\$2,000,000	10 Years
Mylestom, Repton Sewerage Scheme 2021/22	\$2,500,000	10 Years
Mylestom, Repton Sewerage Scheme 2022/23	\$3,500,000	10 Years
Memorial Hall 2021/2022 (possible use of internal borrowings – Water Fund)	\$2,100,000	10 Years
Infrastructure Renewal Program 2022/2023	\$3,000,000	10 Years
Infrastructure Renewal Program 2023/2024	\$2,000,000	10 Years

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.

No allowance has been made for the impact of the transfer of the old pacific highway in the forecast depreciation figures.

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

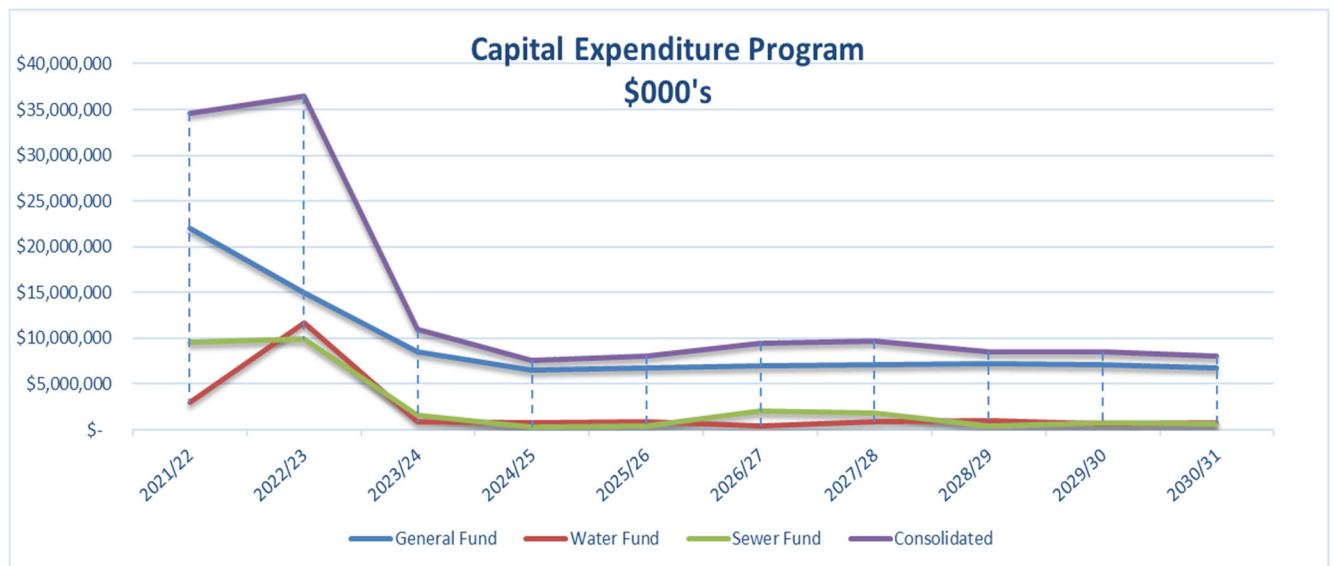
Infrastructure (assets) expenditure will progressively be mapped against maintenance and renewal programs recommended by respective asset management plans. In accordance with Council's asset

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 16).

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 the General Fund by 2025.

Calculation

- $\text{Total continuing operating revenue (exc. capital grants and contributions) less operating expenses} \div \text{total continuing operating revenue (exc. capital grants and contributions)}$

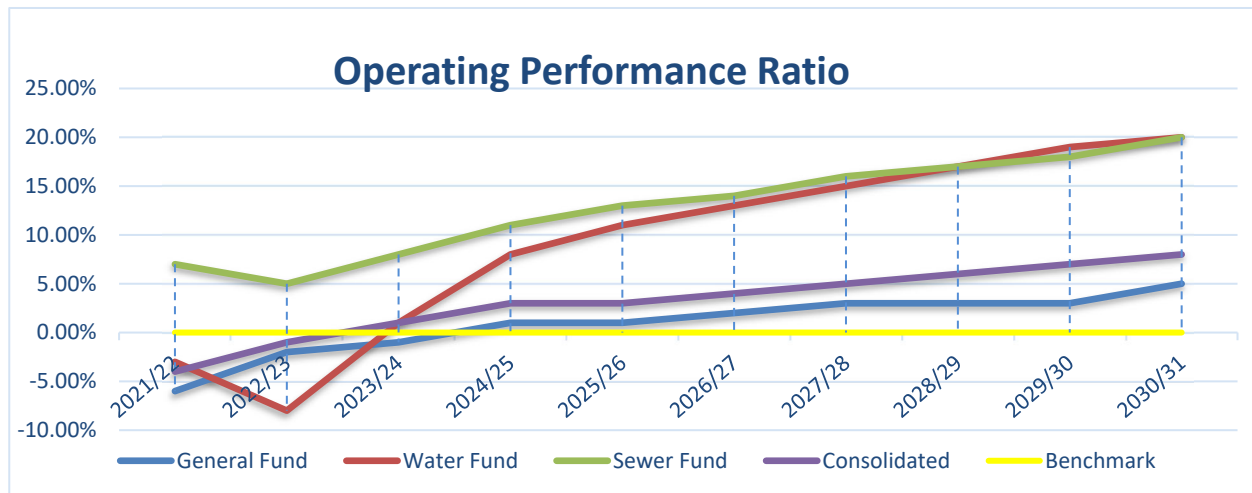
Sustainable Performance Target

- \geq break even

Table 6.1: Operating Performance Ratio Forecast

	2021/22	2022/23	2023/24	2024/25	2025/26
General Fund	-6%	-2%	-1%	1%	1%
Water Fund	-3%	-8%	1%	8%	11%
Sewer Fund	7%	5%	8%	11%	13%
Consolidated	-4%	-1%	1%	3%	3%

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 for Councils General Fund has been achieved on average across the 10 year LTFP. This is being driven by an increase in rating revenue and other fees and charges.

Calculation

- $\text{Total continuing operating revenue less all grants and contributions} \div \text{total continuing operating revenue inclusive of capital grants and contributions}$

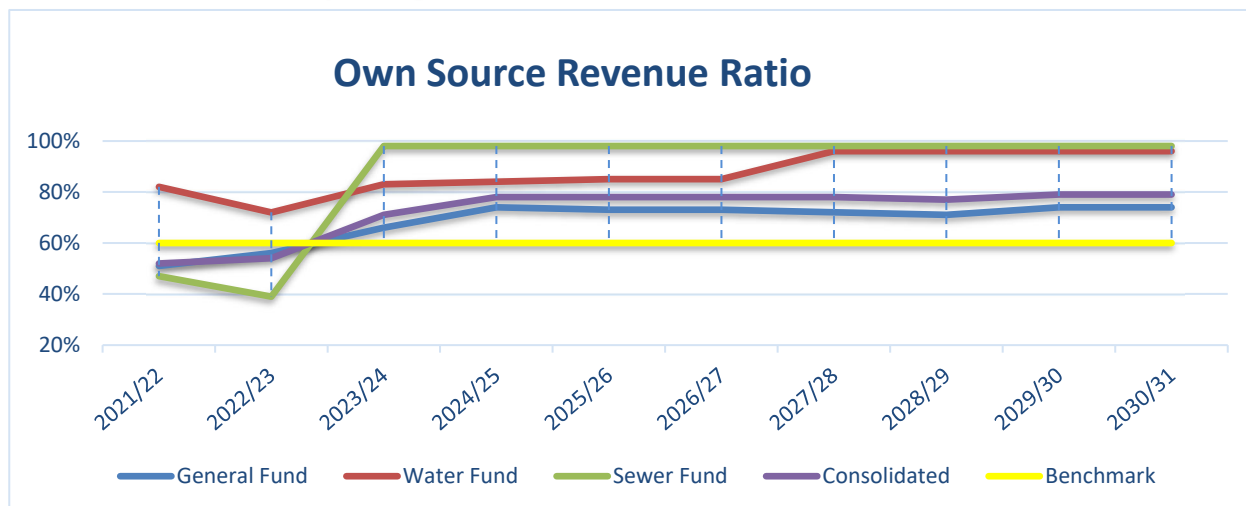
Sustainable Performance Target

- > 60%

Table 6.1.2: Own Source Operating Revenue Ratio Forecast

	2021/22	2022/23	2023/24	2024/25	2025/26
General Fund	51%	56%	66%	74%	73%
Water Fund	82%	72%	83%	84%	85%
Sewer Fund	47%	39%	98%	98%	98%
Consolidated	52%	54%	71%	78%	78%

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 LTFP averages 85% over the 10 years for Council's General Fund. The below results are deemed sufficient based on renewal forecasts taking into account expected spikes in renewal funding and determined levels of service. It is hoped that grant revenue might boost this in the future to meet the benchmark target of 100%.

Calculation

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

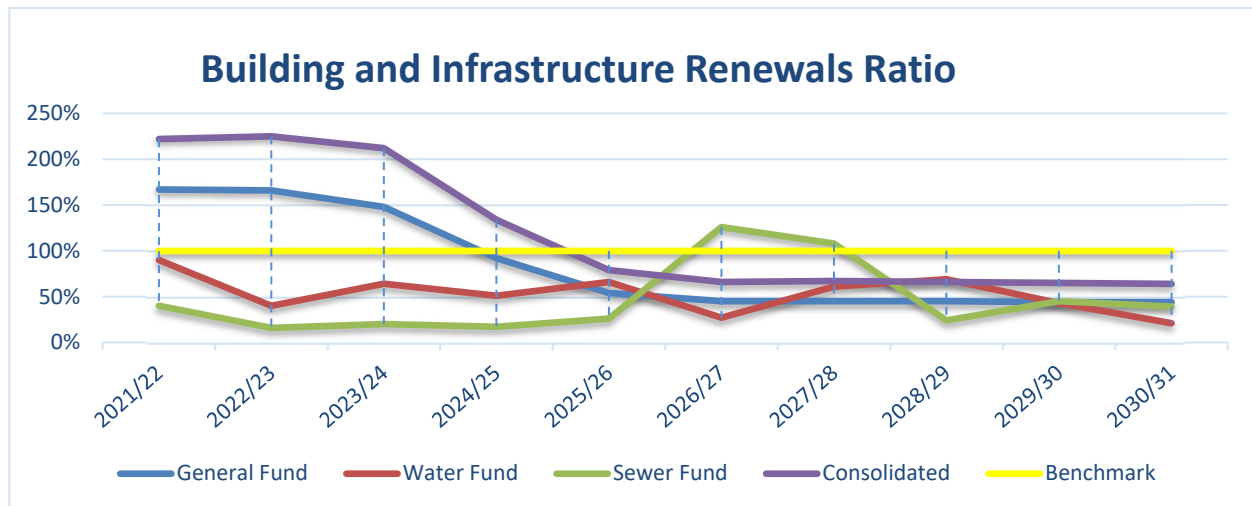
Sustainable Performance Target

- > 100%

Table 6.1.4: Building and Infrastructure Asset Renewal Ratio Forecast

	2021/22	2022/23	2023/24	2024/25	2025/26
General Fund	167%	166%	148%	92%	54%
Water Fund	90%	40%	64%	51%	66%
Sewer Fund	40%	16%	20%	17%	26%
Consolidated	222%	225%	212%	134%	79%

Table 6.1.5: Building and Infrastructure Asset Renewal Ratio Forecast



6.1.4 Debt Service Cover Ratio

The Debt Service Cover Ratio is used to measure the availability of operating cash to service debt including interest, principal and lease payments. It also shows the commitment of future revenue necessary to fund long term obligations. Council's LTFP averages 4.3 over the 10 years, well above the minimum benchmark of 1.5 set by the OLG. The graph below includes current borrowing repayments and proposed future borrowings repayments for loans totalling \$15.1 million, for the purpose of addressing the infrastructure renewal requirements.

Calculation

- Cost result before capital excl. interest and depreciation ÷ loan principle repayments

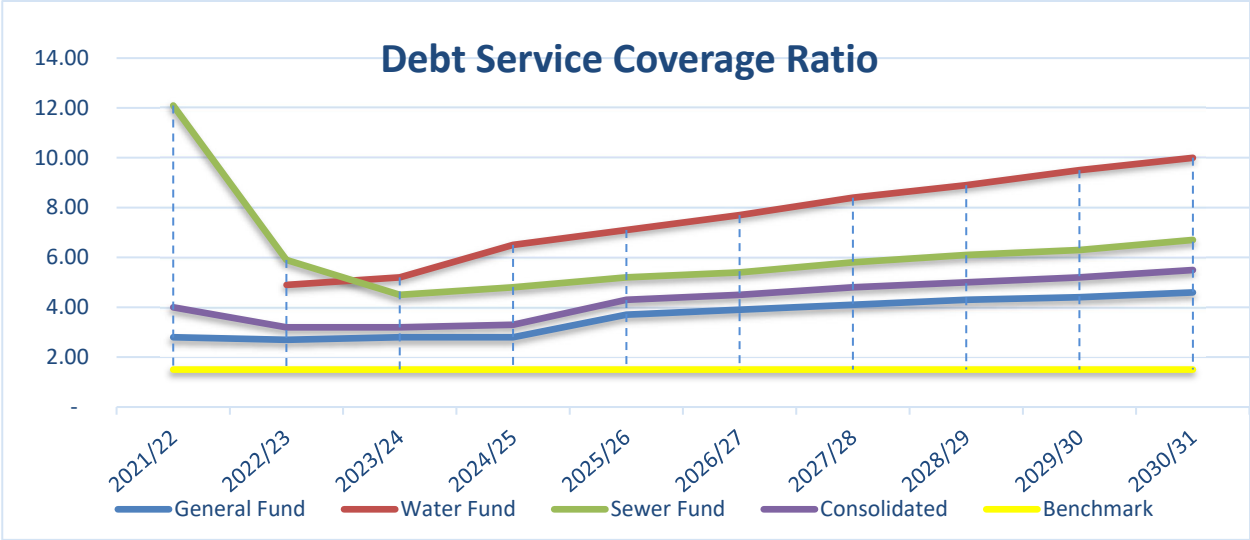
Sustainable Performance Target

- Maintain a ratio above 1.5 at all times

Table 6.7: Debt Service Cover Ratio Forecast

	2021/22	2022/23	2023/24	2024/25	2025/26
General Fund	2.80	2.70	2.80	2.80	3.70
Water Fund	-	4.90	5.20	6.50	7.10
Sewer Fund	12.10	5.90	4.50	4.80	5.20
Consolidated	4.00	3.20	3.20	3.30	4.30

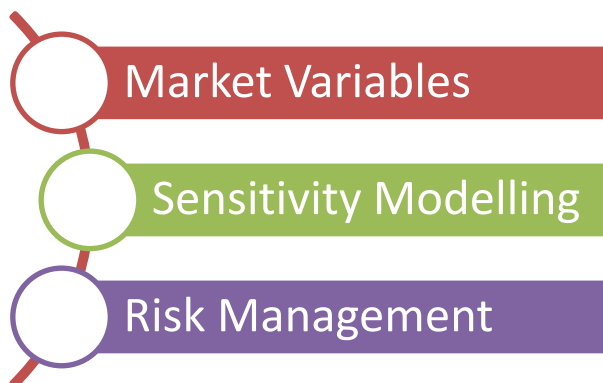
Table 6.8: Debt Service Ratio Forecast



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 (2030/31) 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 33% of projected 2021/22 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 2.0% 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 \$5M over the 10 years ending 2030/31 of the LTFP.

7.2 Rates and Annual Charges Revenue

Rates and Annual Charges revenue makes up over 52% of the projected 2021/22 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 2.0% in 2021/22 plus a permanent 3.4% SRV catchup for 2021/22 and additional 6% rises in 2023/24 and 2024/25. 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. 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 \$10M over the 10 years ending 2030/31 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 \$3M over the 10 years ending 2030/31 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 8% and 1% of Council's total revenue in 2021/22.

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 2024. 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 2031 INCOME STATEMENT - CONSOLIDATED Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL	Actuals 2019/20 \$	Current Year 2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$	Projected Years 2025/26 \$						2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$
Income from Continuing Operations																	
Revenue:																	
Rates & Annual Charges	15,528,000	15,799,308	16,531,466	17,139,950	18,401,110	19,315,501	19,904,979	20,512,430	21,135,811	21,717,531	22,315,055	22,950,010					
User Charges & Fees	8,490,000	8,151,948	8,373,612	8,666,170	8,980,945	9,289,565	9,476,386	9,742,019	10,015,297	10,296,447	10,585,701	10,868,014					
Other Revenues	363,000	484,108	532,476	548,451	564,904	579,075	593,601	608,491	623,756	639,404	655,444	671,887					
Grants & Contributions provided for Operating Purposes	7,546,000	6,644,830	6,169,375	6,324,393	6,479,056	6,606,289	6,802,519	6,953,713	7,108,801	7,267,880	7,431,051	7,617,468					
Grants & Contributions provided for Capital Purposes	2,058,000	9,337,705	17,599,939	16,650,148	5,096,694	1,756,436	2,016,422	2,126,656	1,987,148	2,747,900	1,558,922	1,620,219					
Interest & Investment Revenue	1,242,000	728,547	471,194	295,944	335,389	458,271	521,108	568,419	721,263	853,953	998,934	1,167,163					
Other Income:																	
Net Gains from the Disposal of Assets	195,000	-	-	-	-	-	-	-	-	-	-	-					
Rental Income	140,000	-	-	-	-	-	-	-	-	-	-	-					
Total Income from Continuing Operations	35,562,000	41,146,445	49,678,063	49,625,056	39,858,098	38,005,135	39,315,013	40,511,727	41,592,075	43,523,114	43,545,108	44,894,761					
Expenses from Continuing Operations																	
Employee Benefits & On-Costs	10,594,000	11,116,555	11,130,884	11,150,522	11,258,532	11,483,703	11,713,377	11,947,644	12,186,597	12,430,329	12,678,936	12,932,515					
Borrowing Costs	487,000	444,740	456,150	503,166	512,094	476,729	413,680	368,386	315,090	256,731	199,734	142,331					
Materials & Contracts	12,087,000	11,752,761	10,280,059	10,193,261	10,424,272	10,606,336	10,869,058	11,165,300	11,414,223	11,696,993	12,013,781	12,283,760					
Depreciation & Amortisation	7,644,000	7,765,072	7,500,012	7,775,012	8,284,513	8,450,203	8,619,207	8,791,591	8,967,423	9,146,771	9,329,707	9,516,301					
Other Expenses	3,428,000	3,807,308	4,022,146	3,954,449	4,053,310	4,154,643	4,358,509	4,364,972	4,474,096	4,585,949	4,800,598	4,818,112					
Fair value decrement on investment properties	114,000	-	-	-	-	-	-	-	-	-	-	-					
Total Expenses from Continuing Operations	34,354,000	34,886,435	33,389,250	33,576,409	34,532,721	35,171,614	35,973,832	36,637,893	37,357,429	38,116,774	39,022,755	39,693,020					
Operating Result from Continuing Operations	1,208,000	6,260,010	16,288,813	16,048,646	5,325,378	2,833,521	3,341,182	3,873,834	4,234,646	5,406,340	4,522,353	5,201,741					
Net Operating Result for the Year	1,208,000	6,260,010	16,288,813	16,048,646	5,325,378	2,833,521	3,341,182	3,873,834	4,234,646	5,406,340	4,522,353	5,201,741					
Net Operating Result before Grants and Contributions provided for Capital Purposes	(850,000)	(3,077,695)	(1,311,126)	(601,502)	228,683	1,077,085	1,324,760	1,747,178	2,247,498	2,658,440	2,963,431	3,581,522					

Attachment 2 – ‘Model 1’ Projected Income Statement ‘General Fund’
Bellingham Shire Council
10 Year Financial Plan for the Years ending 30 June 2031
INCOME STATEMENT - GENERAL FUND
Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL

	Actuals 2019/20	Current Year 2020/21	2021/22	2022/23	2023/24	2024/25	Projected Years					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	11,460,000	11,728,900	12,317,639	12,796,251	13,642,676	14,373,743	14,775,087	15,189,464	15,614,701	16,051,068	16,499,345	16,959,829
User Charges & Fees	6,598,000	5,967,854	6,113,198	6,194,192	6,277,616	6,332,154	6,388,568	6,548,282	6,711,989	6,879,788	7,051,783	7,228,078
Other Revenues	339,000	475,361	523,467	539,171	555,346	569,230	583,461	598,047	612,999	628,324	644,032	660,132
Grants & Contributions provided for Operating Purposes	7,173,000	6,542,803	6,068,288	6,220,273	6,371,812	6,495,828	6,688,744	6,836,525	6,988,097	7,143,556	7,302,997	7,485,572
Grants & Contributions provided for Capital Purposes	1,968,000	8,809,654	12,625,191	9,368,169	4,460,903	1,117,250	1,373,756	1,480,424	1,837,259	2,594,265	1,401,446	1,458,806
Interest & Investment Revenue	410,000	281,720	169,584	170,892	198,792	227,511	228,754	237,894	288,468	351,312	410,542	487,285
Other Income:												
Net Gains from the Disposal of Assets	195,000	-	-	-	-	-	-	-	-	-	-	-
Fair value increment on investment properties	128,000	-	-	-	-	-	-	-	-	-	-	-
Rental Income	140,000	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities - Gain	-	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	28,411,000	33,806,292	37,817,367	35,288,949	31,507,146	29,115,716	30,038,369	30,890,636	32,053,512	33,648,312	33,310,144	34,279,701
Expenses from Continuing Operations												
Employee Benefits & On-Costs	7,891,000	8,567,613	8,417,045	8,352,406	8,519,455	8,689,844	8,863,641	9,040,913	9,221,732	9,406,166	9,594,290	9,786,176
Borrowing Costs	487,000	444,740	437,400	446,313	431,940	405,131	350,765	314,286	269,937	220,661	172,883	124,838
Materials & Contracts	10,821,000	10,652,537	9,187,290	9,020,468	9,224,501	9,378,960	9,613,434	9,880,770	10,100,114	10,352,617	10,638,432	10,876,718
Depreciation & Amortisation	5,652,000	5,661,820	5,360,729	5,414,336	5,706,623	5,820,755	5,937,170	6,055,914	6,177,032	6,300,573	6,426,584	6,555,116
Impairment of investments	-	-	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	3,021,000	3,103,441	3,300,681	3,249,948	3,331,197	3,414,477	3,599,839	3,587,335	3,677,018	3,768,944	3,963,167	3,959,746
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation decrement/impairment of IPPE	-	-	-	-	-	-	-	-	-	-	-	-
Fair value decrement on investment properties	242,000	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities - Loss	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	28,114,000	28,430,151	26,703,145	26,483,471	27,213,716	27,709,166	28,364,849	28,879,218	29,445,833	30,048,960	30,795,356	31,302,594
Operating Result from Continuing Operations	297,000	5,376,140	11,114,222	8,805,477	4,293,430	1,406,550	1,673,520	2,011,418	2,607,679	3,599,352	2,514,788	2,977,108
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	297,000	5,376,140	11,114,222	8,805,477	4,293,430	1,406,550	1,673,520	2,011,418	2,607,679	3,599,352	2,514,788	2,977,108
Net Operating Result before Grants and Contributions provided for Capital Purposes	(1,671,000)	(3,433,514)	(1,510,969)	(562,692)	(167,473)	289,300	299,764	530,994	770,420	1,005,087	1,113,342	1,518,301

Attachment 3 – ‘Model 1’ Projected Income Statement ‘Water Fund’

Bellinghen Shire Council

10 Year Financial Plan for the Years ending 30 June 2031

INCOME STATEMENT - WATER FUND

Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL

	Actuals 2019/20	Current Year 2020/21	2021/22	2022/23	2023/24	2024/25	Projected Years					
	\$	\$	\$	\$	\$	\$	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
							\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	618,000	567,116	587,469	608,549	630,384	652,998	676,420	700,679	725,805	751,828	778,781	802,144
User Charges & Fees	1,694,000	1,984,146	2,053,591	2,258,950	2,484,845	2,733,329	2,857,996	2,958,026	3,061,557	3,168,711	3,279,616	3,378,004
Other Revenues	14,000	8,747	9,009	9,279	9,558	9,845	10,140	10,444	10,757	11,080	11,413	11,755
Grants & Contributions provided for Operating Purposes	373,000	56,909	58,616	60,374	62,185	64,051	65,973	67,952	69,990	72,090	74,253	76,480
Grants & Contributions provided for Capital Purposes	63,000	488,051	588,248	1,062,455	592,716	595,034	597,410	599,845	102,341	104,899	107,522	110,210
Interest & Investment Revenue	653,000	315,096	236,096	76,191	89,399	136,522	162,441	202,467	269,946	285,844	325,642	363,642
Other Income:												
Net Gains from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Fair value increment on investment properties	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities - Gain	-	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	3,415,000	3,420,063	3,533,029	4,075,798	3,869,086	4,191,778	4,370,379	4,539,412	4,240,396	4,394,453	4,577,226	4,742,236
Expenses from Continuing Operations												
Employee Benefits & On-Costs	1,428,000	1,223,374	1,378,112	1,405,674	1,318,788	1,345,163	1,372,067	1,399,508	1,427,498	1,456,048	1,485,169	1,514,872
Borrowing Costs	-	-	-	21,977	26,843	23,994	21,101	18,165	15,184	12,159	9,088	5,971
Materials & Contracts	687,000	482,058	459,150	468,333	477,699	487,253	496,998	506,938	517,077	527,419	537,967	548,726
Depreciation & Amortisation	796,000	791,739	814,656	1,022,803	1,063,259	1,084,524	1,106,214	1,128,339	1,150,906	1,173,924	1,197,402	1,221,350
Impairment of investments	-	-	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	219,000	372,943	382,267	341,824	350,369	359,128	368,107	377,309	386,742	396,411	406,321	416,479
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities - Loss	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	3,130,000	2,870,115	3,034,185	3,260,610	3,236,958	3,300,063	3,364,487	3,430,259	3,497,407	3,565,960	3,635,947	3,707,398
Operating Result from Continuing Operations	285,000	549,948	498,844	815,188	632,128	891,716	1,005,892	1,109,153	742,989	828,493	941,279	1,034,837
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	285,000	549,948	498,844	815,188	632,128	891,716	1,005,892	1,109,153	742,989	828,493	941,279	1,034,837
Net Operating Result before Grants and Contributions provided for Capital Purposes	222,000	61,898	(89,404)	(247,266)	39,412	296,682	408,482	509,308	640,648	723,593	833,757	924,627

Attachment 4 – ‘Model 1’ Projected Income Statement ‘Sewer Fund’

Bellingham Shire Council 10 Year Financial Plan for the Years ending 30 June 2031 INCOME STATEMENT - SEWER FUND Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	3,450,000	3,503,293	3,626,359	3,735,149	4,128,050	4,288,760	4,453,472	4,622,286	4,795,306	4,914,634	5,036,930	5,188,038
User Charges & Fees	198,000	199,948	206,823	213,028	218,485	224,082	229,823	235,711	241,752	247,947	254,302	261,931
Other Revenues	10,000	-	-	-	-	-	-	-	-	-	-	-
Grants & Contributions provided for Operating Purposes	-	45,118	42,472	43,746	45,058	46,410	47,802	49,236	50,713	52,235	53,802	55,416
Grants & Contributions provided for Capital Purposes	27,000	40,000	4,386,500	6,219,525	43,076	44,153	45,256	46,388	47,547	48,736	49,955	51,203
Interest & Investment Revenue	179,000	131,731	65,514	48,861	47,198	94,238	129,913	128,058	162,849	216,797	262,750	316,236
Other Income:												
Net Gains from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Fair value increment on investment properties	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities - Gain	-	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	3,864,000	3,920,090	8,327,667	10,260,309	4,481,866	4,697,641	4,906,265	5,081,679	5,298,167	5,480,349	5,657,738	5,872,824
Expenses from Continuing Operations												
Employee Benefits & On-Costs	1,275,000	1,325,567	1,335,727	1,392,441	1,420,290	1,448,696	1,477,670	1,507,223	1,537,367	1,568,115	1,599,477	1,631,467
Borrowing Costs	-	-	18,750	34,876	53,310	47,605	41,814	35,935	29,968	23,912	17,764	11,523
Materials & Contracts	579,000	618,165	633,619	704,460	722,071	740,123	758,626	777,592	797,032	816,957	837,381	858,316
Depreciation & Amortisation	1,196,000	1,311,512	1,324,627	1,337,874	1,514,631	1,544,924	1,575,822	1,607,339	1,639,485	1,672,275	1,705,721	1,739,835
Impairment of investments	-	-	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	188,000	330,924	339,197	362,677	371,744	381,038	390,564	400,328	410,336	420,595	431,109	441,887
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities - Loss	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	3,238,000	3,586,169	3,651,921	3,832,328	4,082,047	4,162,385	4,244,495	4,328,417	4,414,189	4,501,853	4,591,452	4,683,028
Operating Result from Continuing Operations	626,000	333,921	4,675,747	6,427,981	399,820	535,256	661,770	753,263	883,978	978,496	1,066,286	1,189,796
Discontinued Operations - Profit/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	626,000	333,921	4,675,747	6,427,981	399,820	535,256	661,770	753,263	883,978	978,496	1,066,286	1,189,796
Net Operating Result before Grants and Contributions provided for Capital Purposes	599,000	293,921	289,247	208,456	356,744	491,103	616,514	706,875	836,430	929,760	1,016,332	1,138,593

Attachment 5 – ‘Model 1’ Projected Balance Sheet

Bellinghen Shire Council 10 Year Financial Plan for the Years ending 30 June 2031 BALANCE SHEET - CONSOLIDATED Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	8,976,000	2,957,395	1,500,000	1,885,292	2,019,306	1,412,154	1,654,905	1,797,398	2,081,081	2,668,153	2,981,912	3,404,814
Investments	16,919,000	18,020,093	14,697,456	10,592,144	12,577,324	13,148,505	13,728,122	13,984,614	14,490,374	16,456,450	18,018,323	20,422,496
Receivables	6,255,000	4,205,753	4,356,585	4,382,393	4,415,023	4,419,629	4,512,962	4,629,408	4,767,228	4,935,222	5,029,492	5,180,652
Inventories	462,000	359,928	313,991	310,135	316,915	322,292	329,977	338,619	345,904	354,157	363,381	371,261
Contract assets	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Other	-	20,617	18,716	18,390	18,818	19,174	19,803	20,185	20,648	21,164	21,884	22,236
Total Current Assets	33,012,000	25,963,786	21,286,749	17,588,355	19,747,385	19,721,754	20,645,769	21,170,225	22,105,237	24,835,146	26,814,992	29,801,459
Non-Current Assets												
Investments	3,100,000	8,081,328	7,048,786	2,624,515	2,895,690	4,104,695	5,197,074	5,865,647	6,371,407	7,556,926	8,818,890	10,220,829
Receivables	281,000	156,148	260,623	272,357	291,527	308,468	317,868	327,178	336,745	346,457	356,447	366,518
Infrastructure, Property, Plant & Equipment	452,951,000	465,637,131	492,762,718	521,496,223	524,160,041	523,302,886	522,738,860	523,426,387	524,198,698	523,622,207	522,797,873	521,387,213
Investment Property	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000
Intangible Assets	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000	1,070,000
Total Non-Current Assets	460,032,000	477,574,608	503,772,126	528,093,095	531,047,258	531,416,050	531,953,803	533,319,212	534,606,850	535,225,590	535,673,210	535,674,560
TOTAL ASSETS	493,044,000	503,538,394	525,058,875	545,681,450	550,794,644	551,137,804	552,599,572	554,489,437	556,712,087	560,060,736	562,488,202	565,476,019
LIABILITIES												
Current Liabilities												
Payables	5,022,000	4,589,668	4,370,380	4,355,543	4,467,670	4,536,305	4,654,730	4,716,051	4,799,849	4,891,883	5,024,979	5,082,549
Contract liabilities	100,000	167,952	204,501	170,533	118,507	83,285	88,202	90,985	96,547	106,529	95,224	97,849
Borrowings	779,000	1,068,595	1,737,244	2,272,469	2,523,956	2,002,968	2,048,262	2,101,558	2,159,917	2,216,914	2,274,316	1,838,876
Provisions	3,726,000	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479	3,297,479
Total Current Liabilities	9,627,000	9,123,694	9,609,605	10,096,025	10,407,612	9,920,037	10,088,673	10,206,073	10,353,792	10,512,805	10,691,999	10,316,754
Non-Current Liabilities												
Payables	9,000	9,822	9,150	8,963	9,148	9,329	9,542	9,732	9,933	10,142	10,377	10,576
Borrowings	5,522,000	9,830,347	14,576,776	18,664,473	18,140,515	16,137,548	14,089,286	11,987,728	9,827,811	7,610,897	5,336,581	3,497,705
Provisions	1,232,000	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521	1,660,521
Total Non-Current Liabilities	6,763,000	11,500,690	16,246,447	20,333,956	19,810,184	17,807,398	15,759,349	13,657,980	11,498,264	9,281,560	7,007,479	5,168,801
TOTAL LIABILITIES	16,390,000	20,624,384	25,856,052	30,429,981	30,217,796	27,727,435	25,848,021	23,864,053	21,852,057	19,794,365	17,699,478	15,485,555
Net Assets	476,654,000	482,914,010	499,202,823	515,251,469	520,576,847	523,410,368	526,751,550	530,625,384	534,860,030	540,266,370	544,788,723	549,990,464
EQUITY												
Retained Earnings	279,558,000	285,818,010	302,106,823	318,155,469	323,480,847	326,314,368	329,655,550	333,529,384	337,764,030	343,170,370	347,692,723	352,894,464
Revaluation Reserves	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000	197,096,000
Council Equity Interest	476,654,000	482,914,010	499,202,823	515,251,469	520,576,847	523,410,368	526,751,550	530,625,384	534,860,030	540,266,370	544,788,723	549,990,464
Total Equity	476,654,000	482,914,010	499,202,823	515,251,469	520,576,847	523,410,368	526,751,550	530,625,384	534,860,030	540,266,370	544,788,723	549,990,464

Attachment 6 – ‘Model 1’ Projected Balance Sheet ‘General Fund’

Bellingen Shire Council												
10 Year Financial Plan for the Years ending 30 June 2031												
BALANCE SHEET - GENERAL FUND												
Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	2,320,000	1,104,307	500,000	885,292	1,075,737	500,000	500,000	500,000	665,213	988,836	1,022,159	1,133,519
Investments	4,372,000	9,938,765	7,648,671	7,967,629	9,681,634	9,043,810	8,531,048	8,118,967	8,118,967	8,899,524	9,199,433	10,201,667
Receivables	5,505,000	3,340,642	3,461,161	3,422,917	3,372,490	3,299,557	3,346,549	3,422,538	3,518,593	3,646,336	3,699,033	3,810,280
Inventories	300,000	286,209	243,776	238,515	243,863	247,779	253,973	261,096	266,830	273,501	281,112	287,347
Contract assets	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Other	-	20,617	18,716	18,390	18,818	19,174	19,803	20,185	20,648	21,164	21,884	22,236
Total Current Assets	12,897,000	15,090,540	12,272,324	12,932,743	14,792,543	13,510,320	13,051,373	12,722,785	12,990,251	14,229,362	14,623,621	15,855,049
Non-Current Assets												
Investments	801,000	-	-	-	-	-	-	-	-	-	-	-
Receivables	246,000	117,921	221,052	229,642	244,807	257,907	265,114	272,546	280,173	288,000	296,040	304,299
Infrastructure, Property, Plant & Equipment	374,086,000	382,386,032	399,061,902	408,639,283	411,408,241	412,164,659	412,990,170	413,927,124	414,844,876	415,745,707	416,378,496	416,526,396
Investment Property	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000
Intangible Assets	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000
Total Non-Current Assets	378,181,000	385,551,952	402,330,954	411,916,925	414,701,049	415,470,566	416,303,284	417,247,670	418,173,049	419,081,707	419,722,536	419,878,695
TOTAL ASSETS	391,078,000	400,642,492	414,603,278	424,849,668	429,493,591	428,980,886	429,354,657	429,970,455	431,163,300	433,311,069	434,346,157	435,733,744
LIABILITIES												
Current Liabilities												
Payables	4,861,000	4,382,636	4,161,917	4,138,953	4,245,915	4,309,263	4,422,272	4,478,048	4,556,167	4,642,387	4,769,528	4,820,999
Contract liabilities	100,000	167,952	204,501	170,533	118,507	83,285	88,202	90,985	96,547	106,529	95,224	97,849
Borrowings	779,000	1,068,595	1,501,967	1,704,629	1,947,561	1,417,888	1,454,368	1,498,717	1,547,994	1,595,771	1,643,816	1,333,953
Provisions	3,438,000	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479
Total Current Liabilities	9,178,000	8,620,662	8,869,864	9,015,594	9,313,463	8,811,916	8,966,321	9,069,229	9,202,188	9,346,166	9,510,047	9,254,281
Non-Current Liabilities												
Payables	9,000	9,822	9,150	8,963	9,148	9,329	9,542	9,732	9,933	10,142	10,377	10,576
Borrowings	5,522,000	9,830,347	12,428,380	13,723,751	13,776,190	12,358,302	10,903,934	9,405,217	7,857,223	6,261,452	4,617,636	3,283,683
Provisions	1,216,000	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521
Total Non-Current Liabilities	6,747,000	11,492,690	14,090,051	15,385,234	15,437,859	14,020,152	12,565,997	11,067,469	9,519,676	7,924,115	6,280,534	4,946,779
TOTAL LIABILITIES	15,925,000	20,113,352	22,959,915	24,400,828	24,751,322	22,832,068	21,532,318	20,136,698	18,721,864	17,270,281	15,790,581	14,201,060
Net Assets	375,153,000	380,529,140	391,643,362	400,448,840	404,742,269	406,148,819	407,822,339	409,833,757	412,441,436	416,040,788	418,555,576	421,532,683
EQUITY												
Retained Earnings	245,762,000	251,138,140	262,252,362	271,057,840	275,351,269	276,757,819	278,431,339	280,442,757	283,050,436	286,649,788	289,164,576	292,141,683
Revaluation Reserves	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000
Council Equity Interest	375,153,000	380,529,140	391,643,362	400,448,840	404,742,269	406,148,819	407,822,339	409,833,757	412,441,436	416,040,788	418,555,576	421,532,683
Total Equity	375,153,000	380,529,140	391,643,362	400,448,840	404,742,269	406,148,819	407,822,339	409,833,757	412,441,436	416,040,788	418,555,576	421,532,683

Attachment 7 - ‘Model 1’ Projected Balance Sheet ‘Water Fund’

Bellingen Shire Council												
10 Year Financial Plan for the Years ending 30 June 2031												
BALANCE SHEET - WATER FUND												
Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	4,626,000	1,353,088	500,000	500,000	443,569	543,015	642,547	797,398	876,787	956,502	1,078,561	1,207,365
Investments	8,720,000	6,088,897	5,673,044	1,669,031	1,996,060	2,443,566	2,891,459	3,588,293	3,945,540	4,304,259	4,853,522	5,433,141
Receivables	562,000	590,714	611,464	666,997	727,882	794,647	829,942	859,078	889,235	920,451	952,761	981,344
Inventories	162,000	73,719	70,216	71,620	73,052	74,513	76,004	77,524	79,074	80,656	82,269	83,914
Total Current Assets	14,070,000	8,106,418	6,854,724	2,907,648	3,240,564	3,855,740	4,439,952	5,322,293	5,790,635	6,261,867	6,967,113	7,705,764
Non-Current Assets												
Investments	1,598,000	6,088,897	5,673,044	1,669,031	1,996,060	2,443,566	2,891,459	3,588,293	3,945,540	4,304,259	4,853,522	5,433,141
Receivables	6,000	31,090	32,182	35,105	38,310	41,824	43,681	45,215	46,802	48,445	50,145	51,650
Infrastructure, Property, Plant & Equipment	39,580,000	41,550,112	43,713,956	54,334,128	54,116,120	53,751,846	53,531,131	52,864,042	52,581,387	52,376,839	51,857,437	51,364,962
Intangible Assets	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000
Total Non-Current Assets	41,510,000	47,996,099	49,745,183	56,364,264	56,476,489	56,563,235	56,792,272	56,823,550	56,899,728	57,055,543	57,087,105	57,175,753
TOTAL ASSETS	55,580,000	56,102,517	56,599,906	59,271,912	59,717,053	60,418,975	61,232,224	62,145,843	62,690,363	63,317,409	64,054,218	64,881,517
LIABILITIES												
Current Liabilities												
Payables	119,000	91,569	90,114	86,766	88,684	90,645	92,651	94,701	96,797	98,940	101,131	103,371
Borrowings	-	-	-	188,906	191,755	194,648	197,584	200,564	203,590	206,661	209,778	212,943
Provisions	132,000	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500
Total Current Liabilities	251,000	227,069	225,614	411,172	415,939	420,793	425,735	430,765	435,887	441,101	446,409	451,814
Non-Current Liabilities												
Borrowings	-	-	-	1,671,260	1,479,504	1,284,856	1,087,272	886,708	683,118	476,457	266,679	53,736
Provisions	7,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Total Non-Current Liabilities	7,000	3,500	3,500	1,674,760	1,483,004	1,288,356	1,090,772	890,208	686,618	479,957	270,179	57,236
TOTAL LIABILITIES	258,000	230,569	229,114	2,085,932	1,898,943	1,709,149	1,516,507	1,320,973	1,122,505	921,058	716,588	509,050
Net Assets	55,322,000	55,871,948	56,370,793	57,185,981	57,818,109	58,709,825	59,715,717	60,824,870	61,567,859	62,396,351	63,337,630	64,372,467
EQUITY												
Retained Earnings	20,720,000	21,269,948	21,768,793	22,583,981	23,216,109	24,107,825	25,113,717	26,222,870	26,965,859	27,794,351	28,735,630	29,770,467
Revaluation Reserves	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000	34,602,000
Total Equity	55,322,000	55,871,948	56,370,793	57,185,981	57,818,109	58,709,825	59,715,717	60,824,870	61,567,859	62,396,351	63,337,630	64,372,467

Attachment 8 - 'Model 1' Projected Balance Sheet 'Sewer Fund'

Bellingen Shire Council 10 Year Financial Plan for the Years ending 30 June 2031 BALANCE SHEET - SEWER FUND Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals 2019/20 \$	Current Year 2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$	Projected Years					
							2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$
ASSETS												
Current Assets												
Cash & Cash Equivalents	2,030,000	500,000	500,000	500,000	500,000	369,140	512,359	500,000	539,082	722,815	881,193	1,063,931
Investments	3,827,000	1,992,432	1,375,741	955,485	899,630	1,661,129	2,305,615	2,277,354	2,425,868	3,252,667	3,965,367	4,787,688
Receivables	188,000	274,397	283,960	292,479	314,650	325,425	336,470	347,793	359,401	368,435	377,697	389,028
Total Current Assets	6,045,000	2,766,828	2,159,701	1,747,964	1,714,279	2,355,694	3,154,444	3,125,147	3,324,350	4,343,917	5,224,257	6,240,646
Non-Current Assets												
Investments	701,000	1,992,432	1,375,741	955,485	899,630	1,661,129	2,305,615	2,277,354	2,425,868	3,252,667	3,965,367	4,787,688
Receivables	29,000	7,137	7,388	7,610	8,410	8,738	9,073	9,417	9,770	10,013	10,262	10,570
Infrastructure, Property, Plant & Equipment	39,285,000	41,700,988	49,986,860	58,522,812	58,635,681	57,386,382	56,217,560	56,635,221	56,772,436	55,499,661	54,561,940	53,495,855
Intangible Assets	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000
Total Non-Current Assets	40,341,000	44,026,557	51,695,990	59,811,906	59,869,721	59,382,249	58,858,248	59,247,992	59,534,073	59,088,340	58,863,569	58,620,112
TOTAL ASSETS	46,386,000	46,793,385	53,855,691	61,559,870	61,584,000	61,737,943	62,012,691	62,373,139	62,858,423	63,432,257	64,087,826	64,860,759
LIABILITIES												
Current Liabilities												
Payables	42,000	115,463	118,350	129,825	133,070	136,397	139,807	143,302	146,885	150,557	154,321	158,179
Borrowings	-	-	235,277	378,935	384,640	390,431	396,310	402,277	408,334	414,482	420,722	291,980
Provisions	156,000	160,500	160,500	160,500	160,500	160,500	160,500	160,500	160,500	160,500	160,500	160,500
Total Current Liabilities	198,000	275,963	514,127	669,259	678,210	687,328	696,617	706,079	715,718	725,538	735,543	610,659
Non-Current Liabilities												
Borrowings	-	-	2,148,396	3,269,462	2,884,821	2,494,390	2,098,080	1,695,803	1,287,470	872,988	452,266	160,286
Provisions	9,000	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Total Non-Current Liabilities	9,000	4,500	2,152,896	3,273,962	2,889,321	2,498,890	2,102,580	1,700,303	1,291,970	877,488	456,766	164,786
TOTAL LIABILITIES	207,000	280,463	2,667,023	3,943,221	3,567,531	3,186,218	2,799,197	2,406,382	2,007,688	1,603,026	1,192,309	775,445
Net Assets	46,179,000	46,512,921	51,188,668	57,616,649	58,016,468	58,551,724	59,213,495	59,966,757	60,850,735	61,829,231	62,895,517	64,085,314
EQUITY												
Retained Earnings	13,076,000	13,409,921	18,085,668	24,513,649	24,913,468	25,448,724	26,110,495	26,863,757	27,747,735	28,726,231	29,792,517	30,982,314
Revaluation Reserves	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000	33,103,000
Total Equity	46,179,000	46,512,921	51,188,668	57,616,649	58,016,468	58,551,724	59,213,495	59,966,757	60,850,735	61,829,231	62,895,517	64,085,314

Attachment 9 - 'Model 1' Projected Cash Flow Statement

Bellingen Shire Council 10 Year Financial Plan for the Years ending 30 June 2031 CASH FLOW STATEMENT - CONSOLIDATED Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals 2019/20 \$	Current Year 2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$	Projected Years					
							2025/26 \$	2026/27 \$	2027/28 \$	2028/29 \$	2029/30 \$	2030/31 \$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	15,180,000	15,956,859	16,495,984	17,127,268	18,370,795	19,297,914	19,889,664	20,496,670	21,119,614	21,703,865	22,300,998	22,934,937
User Charges & Fees	8,805,000	10,505,335	8,307,922	8,583,603	8,892,514	9,203,653	9,423,090	9,664,308	9,935,373	10,214,244	10,501,154	10,784,893
Investment & Interest Revenue Received	1,457,000	494,041	467,883	279,675	286,902	467,914	521,372	568,176	710,660	826,143	986,631	1,138,290
Grants & Contributions	8,344,000	16,050,486	23,805,864	22,940,573	11,523,724	8,327,503	8,823,857	9,083,153	9,101,510	10,025,762	8,978,668	9,240,312
Bonds & Deposits Received	4,000	-	-	-	-	-	-	-	-	-	-	-
Other	1,240,000	407,890	398,073	635,774	703,944	671,772	570,406	588,005	594,953	597,545	674,594	650,565
Payments:												
Employee Benefits & On-Costs	(10,466,000)	(11,218,718)	(11,138,143)	(11,152,845)	(11,256,687)	(11,481,821)	(11,711,457)	(11,945,686)	(12,184,600)	(12,428,292)	(12,676,858)	(12,930,395)
Materials & Contracts	(15,363,000)	(12,595,574)	(10,498,633)	(10,226,906)	(10,366,055)	(10,556,563)	(10,783,275)	(11,114,950)	(11,351,016)	(11,627,192)	(11,916,369)	(12,236,284)
Borrowing Costs	(537,000)	(388,523)	(415,759)	(483,206)	(508,158)	(502,678)	(432,572)	(387,764)	(335,059)	(277,357)	(220,996)	(164,233)
Other	(1,542,000)	(3,294,718)	(4,025,245)	(3,962,631)	(4,035,810)	(4,137,655)	(4,328,191)	(4,356,973)	(4,454,940)	(4,565,856)	(4,767,939)	(4,809,113)
Net Cash provided (or used in) Operating Activities	7,122,000	15,917,078	23,397,945	23,741,306	13,611,169	11,290,039	11,972,896	12,594,938	13,136,495	14,468,863	13,859,883	14,608,971
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	17,500,000	543,137	4,355,179	8,848,540	111,710	637,824	512,763	468,602	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	271,000	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Purchase of Investment Securities	(6,774,000)	(6,625,558)	-	(318,958)	(2,368,064)	(2,418,010)	(2,184,759)	(1,393,668)	(1,011,520)	(3,151,594)	(2,823,836)	(3,806,113)
Purchase of Investment Property	(47,000)	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(9,083,000)	(20,451,203)	(34,625,599)	(36,508,517)	(10,948,331)	(7,593,048)	(8,055,181)	(9,479,118)	(9,739,734)	(8,570,280)	(8,505,373)	(8,105,641)
Purchase of Intangible Assets	(651,000)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	1,216,000	(26,533,624)	(30,270,420)	(27,978,935)	(13,204,686)	(9,373,234)	(9,727,177)	(10,404,183)	(10,751,254)	(11,721,874)	(11,329,209)	(11,911,754)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	5,500,000	6,600,000	6,500,000	2,000,000	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	(738,000)	(902,059)	(1,184,921)	(1,877,079)	(2,272,469)	(2,523,956)	(2,002,968)	(2,048,262)	(2,101,558)	(2,159,917)	(2,216,914)	(2,274,316)
Net Cash Flow provided (used in) Financing Activities	(738,000)	4,597,941	5,415,079	4,622,921	(272,469)	(2,523,956)	(2,002,968)	(2,048,262)	(2,101,558)	(2,159,917)	(2,216,914)	(2,274,316)
Net Increase/(Decrease) in Cash & Cash Equivalents	7,600,000	(6,018,605)	(1,457,395)	385,292	134,014	(607,152)	242,751	142,493	283,683	587,072	313,760	422,901
plus: Cash & Cash Equivalents - beginning of year	1,376,000	8,976,000	2,957,395	1,500,000	1,885,292	2,019,306	1,412,154	1,654,905	1,797,398	2,081,081	2,668,153	2,981,912
Cash & Cash Equivalents - end of the year	8,976,000	2,957,395	1,500,000	1,885,292	2,019,306	1,412,154	1,654,905	1,797,398	2,081,081	2,668,153	2,981,912	3,404,814
Cash & Cash Equivalents - end of the year	8,976,000	2,957,395	1,500,000	1,885,292	2,019,306	1,412,154	1,654,905	1,797,398	2,081,081	2,668,153	2,981,912	3,404,814
Investments - end of the year	20,019,000	26,101,421	21,746,242	13,216,660	15,473,014	17,253,200	18,925,196	19,850,262	20,861,782	24,013,376	26,837,212	30,643,325
Cash, Cash Equivalents & Investments - end of the year	28,995,000	29,058,817	23,246,242	15,101,952	17,492,320	18,665,355	20,580,102	21,647,660	22,942,863	26,681,529	29,819,125	34,048,139

Attachment 10 - 'Model 1' Projected Cash Flow Statement 'General Fund'

Bellingham Shire Council 10 Year Financial Plan for the Years ending 30 June 2031 CASH FLOW STATEMENT - GENERAL FUND Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	11,934,564	12,291,677	12,792,471	13,635,991	14,367,969	14,771,917	15,186,191	15,611,342	16,047,621	16,495,804	16,956,191
User Charges & Fees	-	8,391,465	6,069,643	6,169,921	6,252,616	6,315,810	6,371,662	6,500,420	6,662,931	6,829,504	7,000,241	7,175,247
Investment & Interest Revenue Received	-	47,215	166,274	154,623	150,306	237,155	229,018	237,651	277,865	323,502	398,239	458,413
Grants & Contributions	-	15,420,409	18,730,028	15,554,474	10,780,689	7,577,856	8,067,417	8,319,732	8,830,918	9,747,802	8,693,138	8,947,003
Other	-	399,144	389,064	626,494	694,386	661,927	560,266	577,561	584,196	586,465	663,182	638,810
Payments:												
Employee Benefits & On-Costs	-	(8,669,777)	(8,424,304)	(8,354,730)	(8,517,609)	(8,687,962)	(8,861,721)	(9,038,955)	(9,219,735)	(9,404,129)	(9,592,212)	(9,784,056)
Materials & Contracts	-	(11,629,664)	(9,410,799)	(9,060,836)	(9,170,016)	(9,333,014)	(9,531,575)	(9,834,446)	(10,041,036)	(10,287,050)	(10,545,363)	(10,833,694)
Borrowing Costs	-	(388,523)	(397,009)	(426,353)	(428,005)	(431,080)	(369,657)	(333,664)	(289,906)	(241,286)	(194,145)	(146,740)
Other	-	(2,590,850)	(3,303,781)	(3,258,130)	(3,313,696)	(3,397,488)	(3,569,520)	(3,579,336)	(3,657,862)	(3,748,851)	(3,930,509)	(3,950,747)
Net Cash provided (or used in) Operating Activities	-	12,913,982	16,110,793	14,197,934	10,084,660	7,311,173	7,667,807	8,035,155	8,758,713	9,853,579	8,988,376	9,460,426
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	2,290,094	-	-	637,824	512,763	412,081	-	-	-	-
Payments:												
Purchase of Investment Securities	-	(4,765,765)	-	(318,958)	(1,714,005)	-	-	-	-	(780,557)	(299,909)	(1,002,234)
Purchase of Infrastructure, Property, Plant & Equipment	-	(13,961,852)	(22,036,599)	(14,991,717)	(8,475,581)	(6,577,173)	(6,762,681)	(6,992,868)	(7,094,784)	(7,201,404)	(7,059,373)	(6,703,016)
Net Cash provided (or used in) Investing Activities	-	(18,727,617)	(19,746,505)	(15,310,675)	(10,189,586)	(5,939,349)	(6,249,918)	(6,580,787)	(7,094,784)	(7,981,961)	(7,359,282)	(7,705,250)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	5,500,000	4,100,000	3,000,000	2,000,000	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	-	(902,059)	(1,068,595)	(1,501,967)	(1,704,629)	(1,947,561)	(1,417,888)	(1,454,368)	(1,498,717)	(1,547,994)	(1,595,771)	(1,643,816)
Net Cash Flow provided (used in) Financing Activities	-	4,597,941	3,031,405	1,498,033	295,371	(1,947,561)	(1,417,888)	(1,454,368)	(1,498,717)	(1,547,994)	(1,595,771)	(1,643,816)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(1,215,693)	(604,307)	385,292	190,445	(575,737)	(0)	(0)	165,213	323,623	33,323	111,359
plus: Cash & Cash Equivalents - beginning of year	-	2,320,000	1,104,307	500,000	885,292	1,075,737	500,000	500,000	500,000	665,213	988,836	1,022,159
Cash & Cash Equivalents - end of the year	-	1,104,307	500,000	885,292	1,075,737	500,000	500,000	500,000	665,213	988,836	1,022,159	1,133,519
Cash & Cash Equivalents - end of the year	2,320,000	1,104,307	500,000	885,292	1,075,737	500,000	500,000	500,000	665,213	988,836	1,022,159	1,133,519
Investments - end of the year	5,173,000	9,938,765	7,648,671	7,967,629	9,681,634	9,043,810	8,531,048	8,118,967	8,118,967	8,899,524	9,199,433	10,201,667
Cash, Cash Equivalents & Investments - end of the year	7,493,000	11,043,072	8,148,671	8,852,921	10,757,372	9,543,810	9,031,048	8,618,967	8,784,180	9,888,360	10,221,592	11,335,186

Attachment 11 - 'Model 1' Projected Cash Flow Statement 'Water Fund'

Bellingen Shire Council												
10 Year Financial Plan for the Years ending 30 June 2031												
CASH FLOW STATEMENT - WATER FUND												
Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	516,158	584,276	605,243	626,959	649,451	672,746	696,874	721,864	747,746	774,553	798,479
User Charges & Fees	-	1,981,300	2,034,941	2,203,800	2,424,180	2,666,598	2,824,516	2,931,162	3,033,753	3,139,935	3,249,832	3,351,582
Investment & Interest Revenue Received	-	315,096	236,096	76,191	89,399	136,522	162,441	202,467	269,946	285,844	325,642	363,642
Grants & Contributions	-	544,959	646,864	1,122,829	654,901	659,085	663,382	667,797	172,331	176,990	181,775	186,690
Other	-	8,747	9,009	9,279	9,558	9,845	10,140	10,444	10,757	11,080	11,413	11,755
Payments:												
Employee Benefits & On-Costs	-	(1,223,374)	(1,378,112)	(1,405,674)	(1,318,788)	(1,345,163)	(1,372,067)	(1,399,508)	(1,427,498)	(1,456,048)	(1,485,169)	(1,514,872)
Materials & Contracts	-	(421,209)	(457,101)	(473,085)	(477,213)	(486,753)	(496,483)	(506,408)	(516,531)	(526,857)	(537,389)	(548,131)
Borrowing Costs	-	-	-	(21,977)	(26,843)	(23,994)	(21,101)	(18,165)	(15,184)	(12,159)	(9,088)	(5,971)
Other	-	(372,943)	(382,267)	(341,824)	(350,369)	(359,128)	(368,107)	(377,309)	(386,742)	(396,411)	(406,321)	(416,479)
Net Cash provided (or used in) Operating Activities	-	1,348,733	1,293,706	1,774,783	1,631,784	1,906,462	2,075,468	2,207,354	1,862,695	1,970,119	2,105,247	2,226,695
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	831,705	8,008,027	-	-	-	-	-	-	-	-
Payments:												
Purchase of Investment Securities	-	(1,859,794)	-	-	(654,059)	(895,011)	(895,788)	(1,393,668)	(714,493)	(717,438)	(1,098,528)	(1,159,237)
Purchase of Infrastructure, Property, Plant & Equipment	-	(2,761,851)	(2,978,500)	(11,642,975)	(845,250)	(720,250)	(885,500)	(461,250)	(868,250)	(969,376)	(678,000)	(728,875)
Net Cash provided (or used in) Investing Activities	-	(4,621,645)	(2,146,795)	(3,634,948)	(1,499,309)	(1,615,261)	(1,781,288)	(1,854,918)	(1,582,743)	(1,686,814)	(1,776,528)	(1,888,112)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	-	-	2,000,000	-	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	-	-	-	(139,835)	(188,906)	(191,755)	(194,648)	(197,584)	(200,564)	(203,590)	(206,661)	(209,778)
Net Cash Flow provided (used in) Financing Activities	-	-	-	1,860,165	(188,906)	(191,755)	(194,648)	(197,584)	(200,564)	(203,590)	(206,661)	(209,778)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(3,272,912)	(853,088)	-	(56,431)	99,446	99,532	154,852	79,388	79,715	122,059	128,804
plus: Cash & Cash Equivalents - beginning of year	-	4,626,000	1,353,088	500,000	500,000	443,569	543,015	642,547	797,398	876,787	956,502	1,078,561
Cash & Cash Equivalents - end of the year	-	1,353,088	500,000	500,000	443,569	543,015	642,547	797,398	876,787	956,502	1,078,561	1,207,365
Cash & Cash Equivalents - end of the year	4,626,000	1,353,088	500,000	500,000	443,569	543,015	642,547	797,398	876,787	956,502	1,078,561	1,207,365
Investments - end of the year	10,318,000	12,177,794	11,346,088	3,338,061	3,992,120	4,887,131	5,782,919	7,176,586	7,891,079	8,608,517	9,707,045	10,866,282
Cash, Cash Equivalents & Investments - end of the year	14,944,000	13,530,882	11,846,088	3,838,061	4,435,689	5,430,146	6,425,465	7,973,985	8,767,866	9,565,019	10,785,605	12,073,647

Attachment 12 - 'Model 1' Projected Cash Flow Statement 'Sewer Fund'

Bellinghen Shire Council

10 Year Financial Plan for the Years ending 30 June 2031

CASH FLOW STATEMENT - SEWER FUND

Scenario: Model 1 - Introduce SRV in 2023 and 2024 for ESL

	Actuals 2019/20	Current Year 2020/21	2021/22	2022/23	2023/24	2024/25	Projected Years					
	\$	\$	\$	\$	\$	\$	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
							\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	3,506,138	3,620,030	3,729,555	4,107,846	4,280,495	4,445,001	4,613,605	4,786,408	4,908,498	5,030,641	5,180,267
User Charges & Fees	-	132,570	203,338	209,882	215,718	221,244	226,912	232,726	238,689	244,806	251,080	258,063
Investment & Interest Revenue Received	-	131,731	65,514	48,861	47,198	94,238	129,913	128,058	162,849	216,797	262,750	316,236
Grants & Contributions	-	85,118	4,428,972	6,263,271	88,134	90,562	93,058	95,624	98,261	100,971	103,756	106,619
Payments:												
Employee Benefits & On-Costs	-	(1,325,567)	(1,335,727)	(1,392,441)	(1,420,290)	(1,448,696)	(1,477,670)	(1,507,223)	(1,537,367)	(1,568,115)	(1,599,477)	(1,631,467)
Materials & Contracts	-	(544,702)	(630,733)	(692,985)	(718,826)	(736,796)	(755,216)	(774,097)	(793,449)	(813,285)	(833,617)	(854,458)
Borrowing Costs	-	-	(18,750)	(34,876)	(53,310)	(47,605)	(41,814)	(35,935)	(29,968)	(23,912)	(17,764)	(11,523)
Other	-	(330,924)	(339,197)	(362,677)	(371,744)	(381,038)	(390,564)	(400,328)	(410,336)	(420,595)	(431,109)	(441,887)
Net Cash provided (or used in) Operating Activities	-	1,654,363	5,993,446	7,768,589	1,894,725	2,072,404	2,229,621	2,352,430	2,515,086	2,645,165	2,766,260	2,921,851
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	543,137	1,233,380	840,513	111,710	-	-	56,521	-	-	-	-
Payments:												
Purchase of Investment Securities	-	-	-	-	-	(1,522,999)	(1,288,971)	-	(297,027)	(1,653,599)	(1,425,400)	(1,644,641)
Purchase of Infrastructure, Property, Plant & Equipment	-	(3,727,500)	(9,610,500)	(9,873,825)	(1,627,500)	(295,625)	(407,000)	(2,025,000)	(1,776,700)	(399,500)	(768,000)	(673,750)
Net Cash provided (or used in) Investing Activities	-	(3,184,363)	(8,377,120)	(9,033,312)	(1,515,790)	(1,818,624)	(1,695,971)	(1,968,479)	(2,073,727)	(2,053,099)	(2,193,400)	(2,318,391)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	-	2,500,000	1,500,000	-	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	-	-	(116,327)	(235,277)	(378,935)	(384,640)	(390,431)	(396,310)	(402,277)	(408,334)	(414,482)	(420,722)
Net Cash Flow provided (used in) Financing Activities	-	-	2,383,673	1,264,723	(378,935)	(384,640)	(390,431)	(396,310)	(402,277)	(408,334)	(414,482)	(420,722)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(1,530,000)	-	(0)	-	(130,860)	143,219	(12,359)	39,082	183,733	158,378	182,738
plus: Cash & Cash Equivalents - beginning of year	-	2,030,000	500,000	500,000	500,000	500,000	369,140	512,359	500,000	539,082	722,815	881,193
Cash & Cash Equivalents - end of the year	-	500,000	500,000	500,000	500,000	369,140	512,359	500,000	539,082	722,815	881,193	1,063,931
Cash & Cash Equivalents - end of the year	2,030,000	500,000	500,000	500,000	500,000	369,140	512,359	500,000	539,082	722,815	881,193	1,063,931
Investments - end of the year	4,528,000	3,984,863	2,751,483	1,910,969	1,799,260	3,322,259	4,611,230	4,554,708	4,851,736	6,505,334	7,930,735	9,575,375
Cash, Cash Equivalents & Investments - end of the year	6,558,000	4,484,863	3,251,483	2,410,969	2,299,260	3,691,399	5,123,588	5,054,708	5,390,817	7,228,149	8,811,927	10,639,306

Attachment 13 - 'Model 2' Projected Income Statement 'General Fund'

Bellinghen Shire Council

10 Year Financial Plan for the Years ending 30 June 2031

INCOME STATEMENT - GENERAL FUND

Scenario: Model 2 - No Special Rate Variation

	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	11,460,000	11,728,900	12,317,639	12,796,251	13,292,676	13,664,993	14,048,618	14,444,834	14,851,454	15,268,741	15,697,459	16,137,896
User Charges & Fees	6,598,000	5,967,854	6,113,198	6,194,192	6,277,616	6,332,154	6,388,568	6,548,282	6,711,989	6,879,788	7,051,783	7,228,078
Other Revenues	339,000	475,361	523,467	539,171	555,346	569,230	583,461	598,047	612,999	628,324	644,032	660,132
Grants & Contributions provided for Operating Purposes	7,173,000	6,542,803	6,068,288	6,220,273	6,371,812	6,495,828	6,688,744	6,836,525	6,988,097	7,143,556	7,302,997	7,485,572
Grants & Contributions provided for Capital Purposes	1,968,000	8,809,654	12,625,191	9,368,169	4,460,903	1,117,250	1,373,756	1,480,424	1,837,259	2,594,265	1,401,446	1,458,806
Interest & Investment Revenue	410,000	281,720	169,584	170,892	198,792	227,511	228,754	237,894	288,468	351,312	410,542	487,285
Other Income:												
Net Gains from the Disposal of Assets	195,000	-	-	-	-	-	-	-	-	-	-	-
Fair value increment on investment properties	128,000	-	-	-	-	-	-	-	-	-	-	-
Rental Income	140,000	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	28,411,000	33,806,292	37,817,367	35,288,949	31,157,146	28,406,966	29,311,900	30,146,005	31,290,266	32,865,985	32,508,258	33,457,769
Expenses from Continuing Operations												
Employee Benefits & On-Costs	7,891,000	8,567,613	8,417,045	8,352,406	8,519,455	8,689,844	8,863,641	9,040,913	9,221,732	9,406,166	9,594,290	9,786,176
Borrowing Costs	487,000	444,740	437,400	446,313	431,940	405,131	350,765	314,286	269,937	220,661	172,883	124,838
Materials & Contracts	10,821,000	10,652,537	9,187,290	9,020,468	9,224,501	9,378,960	9,613,434	9,880,770	10,100,114	10,352,617	10,638,432	10,876,718
Depreciation & Amortisation	5,652,000	5,661,820	5,360,729	5,414,336	5,706,623	5,820,755	5,937,170	6,055,914	6,177,032	6,300,573	6,426,584	6,555,116
Other Expenses	3,021,000	3,103,441	3,300,681	3,249,948	3,331,197	3,414,477	3,599,839	3,587,335	3,677,018	3,768,944	3,963,167	3,959,746
Fair value decrement on investment properties	242,000	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	28,114,000	28,430,151	26,703,145	26,483,471	27,213,716	27,709,166	28,364,849	28,879,218	29,445,833	30,048,960	30,795,356	31,302,594
Operating Result from Continuing Operations	297,000	5,376,140	11,114,222	8,805,477	3,943,430	697,800	947,051	1,266,788	1,844,433	2,817,024	1,712,902	2,155,175
Net Operating Result for the Year	297,000	5,376,140	11,114,222	8,805,477	3,943,430	697,800	947,051	1,266,788	1,844,433	2,817,024	1,712,902	2,155,175
Net Operating Result before Grants and Contributions provided for Capital Purposes	(1,671,000)	(3,433,514)	(1,510,969)	(562,692)	(517,473)	(419,450)	(426,705)	(213,636)	7,174	222,760	311,457	696,369

Attachment 14 - 'Model 2' Projected Balance Sheet 'General Fund'

Bellingham Shire Council

10 Year Financial Plan for the Years ending 30 June 2031

BALANCE SHEET - GENERAL FUND

Scenario: Model 2 - No Special Rate Variation

	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS												
Current Assets												
Cash & Cash Equivalents	2,320,000	1,104,307	500,000	885,292	1,076,630	500,000	500,000	500,000	603,543	968,618	991,980	1,091,411
Investments	4,372,000	9,938,765	7,648,671	7,967,629	9,689,674	9,052,972	8,514,327	8,058,859	8,058,859	8,717,560	8,927,823	9,822,697
Receivables	5,505,000	3,340,642	3,461,161	3,422,917	3,360,052	3,274,547	3,320,776	3,395,339	3,489,632	3,615,261	3,665,483	3,773,885
Inventories	300,000	286,209	243,776	238,515	243,863	247,779	253,973	261,096	266,830	273,501	281,112	287,347
Contract assets	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Other	-	20,617	18,716	18,390	18,818	19,174	19,803	20,185	20,648	21,164	21,884	22,236
Total Current Assets	12,897,000	15,090,540	12,272,324	12,932,743	14,789,037	13,494,472	13,008,879	12,635,479	12,839,512	13,996,104	14,288,282	15,397,576
Non-Current Assets												
Investments	801,000	-	-	-	-	-	-	-	-	-	-	-
Receivables	246,000	117,921	221,052	229,642	238,551	245,239	252,129	259,236	266,530	274,016	281,706	289,607
Infrastructure, Property, Plant & Equipment	374,086,000	382,386,032	399,061,902	408,639,283	411,058,241	411,114,659	411,240,170	411,477,124	411,694,876	411,895,707	411,828,496	411,276,396
Investment Property	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000	2,630,000
Intangible Assets	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000	418,000
Total Non-Current Assets	378,181,000	385,551,952	402,330,954	411,916,925	414,344,792	414,407,897	414,540,298	414,784,360	415,009,406	415,217,723	415,158,202	414,614,003
TOTAL ASSETS	391,078,000	400,642,492	414,603,278	424,849,668	429,133,830	427,902,369	427,549,177	427,419,839	427,848,918	429,213,827	429,446,484	430,011,579
LIABILITIES												
Current Liabilities												
Payables	4,861,000	4,382,636	4,161,917	4,138,953	4,236,154	4,289,496	4,402,011	4,457,280	4,534,881	4,620,568	4,747,163	4,798,076
Contract liabilities	100,000	167,952	204,501	170,533	118,507	83,285	88,202	90,985	96,547	106,529	95,224	97,849
Borrowings	779,000	1,068,595	1,501,967	1,704,629	1,947,561	1,417,888	1,454,368	1,498,717	1,547,994	1,595,771	1,643,816	1,333,953
Provisions	3,438,000	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479	3,001,479
Total Current Liabilities	9,178,000	8,620,662	8,869,864	9,015,594	9,303,701	8,792,149	8,946,060	9,048,461	9,180,901	9,324,347	9,487,683	9,231,358
Non-Current Liabilities												
Payables	9,000	9,822	9,150	8,963	9,148	9,329	9,542	9,732	9,933	10,142	10,377	10,576
Borrowings	5,522,000	9,830,347	12,428,380	13,723,751	13,776,190	12,358,302	10,903,934	9,405,217	7,857,223	6,261,452	4,617,636	3,283,683
Provisions	1,216,000	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521	1,652,521
Total Non-Current Liabilities	6,747,000	11,492,690	14,090,051	15,385,234	15,437,859	14,020,152	12,565,997	11,067,469	9,519,676	7,924,115	6,280,534	4,946,779
TOTAL LIABILITIES	15,925,000	20,113,352	22,959,915	24,400,828	24,741,560	22,812,301	21,512,057	20,115,931	18,700,577	17,248,462	15,768,217	14,178,137
Net Assets	375,153,000	380,529,140	391,643,362	400,448,840	404,392,269	405,090,069	406,037,120	407,303,908	409,148,341	411,965,365	413,678,267	415,833,442
EQUITY												
Retained Earnings	245,762,000	251,138,140	262,252,362	271,057,840	275,001,269	275,699,069	276,646,120	277,912,908	279,757,341	282,574,365	284,287,267	286,442,442
Revaluation Reserves	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000	129,391,000
Total Equity	375,153,000	380,529,140	391,643,362	400,448,840	404,392,269	405,090,069	406,037,120	407,303,908	409,148,341	411,965,365	413,678,267	415,833,442

Attachment 15 - 'Model 2' Projected Cash Flow Statement 'General Fund'

Bellinghen Shire Council 10 Year Financial Plan for the Years ending 30 June 2031 CASH FLOW STATEMENT - GENERAL FUND Scenario: Model 2 - No Special Rate Variation												
	Actuals	Current Year	Projected Years									
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	11,934,564	12,291,677	12,792,471	13,288,755	13,662,052	14,045,588	14,441,704	14,848,243	15,265,445	15,694,073	16,134,417
User Charges & Fees	-	8,391,465	6,069,643	6,169,921	6,252,616	6,315,810	6,371,662	6,500,420	6,662,931	6,829,504	7,000,241	7,175,247
Investment & Interest Revenue Received	-	47,215	166,274	154,623	156,474	243,300	229,465	238,751	279,294	325,275	400,364	460,898
Grants & Contributions	-	15,420,409	18,730,028	15,554,474	10,780,689	7,577,856	8,067,417	8,319,732	8,830,918	9,747,802	8,693,138	8,947,003
Other	-	399,144	389,064	626,494	694,386	661,927	560,266	577,561	584,196	586,465	663,182	638,810
Payments:												
Employee Benefits & On-Costs	-	(8,669,777)	(8,424,304)	(8,354,730)	(8,517,609)	(8,687,962)	(8,861,721)	(9,038,955)	(9,219,735)	(9,404,129)	(9,592,212)	(9,784,056)
Materials & Contracts	-	(11,629,664)	(9,410,799)	(9,060,836)	(9,170,016)	(9,333,014)	(9,531,575)	(9,834,446)	(10,041,036)	(10,287,050)	(10,545,363)	(10,833,694)
Borrowing Costs	-	(388,523)	(397,009)	(426,353)	(428,005)	(431,080)	(369,657)	(333,664)	(289,906)	(241,286)	(194,145)	(146,740)
Other	-	(2,590,850)	(3,303,781)	(3,258,130)	(3,313,696)	(3,397,488)	(3,569,520)	(3,579,336)	(3,657,862)	(3,748,851)	(3,930,509)	(3,950,747)
Net Cash provided (or used in) Operating Activities	-	12,913,982	16,110,793	14,197,934	9,743,594	6,611,401	6,941,924	7,291,768	7,997,043	9,073,174	8,188,769	8,641,137
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	2,290,094	-	-	636,702	538,645	455,468	-	-	-	-
Payments:												
Purchase of Investment Securities	-	(4,765,765)	-	(318,958)	(1,722,045)	-	-	-	-	(658,701)	(210,263)	(894,874)
Purchase of Infrastructure, Property, Plant & Equipment	-	(13,961,852)	(22,036,599)	(14,991,717)	(8,125,581)	(5,877,173)	(6,062,681)	(6,292,868)	(6,394,784)	(6,501,404)	(6,359,373)	(6,003,016)
Net Cash provided (or used in) Investing Activities	-	(18,727,617)	(19,746,505)	(15,310,675)	(9,847,626)	(5,240,471)	(5,524,036)	(5,837,400)	(6,394,784)	(7,160,105)	(6,569,636)	(6,897,890)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	5,500,000	4,100,000	3,000,000	2,000,000	-	-	-	-	-	-	-
Payments:												
Repayment of Borrowings & Advances	-	(902,059)	(1,068,595)	(1,501,967)	(1,704,629)	(1,947,561)	(1,417,888)	(1,454,368)	(1,498,717)	(1,547,994)	(1,595,771)	(1,643,816)
Net Cash Flow provided (used in) Financing Activities	-	4,597,941	3,031,405	1,498,033	295,371	(1,947,561)	(1,417,888)	(1,454,368)	(1,498,717)	(1,547,994)	(1,595,771)	(1,643,816)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(1,215,693)	(604,307)	385,292	191,338	(576,630)	(0)	(0)	103,543	365,075	23,363	99,430
plus: Cash & Cash Equivalents - beginning of year	-	2,320,000	1,104,307	500,000	885,292	1,076,630	500,000	500,000	500,000	603,543	968,618	991,980
Cash & Cash Equivalents - end of the year	2,320,000	1,104,307	500,000	885,292	1,076,630	500,000	500,000	500,000	603,543	968,618	991,980	1,091,411
Cash & Cash Equivalents - end of the year	2,320,000	1,104,307	500,000	885,292	1,076,630	500,000	500,000	500,000	603,543	968,618	991,980	1,091,411
Investments - end of the year	5,173,000	9,938,765	7,648,671	7,967,629	9,689,674	9,052,972	8,514,327	8,058,859	8,058,859	8,717,560	8,927,823	9,822,697
Cash, Cash Equivalents & Investments - end of the year	7,493,000	11,043,072	8,148,671	8,852,921	10,766,305	9,552,972	9,014,327	8,558,859	8,662,402	9,686,178	9,919,803	10,914,108

Attachment 16 – Capital Expenditure Projections

Program	YR1 2021-22	YR2 2022-23	YR3 2023-24	YR4 2024-25	YR5 2025-26	YR6 2026-27	YR7 2027-28	YR8 2028-29	YR9 2029-30	YR10 2030-31	10 Year Total
Other Capital Works											
Building, Facilities & Special Projects	4,948,484	242,170	-	-	-	-	-	-	-	-	5,190,654
Information Technology	90,000	45,000	300,000	305,000	40,000	45,000	100,000	252,500	292,500	40,000	1,510,000
Other Capital Works	962,000	200,000	235,000								1,397,000
Total Other Capital	6,000,484	487,170	535,000	305,000	40,000	45,000	100,000	252,500	292,500	40,000	8,097,654
Roads and Footpaths											
Roads - Rehabilitation	1,358,354	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	7,658,354
Roads - Heavy Patching and Resealing (Renewals)	812,635	1,218,839	837,690	791,894	811,753	831,969	852,809	852,856	922,820	922,820	8,856,085
Roads - Gravel Resheeting (Renewals)	441,525	452,563	463,877	475,474	487,361	499,545	512,034	524,835	537,956	551,404	4,946,575
Roads - Shoulder Resheeting Sealed Roads (Renewals)	55,191	56,570	57,985	59,434	60,920	62,443	64,004	65,604	67,244	68,926	618,322
Roads - Kerb and Gutter (Renewals)	238,200	311,867	319,663	327,655	335,846	344,242	352,848	361,670	370,711	379,979	3,342,681
Roads - Regional Roads (Renewals)	307,450	176,894	176,894	176,894	194,583	194,583	194,583	194,583	194,583	194,583	2,005,630
Roads - Path (Renewals)	60,000	61,500	61,500	61,500	61,500	61,500	61,500	61,500	61,500	61,500	613,500
Roads - New Assets/Upgrade (Cycleways/Footpaths etc)	641,940	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,341,940
Total Roads	3,915,295	3,278,233	2,917,609	2,892,851	2,951,963	2,994,283	3,037,778	3,061,048	3,154,814	3,179,212	31,383,087
Bridges											
Bridge - Renewals	10,123,782	10,000,000	4,100,000	1,769,600	2,004,450	2,069,500	1,947,850	1,947,850	1,947,850	1,947,850	37,858,732
Total Bridges	10,123,782	10,000,000	4,100,000	1,769,600	2,004,450	2,069,500	1,947,850	1,947,850	1,947,850	1,947,850	37,858,732
Stormwater											
Stormwater Renewal	260,000	135,000	138,375	141,834	145,380	149,015	152,740	156,559	160,473	164,484	1,603,860
Total Stormwater	260,000	135,000	138,375	141,834	145,380	149,015	152,740	156,559	160,473	164,484	1,603,860
Plant and Equipment/Other											
Plant Replacement - Light/Major/Minor	1,737,038	1,091,314	784,597	1,467,887	1,620,887	1,735,071	1,856,415	1,783,448	1,503,736	1,371,470	14,951,863
Total Plant and Equipment	1,737,038	1,091,314	784,597	1,467,887	1,620,887	1,735,071	1,856,415	1,783,448	1,503,736	1,371,470	14,951,863
Water											
Infrastructure, Property, Plant and Equipment	2,966,000	11,642,975	845,250	720,250	885,500	461,250	868,250	969,375	678,000	728,875	20,765,725
Total Water	2,966,000	11,642,975	845,250	720,250	885,500	461,250	868,250	969,375	678,000	728,875	20,765,725
											-
Sewer											
Infrastructure, Property, Plant and Equipment	9,598,000	9,873,825	1,627,500	295,625	407,000	2,025,000	1,776,750	399,500	768,000	673,750	27,444,950
Total Sewer	9,598,000	9,873,825	1,627,500	295,625	407,000	2,025,000	1,776,750	399,500	768,000	673,750	27,444,950
Total Capital Works	34,600,599	36,508,517	10,948,331	7,593,048	8,055,181	9,479,118	9,739,784	8,570,279	8,505,373	8,105,641	142,105,872

