



Greater Taree  
City Council

# Resourcing Strategy

2013 - 2017





Amendments	
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## A. Long Term Financial Plan

# 1. Executive Summary

The Long Term Financial Plan (LTFP) is a requirement under the Integrated Planning and Reporting for NSW Local Government and forms part of the Resourcing Strategy.

The Resourcing Strategy outlines Council's capacity to manage infrastructure and deliver services over the next ten years and consists of the Workforce Management Plan, the Long Term Financial Plan and the Asset Management Strategy.

The Long Term Financial Plan expresses in financial terms the activities that council proposes to undertake over the short, medium and longer term and will guide the future strategies and actions of council to ensure that it continues to operate in a sustainable manner.

# 2. Purpose and Objective

A Long Term Financial Plan provides a framework in which council can assess its revenue building capacity to meet the activities and level of services outlined in its Community Strategic Plan. It exists primarily to facilitate the delivery of the objectives and strategies expressed in the Community Strategic Plan.

It also:

- Establishes greater transparency and accountability to the community,
- Provides an opportunity for early identification of financial issues and any likely impacts in the longer term,
- Provides a mechanism to:
  - Solve financial problems as a whole,
  - See how various plans fit together,
  - Understand the impact of some decisions on other plans and strategies,
- Provides a means of measuring council's success in implementing strategies,
- Provides a means of assessing financial sustainability in the longer term,
- Used to inform the decision making during the finalisation of the Community Strategic Plan and the development of the Delivery Program,
- Is for a minimum period of 10 years and updated annually,
- Must be reviewed in detail as part of the four yearly review of the Community Strategic Plan,
- Enables Council to measure ability to fund asset renewal requirements report on the asset renewal key performance indicator,
- Model and manage rate and fee increases that are both manageable and sustainable,
- Models investment and funding strategies which promote intergenerational equity,
- Models an increased ability to fund asset renewal requirements over the term of the plan and an enhanced funding level of capital works in general,
- Progresses Council in managing a position of financial sustainability in the long term.

Greater Taree City Council has a major challenge in meeting asset renewal requirements in the short, medium and long term which will extend beyond the life of the plan which places a greater emphasis on modelling potential funding scenarios that can impact favourably on the level of expenditure on asset renewals and maintenance.

### Links between LTFP and Council's Planning Framework

The LTFP is not an end in itself, but a means of ensuring the objectives of the integrated planning framework are matched by an appropriate resource plan.

Council's Delivery Program and Operational Plan are linked to the Manning Valley Community Plan 2010-2030 through the Key Directions;

- Looking after what we have got;
- Respecting the environment;
- A strong economy;
- A great lifestyle; or
- Getting things done

The LTFP includes financial modelling for funding solutions for maintenance and ongoing infrastructure renewal works for "Looking after what we have got".

The Operational Plan includes all the initiatives planned for 2013/14 across Council that addresses these Key Directions and are included in the LTFP 2013/14 budget process. The Delivery Plan extends the proposed actions and initiatives for the further 3 years. Many of these initiatives will not impact on budgets.

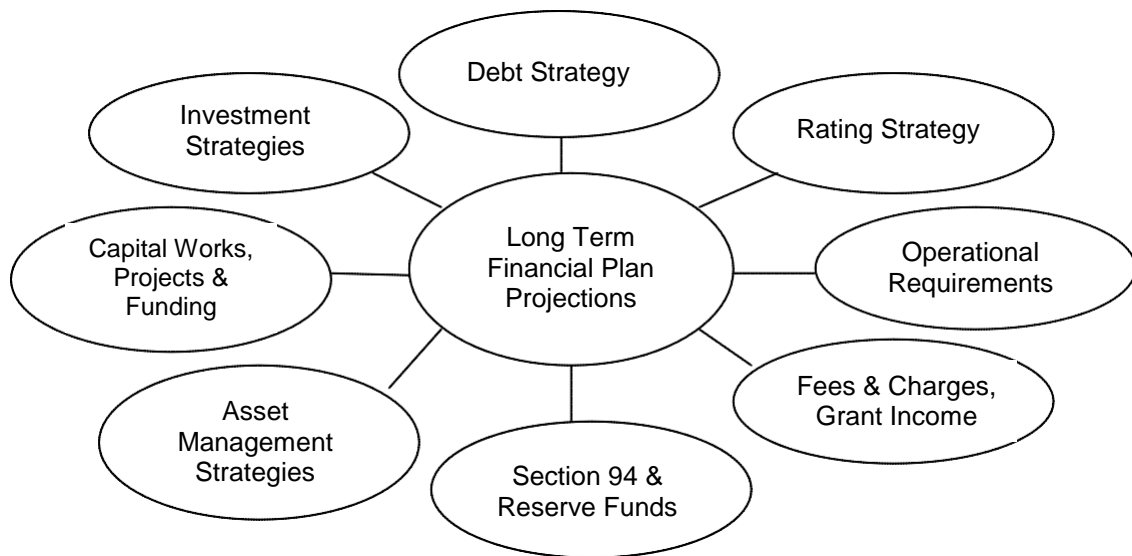
It is important to acknowledge that any significant changes to the financial strategies expressed in the LTFP will have a consequent impact on Council's ability to deliver the outcomes included in the Delivery Program and the Operational Plan.

## A. Long Term Financial Plan

The LTFP also endeavours to:

- Establish a prudent and sound financial framework, combining the integrating financial strategies to achieve a planned outcome;
- Establish a financial framework against which Council's strategies, policies and financial performance can be measured;
- Ensure that Council complies with sound financial management principles and plans for the long term financial sustainability of Council;
- Allows Council to meet its obligations under the Council's Charter of the Local Government Act as detailed in Chapter 3.

This LTFP represents a comprehensive approach to documenting and integrating the various financial strategies of Council. In developing the LTFP, several strategy areas are considered as follows:





### Assumptions

The LTFP is dependent on a number of planning assumptions.

#### Economic Growth/Demographics

Council employed an independent consulting firm, Informed Decisions (id) to assist in projections for the future population growth and demographics for the local government area. The unknown impact is the timing of two key developments at Brimbin and Old Bar which could impact on Council's population growth towards the end of the plan period.

Council adopted a reasonable conservative approach with the Low Growth (Base) Model and Moderate Growth Model, of an assumed growth for future years of 0.8% per year, with an estimated impact on rates of approximately 0.4% (utilising 2 persons per additional household, currently around 2.36).

The High Growth Model is based on assumptions of a higher growth rate on rate income of 0.4% for 2014/15 ranging up to 0.75% in 2022/23.

It is assumed throughout all scenarios that potential growth will impact on rate income and not on provision of additional services.

#### Service Delivery/Levels of Service

The underlying assumption in all scenarios is not to provide for increased levels of service but direct any additional funding to increased expenditure of asset renewals and maintenance to address Council's infrastructure backlog. Council will continue to drive efficiencies and review processes to enhance provision of services without increasing costs of delivery where possible.

### Major Planned Capital Expenditure

The underlying assumption in all scenarios is to expend funds on asset renewals rather than constructing new assets. This does not prohibit Council from exploring grant funding opportunities and community partnerships where possible to undertake new infrastructure works in accordance with the Community Plan.

### Indexation

Council has applied the following indexations to all scenarios from 2014/15 onwards that are based the recent TCorp assessment on NSW Council's sustainability.

- Rates and annual charges – 3% pa (or 2.3% in 14/15 in Moderate Model with 5% Environmental Levy, then 3% pa)
- All other revenues (excepting user charges income) – 2.5% pa
- Employee costs – 3.5% pa (or 3% in 14/15 in Moderate Model with 5% Environmental Levy, then 3.5% pa)
- All other expenses – 2.5% pa

Council also applied 5% pa for user charges income.

Investment revenues vary between the models, with the Low Growth (Base) Model utilising a return of 4.5% pa for the term of the plan and the Moderate & High Growth Models utilising 4.5% for 2013/14, 5.0% for 2014/15 and 5.5% from 2015/16 onwards.

### Revenue Forecasts

Council is heavily reliant on rating income which forms 58% of total income for 2013/14.

Apart from the indexation above and changes in investment revenue earnings, the only

## A. Long Term Financial Plan

income variances modelled are as follows:

Moderate Growth Model - includes a 5% environmental levy which would improve income by \$1.3m in that 2014/15 year, and continues this 5% increase for the 10 years of the scenario (presuming a 5 year levy is approved, followed by a further 5 year extension to the levy for the last 5 years of the scenario).

High Growth Model - includes the 4% levy and increase in Section 94 funding as above plus an additional special rate variation of 5% modelled to commence 2015/16 which would improve income by a further \$1.356m in that year.

### Expenditure Forecasts

Council has applied indexation to operational/capital expenditure as above. Council is currently outsourcing capital works programs where possible and may need to consider additional workforce during the term of the plan to undertake capital works programs should they not be able to outsource these works on an ongoing basis. It is not envisaged that this will impact on overall level of expenditure.

Council has not forecast any increase in current levels of service or additional new projects requiring general revenue funding.

Council has modelled the loan and interest repayments as per the current loan register and has not included any new borrowings at this stage. Council is currently undergoing a full review of its current loan portfolio and may consider alternative borrowing solutions in the future.

The Moderate Growth Model includes a 5% Environmental Levy and is based on increased operational expenditure of 100% of the 5% environmental levy (\$1.3m in 2014/15) as well as an additional 50% increase in operational spending with expected additional grant funding from the levy being used to secure external grant funding for projects.

The Moderate Growth Model also includes reduction of operational expenditure resulting from anticipated savings to be achieved from Council undertaking a more proactive approach to resource sharing across the regional group of councils. The anticipated savings are \$100k from 2015/16 to 2016/17, \$150k from 2017/18 to 2018/19, and \$200k from 2019/20 to 2022/23.

The High Growth Model is based on expenditure assumptions as per the Moderate Growth Model plus models additional capital expenditure for renewal of council's infrastructure based on the 5% Special Rate Variation modelled to commence in 2015/16 for an additional \$1.356m.

### Depreciation

Depreciation is a non-cash expense, but represents the "wear and tear" on council owned assets and infrastructure. Council has estimated depreciation at approximately \$33.1m for 2013/14 and applied indexation of 2.5% across the term of the plan for both low and high growth models, which relates to "all other expenses" as per above. The Moderate Growth Model includes a lower revised 0.25% indexation for depreciation as it has been found that the 2.5% used in the other models is unrealistic and over-estimates the actual depreciation possible on assets. This scenario also treats the Environmental Levy as operational expenditure, not as capital expenditure, as most of the proposed works will be on land not owned by Council (ie crown land delegated to Council for management, or private land) so the spending can not be treated as capital expenditure as it will not create assets owned by Council. The depreciation in the revised Moderate Growth Model has been reduced from \$33.1m to 2013/14 to \$26.6m and the incremental indexation has also been reduced to 0.25% to reflect the current trend where while infrastructure is being renewed annually, there is a portion that will have reached the lower limits of depreciation for their level of service.

### Sensitivity Analysis

Council is required to undertake a sensitivity analysis as per the Planning and Reporting Guidelines. Sensitivity analysis looks at “what if” scenarios to assess the financial impact of underlying assumptions utilised for the LTFP given that long term financial plans are inherently uncertain. Sensitivity analysis can also support decision making and the development of options to meet the objectives of councils Community Strategic Plan and demonstrate that council has considered the potential risks associated with its plans including Asset Management Plan, the Community Strategic Plan and the LTFP.

The LTFP modelling is based on assumptions (which have been outlined above) which can impact the actual outcomes to varying degrees if inaccurate. Council may need to reconsider the resourcing strategies on expenditure and revenue to realign the LTFP subject to any material impacts on underlying assumptions.

Rates and annual charges make up approximately 58% of the projected revenues for 2013/14. Rates can only be increased by the % determined by IPART each year (rate pegging limit) unless Council determines to apply for additional rate income in the form of Special Rate Variations. Council’s bottom line will be impacted unfavourably should the rate pegging % announced by IPART falls below its expenditure growth % and Council will also need to manage its collection of rates monies as they fall due. Council also has a hardship policy in place to manage ratepayers who find it difficult to pay their rates.

Employee costs make up approximately 33% of total operational and capital expenditure (excluding depreciation) or approximately 45% of operational expenditure (excluding depreciation) which reflects the service based nature of a significant proportion of Councils activities as well as the maintenance of the considerable infrastructure owned by Council. Council’s sensitivity is exposure to unplanned changes in employee costs which include industry wide award negotiations, market forces, skills shortages, staff turnover and attraction and retention of quality staff. Any significant changes can impact on the LTFP.

### Risk Assessment

The assumptions included in the LTFP have been tested through a risk assessment process. The risk assessment has considered such questions as:

- How accurate are the projected estimates of expenditure?
- How certain is the revenue stream?
- What could impact on the expenditures?
- What could impact on the revenues?
- What other risks are associated with the key projects eg loss of key staff, loss of subsidy?
- How reliable are the investment options?
- Are ratepayers funds are risk?
- What are the potential liabilities for Council - legal and financial - if key projects fail?
- How reasonable are the assumptions that Council can maintain service levels at current rates into the future?

## A. Long Term Financial Plan

### Performance Measures

An intrinsic part of the LTFP is the measurement of performance against the plan. The following will be used to assist in the measurement of performance and assess Council's long term financial sustainability.

#### Unrestricted Current Ratio

This ratio is a measure of Council's ability to meet its financial obligations and assesses the level of liquidity and the ability to satisfy obligations as they fall due in the short term. Ratio = current assets less all external restrictions/current liabilities less specific purpose liabilities.

Benchmark:

Good	From 1.5 to 2.5
Satisfactory	Between 1.0 and 1.49, or greater than 2.5
Unsatisfactory	less than 1

#### Rates and Annual Charges Coverage Ratio (Own Source Revenue)

This ratio addresses the degree of dependence upon revenues from rates and annual charges and to assess the security of Council's income. A lower percentage indicates less dependence Council has on its rates and annual charges and may also indicate that Council is highly reliant on grants and contributions which may be uncertain or for specific purpose. Ratio = rates and annual charges/income from continuing operations.

Benchmark:

Good	Over 60% (target as per TCorp assessment)
Satisfactory	Between 40% and 60%
Unsatisfactory	Less than 40% ( but may be dependent on receipt of large one off capital grants)

#### Interest Cover Ratio

This ratio indicates the extent to which Council can service its interest bearing debt and take on additional borrowings. It measures the burden of the current interest expense upon Council's operating cash. Ratio = EBITDA/interest expense (from the income statement). EBITDA is an acronym for "earnings before interest, taxes, depreciation, and amortisation". It is often used to measure the cash earnings that can be used to pay interest and repay principal.

Benchmark:

Greater than 4.0x (as per TCorp assessment)

### Net Interest Coverage Ratio

This ratio is a measure of net interest (borrowing cost interest expense less interest and investment revenues) to provide a net interest value divided by total income and expressed as a percentage.

### Debt Service Ratio

This ratio assesses the degree to which revenues from continuing operations are committed to the repayment of debt. Ratio = debt service cost/income from continuing operations.

Benchmark:

Good	Less than 10%
Satisfactory	Between 10% and 20%
Unsatisfactory	Over 20%

### Operating Ratio

This ratio measures Council's ability to contain operating expenditure within operating revenues. Ratio = operating revenue excluding capital grants and contributions – operating expenses/operating revenue excluding capital grants and contributions.

Benchmark:

better than negative 4% (as per TCorp assessment)

### Net Assets

Net Assets is measured as total assets less total liabilities. The Asset Revaluations over the past years have resulted in a high level of volatility in many councils' Net Assets figure. Consequently, in the short term the value of Net Assets is not necessarily an informative indicator of performance. In the medium to long term however, this is a key indicator of a council's capacity to add value to its operations.

Over time, Net Assets should increase at least in line with inflation plus an allowance for increased population and/or improved or increased services. Declining Net Assets is a key indicator of the council's assets not being able to sustain ongoing operations.

### Asset Renewals Ratio

This ratio compares the proportion spent on asset renewals and the asset's deterioration measured by its accounting depreciation. Asset renewal represents the replacement or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets or the refurbishment of old assets that increase capacity or performance. Ratio = Asset renewals / depreciation.

Benchmark:

Greater than 1.0x (as per TCorp assessment) (or 100%)

Whilst the benchmark set by TCorp is written has a unit of 1.0, we report this ratio as a percentage in the following pages.

### Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage

This ratio assesses the impact of uncollected rates and annual charges on liquidity and the effectiveness of Council's debt recovery. Ratio = rates, annual and extra charges outstanding/rates, annual and extra charges collectible.

## A. Long Term Financial Plan

Benchmark:

Good	6% or below
Satisfactory	From 6.01% to 7.50%
Unsatisfactory	Above 7.5%

### Other Debts Outstanding Percentage

This ratio assesses the level of outstanding debts (excluding rates and annual charges) and can be impacted by delays in receiving substantial specific projects grant instalments from other government agencies. Ratio = receivables (excluding rates, annual and extra charges outstanding) / total income (excluding rates, annual and extra charges collectible).

Benchmark:

No specific benchmark, aged debtor reports should be managed routinely noting impact of material outstanding grant payments.

### Long Term Financial Plan Format

The Long Term Financial Plan includes projected income and expenditure statement, balance sheet, cash flow statement and key performance indicators and a budget summary covering the periods from 2012/13 to 2022/23.

As part of the Integrated Planning and Reporting requirements, Council is required to model various scenarios. These scenarios are to assist Council and its community to understand impact of alternative options/solutions and testing impact of modelled assumptions.

Models are a tool to assist in determining the flexibility Council may have within the plans and assist Council to strategise to develop the best plan over the longer term to meet community expectations.

### LTFP Models Overview

**Low Growth (Base) Model** provides a projection of the status quo with assumptions outlined below. The Low Growth (Base) Model projects the 13/14 draft budget over 10 years, taking into account:

- known one off initiative expenditure
- waste management reserve transfers (ensuring no general revenue impact for waste management operations)
- indexation as outlined in assumptions above
- growth in rating income of 0.4%
- nil additional growth in services levels
- nil construction of new infrastructure
- investment rate of 4.5%
- Key Performance Indicators for 2022/23 include Unrestricted Cash Ratio:2.4, Debt Service Ratio:1.00%, Rates and Annual Charges Coverage Ratio:59.4%, Interest Coverage Ratio:-3.47%, Asset Renewal Ratio:69.51%

### Moderate Growth Model (includes 5% Environmental Levy SRV) The

This Moderate Growth Model has been updated in December 2013, with a proposed SRV application for a 5% Environmental Levy. This model commences in 2014/15 and runs to 2023/4 (which is a year later than the other models as the Environmental Levy is not expected to commence until the 2014/15 financial year). The Moderate Growth Model uses the following alternate funding scenario components for consideration:



## A. Long Term Financial Plan

- known one off initiative expenditure
- waste management reserve transfers (ensuring no general revenue impact for waste management operations)
- indexation as outlined in assumptions above
- growth in rating income of 0.4%
- nil additional growth in services levels
- nil construction of new infrastructure
- Uses the audited annual financial statement as a starting point for end of 2012/13 as a starting point (which is different to the starting point used in the other models), with 2013/14 budgets balanced to adopted budget
- 5% environmental levy modelled to commence 2014/15 (\$1.3m in first year) and indexed by 3% in each of the remaining years – giving a total additional income of \$14.9m over the term of the plan
- Full expenditure of 100% of the levy for new environmental initiatives and an additional 50% of expenditure to be matched from external grant funding as this is expected to increase with the environmental levy used as seed funding to improve Council's ability to obtain external grants. This results in a total expenditure of \$22.35m over the 10 year life of this plan
- Investment returns – 4.5% 13./14, 5% in 14/15 and 5.5% from 15/16 onwards – equates to \$24.5m over the term of the plan, or an annual average return of \$2.45m pa
- Rate peg uses the known amount for 2014/15 of 2.3% is used, then reverting to TCorp indexation figure of 3% for the remainder of the life of the plan
- Council has revised the estimated depreciation for the updated Scenario: Environmental Levy (5%) to reflect the audited review of depreciation in finalising the 2012/13 Annual Financial Statements. The depreciation has been reduced from \$33.1m to 2013/14 to \$26.6m and the incremental indexation has also been reduced to 0.25% to reflect the current trend where while infrastructure is being renewed annually, there is a portion that will have reached the lower limits of depreciation for their level of service
- Revised utilisation of Section 94 funds of \$9.4m over the term of the plan and the balance remaining in Section 94 estimated to be \$6.1m
- An additional SRV for infrastructure renewal is not included in this scenario
- Reduction of operational expenditure resulting from anticipated savings to be achieved from Council undertaking a more proactive approach to resource sharing across the regional group of councils. The anticipated savings are \$100k from 15/16 to 16/17, \$150k from 17/18 to 18/19, and \$200k from 19/20 to 22/23.
- Total expenditure of Environmental Levy as operating expenditure not as capital expenditure (see p7 Depreciation section for explanation)
- Key Performance Indicators for 2023/24 include Unrestricted Cash Ratio: 1.81%, Debt Service Ratio: 0%, Rates and Annual Charges Coverage Ratio: 61.01%, Interest Coverage Ratio: -2.07%, Asset Renewal Ratio: 88.42%.

**High Growth Model** includes a further funding scenario option as per below. The High Growth Model uses parameters as per the Moderate Growth Model with additional funding scenario for consideration including:

- 5% special rate variation modelled to commence 2015/16 (\$1.356m in the first year) – total additional income of \$12.5m over the term of the plan
- Increased growth, on rates income, 0.4% from 14/15 & 15/16, 0.45% in 16/17, 0.5% in 17/18, 0.55% in 18/19, 0.6% in 19/20, 0.65% in 20/21, 0.7% in 21/22 and 0.75% in 22/23
- Increased expenditure on capital works of \$14.7m
- Key Performance Indicators for 2022/23 include Unrestricted Cash Ratio:1.79, Debt Service Ratio:0.94%, Rates and Annual Charges Coverage Ratio:61.60%, Interest Coverage Ratio:-3.90%, Asset Renewal Ratio:83.45%.

# B. Workforce Plan

## 1. Overview

This Workforce Plan forms part of the resourcing strategy that supports Greater Taree City Council's (GTCC) 2013-17 Delivery Program.

The purpose of this plan is to identify the key factors impacting on Council's workforce during the planning period and to outline strategies to get the right people with the right skills in the right jobs doing the right things in order to achieve Council's planned Delivery Program outcomes.

It is recognised that the Delivery Program and resourcing strategy have been developed in a time of uncertainty for Local Government. An expert panel, commissioned by the NSW Government, is undertaking an extensive review of the sector across NSW. The outcome of this review may significantly change aspects of the Delivery Program and Workforce Plan.

Outside the reform agenda, this plan identifies six key workforce challenges facing Council over the next four-year period, those being:

- An ageing workforce
- Succession planning, particularly for key and critical roles
- Attraction of suitable candidates
- Retention of suitable employees
- Employment equity reflecting community composition
- Changing employee skill and capability requirements

These challenges will require an equally diverse, multi-faceted range of management strategies focussed on:

- Developing internal capacity and capability to meet changing workforce requirements
- Positioning and promoting Council as a quality employer to compete in the external labour market
- Implementing alternative, innovative ways to source and support suitable staff
- Capturing and analysing workforce data to contribute to the development and continuous improvement of robust human resource programs

These focus areas will influence the delivery of Council's core human resource management activities and new initiatives throughout the term of this plan.

Workforce planning by nature is a dynamic and continuous process and Council will build on this plan during 2013-17 to ensure it is a relevant and reliable document that supports the achievement of Council's operational and strategic objectives.

## 2. Workforce Planning

Workforce Planning is the process of continually considering workforce related risks, supply and demand data, trends and characteristics and responding to them so the skills and composition of the workforce aligns with the business needs and priorities of Council.

The aim of workforce planning is to get the right people, with the right skills, doing the right jobs, for now and into the future.

There are several imperatives driving Council's commitment to workforce planning, including:

- requirements under the local government Integrated Planning and Reporting Framework
- strategic linkages between organisational objectives and workforce requirements
- strategic management of workforce issues
- shared understanding of and commitment to workforce planning

This plan systematically analyses Council's current and future workforce demands, assesses internal and external issues and opportunities and identifies workforce gaps with the potential to impact on Council's achievement of planned outcomes. These gaps form the basis of a strategic action plan that will inform the business and initiatives included in Council's annual Operational Plans developed during 2013-17.

## B. Workforce Plan

# 3. Demand Analysis

## a. Current and Future Demand

**Table 1: Current and future demand departmental analysis (as at 31 March 2013)**

Department	Job Family	Current FTE	Vacancy Criticality		Future Demand	
			H,M,L	FTE	Changes in FTE	Changes in skills, capabilities and characteristics
Corporate	Total	250.79	L	118.19	Relatively steady	Corporate focus on ability to listen and interpret customer enquiries; ability to use technology effectively; technology skills relevant to the role; knowledge of online tools; ability to understand and assist others in electronic access to information; continuous improvement; currency with industry knowledge and trends both within and outside local government
			M	69		
			H	63.6		
Asset Planning	Administration	0.64	L	0.64	Steady	Steady
	Engineering and Technical	12	L	2	Steady	Project and contract management skills
			H	10		
	Organisational Leadership	4	H	4	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability; project and contract management skills; financial management skills
Community Wellbeing	Organisational Leadership	5.6	L	4.6	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
			M	1		
	Health and Welfare Support Work	4.26	L	3.26	Potential decrease due to cessation of fixed-term contract of employment and review of externally funded service activities	Generalist community development skills; project and contract management skills
			H	1		

Department	Job Family	Current FTE	Vacancy Criticality		Future Demand	
			H,M,L	FTE	Changes in FTE	Changes in skills, capabilities and characteristics
Community Wellbeing (continued)	Service Delivery	12.67	L	10.67	Potential decrease due to cessation of fixed-term employment contract and cessation/review of existing external funding arrangements. Potential increase to deliver waste management landfill compliance functions	Contract and compliance management skills; recreational management skills
			M	2		
	Trades and Labour	19	L	11	Steady	Steady
			M	8		
Cultural Services	Information and Knowledge Management	9.5	L	8.5	Potential increase due to review of Old Bar Library	Realign skills focus from cataloguing to collection management; marketing/events management skills; grant writing skills
			M	1		
	Organisational Leadership	5.71	L	4.71	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability; project and contract management skills; marketing/events management skills; financial management skills
			M	1		
	Service Delivery	4	L	4	Steady	Theatre production technology
Economic Development	Organisational Leadership	1	L	1	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
	Service Delivery	1.57	L	1.57	Potential decrease due to review of Visitor Information Centre and focus on online service delivery	Steady
Executive	Organisational Leadership	4	H	4	Decrease due to Council restructure in first year of appointment	Operational management and leadership capacity to support strategic leadership focus; online service capability; change management
	Administration	1	L	1	Steady	Steady
Finance	Accounting and Finance	7	M	5	Steady	System administrator skills (SUN, Rates and Application Studio); training and assessment skills
			H	2		

## B. Workforce Plan

Department	Job Family	Current FTE	Vacancy Criticality		Future Demand	
			H,M,L	FTE	Changes in FTE	Changes in skills, capabilities and characteristics
Finance (continued)	Organisational Leadership	3	M	1	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
			H	2		
Governance	Administration	2	L	1	Steady	Risk management skills; website administration skills
			M	1		
	Communications and Marketing	2	L	2	Steady	Website administration skills; community engagement skills; layout design; public relations and event management
	Information and Knowledge Management	3.64	L	3.64	Steady	Formal records management qualifications; system administrator skills (TRIM); training and assessment skills; records management system skills
	Organisational Leadership	1	M	1	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
Infrastructure Services	Administration	1	L	1	Steady	Steady
	Organisational Leadership	6	H	6	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
	Trades and Labour	30	L	30	Potential increase to implement quality assurance/management system; potential increase if Special Rate Variation works are undertaken by Council employees	Ganger leadership/management skills; disaster response management skills
	Trades and Labour: Vehicle and Equipment Operation	32	M	21	Potential increase to implement quality assurance/management system; potential increase if Special Rate Variation works are undertaken by Council employees	Customer service skills; plant operation skills
			H	11		
Organisational Development	Organisational Leadership	2	L	1	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
			H	1		



Department	Job Family	Current FTE	Vacancy Criticality		Future Demand	
			H,M,L	FTE	Changes in FTE	Changes in skills, capabilities and characteristics
Organisational Development (continued)	People	4	M	2	Steady	Customer service skills; online service delivery skills, system administrator skills (CHRIS); training and assessment skills
			H	2		
	Strategic policy, research, project and programme	2	L	2	Steady	Project management skills; continuous improvement skills
Property and Procurement	Accounting and Finance	3	L	3	Steady	Procurement and inventory management skills
	Organisational Leadership	5	M	3	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
			H	2		
	Trades and Labour	16	L	7	Review of vacant Mechanic position based on need	Steady
			M	4		
			H	5		
Regulatory Services	Administration	5	L	3	Steady	System administrator skills (Pathway); training and assessment skills
			M	2		
	Compliance and Regulation	8	L	7	Potential increase due to NSW planning reform and enhanced focus on compliance management	Customer service skills
			M	1		
	Engineering and Technical	8.6	H	8.6	Potential decrease if building service market share and associated income declines	Realign focus with NSW planning reform; potential need for planning accreditation
	Organisational Leadership	4	M	2	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
			H	2		

## B. Workforce Plan

Department	Job Family	Current FTE	Vacancy Criticality		Future Demand	
			H,M,L	FTE	Changes in FTE	Changes in skills, capabilities and characteristics
Strategic Planning	Engineering and Technical	7.6	L	4.6	Volatile due to funding	Realign focus with NSW planning reform; potential need for planning accreditation; project and contract management skills
			M	1		
			H	2		
	Organisational Leadership	3	M	3	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability
	Trades and Labour	1	M	1	Steady	Steady
Technology	Information and Communications Technology	6	M	6	Steady	Business analysis skills; system maintenance skills; systems knowledge; web management skills; formal ICT qualifications
	Organisational Leadership	3	M	2	Steady	Operational management and leadership capacity to support strategic leadership focus; online service capability; business analysis skills
			H	1		

### b. Alternative Future Analysis

This Workforce Plan has been developed in a time of uncertainty for Local Government, with an expert panel commissioned by the NSW Government to undertake an extensive review of the sector across NSW.

The outcome of this review may significantly change aspects of the Delivery Program and this Workforce Plan, however, the shape and extent of this change will not be known until the plan period has commenced. Therefore, an informed analysis of this alternative future cannot be provided in this plan. What can be provided is an overview of the possible outcomes of the review. The full modelling and implementation of alternative futures will be captured as initiatives in Operational Plans developed during 2013-17.

The independent panel have identified four (4) forms of consolidation, which may be pursued to strengthen capacity and sustainability, those being:

1. Amalgamation
2. Boundary changes
3. Shared services
4. Regional collaboration

## 4. Supply Analysis

### a. Internal Supply

#### Workforce Profile

The following profile has been prepared in 2012-13 using workforce data and trends for the three complete financial years from 2009-2012.

#### Establishment

At the end of 2011-12, the organisational structure comprised 254.7 full-time equivalent (FTE) positions across three (3) groups and the Executive Office.

**Table 2: Establishment 2011-12**

Group and Department	FTE Positions	Percentage Of Total Employees (excluding casuals)
Executive Office	2	1
Futures Planning	28.97	11
<b>Executive Leader</b>	<b>1</b>	<b>0</b>
Economic Development	2.57	1
Organisational Development	17.4	7
Strategic Planning	8	3
Resource Planning	67.24	26
Executive Leader	1	0
Asset Planning	14.64	6
Finance	10	4
Governance	9.6	4
Property and Procurement	23	9
Technology	9	4
Service Delivery	156.49	61
Executive Leader	1	0
Community Wellbeing	48.47	19
Cultural Services	17.42	7
Infrastructure Services	65	26
Regulatory Services	24.6	10
Total	254.7	100%

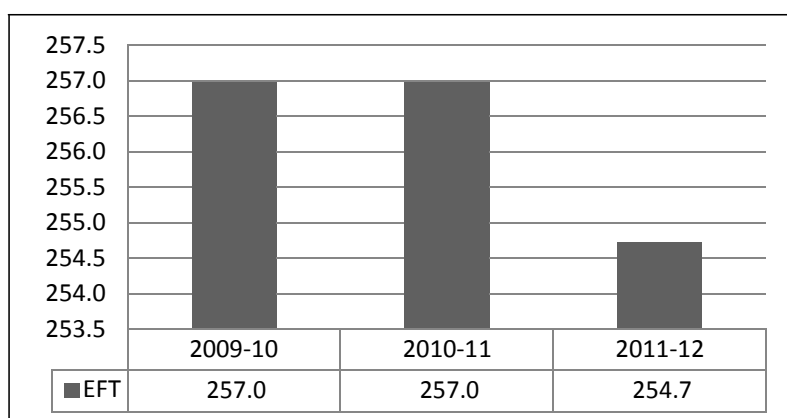
## B. Workforce Plan

### Total number of employees

In 2011-12 Greater Taree City Council (GTCC) employed 326 staff across 254.7 full-time equivalent (FTE) positions, making it a relatively lean organisation compared to other NSW Regional Councils (Councils in Department of Local Government Groups 4-5) which employ an average of 382.15 employees<sup>6</sup>. Variations for outsourcing of Council functions such as water, sewer and waste collection must be noted in this analysis.

The total number of FTE employees at GTCC has remained relatively steady over the three year period preceding this plan, decreasing by less than 1% in that period.

**Figure 1: Full-time equivalent employees 3 year analysis**

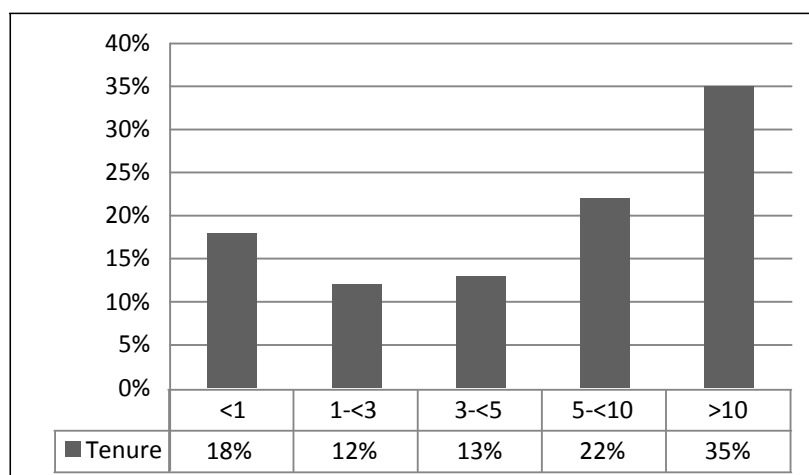


### Length of service

In 2011-12, the average length of service with GTCC, across all employees, was 9.22 years. When analysed by gender, male employees stay with Council for a longer period, with an average length of service of 10.37 years compared to 7.61 years for female employees. When assessed by work location, Outdoor employees (those employees engaged on a 38 hour week, generally in outdoor operational activities) tend to stay with Council for a longer period, with an average length of service of 9.84 years compared to 8.63 years for Indoor employees (those employees engaged on a 35 hour week, generally in indoor technical, supervisory and/or administrative activities).

When analysed by term of tenure, it is evident that a significant proportion of GTCC employees have more than ten years of service with the organisation. Employees that leave Council tend to exit after their first year and before their fifth year of service.

Figure 2: Tenure profile 2011-12

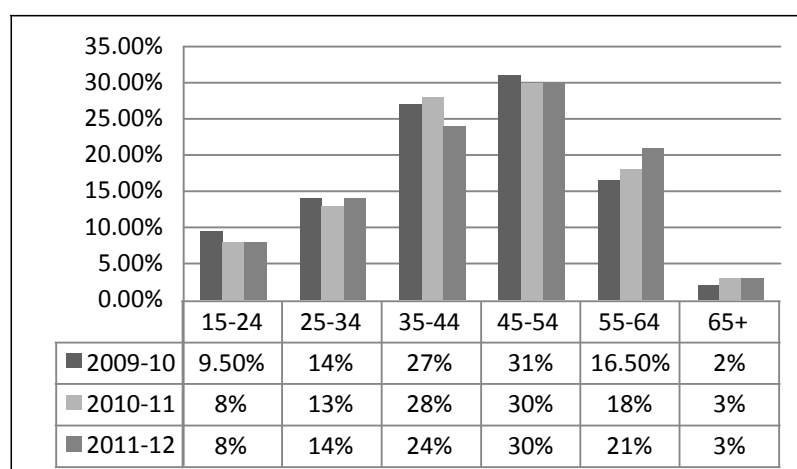


## Age

GTCC has a mature aged workforce, with over half (52%) of all employees aged over 45 years in 2011-12. This rate is higher than other NSW Regional Councils (49%)<sup>1</sup> and significantly higher than the Australian workforce across all industries (38.5%)<sup>3</sup>.

The median age at GTCC, across all employees, is 46 years. This is significantly higher than the 39 years median age of the Australian workforce across all industries<sup>3</sup>.

Figure 3: Age 3 year analysis



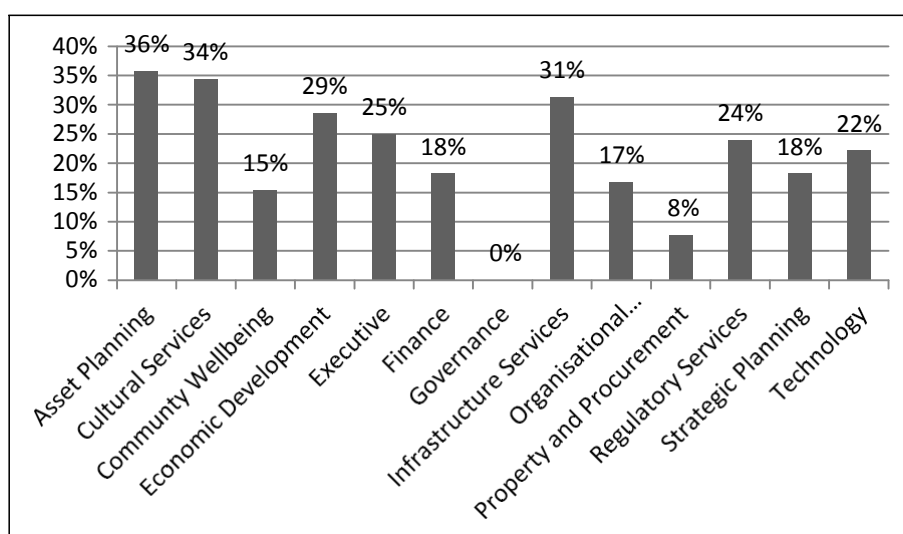
GTCC also has an ageing workforce. In the three-year period preceding this plan, the number of employees aged less than 35 years dropped by 1.5% while the number of employees aged over 55 years grew by 5.5%.

During the life of this Workforce Plan, approximately one quarter of Council's workforce (23.9%) will be aged 60 years and over. This ageing workforce is most prevalent in the areas of Asset Planning (35.7% of department staff), Cultural Services (34.4%) and Infrastructure Services (31.3%).

<sup>1</sup> Division of Local Government, NSW Government Premier and Cabinet, *2010 Census of Local Government Employees*, August 2011.

## B. Workforce Plan

**Figure 4: Employees aged 60+ in 2013-17 departmental analysis**

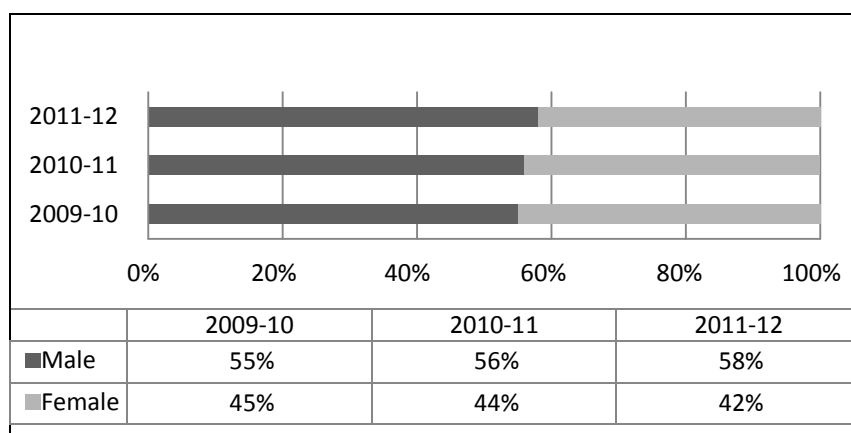


## Gender

In the three years preceding, this plan the number of male employees at GTCC has increased by 3%, reaching 58% in 2011-12. This is disproportionate when compared to the local government area, where males make up only 49% of the Greater Taree population<sup>2</sup>. It is also higher than other NSW Regional Councils and the Australian workforce across all industries where males make up 54%<sup>1</sup> and 54.5%<sup>3</sup> respectively.

When analysed by age, a significantly higher proportion of GTCC's employees aged 45+ were male (63%). The 35-44 year age bracket was the exception to this trend with the majority of these staff being female (53%).

**Figure 5: Gender 3-year analysis**



<sup>2</sup> Australian Bureau of Statistics (ABS) 2006, *2006 Census of Population and Housing Greater Taree (C) LGA 13350: B01 Selected Person Characteristics by Sex*, Author, Canberra.

<sup>3</sup> Skills Info 2012, *Industry Information*, viewed 2 May 2012, <http://www.skillsinfo.gov.au/industry-information>



## Gender of the leadership team

Council's leadership team comprises the General Manager, Executive Leaders, Senior Leaders and the Executive Assistant. While the majority of this team are male (60%), this is comparatively low in contrast to senior management teams of other NSW Regional Councils where males fill approximately 77%<sup>1</sup> of these positions.

## Cultural diversity

GTCC does not currently collect data on employee cultural and linguistic diversity.

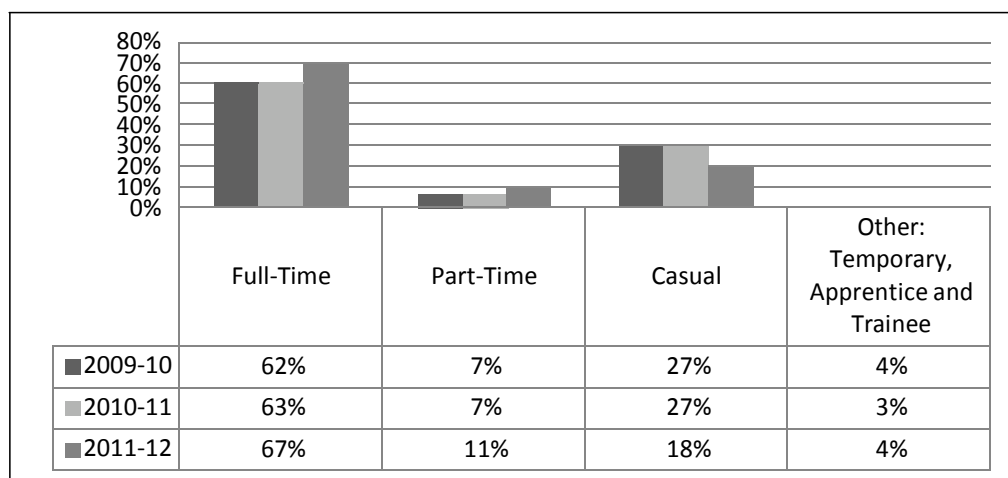
## People with a disability

GTCC does not currently collect data on employee disability.

## Employment status

In 2011-12, the majority of GTCC staff were employed on a full-time basis (67%). This represents an increase of 5% over the three-year period preceding this plan. This is on par with other NSW regional councils (67%) but lower than the Australian workforce across all industries (70.4%)<sup>3</sup>.

Figure 6: Employment status 3-year analysis

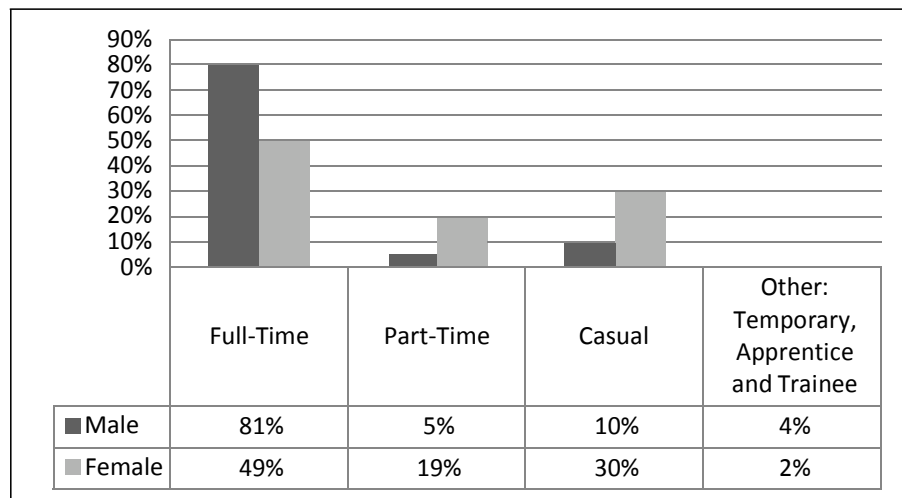


Significantly, the rate of casual engagement decreased by 9% to 18% in 2011-12 and part-time engagements increased by 4% to 11% in the same period. This has brought GTCC's workforce composition more in line with other regional councils where casuals comprise approximately 17% of the workforce and part-time staff 15%<sup>1</sup>.

When analysed by gender, more than three-quarters (81%) of GTCC's male employees and less than half (49%) of female employees were engaged on a full-time basis in 2011-12. This compares with other NSW regional councils where 45% of females and 86% of males were engaged on a full-time basis in the same period<sup>1</sup>.

## B. Workforce Plan

**Figure 7: Employment status by gender 2011-12**



## Workforce Trends

### Workforce outflow

**Table 3: Workforce outflow summary (excluding casual employees) 3 year analysis**

	2009-10	2010-11	2011-12
Resignations	20	23	18
Retirements	4	7	5
Terminations	1	1	1
Redundancies	3	0	4
Contract cessations	4	2	6
Deaths	0	1	0
Total	32	34	34

### Employee turnover

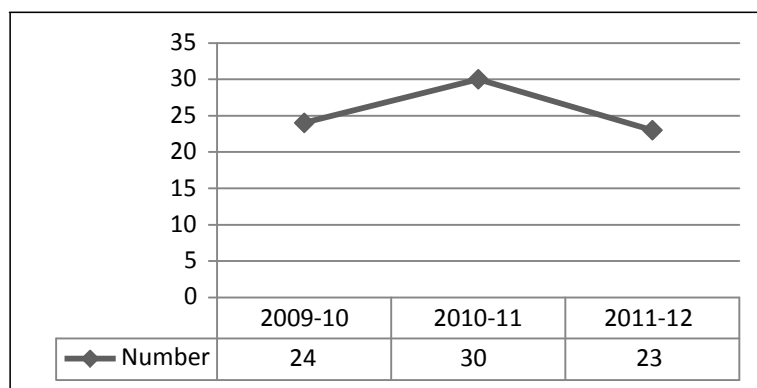
Council's voluntary turnover rate has fluctuated during the period preceding this plan, peaking at 11.7% of total staff numbers in 2010-11 and averaging out at 10% for the three year period 2009-2012. This rate is higher than the average voluntary turnover rate across other urban councils (councils in Department of Local Government groups 1 to 7) for the same period, which was 9.5%<sup>4</sup>.

Council's retirement rate in 2011-12 was 1.5% of total headcount, higher than the 1.3% average<sup>4</sup> retirement rate of other urban councils.

<sup>4</sup> Local Government Management Solutions, *NSW Local Government HR Metrics Benchmarking Basic Report 2012*, 19 October 2012.

The turnover trend experienced by GTCC appears to reflect emerging trends across the local government sector, with a Government Skills Australia survey finding that 40% of local government respondents have had trouble in retaining staff over the last 12 months<sup>5</sup>. The most common reasons cited for retention issues were attractiveness of other industries, in particular the resources sector, followed by perceived inequitable remuneration. Job location and not feeling valued were also identified as common causes of retention difficulties<sup>5</sup>.

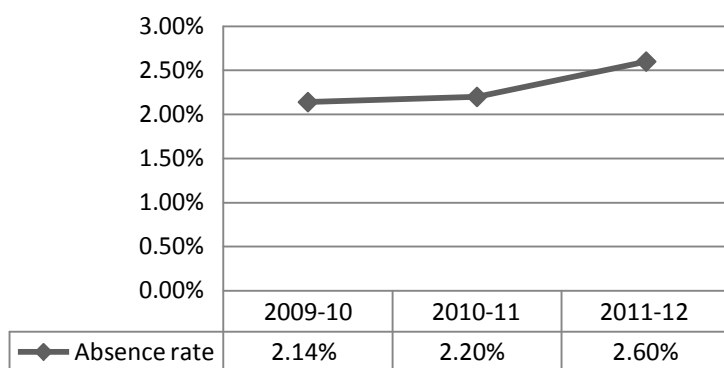
**Figure 8: Voluntary turnover 3-year analysis**



### Sick leave

Council's absence rate has increased slowly but steadily over the three-year period preceding this plan, rising by 0.46% to 2.6% in 2011-12. While climbing, this rate is still significantly lower than the average unplanned absence rate across other urban councils, which was 3.2%<sup>4</sup> in 2011-12.

**Figure 9: Absence rate 3 year analysis**



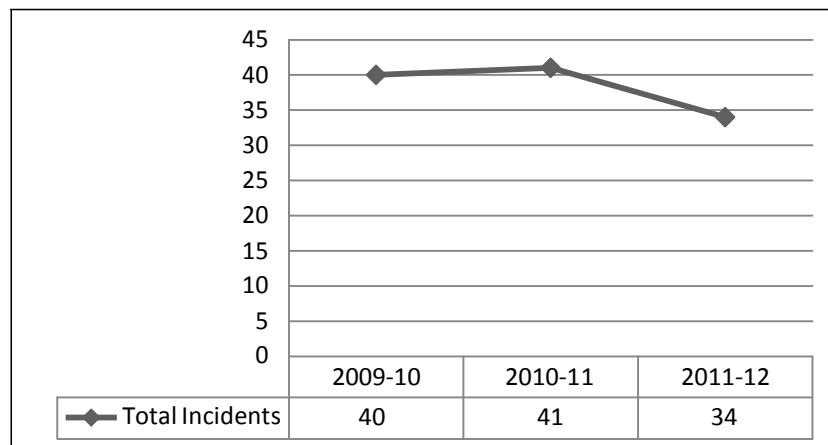
<sup>5</sup> Government Skills Australia, Government and Community Safety Industry Skills Council, 2012 *Environmental Scan*, 2012.

## B. Workforce Plan

### Accident / incident rates

Rates of accidents/incidents at GTCC have declined by 15% over the three-year period preceding this plan; however, the number of lost time claims has increased by 21% over the same period. Council's lost time injury frequency rate (number of lost time injuries/total work hours X 1,000,000) of 18.3 is significantly lower than the 26.5 average<sup>4</sup> of other urban councils. However, Council's lost time injury severity rate (total days of lost time injuries/number of lost time injuries) of 21.8 is significantly higher than the 15.7 average<sup>4</sup> of other urban councils. Similarly, Council's lost time injury incident rate (number of lost time injuries/FTE staff X 100) of 6.7 is higher than the 5.0 average<sup>4</sup> of other urban councils. These figures reflect the impact of several large lost time claims in the reporting period.

**Figure 10: Total incidents 3-year analysis**



### Investment in employee learning and development

Approximately 3% of Council's total salaries/wages budget is expended on employee learning and development activities. This rate has increased by 1% over the three-year period preceding this plan and is significantly higher than the average 1.11%<sup>4</sup> investment rate of other urban councils.

Council also invests highly in tertiary education, with 10.4% of total employees receiving either financial support or time off work to undertake tertiary education activities. These figures are boosted significantly by Council's existing worker traineeship program, targeted at civil construction roles. This rate of investment is significantly higher than the average 7.9%<sup>4</sup> assistance rate of other urban councils.

### Staff perception and involvement

In April 2012 Council conducted an employee retention survey, to which 42.5% of employees responded. The survey found:

- The number one and two most important factors influencing why employees stay in their job were 'Job security' and 'Enjoyable and challenging work'.
- The least important factors influencing why employees stay in their job were 'Supportive management and a good boss' and 'Pride in the organisation, its mission, products/services'.

## B. Workforce Plan

- Employees ranked 'Job security' and 'Enjoyable and challenging work' as the number one and two areas in which Council performs the best.
- Employees ranked 'Supportive management and a good boss' and 'Being recognised, valued and respected' as the number one and two areas in which Council performs the worst.

Overall the survey results indicated that, on average, what employees expect from Council is provided and the organisation is largely operating to the current expectations of staff. In the case of the most important factors, staff believe Council performs well.

## B. Workforce Plan

### b. External Supply

#### Workforce inflow

**Table 4: Workforce inflow summary (excluding casual employees) 3-year analysis**

	2009-10	2010-11	2011-12
Recruitments	11	13	46

**Table 5: Unsuccessful recruitment campaigns 3-year analysis**

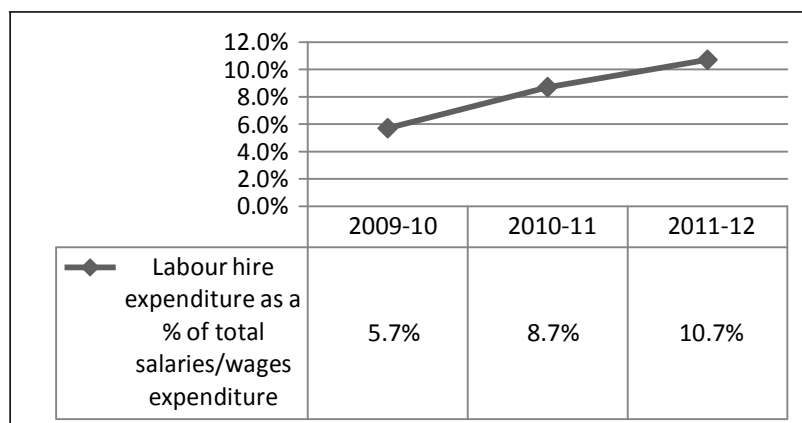
Year	Department	Job Family
2009-10	Asset Planning	Engineering and Technical
	Community Wellbeing	Service Delivery
2010-11	Asset Planning	Engineering and Technical
	Regulatory Services	Engineering and Technical
	Finance	Organisational Leadership
2011-12	Asset Planning	Organisational Leadership
	Community Wellbeing	Service Delivery
	Regulatory Services	Engineering and Technical
	Asset Planning	Organisational Leadership
	Governance	Organisational Leadership

#### Labour hire usage

Expenditure on labour hire services has increased significantly over the period preceding this plan, rising by over 103%. This increase has been predominantly in the areas of Infrastructure Services and Parks and Reserves.

While Council intends to continue engaging labour hire staff during 2013-17, the trend experienced in the previous three years is not expected to continue given extensive recruitment activities undertaken in 2011-12 to fill vacancies backfilled by labour hire staff.

**Figure 11: Labour hire expenditure 3-year analysis**





### Labour force participation

Greater Taree Local Government Area (LGA) has a lower proportion of the population in the labour force (47.7%) compared with Regional NSW (56.4%), NSW (59.7%) and Australia (61.4%)<sup>6</sup>. Between 2006 and 2011, the number of people in the labour force in Greater Taree showed an increase of 1.2%<sup>6</sup>.

### Skills shortages

The Industry Skills Council's 2012 environmental scan identified engineers, planners, environmental health workers, surveyors and managers as skills shortage areas for local government<sup>5</sup>. This assessment is reflected in Council's profile of unsuccessful recruitment campaigns.

### Occupations

The three most popular occupations held by residents of the Greater Taree LGA in 2012 were:

- Professionals (16.6%)
- Technicians and Trades Workers (15.2%)
- Labourers (13.9%)<sup>6</sup>

In combination, these three occupations accounted for 45.7% of the employed resident population<sup>6</sup>.

The largest changes in the occupations of Greater Taree residents between 2006 and 2011 were for those employed as:

- Professionals (+367 persons)
- Community and Personal Service Workers (+318 persons)
- Managers (-186 persons)
- Labourers (-154 persons)<sup>6</sup>

### Qualifications

Greater Taree LGA has a lower proportion of people holding formal qualifications (Bachelor or higher degree; Advanced Diploma or Diploma; or Vocational qualifications), and a higher proportion of people with no formal qualifications when compared to Regional NSW<sup>6</sup>.

The largest changes in the qualifications of the population in Greater Taree LGA between 2006 and 2011 were in those with:

- Vocational qualifications (+1,218 persons)
- Bachelor or Higher degrees (+583 persons)
- No qualifications (-506 persons)
- Advanced Diploma or Diplomas (+389 persons)<sup>6</sup>

Overall, 37.8% of the population aged 15 and over held educational qualifications in 2011, and 49.3% had no qualifications, compared with 41.5% and 46.8% respectively for Regional NSW<sup>6</sup>.

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<sup>6</sup> Australian Bureau of Statistics, *Census of Population and Housing 2006 and 2011*. Compiled and presented by [.id.](#), the population experts (Usual residence data).

## B. Workforce Plan

# 5. Gap Analysis

Following is an analysis of gaps identified through the demand and supply analysis, including a risk analysis and assessment of mitigation strategies.

Gap to be addressed		Likelihood	Consequence	Risk Rating	Mitigation core business	Potential mitigation initiatives	Residual risk
1	Ageing workforce	E	2	High	<ul style="list-style-type: none"> <li>Analyse staff exit data and incorporate into HR program development</li> <li>Manage employee exit process</li> </ul>	Conduct workforce intentions survey	High
						Promote flexible working patterns including phased retirement	
						Develop succession planning programs	
2	Succession planning	E	2	High	<ul style="list-style-type: none"> <li>Facilitate performance review and assessment process</li> <li>Facilitate ongoing learning and development activities</li> <li>Facilitate competency assessment process</li> </ul>	Develop succession planning programs for vacancy critical roles	Moderate
						Facilitate organisational capacity building activities	
						Develop apprenticeship/ traineeship/ cadets programs targeted at vacancy critical roles	
						Develop career path links with secondary and tertiary education providers	
						Develop emerging leaders program	
						Develop leadership mentoring program	
						Facilitate language, literacy and numeracy activities for emerging operational leaders	

Gap to be addressed		Likelihood	Consequence	Risk Rating	Mitigation core business	Potential mitigation initiatives	Residual risk
3	Attraction of suitable candidates, particularly in skills shortage areas of engineering and technical, compliance and regulation, organisational leadership and trades and labour vehicle and equipment operation	D	2	High	<ul style="list-style-type: none"> <li>Participate in annual salary benchmarking and incorporate into salary system reviews</li> <li>Conduct employee satisfaction and retention surveys</li> <li>Conduct community engagement and public relations activities to enhance Council's profile/reputation</li> <li>Facilitate recruitment and selection</li> <li>Facilitate employee orientation</li> </ul>	<p>Develop and promote Council's employer brand/ employee value proposition based on employee retention survey data</p> <p>Engage with job applicants through social media</p> <p>Develop apprenticeship/ traineeship/cadet programs</p>	Moderate
4	Retention of suitable staff	C	2	Moderate	<ul style="list-style-type: none"> <li>Conduct annual employee satisfaction and retention surveys</li> <li>Analyse staff retention, satisfaction and exit data and incorporate into HR program development</li> <li>Deliver employee wellbeing activities</li> <li>Manage employee remuneration systems</li> <li>Manage work health and safety system</li> </ul>	Develop formal employee wellbeing program	Low
5	Employment equity to reflect community composition	C	1	Low	<ul style="list-style-type: none"> <li>Facilitate staff education activities on cultural sensitivity, equal employment opportunity, working with other generations and merit based selection</li> <li>Implement Equal Employment Opportunity Management Plan</li> </ul>	<p>Conduct annual staff census</p> <p>Implement integrated Human Resource Information System with self serve capacity</p>	Low
6	Changing staff skill and capability requirements to deliver planned outcomes	C	1	Low	<ul style="list-style-type: none"> <li>Facilitate performance review and assessment process</li> <li>Facilitate training and development activities</li> <li>Facilitate review of position descriptions</li> </ul>	Facilitate alternative learning opportunities including secondments, project teams and networking	Low



## B. Workforce Plan

### Risk matrix:

Likelihood		Consequence				
Rating		1	2	3	4	5
		Insignificant (minor problem handled easily by operational processes)	Minor (some disruption possible)	Moderate (significant time/resources required)	Major (operations severely damaged)	Catastrophic (business survival is at risk)
<b>E</b>	Almost certain  (is expected to occur in most circumstances)	High	High	Extreme	Extreme	Extreme
<b>D</b>	Likely  (will probably occur in most circumstances)	Moderate	High	High	Extreme	Extreme
<b>C</b>	Possible (might occur at some time)	Low	Moderate	High	Extreme	Extreme
<b>B</b>	Unlikely (could occur at some time)	Low	Low	Moderate	High	Extreme
<b>A</b>	Rare (may occur only in exceptional circumstances)	Low	Low	Moderate	High	High

## 6. Action Plan

### Workforce action plan

Table 6: Workforce action plan

Year	Initiative
1	Conduct workforce intentions survey
	Develop career path links with secondary and tertiary education providers
	Develop and promote Council's employer brand/employee value proposition based on employee retention survey data
	Conduct annual staff census
1-2	Implement integrated Human Resource Information System with self serve capacity
	Promote flexible working patterns including phased retirement
	Engage with job applicants through social media
	Develop succession planning programs for vacancy critical roles
	Develop apprenticeship/ traineeship/ cadets programs targeted at vacancy critical roles
1-4	Develop succession planning programs
	Facilitate organisational capacity building activities
2	Develop emerging leaders program
	Develop leadership mentoring program
	Facilitate language, literacy and numeracy activities for emerging operational leaders
2-3	Develop formal employee wellbeing program
2-4	Facilitate alternative learning opportunities including secondments, project teams and networking

### Assessment methods

Achievement of this action plan will be assessed through the Operational Plan reporting process using the following assessment methods:

- progress and completion of projects
- trends in key performance indicators.

# C. Asset Management Strategy

## 1 Overview

Greater Taree City Council is the custodian of over \$1.05 billion worth of asset portfolio including infrastructure assets such as roads, waterway structures, storm water drains, footpaths, kerb & gutter, airport, buildings & facilities, parks and open space and non-infrastructure assets such as plant & equipment, library books and land. These assets enable the community to access and enjoy all the services and facilities that Greater Taree City Council has to offer, playing a vital role in the local economy and the quality of life. Therefore Council, on behalf of the Greater Taree Community has significant responsibility to manage the asset portfolio in a professional manner to ensure its sustainability.

These assets represent an investment built up over many generations, which in itself presents a significant challenge, as many assets were constructed or acquired many decades ago and as such are approaching the end of their useful life.

Past systems and processes had a focus on optimising the funds allocated in a given year (or the next 2-3 years) but did not analyse the long-term sustainability of managing the existing infrastructure stock. The pattern of infrastructure construction in the past points to a future peak in infrastructure renewal over and above maintenance activities

The efficient management of these assets is vital in maintaining safe, reliable and efficient services that help achieve the strategic priorities and goals of Council. Failure to adequately plan for the replacement and renewal of existing assets and the development of new assets will result in not being able to meet the needs of the community, now and into the future.

The environment in which local government operates is constantly changing. As assets continue to age, Councils will need to demonstrate an accepted level of investment, skill, expertise and also a duty-of-care in relation to management practices and maintenance of assets.

This Asset Management Strategy will be reviewed every 4 years to ensure that it meets the requirements of legislation and the needs of Council.



## 2.1 What is Asset Management? C. Asset Management Strategy

Asset management is a process of combining financial and economic management with engineering and other practices to guide the planning, acquisition (creation), operation and maintenance, renewal and disposal of physical assets with the objective of maximising an asset's service-delivery-potential and manage related risks and costs over the entire life of the asset.

Asset management ensures that Council's assets are capable of providing services, at an agreed level, in a sustainable manner, for present and future generations.

## 2.2 Why is Asset Management Important to Council?

Asset management delivers benefits that are realised in the areas of improved accountability, sustainable service delivery, risk reduction and financial management and forecasting. Specific benefits can include:

- More informed decision-making
- Improved efficiency in the use of limited capital funds and asset operation costs
- Ability to plan for present and future generations
- Improved long-term financial forecasting and management

## 2.3 Asset Management Framework

Council's asset management framework as illustrated in Figure 1 on page 42 shows the relationship between the Manning Valley Community Strategic Plan, Resourcing Strategy, the Asset Management Policy, the Strategy, Asset Management Plans, Operational Plans and Asset Management Information Systems. This framework will ensure a strategic approach to asset management.

Each major asset class will have its own Asset Management Plan that is prepared in line with this strategy.

## 2.4 Legislative Reforms and Strategic Initiatives

The Division of Local Government's (DLG) Integrated Planning and Reporting (IP&R) Framework requires agreed levels of service (LOS) performance and an accompanying Long Term Financial Plan that aims to fully fund the capital, maintenance and operating costs needed to sustain the agreed service level targets. In order to achieve this, a number of future service level scenarios and long term cash flows are required to determine the optimum balance between environmental, economic, social and cultural objectives. For this iteration a "balanced approach" has been adopted which matches infrastructure management activities within existing funding and resource capabilities.

In addition to the requirements of IP&R Framework, there have been other legislative reforms that affect infrastructure asset management planning, these include:

### Financial Reporting Requirements

The DLG requires that Council's comply with the Australian Accounting Standard Board 116 (AASB 116) for reporting on infrastructure assets. This has been implemented on a staged process over the last 5 years. To date, Council has accounted for, at Fair Value, all roads and bridges, drainage, buildings, land improvements and other assets. The data required to provide this level of financial reporting is also essential for planning of future infrastructure

renewal requirements. Both the Asset Management Strategy and the Asset Management Plans are informed by this data.

### National Framework for Financial Sustainability in Local Government

At its meeting on 4 August 2006, the Local Government and Planning Minister's Council (LGPMC) agreed to a nationally consistent approach to asset planning and management, financial planning and reporting and assessing financial sustainability. On 20 October 2006, the LGPMC endorsed the draft National Frameworks for Financial Sustainability in Local Government as a basis for consultation. On 21 March 2007, the LGPMC endorsed the Frameworks for implementation in the context of their relationships with local government sectors. Jurisdictions will be required to report on progress of their application of the Frameworks.

The National Frameworks consists of three main components of which Asset Planning and Management is one. This framework consists of seven elements which each State and Territory is expected to adopt as follows:

**Development of an asset management policy** - Each state/ territory is expected to develop an asset management policy, which provides high-level guidance to assist individual Councils in developing their asset management policy.

**Strategy and Planning** – Councils should be provided with guidance from the State on developing an asset management strategy which is designed to support and implement its asset management policy.

**Governance and Management Arrangements** – Councils should be encouraged to apply and implement good governance and management arrangements which link asset management to service delivery and include assigning roles and responsibility for asset management between the CEO, the Council and senior managers.

**Defining Levels of Service** – Mechanisms should be established that include community consultation to define the levels of service Councils are expected to provide from their asset base.

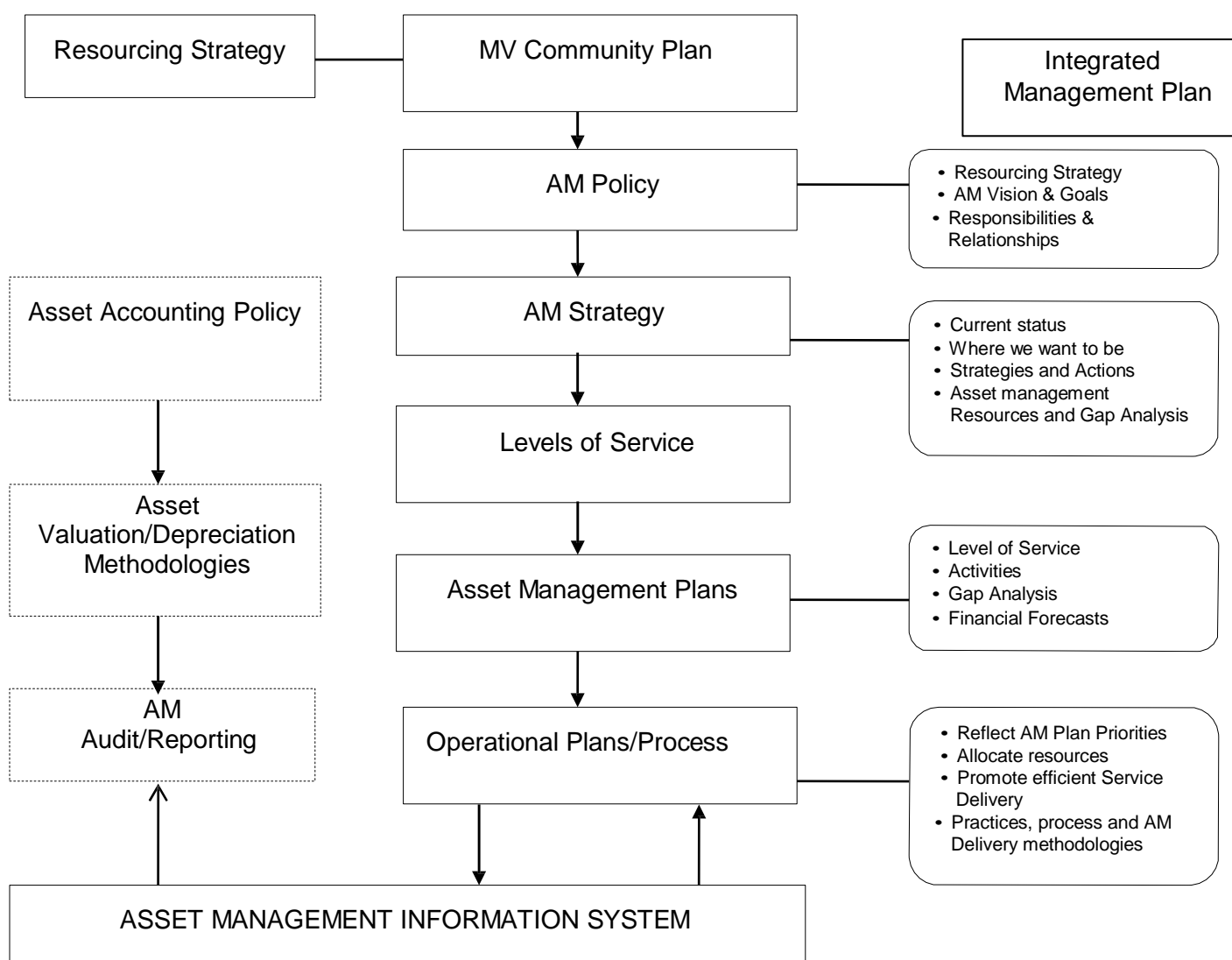
**Data and Systems** – A framework for collection of asset management data should be established.

**Skills and Processes** – The asset management framework should contain a continuous improvement program.

**Evaluation** – The asset management framework should contain a mechanism to measure its effectiveness.

Greater Taree City Council has embraced the principles of these reforms and initiatives and is now working to bring these principles of asset management planning, strategies and associated reporting into a framework enabling contemporary asset management practices to be followed.

FIGURE 1 – ASSET MANAGEMENT FRAMEWORK



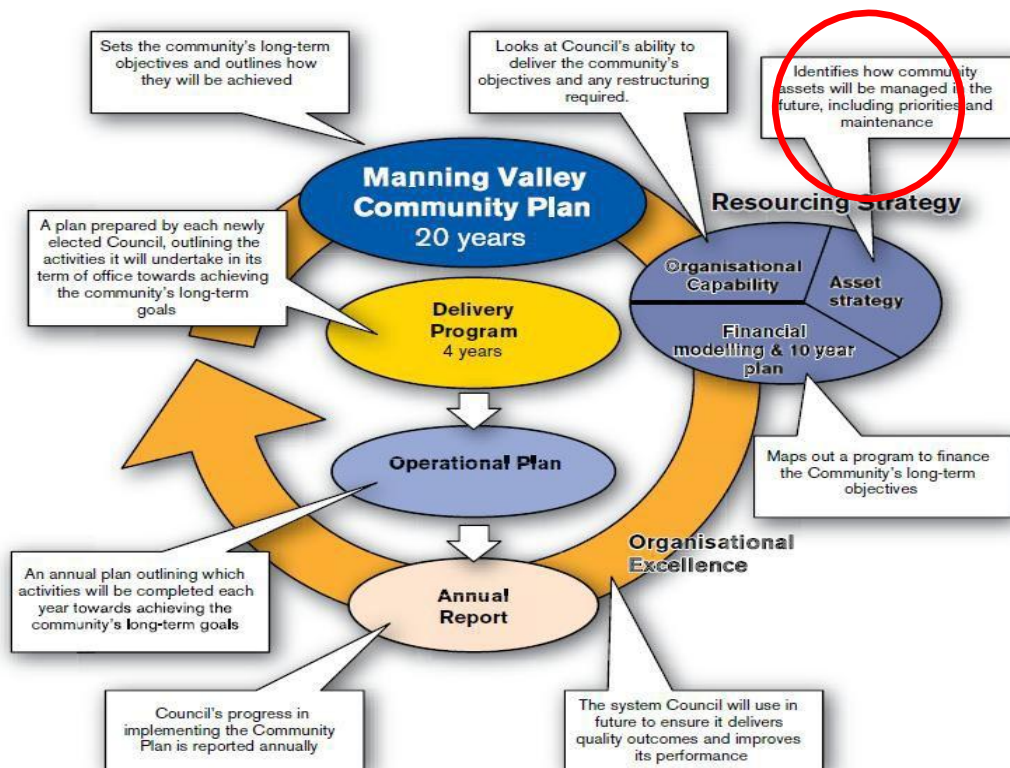
## C. Asset Management Strategy

# 3 Link to Manning Valley Community Plan

## 3.1 Manning Valley Community Plan

The Manning Valley Community Plan has been prepared after extensive community consultation so that Council can implement its vision over the next ten years and delivery program for next four years. The relationship between Manning Valley Community Plan and this strategy is shown below

FIGURE 2



The Manning Valley Community Plan provides the following objectives relative to asset management:

- Public assets and infrastructure will be planned, managed and funded to meet community needs and agreed level of service
- Ensure the road system meets the transport needs of the community
- Develop an urban storm water capability to maintain effective discharge with no net increase in environmental consequences
- Encourage the community to consider use of alternative and sustainable transport

- Aim for a higher quality of design and maintenance in all development, both public and private
- Maintain a strategic land-use planning framework that will establish a clear balance between development and conservation, and accommodate economic investment and lifestyle change.

### 3.2 Strategic Financial Plan (Long Term Financial Plan)

It is essential for sound strategic financial planning that the requirements of all asset groups are established to ensure that the overall needs for the sustainable service delivery are assessed.

The Long Term Financial Plan provides a high level long term projection of the use of Council's resources to achieve Council's objectives in asset management and delivery of services. This strategy enhances decision-making in the allocation of the resources on infrastructure maintenance and long-term renewal and rehabilitation.

## C. Asset Management Strategy

# 4 Asset Management Vision and Strategy

### 4.1 Vision

*“To achieve agreed community expectations through strategic asset management practices.”*

### 4.2 Purpose

The Asset Management Strategy is a key element of Council’s Resourcing Strategy. The Asset Management Strategy provides a better understanding of how to align the asset portfolio so that it best meets the service delivery needs of the Manning Valley community, both now and the future.

The Asset Management Strategy provides direction towards developing an ongoing process that will determine what the range and extent of assets council will require to achieve its strategic objectives and establish the framework that determines the nature and direction of the management of those assets.

### 4.3 Objectives

The key objectives of Asset Management Strategy are to ensure:

- legislative requirements are met in relation to asset management;
- decisions consider social, economic, environmental and political requirements;
- public assets are planned, managed and funded to meet community needs at an agreed level of service;
- assets meet the needs of the community;
- infrastructure is subject to the quality design, maintenance and construction standards, within allocated financial resources;
- full life cycle-costing is considered in all decisions relating to creating new assets and upgrade of existing services and assets;
- future services levels are determined in consultation with the community;
- the resources and operational capabilities for asset management are clearly identified;
- asset renewals are prioritised to meet agreed level of service, within the allocated financial resources; and
- risk is managed appropriately.

### 4.4 Asset Management Strategies

Council’s strategic direction for future asset management is outlined below:



#### **4.4.1 Risk management**

Council will develop a comprehensive understanding of the risk levels associated with their assets. We will ensure that our asset management plans incorporate comprehensive risk management.

#### **4.4.2 Relationship to Services**

The implementation of an effective Asset Management Strategy will consider the relationship and prioritisation of maintenance and capital works to support the delivery of Council's services. To this effect, it will be a major tool in assisting the Council to manage risk and liability through the development of defined works and services programs which best allocate the use of available resources.

#### **4.4.3 Sustainability of management of assets**

All infrastructure assets will be managed in a manner that ensures they can be sustained and provide the specified "levels of service" for the overall benefit of the community.

#### **4.4.4 Assets to meet community needs**

Any proposals for upgrading or provision of new assets will be assessed for community or legislative need and will involve a process of community consultation. As well as identifying the specific need of the community (or legislative), the community in turn is to be made aware of the issues of current and future costs and risk.

#### **4.4.5 Asset renewal**

Existing assets are to be renewed when they are due for renewal and are not providing further economical benefits, determined by applying best practice asset management methodologies. The assets will be renewed with new assets to provide existing service potential, no more, no less.

#### **4.4.6 Asset Rationalisation / Disposal**

Consideration of the disposal or rationalisation of assets will be initiated when the economic life of the asset has expired, when the service specification is no longer relevant, when the service provided by the asset has changed / disappeared or when the service provided by the asset is no longer required.

#### **4.4.7 Asset management to be basis of long term strategy**

Asset management planning needs will be clearly identified as a key driver for long term strategy for the Council

#### **4.4.8 Integrated Asset Management Information System**

An integrated Asset Information System will be implemented and integrated with other corporate systems, with information accessible by staff to make informed decisions based on asset management principles.

## **C. Asset Management Strategy**

### **4.4.9 Asset management responsibility**

The ownership, responsibilities and accountabilities for each asset class as well as corporate responsibilities will be fully defined. An asset management / maintenance decision making process and responsibility matrix will be developed.

### **4.4.10 Asset Management plans**

Each key asset class will have an Asset Management Plan outlining life cycle management of an asset, risk and rolling works program for renewals / upgrade.

### **4.4.11 Corporate Approach to Asset Management**

Council recognises that asset management is a corporate, not a technical responsibility.

### **4.4.12 Asset Management Resourcing**

Resource requirements for council to be able to fully implement asset management practices and plan will be identified and provided.

### **4.4.13 Assets exist to deliver the service**

Non-asset solutions will be considered before investing for new assets.

### **4.4.14 Prioritisation of works**

Works will be prioritised based on set of criteria developed taking in to consideration of community expectation, condition (position of life cycle), risk, cost and funding.

## 5 Current Status of Assets

### 5.1 Asset classes

As part of council's business, the council owns and maintains major infrastructure assets worth of approximately \$1.05B (replacement value as at June 2010). These assets enable the delivery of services to the Manning Valley community. The Council acknowledges that it has a duty and responsibility to maintain these assets to ensure that optimum usage is achieved and that the community's requirements are met.

The following are the key asset classes for Greater Taree City Council.

#### **Roads**

A network of 765km of sealed roads and 950km of unsealed roads, providing transport need for the Manning Valley community and the visitors to the Manning Valley.

#### **Roads Ancillary**

Kerb and gutter network of 454km, 95km of built footpaths, bus shelters, signs and traffic devices and car parks.

#### **Bridges and other waterway structures**

107 Timber Bridges, 113 Concrete Bridges and Major Culverts, 50 Minor Timber Culverts and approximately 3,000 minor concrete culverts and waterway structures (Causeways, etc).

#### **Storm Water Drainage**

Council currently has responsibility for the storm water network comprising pipes, pits, retention basins and Gross Pollution Traps, to ensure the efficient discharge of storm water to prevent flooding of private properties and disruptions to other community services.

#### **Buildings**

Council has responsibility for many community and administrative buildings throughout the Manning Valley to provide various services to the community. These buildings include five Libraries, Council Administrative Buildings and Depot, Community Halls, Art Gallery, Entertainment Centre and buildings in sporting complexes.

#### **Parks, Gardens and Playing Fields**

Council currently has responsibility for a number of sporting facilities, ovals, parks, gardens, playground equipment, recreational equipment, etc.

#### **Airport**

Council owns and has responsibility for Taree Regional Airport.

#### **Recreational Facilities**

Council is currently responsible for six swimming pools and nine sporting complexes.

These assets are depreciating at an amount of approximately \$11M per year.

### 5.2 Current Condition of Assets

Council uses a 5 step scale to rate the condition of community infrastructure assets, 1 being "New" (more than 95% of service potential remaining) and 5 being "Very Poor". Depending on the type of infrastructure, intervention level for rehabilitation and renewal has been adopted based on the current level of service. The condition rating distribution for major asset classes as at 30 June 2012 are given in table 5.2.

## C. Asset Management Strategy

**Table 5.2**

Asset Class		Condition Rating					
		1	2	3	4	5	Un-rated
		Very Good	Good	Fair	Poor	Very Poor	Unknown
Sealed Roads - Local Urban	% of length	26%	7%	21%	23%	23%	
Sealed Roads - Local Rural	% of length	16%	10%	23%	21%	30%	
Sealed Roads - Regional	% of length	21%	7%	21%	30%	21%	
Unsealed Roads	% of length	3%	4%	14%	25%	54%	
Timber Bridges	% of total	27%	54%	12%	4%	0%	3%
Concrete Bridges	% of total	1%	3%	16%	21%	28%	31%
Culverts	% of total	3%	25%	52%	17%	3%	
Kerb & Gutter	% of length	9%	12%	27%	37%	15%	
Footpaths Concrete	% of length	20%	30%	40%	8%	2%	
Footpaths Paved	% of length	5%	60%	30%	4%	1%	
Footpaths AC	% of length	0%	1%	9%	10%	80%	
Other Roadside Ancillary	% of item	10%	20%	18%	13%	4%	35%
Car parks	% of area						
Stormwater Network	% of Network	0%	5%	9%	51%	35%	
Major Buildings	% of Buildings	0%	0%	100%	0%	0%	
Minor Buildings	% of Buildings	0%	13%	71%	13%	0%	
Parks & Reserves	% of number	0%	5%	30%	50%	15%	
Sporting Fields	% of number	5%	10%	40%	40%	5%	
Swimming Pools	% of number	3%	17%	45%	24%	11%	
Airport Runway	% of area	50%	0%	25%	0%	25%	
Airport Ancillary	% of item	20%	0%	0%	80%	0%	

## 6 Asset Management Practice

### 6.1 Current Asset Management System

Council has recently implemented the Conquest™ asset management system which is currently being populated with data. Other data is held in various formats, the most common being Microsoft Excel spreadsheet and MS Access database. These Asset registers and databases are stand-alone systems maintained by individual staff in respective area. Some of the asset data also recorded in Council's GIS system and use in decision making process.

Condition assessment and maintenance inspections are documented both manually and electronically in respective assets registers. Council uses GPS data capturing system for most road related asset inspections. Required repairs for assets are documented in Council's Road Customer Service System, which is also a standalone MS Access database with no linkage to the other systems.

When the Conquest™ System is fully operational, there will be structured systems or processes for life cycle management of assets from acquisition through to renewal or disposal and to support informed decision making.

## C. Asset Management Strategy

# 7 Key Implementation Actions

The implementation of the following Actions will ensure that Council will deliver the strategic objectives of the Manning Valley Community Plan and the vision and goal of its Asset Management Policy whilst undertaking appropriate asset management practices to ensure intergenerational benefits and sustainability.

Key Actions	Responsibility	Date/Status
Finalise and adopt Asset Management Policy.	Asset Engineer	Completed
Implement corporate asset management information system.	Asset Management Team	Commenced
Develop Asset Accounting Policy & Procedure for Asset Accounting, Capitalisation & Reporting.	Senior Leader Finance/ Accountant	Complete
Commence and continue to develop 4-year budget funding and capital works programming cycles to ensure sustainable and consistent asset management.	Asset Management Team	Commenced
Undertake an independent road pavement assessment through road reserve asset inventory and condition data capture.	Asset Management Team/ Community Engagement Team	September 2013
Develop scenario modeling for each asset category based on required level of service.	Asset Management Team/ Asset Owner	2013
Develop and implement a new integrated approach to asset data capture and asset inspections, including mobile technology.	Asset Engineer/ Asset Owner	2013
Develop and implement processes for regular condition assessment, at intervals appropriate to the asset group, and ensure that funding for this is recognised in the budget.	Asset Management Team/ Asset Owner	2013
Undertake review of current level of services and replacement strategy for each class of assets.	Asset Management Team/Asset Owner	2014
Prepare asset management plans for council asset categories on a priority basis.	Asset Management Team/Asset Owner	2014
Implement Pavement Management system with integration of corporate asset management system.	Asset Management Team	July 2015
Ensure funding opportunities are maximised for asset rehabilitation and renewals.	Asset Engineer/ Asset Owner	Ongoing
Review current maintenance practices for all asset categories and implement improvements	SL Infrastructure Services/ Asset Management Team	Ongoing



## 8 Glossary of Terms

**Asset** - A physical component of a facility which has value enabling services to be provided and has an economic life greater than 12 months. Dynamic assets have some moving parts, while passive assets have none.

**Asset Management** - The combination of management, financial, economic engineering and other practices applied to physical assets with the objective of providing required level of service in the most cost effective manner.

**Asset Management Information System** - Asset Management Information System is a combination of process, data and software applied to provide the essential outputs for effective asset management such as reduced risk and optimum infrastructure investment.

**Asset Management Plan** - A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques ( including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service. A significant component of the plan is a long-term cash flow projection for the activity.

**Asset Management Policy** – A policy to set guidelines for implementing consistent asset management processes throughout the organisation.

**Asset Management Strategy** - A strategy for asset management covering the development and implementation of plans and programs for asset creation, operation, maintenance, rehabilitation/replacement, disposal and performance monitoring to ensure that the desired level of service and other operational objectives are achieved to optimum cost.

**Asset Register** - A record of asset information considered worthy of separate identification including inventory, historical, financial, condition, construction, technical and financial information about each

**Economic Life** - The period from the acquisition of the asset to the time when the asset, while physically able to provide a service, ceases to be the lowest cost alternative to satisfy a particular level of service. The economic life is at the maximum when equal to the physical life, however obsolescence will often ensure that the economic life is less than the physical life.

**Fair Value** – The amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties, in an arms length transaction.

**Gap Analysis** - A method of assessing the gap between a business' current asset management practice and the future desirable asset management practices. Also called needs analysis or improvement planning.

**Infrastructure Assets** - Stationary system forming a network and serving whole communities.

**Integrated Management System** - An Integrated Management System (IMS) combines all related components of a business into one system for easier management and operations. Quality (QMS), Environmental (EMS), and Safety (OHSMS) management systems are often combined and managed as an IMS.

**Levels of Service** – The define service quality for a particular service/activity against which service performance is measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.



## C. Asset Management Strategy

**Life Cycle Costs** - The total cost of the asset throughout its life including planning, design, construction, acquisition, operation, maintenance and rehabilitation and disposal costs.

**Long Term Financial Plan** - The plan for generating, spending and saving future income and raising and repaying borrowings as appropriate. It will cover a period of at least 3 years, but preferably longer and will highlight the financial implications of an entity's proposed activities and anticipated events.

## 9 Gap Analysis

The following Gap Analysis is a method of analysing the variance between the current Asset Management Data, Process & Plans and Information Systems and the future desirable state. The following gap analysis allows Council to understand “Where it is relative to where it wants to be” in terms of Asset Management principles.

The analysis undertaken relates to the level of confidence Council has with regard to the quantity and quality of the current data held on our assets; the plans and processes implemented to maintain and manage the assets and the information systems used to manage and process the data held. To date only the large civil/civic assets have been analysed.

## C. Asset Management Strategy

### Gap Analysis for Asset Class: Sealed Roads

	Level of Confidence	Data							Processes and Plans							Information Systems						
		Location	Quantity	Construction Date	Cost	Condition	Spatial	Plans & Records	Assets Management Plans	Maintenance Costing	Service Levels	Works Management	Demand & Performance Date	Risk Assessment	Community Consultation	Valuation Depreciation	Assets Register	Maintenance Management System	Customer Request System	Life Cycle Costing System	Predictive Modelling System	Spatial Linkage
Excellent	100																					
	95																					
	90																					
	85																					
Competent	80																					
	75																					
	70																					
	65																					
	60																					
	55																					
Active Review	50																					
	45																					
	40																					
	35																					
Poor	30																					
	25																					
	20																					
Unknown	10																					
	5																					

## C. Asset Management Strategy

### Gap Analysis for Asset Class: Unsealed Roads

	Level of Confidence	Data							Processes and Plans							Information Systems						
		Location	Quantity	Construction Date	Cost	Condition	Spatial	Plans & Records	Assets Management Plans	Maintenance Costing	Service Levels	Works Management	Demand & Performance Date	Risk Assessment	Community Consultation	Valuation Depreciation	Assets Register	Maintenance Management System	Customer Request System	Life Cycle Costing System	Predictive Modelling System	Spatial Linkage
Excellent	100																					
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	40																					
	35																					
Poor	30																					
	25																					
	20																					
Unknown	10																					
	5																					

## C. Asset Management Strategy

### Gap Analysis for Asset Class: Bridges and Culverts

	Level of Confidence	Data							Processes and Plans							Information Systems						
		Location	Quantity	Construction Date	Cost	Condition	Spatial	Plans & Records	Assets Management Plans	Maintenance Costing	Service Levels	Works Management	Demand & Performance Date	Risk Assessment	Community Consultation	Valuation Depreciation	Assets Register	Maintenance Management System	Customer Request System	Life Cycle Costing System	Predictive Modelling System	Spatial Linkage
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Poor	30																					
	25																					
	20																					
Unknown	10																					
	5																					



## C. Asset Management Strategy

### Gap Analysis for Asset Class: Buildings

	Level of Confidence	Data							Processes and Plans							Information Systems						
		Location	Quantity	Construction Date	Cost	Condition	Spatial	Plans & Records	Assets Management Plans	Maintenance Costing	Service Levels	Works Management	Demand & Performance Date	Risk Assessment	Community Consultation	Valuation Depreciation	Assets Register	Maintenance Management System	Customer Request System	Life Cycle Costing System	Predictive Modelling System	Spatial Linkage
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Poor	30																					
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Unknown	10																					
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## C. Asset Management Strategy

### .Gap Analysis for Asset Class: Parks and Reserves

	Level of Confidence	Data							Processes and Plans							Information Systems						
		Location	Quantity	Construction Date	Cost	Condition	Spatial	Plans & Records	Assets Management Plans	Maintenance Costing	Service Levels	Works Management	Demand & Performance Date	Risk Assessment	Community Consultation	Valuation Depreciation	Assets Register	Maintenance Management System	Customer Request System	Life Cycle Costing System	Predictive Modelling System	Spatial Linkage
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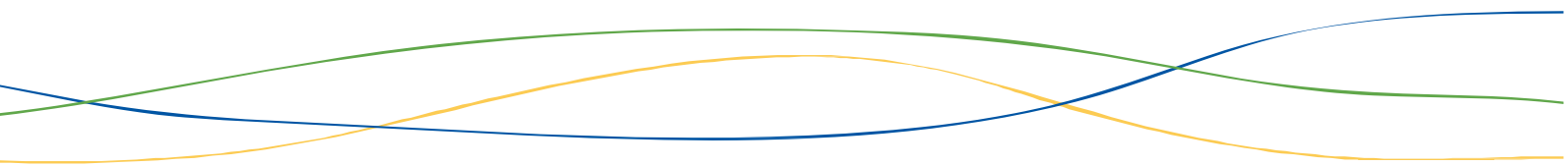
# Appendix A:

## Long Term Financial Plan Models

**Low Growth (Base) Model** (6 pages)

**Moderate Growth Model (includes 5% Environmental Levy SRV)** (6 pages)

**High Growth Model** (6 pages)





Greater Taree  
City Council

# Long-Term Financial Plan

2013/14 - 2022/23

## LOW GROWTH (BASE) MODEL



Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2023  
INCOME STATEMENT - GENERAL FUND  
Low Growth (Base ) Model

	Current Year 2012/13	2013/14	2014/15	2015/16	2016/17	Projected Years		2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$	2017/18	2018/19	\$	\$	\$	\$
<b>Income from Continuing Operations</b>											
<b>Revenue:</b>											
Rates & Annual Charges	32,598,110	33,467,410	34,578,219	35,725,983	36,911,934	38,137,346	39,403,534	40,711,858	42,063,722	43,460,581	44,903,933
User Charges & Fees	4,714,300	3,725,450	3,890,785	4,063,863	4,245,059	4,434,765	4,633,392	4,841,372	5,059,160	5,287,230	5,526,081
Interest & Investment Revenue	1,743,000	1,877,200	1,977,200	2,027,200	2,077,200	2,227,200	2,477,200	2,777,200	2,977,200	3,077,200	3,077,200
Other Revenues	967,919	948,330	972,038	996,339	1,021,248	1,046,779	1,072,948	1,099,772	1,127,266	1,155,448	1,184,334
Grants & Contributions provided for Operating Purposes	10,510,202	11,689,586	11,870,219	12,056,422	12,246,523	12,438,952	12,637,041	12,839,628	13,045,752	13,230,356	13,471,588
Grants & Contributions provided for Capital Purposes	37,639,300	5,543,100	5,664,387	5,788,707	5,916,135	6,046,748	6,180,627	6,317,853	6,458,509	6,602,682	6,750,459
<b>Total Income from Continuing Operations</b>	<b>88,172,831</b>	<b>57,251,076</b>	<b>58,952,848</b>	<b>60,658,515</b>	<b>62,418,099</b>	<b>64,331,790</b>	<b>66,404,742</b>	<b>68,587,683</b>	<b>70,731,610</b>	<b>72,813,496</b>	<b>74,913,595</b>
<b>Expenses from Continuing Operations</b>											
Employee Benefits & On-Costs	19,500,079	18,359,012	19,001,578	19,666,633	20,354,965	21,067,389	21,804,747	22,567,914	23,357,791	24,175,313	25,021,449
Borrowing Costs Materials &	1,992,500	1,996,325	1,675,779	1,436,562	1,217,520	994,329	799,431	654,412	409,173	295,264	256,526
Contracts Depreciation &	10,498,678	7,920,199	7,913,442	8,111,278	8,314,060	8,521,912	8,734,959	8,953,333	9,177,167	9,406,596	9,641,761
Amortisation Other Expenses	32,944,125	33,177,000	34,006,425	34,856,586	35,728,000	36,621,200	37,536,730	38,475,149	39,437,027	40,422,953	41,433,527
<b>Total Expenses from Continuing Operations</b>	<b>13,211,121</b>	<b>12,463,887</b>	<b>12,667,314</b>	<b>12,983,997</b>	<b>13,308,597</b>	<b>13,641,312</b>	<b>13,982,345</b>	<b>14,331,903</b>	<b>14,690,201</b>	<b>15,057,456</b>	<b>15,433,892</b>
<b>Operating Result from Continuing Operations</b>	<b>10,026,327</b>	<b>(16,665,348)</b>	<b>(16,311,689)</b>	<b>(16,396,540)</b>	<b>(16,505,043)</b>	<b>(16,514,352)</b>	<b>(16,453,470)</b>	<b>(16,395,028)</b>	<b>(16,339,749)</b>	<b>(16,544,085)</b>	<b>(16,873,560)</b>
<b>Net Operating Result for the Year</b>	<b>10,026,327</b>	<b>(16,665,348)</b>	<b>(16,311,689)</b>	<b>(16,396,540)</b>	<b>(16,505,043)</b>	<b>(16,514,352)</b>	<b>(16,453,470)</b>	<b>(16,395,028)</b>	<b>(16,339,749)</b>	<b>(16,544,085)</b>	<b>(16,873,560)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(27,612,973)</b>	<b>(22,208,448)</b>	<b>(21,976,077)</b>	<b>(22,185,248)</b>	<b>(22,421,178)</b>	<b>(22,561,100)</b>	<b>(22,634,097)</b>	<b>(22,712,880)</b>	<b>(22,798,258)</b>	<b>(23,146,767)</b>	<b>(23,624,019)</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2023  
BALANCE SHEET - GENERAL FUND  
Low Growth (Base ) Model

	Current Year	Projected Years									
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash & Cash Equivalents	2,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Investments	26,628,982	27,495,554	29,713,936	32,879,914	36,707,574	41,486,118	46,992,184	52,976,518	54,793,350	58,280,058	61,395,930
Receivables	7,676,545	4,064,068	4,212,647	4,351,374	4,497,590	4,652,699	4,815,922	4,986,120	5,140,407	5,306,594	5,478,893
Inventories	537,044	475,255	476,074	479,955	483,933	488,010	492,190	496,474	500,865	505,366	509,979
Other	484,952	406,329	411,203	421,484	432,021	442,821	453,892	465,239	476,870	488,792	501,011
<b>Total Current Assets</b>	<b>37,327,523</b>	<b>35,441,207</b>	<b>37,813,861</b>	<b>41,132,727</b>	<b>45,121,118</b>	<b>50,069,649</b>	<b>55,754,188</b>	<b>61,924,351</b>	<b>63,911,492</b>	<b>67,580,809</b>	<b>70,885,813</b>
<b>Non-Current Assets</b>											
Receivables	239,699	249,605	257,874	266,420	275,251	284,377	293,807	303,553	313,624	324,032	334,787
Inventories	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166
Infrastructure, Property, Plant & Equipment	540,459,750	518,610,233	495,978,728	472,781,435	449,004,209	424,632,553	399,651,606	374,046,135	353,800,527	333,048,779	312,778,238
<b>Total Non-Current Assets</b>	<b>540,709,616</b>	<b>518,870,004</b>	<b>496,246,768</b>	<b>473,058,021</b>	<b>449,289,627</b>	<b>424,927,096</b>	<b>399,955,580</b>	<b>374,359,854</b>	<b>354,124,318</b>	<b>333,382,977</b>	<b>313,123,192</b>
<b>TOTAL ASSETS</b>	<b>578,037,139</b>	<b>554,311,210</b>	<b>534,060,629</b>	<b>514,190,748</b>	<b>494,410,744</b>	<b>474,996,746</b>	<b>455,709,767</b>	<b>436,284,205</b>	<b>418,035,810</b>	<b>400,963,787</b>	<b>384,009,004</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	9,739,060	6,107,270	6,013,623	6,140,962	6,272,714	6,409,588	6,550,630	6,694,982	7,072,376	7,239,258	7,450,541
Borrowings	3,528,790	3,945,245	3,700,680	3,506,713	3,136,521	3,074,550	3,274,886	2,386,041	794,820	392,505	-
Provisions	5,113,000	5,213,000	5,313,000	5,413,000	5,513,000	5,613,000	5,713,000	5,813,000	5,913,000	6,013,000	6,113,000
<b>Total Current Liabilities</b>	<b>18,380,850</b>	<b>15,265,515</b>	<b>15,027,303</b>	<b>15,060,675</b>	<b>14,922,235</b>	<b>15,097,138</b>	<b>15,538,516</b>	<b>14,894,023</b>	<b>13,780,196</b>	<b>13,644,763</b>	<b>13,563,541</b>
<b>Non-Current Liabilities</b>											
Borrowings	24,211,961	20,266,716	16,566,036	13,059,323	9,922,802	6,848,252	3,573,366	1,187,325	392,505	-	-
Provisions	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000
<b>Total Non-Current Liabilities</b>	<b>30,974,961</b>	<b>27,029,716</b>	<b>23,329,036</b>	<b>19,822,323</b>	<b>16,685,802</b>	<b>13,611,252</b>	<b>10,336,366</b>	<b>7,950,325</b>	<b>7,155,505</b>	<b>6,763,000</b>	<b>6,763,000</b>
<b>TOTAL LIABILITIES</b>	<b>49,355,811</b>	<b>42,295,231</b>	<b>38,356,339</b>	<b>34,882,998</b>	<b>31,608,037</b>	<b>28,708,390</b>	<b>25,874,882</b>	<b>22,844,348</b>	<b>20,935,701</b>	<b>20,407,763</b>	<b>20,326,541</b>
<b>Net Assets</b>	<b>528,681,327</b>	<b>512,015,980</b>	<b>495,704,290</b>	<b>479,307,750</b>	<b>462,802,707</b>	<b>446,288,356</b>	<b>429,834,885</b>	<b>413,439,857</b>	<b>397,100,109</b>	<b>380,556,024</b>	<b>363,682,464</b>
<b>EQUITY</b>											
Retained Earnings	301,940,327	285,274,980	268,963,290	252,566,750	236,061,707	219,547,356	203,093,885	186,698,857	170,359,109	153,815,024	136,941,464
Revaluation Reserves	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000
Council Equity Interest	528,681,327	512,015,980	495,704,290	479,307,750	462,802,707	446,288,356	429,834,885	413,439,857	397,100,109	380,556,024	363,682,464
<b>Total Equity</b>	<b>528,681,327</b>	<b>512,015,980</b>	<b>495,704,290</b>	<b>479,307,750</b>	<b>462,802,707</b>	<b>446,288,356</b>	<b>429,834,885</b>	<b>413,439,857</b>	<b>397,100,109</b>	<b>380,556,024</b>	<b>363,682,464</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2023  
CASH FLOW STATEMENT - GENERAL FUND  
Low Growth (Base ) Model

	Current Year 2012/13	2013/14	2014/15	2015/16	2016/17	Projected Years		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$			\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>													
<b>Receipts:</b>													
Rates & Annual Charges	32,578,773	33,412,333	34,507,841	35,653,264	36,836,795	38,059,707	39,323,311	40,628,965	41,978,072	43,372,079	44,812,485		
User Charges & Fees	4,869,198	3,859,505	3,868,371	4,040,400	4,220,495	4,409,047	4,606,465	4,813,177	5,029,635	5,256,311	5,493,701		
Interest & Investment Revenue Received	1,787,908	1,898,398	1,940,999	2,004,674	2,051,097	2,196,165	2,442,337	2,739,730	2,960,110	3,051,473	3,053,045		
Grants & Contributions	44,086,415	20,735,505	17,511,829	17,821,725	18,138,710	18,461,285	18,792,597	19,131,807	19,478,029	19,807,603	20,193,143		
Other	3,173,917	(63,711)	995,263	1,019,679	1,045,365	1,071,675	1,098,703	1,126,395	1,154,770	1,183,466	1,214,135		
<b>Payments:</b>													
Employee Benefits & On-Costs	(19,549,945)	(18,259,391)	(19,059,333)	(19,566,633)	(20,254,965)	(20,967,389)	(21,704,747)	(22,467,914)	(23,257,791)	(24,075,313)	(24,921,449)		
Materials & Contracts	(8,745,272)	(8,554,026)	(7,871,137)	(8,024,206)	(8,224,811)	(8,430,431)	(8,641,192)	(8,857,222)	(9,078,653)	(9,305,619)	(9,538,259)		
Borrowing Costs	(2,001,661)	(2,009,025)	(1,689,978)	(1,449,881)	(1,230,141)	(1,005,617)	(810,496)	(666,198)	(417,760)	(298,125)	(257,939)		
Other	(13,211,121)	(12,463,887)	(12,667,314)	(12,983,997)	(13,308,597)	(13,641,312)	(13,982,345)	(14,331,903)	(14,690,201)	(15,057,456)	(15,433,892)		
<b>Net Cash provided (or used in) Operating Activities</b>	<b>42,988,211</b>	<b>18,555,702</b>	<b>17,536,540</b>	<b>18,515,025</b>	<b>19,273,949</b>	<b>20,153,130</b>	<b>21,124,632</b>	<b>22,116,837</b>	<b>23,156,211</b>	<b>23,934,419</b>	<b>24,614,970</b>		
<b>Cash Flows from Investing Activities</b>													
<b>Receipts:</b>													
Sale of Investment Securities	12,371,018	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	423,274	1,515,296	1,559,127	1,598,105	1,638,058	1,679,009	1,720,984	1,764,009	1,808,109	1,853,312	1,899,645		
<b>Payments:</b>													
Purchase of Investment Securities	-	(866,572)	(2,218,383)	(3,165,978)	(3,827,660)	(4,778,544)	(5,506,066)	(5,984,334)	(1,816,832)	(3,486,708)	(3,115,872)		
Purchase of Infrastructure, Property, Plant & Equipment	(60,807,254)	(14,675,637)	(12,932,039)	(13,246,472)	(13,577,633)	(13,917,074)	(14,265,001)	(14,621,626)	(20,761,447)	(21,506,203)	(23,006,238)		
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(48,012,962)</b>	<b>(14,026,912)</b>	<b>(13,591,295)</b>	<b>(14,814,345)</b>	<b>(15,767,236)</b>	<b>(17,016,609)</b>	<b>(18,050,082)</b>	<b>(18,841,951)</b>	<b>(20,770,170)</b>	<b>(23,139,599)</b>	<b>(24,222,465)</b>		
<b>Cash Flows from Financing Activities</b>													
<b>Receipts:</b>													
Proceeds from Borrowings & Advances	6,500,000	-	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>													
Repayment of Borrowings & Advances	(3,040,249)	(3,528,790)	(3,945,245)	(3,700,680)	(3,506,713)	(3,136,521)	(3,074,550)	(3,274,886)	(2,386,041)	(794,820)	(392,505)		
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>3,459,751</b>	<b>(3,528,790)</b>	<b>(3,945,245)</b>	<b>(3,700,680)</b>	<b>(3,506,713)</b>	<b>(3,136,521)</b>	<b>(3,074,550)</b>	<b>(3,274,886)</b>	<b>(2,386,041)</b>	<b>(794,820)</b>	<b>(392,505)</b>		
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,565,000)</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>3,565,000</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>		
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>		
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>		
<b>Investments - end of the year</b>	<b>26,628,982</b>	<b>27,495,554</b>	<b>29,713,936</b>	<b>32,879,914</b>	<b>36,707,574</b>	<b>41,486,118</b>	<b>46,992,184</b>	<b>52,976,518</b>	<b>54,793,350</b>	<b>58,280,058</b>	<b>61,395,930</b>		
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>28,628,982</b>	<b>30,495,554</b>	<b>32,713,936</b>	<b>35,879,914</b>	<b>39,707,574</b>	<b>44,486,118</b>	<b>49,992,184</b>	<b>55,976,518</b>	<b>57,793,350</b>	<b>61,280,058</b>	<b>64,395,930</b>		
<b>Representing:</b>													
- External Restrictions	22,362,740	24,539,498	26,833,516	29,224,605	31,717,800	34,318,372	37,031,840	39,863,979	43,679,435	47,625,936	50,851,504		
- Internal Restrictions	2,074,891	1,977,108	2,046,835	2,116,562	1,946,289	2,016,016	2,085,743	2,155,470	1,985,197	2,054,924	2,124,651		
- Unrestricted	4,191,351	3,978,948	3,833,586	4,538,748	6,043,486	8,151,731	10,874,601	13,957,070	12,128,718	11,599,198	11,419,775		
<b>28,628,982</b>	<b>30,495,554</b>	<b>32,713,936</b>	<b>35,879,914</b>	<b>39,707,574</b>	<b>44,486,118</b>	<b>49,992,184</b>	<b>55,976,518</b>	<b>57,793,350</b>	<b>61,280,058</b>	<b>64,395,930</b>			
























































Greater Taree City Council

10 Year Financial Plan for the Years ending 30 June 2023

FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND

Low Growth (Base) Model

	Current Year 2012/13	2013/14	2014/15	2015/16	2016/17	Projected Years					
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23				
Unrestricted Current Ratio	1.01	0.96	0.99	1.09	1.27	1.50	1.74	2.23	2.34	2.37	2.43
Debt Service Ratio	10.44%	11.25%	11.10%	9.85%	8.79%	7.44%	6.75%	6.61%	4.56%	1.72%	1.00%
Rates & Annual Charges Coverage Ratio	36.97%	58.46%	58.65%	58.90%	59.14%	59.28%	59.34%	59.36%	59.47%	59.69%	59.94%
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	6.43%	6.43%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%
Operating Surplus/(Deficit) Ratio - on total operating income	-54.64%	-42.95%	-41.24%	-40.43%	-39.68%	-38.71%	-37.58%	-36.47%	-35.47%	-34.96%	-34.66%
Operating Surplus/(Deficit) Ratio - on own sourced operating income	-68.99%	-55.50%	-53.06%	-51.82%	-50.66%	-49.21%	-47.56%	-45.95%	-44.50%	-43.69%	-43.20%
Budgeted Income/(Expenditure) Gap (excluding Reserve Transfers)	(47,642,797)	(31,521,620)	(31,631,854)	(31,756,513)	(31,962,531)	(31,900,417)	(32,083,803)	(32,539,591)	(37,917,209)	(37,010,110)	(38,429,050)
Budgeted Income/(Expenditure) Gap (including Reserve Transfers)	(34,437,427)	(33,600,595)	(33,995,599)	(34,217,329)	(34,285,453)	(34,570,716)	(34,866,998)	(35,441,457)	(41,562,392)	(41,026,338)	(41,724,345)
Interest Cover Ratio	3.68	6.49	8.18	9.82	11.93	15.14	19.64	25.09	41.66	59.51	70.43
Net Interest Coverage Ratio	0.28%	0.21%	-0.51%	-0.97%	-1.38%	-1.92%	-2.53%	-3.09%	-3.63%	-3.82%	-3.77%
Net Interest Coverage Ratio - adjusted by externally restricted investment income	1.83%	2.85%	2.24%	1.75%	1.28%	0.75%	0.24%	-0.21%	-0.45%	-0.54%	-0.52%
Other Debtor Outstanding Percentage	10.67%	9.42%	9.56%	9.66%	9.78%	9.87%	9.93%	9.98%	9.99%	10.08%	10.18%
Asset Renewal Ratio (all assets)	186.80%	38.73%	38.03%	38.03%	38.03%	38.03%	38.03%	38.03%	53.25%	53.25%	55.66%
Operating Ratio	-35.33%	-30.05%	-29.20%	-28.79%	-28.41%	-27.91%	-27.32%	-26.73%	-26.18%	-25.90%	-25.74%
EBITDA (earnings before interest, taxes, depreciation & amortisation)	7,323,652	12,964,877	13,706,127	14,107,900	14,524,343	15,054,429	15,702,064	16,416,680	17,047,943	17,571,450	18,066,034
Net Assets	528,681,327	512,015,980	495,704,290	479,307,750	462,802,707	446,288,356	429,834,885	413,439,857	397,100,109	380,556,024	363,682,464
Operational Result before Capital Grants & Contributions											
Unrestricted Current Ratio											
Debt Service Ratio											
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage											
Unrestricted Current Ratio	Good		From 1.5 to 2.5								
	Satisfactory		Between 1.0 and 1.49, or greater than 2.5								
	Unsatisfactory		less than 1								
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	Good		6% or below								
	Satisfactory		From 6.01% to 7.50%								
	Unsatisfactory		Above 7.5%								
Debt Service Ratio	Good		Below 10%								
	Satisfactory		Between 10% and 20%								
	Unsatisfactory		Above 20%								

Greater Taree City Council  
10 Year Financial Plan for the Years ending  
30 June 2023  
SUMMARY OF BUDGET OF ALL G/L ACCOUNTS -  
GENERAL FUND  
by Income & Expenditure type  
Low Growth (Base) Model

	Current Year 2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$	2016/17 \$	Projected Years					
						2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$
<b>Operating Income</b>											
Rates - Ordinary	19,802,400	20,541,300	21,245,731	21,974,293	22,727,813	23,507,145	24,313,171	25,146,805	26,008,993	26,900,711	27,822,970
Rates - Special	38,400	-	-	-	-	-	-	-	-	-	-
Rates - Special Variation	4,495,900	4,648,700	4,806,756	4,970,185	5,139,172	5,313,904	5,494,576	5,681,392	5,874,559	6,074,294	6,280,820
Annual Charges	8,261,410	8,277,410	8,525,732	8,781,504	9,044,949	9,316,298	9,595,787	9,883,660	10,180,170	10,485,575	10,800,143
User Charges - Specific	2,187,800	2,134,550	2,241,277	2,353,341	2,471,008	2,594,559	2,724,287	2,860,501	3,003,526	3,153,702	3,311,388
Fees & Charges - Statutory & Regulatory	886,300	837,500	858,438	879,898	901,896	924,443	947,554	971,243	995,524	1,020,412	1,045,923
Fees & Charges - Other	1,640,200	753,400	791,070	830,624	872,155	915,763	961,551	1,009,628	1,060,110	1,113,115	1,168,771
Interest & Investment Revenues - o/s Rates & Annual Charges	130,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Interest & Investment Revenues - Investments	1,592,000	1,697,800	1,797,800	1,847,800	1,897,800	2,047,800	2,297,800	2,597,800	2,797,800	2,897,800	2,897,800
Interest & Investment Revenues - Other	21,000	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Other Revenues	967,919	948,330	972,038	996,339	1,021,248	1,046,779	1,072,948	1,099,772	1,127,266	1,155,448	1,184,334
Operating Grants - General Purpose (Untied)	6,369,938	8,113,310	8,316,143	8,524,046	8,737,147	8,955,576	9,179,466	9,408,952	9,644,176	9,885,280	10,132,412
Operating Contributions - Specific - Other Contributions	4,140,264	3,576,276	3,554,076	3,532,376	3,509,376	3,483,376	3,457,576	3,430,676	3,401,576	3,345,076	3,339,176
<b>Total Operating Income</b>	<b>50,533,531</b>	<b>51,707,976</b>	<b>53,288,461</b>	<b>54,869,808</b>	<b>56,501,964</b>	<b>58,285,042</b>	<b>60,224,115</b>	<b>62,269,830</b>	<b>64,273,101</b>	<b>66,210,815</b>	<b>68,163,136</b>
<b>Operating Expenditure</b>											
Employee Costs - Salaries Employee Costs -	13,259,179	13,676,752	14,155,438	14,650,878	15,163,659	15,694,387	16,243,691	16,812,220	17,400,648	18,009,670	18,640,009
Casual Wages Employee Costs -	660,332	209,455	216,786	224,374	232,227	240,355	248,767	257,474	266,485	275,812	285,466
Superannuation Employee Costs -	2,415,808	1,864,804	1,930,072	1,997,624	2,067,541	2,139,905	2,214,802	2,292,320	2,372,551	2,455,591	2,541,536
Workers Comp Employee Costs -	1,301,650	1,048,072	1,084,755	1,122,721	1,162,016	1,202,687	1,244,781	1,288,348	1,333,440	1,380,111	1,428,415
Other	1,863,110	1,559,929	1,614,527	1,671,035	1,729,522	1,790,055	1,852,707	1,917,551	1,984,666	2,054,129	2,126,024
Borrowing Costs - Interest on Loans (External)	1,742,500	1,746,325	1,425,779	1,186,562	967,520	744,329	549,431	404,412	159,173	45,264	6,526
Borrowing Costs - Other	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Materials & Contracts - Contracts	7,671,924	7,885,875	7,924,352	8,122,461	8,325,522	8,533,660	8,747,002	8,965,677	9,189,819	9,419,564	9,655,053
Materials & Contracts - Legal Expenses	105,000	105,000	107,625	110,316	113,073	115,900	118,798	121,768	124,812	127,932	131,131
Materials & Contracts - Other	3,501,226	64,192	65,797	67,442	69,128	70,856	72,627	74,443	76,304	78,212	80,167
Depreciation - IPP&E	32,944,125	33,177,000	34,006,425	34,856,586	35,728,000	36,621,200	37,536,730	38,475,149	39,437,027	40,422,953	41,433,527
Other Expenses - Insurance	925,465	1,032,650	1,058,466	1,084,928	1,112,051	1,139,852	1,168,349	1,197,557	1,227,496	1,258,184	1,289,638
Other Expenses - Utilities	1,767,400	1,564,650	1,603,766	1,643,860	1,684,957	1,727,081	1,770,258	1,814,514	1,859,877	1,906,374	1,954,033
Other Expenses - Other	10,518,256	9,866,587	10,005,082	10,255,209	10,511,589	10,774,379	11,043,738	11,319,832	11,602,828	11,892,898	12,190,221
<b>Total Operating Expenditure</b>	<b>78,925,975</b>	<b>74,051,291</b>	<b>75,448,869</b>	<b>77,243,995</b>	<b>79,116,805</b>	<b>81,044,646</b>	<b>83,061,680</b>	<b>85,191,265</b>	<b>87,285,126</b>	<b>89,576,694</b>	<b>92,011,745</b>
<b>Operating Surplus/(Deficit)</b>	<b>(28,392,444)</b>	<b>(22,343,315)</b>	<b>(22,160,408)</b>	<b>(22,374,187)</b>	<b>(22,614,841)</b>	<b>(22,759,605)</b>	<b>(22,837,565)</b>	<b>(22,921,434)</b>	<b>(23,012,025)</b>	<b>(23,365,879)</b>	<b>(23,848,609)</b>
<b>Capital Income</b>											
Capital Grants - Recurrent	10,750,000	4,650,000	4,766,250	4,885,406	5,007,541	5,132,730	5,261,048	5,392,574	5,527,389	5,665,573	5,807,213
Capital Grants - Non-recurrent	26,410,000	-	-	-	-	-	-	-	-	-	-
Capital Contributions - Recurrent - Developer Contributions	289,800	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600
Capital Contributions - Recurrent - Other Contributions	188,000	200,000	205,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773
Capital Contributions - Non-recurrent - Other Contributions	1,500	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
New Loans raised - External	6,500,000	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of I,PP&E	411,500	1,521,300	1,559,333	1,598,316	1,638,274	1,679,231	1,721,211	1,764,242	1,808,348	1,853,556	1,899,895
<b>Total Capital Income</b>	<b>44,550,800</b>	<b>7,064,400</b>	<b>7,223,720</b>	<b>7,387,023</b>	<b>7,554,409</b>	<b>7,725,979</b>	<b>7,901,838</b>	<b>8,082,094</b>	<b>8,266,857</b>	<b>8,456,238</b>	<b>8,650,354</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending  
30 June 2023  
SUMMARY OF BUDGET OF ALL G/L ACCOUNTS -  
GENERAL FUND  
by Income & Expenditure type  
Low Growth (Base) Model

	Current Year 2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$	2016/17 \$	Projected Years					
						2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$
<b>Capital Expenditure</b>											
Loan Principal Repayments (External)	3,040,249	3,528,790	3,945,245	3,700,680	3,506,713	3,136,521	3,074,550	3,274,886	2,386,041	794,820	392,505
Purchase of I,PP&E	60,343,675	11,782,783	11,841,602	12,137,642	12,441,083	12,752,110	13,070,913	13,397,686	19,732,628	20,225,944	21,731,593
<b>Total Capital Expenditure</b>	<b>63,383,924</b>	<b>15,311,573</b>	<b>15,786,847</b>	<b>15,838,322</b>	<b>15,947,796</b>	<b>15,888,631</b>	<b>16,145,463</b>	<b>16,672,572</b>	<b>22,118,669</b>	<b>21,020,764</b>	<b>22,124,098</b>
<b>Capital Surplus/(Deficit)</b>	<b>(18,833,124)</b>	<b>(8,247,173)</b>	<b>(8,563,127)</b>	<b>(8,451,299)</b>	<b>(8,393,388)</b>	<b>(8,162,653)</b>	<b>(8,243,625)</b>	<b>(8,590,478)</b>	<b>(13,851,813)</b>	<b>(12,564,526)</b>	<b>(13,473,744)</b>
<b>Transfer from Reserves (Income)</b>											
Transfer from Reserves	16,120,925	342,000	177,000	177,000	417,000	177,000	177,000	177,000	417,000	177,000	177,000
<b>Total Transfer from Reserves (Income)</b>	<b>16,120,925</b>	<b>342,000</b>	<b>177,000</b>	<b>177,000</b>	<b>417,000</b>	<b>177,000</b>	<b>177,000</b>	<b>177,000</b>	<b>417,000</b>	<b>177,000</b>	<b>177,000</b>
<b>Transfer to Reserves (Expenditure)</b>											
Transfer to Reserves	2,915,556	2,420,975	2,540,745	2,637,816	2,739,922	2,847,299	2,960,195	3,078,866	4,062,183	4,193,228	3,472,295
<b>Total Transfer to Reserves (Expenditure)</b>	<b>2,915,556</b>	<b>2,420,975</b>	<b>2,540,745</b>	<b>2,637,816</b>	<b>2,739,922</b>	<b>2,847,299</b>	<b>2,960,195</b>	<b>3,078,866</b>	<b>4,062,183</b>	<b>4,193,228</b>	<b>3,472,295</b>
<b>Net Reserve Surplus/(Deficit)</b>	<b>13,205,369</b>	<b>(2,078,975)</b>	<b>(2,363,745)</b>	<b>(2,460,816)</b>	<b>(2,322,922)</b>	<b>(2,670,299)</b>	<b>(2,783,195)</b>	<b>(2,901,866)</b>	<b>(3,645,183)</b>	<b>(4,016,228)</b>	<b>(3,295,295)</b>
<b>Internal Income</b>											
Other Internal Income - Operating	7,761,015	6,568,305	6,732,513	6,900,826	7,073,346	7,250,180	7,431,434	7,617,220	7,807,651	8,002,842	8,202,913
<b>Total Internal Income</b>	<b>7,761,015</b>	<b>6,568,305</b>	<b>6,732,513</b>	<b>6,900,826</b>	<b>7,073,346</b>	<b>7,250,180</b>	<b>7,431,434</b>	<b>7,617,220</b>	<b>7,807,651</b>	<b>8,002,842</b>	<b>8,202,913</b>
<b>Internal Expenditure</b>											
Other Internal Expenditure - Operating	6,981,544	6,433,438	6,548,181	6,711,886	6,879,683	7,051,675	7,227,967	7,408,666	7,593,883	7,783,730	7,978,323
Internal Expenditure - Capitalised	1,196,700	1,066,000	1,092,650	1,119,966	1,147,965	1,176,664	1,206,081	1,236,233	1,267,139	1,298,817	1,331,288
<b>Total Internal Expenditure</b>	<b>8,178,244</b>	<b>7,499,438</b>	<b>7,640,831</b>	<b>7,831,852</b>	<b>8,027,648</b>	<b>8,228,340</b>	<b>8,434,048</b>	<b>8,644,899</b>	<b>8,861,022</b>	<b>9,082,547</b>	<b>9,309,611</b>
<b>Internal Surplus/(Deficit)</b>	<b>(417,228)</b>	<b>(931,133)</b>	<b>(908,319)</b>	<b>(931,027)</b>	<b>(954,302)</b>	<b>(978,160)</b>	<b>(1,002,614)</b>	<b>(1,027,679)</b>	<b>(1,053,371)</b>	<b>(1,079,705)</b>	<b>(1,106,698)</b>
<b>Net Surplus/(Deficit)</b>	<b>(34,437,427)</b>	<b>(33,600,595)</b>	<b>(33,995,599)</b>	<b>(34,217,329)</b>	<b>(34,285,453)</b>	<b>(34,570,716)</b>	<b>(34,866,998)</b>	<b>(35,441,457)</b>	<b>(41,562,392)</b>	<b>(41,026,338)</b>	<b>(41,724,345)</b>
Depreciation	(32,944,125)	(33,177,000)	(34,006,425)	(34,856,586)	(35,728,000)	(36,621,200)	(37,536,730)	(38,475,149)	(39,437,027)	(40,422,953)	(41,433,527)
<b>Restated Net Result</b>	<b>(1,493,302)</b>	<b>(423,595)</b>	<b>10,826</b>	<b>639,257</b>	<b>1,442,548</b>	<b>2,050,484</b>	<b>2,669,732</b>	<b>3,033,691</b>	<b>(2,125,365)</b>	<b>(603,385)</b>	<b>(290,818)</b>



# Long-Term Financial Plan

2013/14 - 2022/23

**MODERATE GROWTH:  
5% Environmental Levy**



Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2024  
INCOME STATEMENT - GENERAL FUND  
Scenario: Environmental Levy (5% ) Application

	Actuals 2012/13	Current Year 2013/14	2014/15	2015/16	2016/17	2017/18	Projected Years					
	\$	\$	\$	\$	\$	\$	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
							\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>												
<b>Revenue:</b>												
Rates & Annual Charges	32,568,000	33,467,410	35,701,889	36,882,616	38,102,493	39,362,822	40,664,948	42,010,260	43,400,193	44,836,232	46,319,909	47,852,808
User Charges & Fees	4,092,000	3,725,450	3,890,785	4,063,863	4,245,059	4,434,765	4,633,392	4,841,373	5,059,160	5,287,230	5,526,081	5,776,237
Interest & Investment Revenue	1,970,000	1,877,200	1,977,200	2,027,200	2,077,200	2,227,200	2,477,200	2,777,200	2,977,200	3,077,200	3,077,200	1,877,200
Other Revenues	2,316,000	948,330	972,038	996,339	1,021,248	1,046,779	1,072,948	1,099,772	1,127,266	1,155,448	1,184,334	1,213,943
Grants & Contributions provided for Operating Purposes	13,007,000	11,689,586	12,520,219	12,725,922	12,936,108	13,149,224	13,368,621	13,593,156	13,821,886	14,029,774	14,294,988	14,810,101
Grants & Contributions provided for Capital Purposes	9,074,000	5,543,100	5,664,388	5,788,707	5,916,135	6,046,748	6,180,627	6,317,853	6,458,509	6,602,682	6,750,459	6,901,930
<b>Other Income:</b>												
Net gains from the disposal of assets	14,000	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income from Continuing Operations</b>	<b>63,041,000</b>	<b>57,251,076</b>	<b>60,726,518</b>	<b>62,484,648</b>	<b>64,298,243</b>	<b>66,267,538</b>	<b>68,397,737</b>	<b>70,639,613</b>	<b>72,844,214</b>	<b>74,988,566</b>	<b>77,152,971</b>	<b>78,432,218</b>
<b>Expenses from Continuing Operations</b>												
Employee Benefits & On-Costs	19,230,000	18,645,012	19,204,363	19,876,515	20,572,193	21,292,220	22,037,448	22,808,758	23,607,065	24,433,312	25,288,478	26,173,575
Borrowing Costs	1,980,000	1,996,325	1,675,779	1,436,562	1,217,520	994,329	799,431	654,412	409,173	295,264	256,526	250,000
Materials & Contracts	15,684,000	14,919,016	17,007,984	17,442,934	17,889,050	18,346,619	18,815,938	19,297,311	19,791,047	20,297,466	20,816,893	21,349,666
Depreciation & Amortisation	25,990,000	26,640,964	26,647,624	26,654,286	26,660,950	26,667,615	26,674,282	26,680,950	26,687,621	26,694,293	26,700,966	26,707,641
Impairment	951,000	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	5,638,000	5,179,070	5,229,622	5,360,362	5,494,371	5,631,731	5,772,524	5,916,837	6,064,758	6,216,377	6,371,786	6,531,081
<b>Total Expenses from Continuing Operations</b>	<b>69,473,000</b>	<b>67,380,388</b>	<b>69,765,372</b>	<b>70,770,660</b>	<b>71,834,084</b>	<b>72,932,514</b>	<b>74,099,623</b>	<b>75,358,269</b>	<b>76,559,664</b>	<b>77,936,711</b>	<b>79,434,650</b>	<b>81,011,964</b>
<b>Operating Result from Continuing Operations</b>	<b>(6,432,000)</b>	<b>(10,129,312)</b>	<b>(9,038,854)</b>	<b>(8,286,012)</b>	<b>(7,535,841)</b>	<b>(6,664,976)</b>	<b>(5,701,886)</b>	<b>(4,718,656)</b>	<b>(3,715,450)</b>	<b>(2,948,146)</b>	<b>(2,281,679)</b>	<b>(2,579,745)</b>
<b>Net Operating Result for the Year</b>	<b>(6,432,000)</b>	<b>(10,129,312)</b>	<b>(9,038,854)</b>	<b>(8,286,012)</b>	<b>(7,535,841)</b>	<b>(6,664,976)</b>	<b>(5,701,886)</b>	<b>(4,718,656)</b>	<b>(3,715,450)</b>	<b>(2,948,146)</b>	<b>(2,281,679)</b>	<b>(2,579,745)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(15,506,000)</b>	<b>(15,672,412)</b>	<b>(14,703,241)</b>	<b>(14,074,719)</b>	<b>(13,451,976)</b>	<b>(12,711,724)</b>	<b>(11,882,513)</b>	<b>(11,036,509)</b>	<b>(10,173,959)</b>	<b>(9,550,827)</b>	<b>(9,032,137)</b>	<b>(9,481,675)</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2024  
**BALANCE SHEET - GENERAL FUND**  
Scenario: Environmental Levy (5%) Application

	Actuals 2012/13	Current Year 2013/14	2014/15	2015/16	2016/17	2017/18	Projected Years					
	\$	\$	\$	\$	\$	\$	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
							\$	\$	\$	\$	\$	\$
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash & Cash Equivalents	17,984,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	2,000,000	3,000,000	3,000,000	3,000,000
Investments	22,000,000	39,495,397	42,230,851	45,301,004	49,302,673	51,458,536	54,169,285	54,562,061	54,557,308	56,150,284	59,441,716	62,360,534
Receivables	4,666,000	3,982,204	4,168,835	4,304,254	4,448,625	4,588,191	4,735,007	4,875,170	5,013,318	5,172,344	5,342,857	5,531,235
Inventories	622,000	605,555	646,104	654,439	662,988	671,757	680,750	689,974	699,435	709,140	719,093	729,302
Other	868,000	555,614	615,725	631,386	647,446	663,917	680,807	698,129	715,892	734,109	752,791	771,950
<b>Total Current Assets</b>	<b>46,140,000</b>	<b>47,638,770</b>	<b>50,661,516</b>	<b>53,891,083</b>	<b>58,061,733</b>	<b>60,382,401</b>	<b>63,265,848</b>	<b>63,825,334</b>	<b>62,985,953</b>	<b>65,765,877</b>	<b>69,256,457</b>	<b>72,393,021</b>
<b>Non-Current Assets</b>												
Receivables	547,000	339,984	362,052	373,797	385,933	398,473	411,432	424,822	438,660	452,959	467,735	483,004
Inventories	12,000	10,899	10,899	10,899	10,899	10,899	10,899	10,899	10,899	10,899	10,899	10,899
Infrastructure, Property, Plant & Equipment	539,753,000	524,439,519	509,166,814	494,171,821	479,461,646	468,043,575	456,925,077	449,113,804	444,617,603	438,594,515	433,056,534	428,015,953
<b>Total Non-Current Assets</b>	<b>540,312,000</b>	<b>524,790,402</b>	<b>509,539,766</b>	<b>494,556,517</b>	<b>479,858,478</b>	<b>468,452,948</b>	<b>457,347,407</b>	<b>449,549,525</b>	<b>445,067,162</b>	<b>439,058,373</b>	<b>433,535,168</b>	<b>428,509,856</b>
<b>TOTAL ASSETS</b>	<b>586,452,000</b>	<b>572,429,172</b>	<b>560,201,281</b>	<b>548,447,599</b>	<b>537,920,211</b>	<b>528,835,348</b>	<b>520,613,256</b>	<b>513,374,859</b>	<b>508,053,115</b>	<b>504,824,249</b>	<b>502,791,625</b>	<b>500,902,877</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Payables	7,033,000	6,168,274	6,561,982	6,419,367	6,545,126	6,857,884	6,993,158	7,313,279	7,641,251	7,685,987	7,858,964	8,042,737
Borrowings	3,280,000	3,945,245	3,700,680	3,506,713	3,136,521	3,074,550	3,274,886	2,386,041	794,820	411,754	-	-
Provisions	4,996,000	4,987,200	5,082,200	5,177,200	5,272,200	5,367,200	5,462,200	5,557,200	5,652,200	5,747,200	5,842,200	5,937,200
<b>Total Current Liabilities</b>	<b>15,309,000</b>	<b>15,100,719</b>	<b>15,344,862</b>	<b>15,103,280</b>	<b>14,953,847</b>	<b>15,299,634</b>	<b>15,730,244</b>	<b>15,256,520</b>	<b>14,088,271</b>	<b>13,844,941</b>	<b>13,701,164</b>	<b>13,979,937</b>
<b>Non-Current Liabilities</b>												
Borrowings	24,480,000	20,285,965	16,585,285	13,078,572	9,942,051	6,867,501	3,592,615	1,206,574	411,754	-	-	-
Provisions	7,385,000	7,893,800	8,161,300	8,441,925	8,736,331	9,045,208	9,369,278	9,709,302	10,066,077	10,440,441	10,833,273	11,245,497
<b>Total Non-Current Liabilities</b>	<b>31,865,000</b>	<b>28,179,765</b>	<b>24,746,585</b>	<b>21,520,497</b>	<b>18,678,382</b>	<b>15,912,709</b>	<b>12,961,893</b>	<b>10,915,876</b>	<b>10,477,831</b>	<b>10,440,441</b>	<b>10,833,273</b>	<b>11,245,497</b>
<b>TOTAL LIABILITIES</b>	<b>47,174,000</b>	<b>43,280,484</b>	<b>40,091,447</b>	<b>36,623,777</b>	<b>33,632,229</b>	<b>31,212,343</b>	<b>28,692,137</b>	<b>26,172,396</b>	<b>24,566,102</b>	<b>24,285,382</b>	<b>24,534,437</b>	<b>25,225,433</b>
<b>Net Assets</b>	<b>539,278,000</b>	<b>529,148,688</b>	<b>520,109,835</b>	<b>511,823,823</b>	<b>504,287,981</b>	<b>497,623,005</b>	<b>491,921,119</b>	<b>487,202,463</b>	<b>483,487,013</b>	<b>480,538,867</b>	<b>478,257,189</b>	<b>475,677,443</b>
<b>EQUITY</b>												
Retained Earnings	296,058,000	285,928,688	276,889,835	268,603,823	261,067,981	254,403,005	248,701,119	243,982,463	240,267,013	237,318,867	235,037,189	232,457,443
Revaluation Reserves	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000	243,220,000
Council Equity Interest	539,278,000	529,148,688	520,109,835	511,823,823	504,287,981	497,623,005	491,921,119	487,202,463	483,487,013	480,538,867	478,257,189	475,677,443
<b>Total Equity</b>	<b>539,278,000</b>	<b>529,148,688</b>	<b>520,109,835</b>	<b>511,823,823</b>	<b>504,287,981</b>	<b>497,623,005</b>	<b>491,921,119</b>	<b>487,202,463</b>	<b>483,487,013</b>	<b>480,538,867</b>	<b>478,257,189</b>	<b>475,677,443</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2024  
CASH FLOW STATEMENT - GENERAL FUND  
Scenario: Environmental Levy (5%) Application

	Actuals 2012/13	Current Year 2013/14	2014/15	2015/16	2016/17	2017/18	Projected Years					
	\$	\$	\$	\$	\$	\$	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
							\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>												
<b>Receipts:</b>												
Rates & Annual Charges	32,425,000	33,483,563	35,556,817	36,805,958	38,023,293	39,280,996	40,580,408	41,922,916	43,309,953	44,742,998	46,223,582	47,753,286
User Charges & Fees	4,475,900	3,925,307	3,867,746	4,039,745	4,219,809	4,408,329	4,605,713	4,812,390	5,028,811	5,255,448	5,492,797	5,741,378
Interest & Investment Revenue Received	2,054,000	1,803,192	1,945,925	2,005,934	2,050,873	2,209,616	2,456,641	2,767,647	2,974,114	3,056,378	3,052,781	1,854,267
Grants & Contributions	21,573,000	17,743,431	18,181,453	18,495,585	18,832,761	19,176,139	19,528,864	19,890,135	20,259,082	20,612,168	21,021,595	21,673,321
Bonds & Deposits Received	932,000	-	-	-	-	-	-	-	-	-	-	-
Other	5,207,100	2,075,648	1,024,674	1,018,532	1,044,202	1,070,491	1,097,504	1,125,179	1,153,535	1,182,162	1,212,914	1,247,848
<b>Payments:</b>												
Employee Benefits & On-Costs	(19,182,900)	(18,536,833)	(19,096,677)	(20,040,380)	(20,472,193)	(21,192,220)	(21,937,448)	(22,708,758)	(23,507,065)	(24,333,312)	(25,188,478)	(26,073,575)
Materials & Contracts	(19,530,000)	(14,535,764)	(16,768,377)	(17,376,303)	(17,820,722)	(18,276,550)	(18,744,084)	(19,223,625)	(19,715,484)	(20,219,976)	(20,737,428)	(21,268,176)
Borrowing Costs	(1,366,000)	(1,995,349)	(1,692,382)	(1,452,136)	(1,232,278)	(1,007,529)	(812,370)	(668,194)	(419,215)	(298,609)	(258,259)	(250,000)
Bonds & Deposits Refunded	(410,000)	-	-	-	-	-	-	-	-	-	-	-
Other	(6,120,100)	(4,929,070)	(4,967,122)	(5,084,737)	(5,204,965)	(5,327,854)	(5,453,454)	(5,581,813)	(5,712,983)	(5,847,013)	(5,983,954)	(6,123,857)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>20,058,000</b>	<b>19,034,124</b>	<b>18,052,057</b>	<b>18,412,198</b>	<b>19,440,781</b>	<b>20,341,419</b>	<b>21,321,776</b>	<b>22,335,876</b>	<b>23,370,749</b>	<b>24,150,243</b>	<b>24,835,550</b>	<b>24,554,491</b>
<b>Cash Flows from Investing Activities</b>												
<b>Receipts:</b>												
Sale of Investment Securities	17,000,000	-	-	-	-	-	-	-	4,753	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	473,000	1,521,300	1,559,333	1,598,316	1,638,274	1,679,231	1,721,211	1,764,242	1,808,348	1,853,556	1,899,895	1,947,393
Deferred Debtors Receipts	6,000	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>												
Purchase of Investment Securities	-	(17,495,397)	(2,735,454)	(3,070,153)	(4,001,669)	(2,155,863)	(2,710,749)	(392,776)	-	(1,592,976)	(3,291,432)	(2,918,818)
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(26,597,000)	(14,515,237)	(12,930,690)	(13,239,681)	(13,570,673)	(16,728,265)	(17,257,688)	(20,432,456)	(23,797,809)	(22,616,004)	(23,032,259)	(23,583,066)
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(9,118,000)</b>	<b>(30,489,334)</b>	<b>(14,106,812)</b>	<b>(14,711,518)</b>	<b>(15,934,068)</b>	<b>(17,204,898)</b>	<b>(18,247,226)</b>	<b>(19,060,990)</b>	<b>(21,984,708)</b>	<b>(22,355,423)</b>	<b>(24,423,796)</b>	<b>(24,554,491)</b>
<b>Cash Flows from Financing Activities</b>												
<b>Receipts:</b>												
Proceeds from Borrowings & Advances	6,500,000	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>												
Repayment of Borrowings & Advances	(3,021,000)	(3,528,790)	(3,945,245)	(3,700,680)	(3,506,713)	(3,136,521)	(3,074,550)	(3,274,886)	(2,386,041)	(794,820)	(411,754)	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>3,479,000</b>	<b>(3,528,790)</b>	<b>(3,945,245)</b>	<b>(3,700,680)</b>	<b>(3,506,713)</b>	<b>(3,136,521)</b>	<b>(3,074,550)</b>	<b>(3,274,886)</b>	<b>(2,386,041)</b>	<b>(794,820)</b>	<b>(411,754)</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>14,419,000</b>	<b>(14,984,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,000,000)</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>3,565,000</b>	<b>17,984,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>17,984,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>17,984,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Investments - end of the year</b>	<b>22,000,000</b>	<b>39,495,397</b>	<b>42,230,851</b>	<b>45,301,004</b>	<b>49,302,673</b>	<b>51,458,536</b>	<b>54,169,285</b>	<b>54,562,061</b>	<b>54,557,308</b>	<b>56,150,284</b>	<b>59,441,716</b>	<b>62,360,534</b>
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>39,984,000</b>	<b>42,495,397</b>	<b>45,230,851</b>	<b>48,301,004</b>	<b>52,302,673</b>	<b>54,458,536</b>	<b>57,169,285</b>	<b>57,562,061</b>	<b>56,557,308</b>	<b>59,150,284</b>	<b>62,441,716</b>	<b>65,360,534</b>
<b>Representing:</b>												
- External Restrictions	31,472,000	33,648,758	35,425,382	37,298,639	39,273,553	41,355,385	43,049,640	44,862,083	47,657,347	50,583,147	52,787,492	56,151,499
- Internal Restrictions	5,848,000	5,750,217	5,819,944	5,889,671	5,719,398	5,789,125	5,858,852	5,928,579	5,758,306	5,828,033	5,897,760	5,984,760
- Unrestricted	2,664,000	3,096,422	3,985,525	5,112,694	7,309,722	7,314,026	8,260,793	6,771,399	3,141,655	2,739,104	3,756,464	3,224,275
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>39,984,000</b>	<b>42,495,397</b>	<b>45,230,851</b>	<b>48,301,004</b>	<b>52,302,673</b>	<b>54,458,536</b>	<b>57,169,285</b>	<b>57,562,061</b>	<b>56,557,308</b>	<b>59,150,284</b>	<b>62,441,716</b>	<b>65,360,534</b>






**Greater Taree City Council**  
**10 Year Financial Plan for the Years ending 30 June 2024**  
**FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND**  
**Scenario: Environmental Levy (5% ) Application**

	Current Year 2013/14	2014/15	2015/16	2016/17	2017/18	Projected Years					
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24				
Unrestricted Current Ratio	1.26	1.37	1.54	1.80	1.78	1.83	1.81	1.65	1.68	1.89	1.81
Debt Service Ratio	10.96%	10.56%	9.31%	8.26%	6.93%	6.25%	6.12%	4.09%	1.31%	0.63%	0.00%
Rates & Annual Charges Coverage Ratio	58.46%	58.79%	59.03%	59.26%	59.40%	59.45%	59.47%	59.58%	59.79%	60.04%	61.01%
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	6.55%	6.58%	6.56%	6.56%	6.57%	6.57%	6.57%	6.57%	6.57%	6.57%	6.57%
Operating Surplus/(Deficit) Ratio - on total operating income	-30.31%	-26.70%	-24.82%	-23.04%	-21.11%	-19.10%	-17.16%	-15.33%	-13.97%	-12.83%	-13.26%
Operating Surplus/(Deficit) Ratio - on own sourced operating income	-39.16%	-34.56%	-32.01%	-29.60%	-27.01%	-24.33%	-21.76%	-19.36%	-17.57%	-16.10%	-16.72%
Budgeted Income/(Expenditure) Gap (excluding Reserve Transfers)	(24,985,584)	(24,359,018)	(23,645,985)	(22,993,329)	(25,051,041)	(24,332,219)	(26,863,220)	(28,292,910)	(24,414,171)	(23,837,169)	(24,246,805)
Budgeted Income/(Expenditure) Gap (including Reserve Transfers)	(27,064,559)	(26,205,369)	(25,588,969)	(24,797,970)	(27,202,600)	(26,096,201)	(28,745,390)	(30,917,901)	(27,409,698)	(26,111,241)	(27,697,812)
Net Financial Liabilities Ratio (Gearing Ratio)	5.57%	4.92%	4.14%	3.26%	2.81%	2.13%	1.91%	2.34%	2.34%	2.15%	2.36%
Net Interest Coverage Ratio	0.21%	-0.50%	-0.95%	-1.34%	-1.86%	-2.45%	-3.01%	-3.53%	-3.71%	-3.66%	-2.07%
Net Interest Coverage Ratio - adjusted by externally restricted investment income	2.80%	2.05%	1.56%	1.09%	0.69%	0.27%	0.06%	-0.08%	-0.20%	-0.28%	-0.02%
Other Debtor Outstanding Percentage	9.26%	8.98%	9.09%	9.20%	9.22%	9.22%	9.16%	9.12%	9.18%	9.28%	9.76%
Asset Renewal Ratio (all assets assuming nil new infrastructure expenditure)	48.23%	48.54%	49.74%	50.97%	63.48%	64.77%	77.34%	89.93%	84.38%	86.37%	88.42%
Operating Ratio	-35.33%	-30.05%	-27.45%	-25.78%	-24.30%	-22.72%	-21.20%	-19.88%	-18.69%	-17.76%	-16.79%
EBITDA (earnings before interest, taxes, depreciation & amortisation)	12,464,000	12,964,877	14,270,077	15,069,810	15,727,613	16,490,057	17,242,333	17,922,692	18,418,340	18,822,478	19,348,984
Net Assets	539,278,000	529,148,688	520,109,835	511,823,823	504,287,981	497,623,005	491,921,119	487,202,463	483,487,013	480,538,867	478,257,189

Operational Result before Capital Grants & Contributions

Unrestricted Current Ratio											
Debt Service Ratio											
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage											

Unrestricted Current Ratio

Good		From 1.5 to 2.5
Satisfactory		Between 1.0 and 1.49, or greater than 2.5
Unsatisfactory		less than 1

Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage

Good		6% or below
Satisfactory		From 6.01% to 7.50%
Unsatisfactory		Above 7.5%

Debt Service Ratio

Good		Below 10%
Satisfactory		Between 10% and 20%
Unsatisfactory		Above 20%

Greater Taree City Council

10 Year Financial Plan for the Years ending

30 June 2024

SUMMARY OF BUDGET OF ALL G/L ACCOUNTS -  
GENERAL FUND

by Income & Expenditure type

Scenario: Environmental Levy (5% ) Application

	Current Year 2013/14	2014/15	2015/16	2016/17	2017/18	Projected Years					
						2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Income</b>											
Rates - Ordinary	25,190,000	25,876,157	26,762,112	27,678,374	28,625,979	29,606,000	30,619,543	31,667,755	32,751,820	33,872,965	35,032,456
Rates - Environmental Levy	-	1,300,000	1,339,000	1,379,170	1,420,545	1,463,161	1,507,056	1,552,268	1,598,836	1,646,801	1,696,205
Annual Charges	8,277,410	8,525,732	8,781,504	9,044,949	9,316,298	9,595,787	9,883,660	10,180,170	10,485,575	10,800,143	11,124,147
User Charges - Specific	2,134,550	2,241,277	2,353,341	2,471,008	2,594,559	2,724,287	2,860,501	3,003,526	3,153,702	3,311,388	3,476,957
Fees & Charges - Statutory & Regulatory	837,500	858,438	879,898	901,896	924,443	947,554	971,243	995,524	1,020,413	1,045,923	1,072,071
Fees & Charges - Other	753,400	791,070	830,624	872,155	915,763	961,551	1,009,628	1,060,110	1,113,115	1,168,771	1,227,209
Interest & Investment Revenues - o/s Rates & Annual Charges	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Interest & Investment Revenues - Investments	1,697,800	1,797,800	1,847,800	1,897,800	2,047,800	2,297,800	2,597,800	2,797,800	2,897,800	2,897,800	1,697,800
Interest & Investment Revenues - Other	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Other Revenues	948,330	972,038	996,339	1,021,248	1,046,779	1,072,948	1,099,772	1,127,266	1,155,448	1,184,334	1,213,943
Operating Grants	8,113,310	7,666,143	7,854,546	8,047,562	8,245,304	8,447,886	8,655,424	8,868,042	9,085,862	9,309,012	9,537,621
Grants - Environmental Projects tied to Env Levy	-	650,000	669,500	689,585	710,272	731,580	753,528	776,134	799,418	823,400	848,102
Operating Contributions	3,576,276	4,204,076	4,201,876	4,198,961	4,193,648	4,189,156	4,184,204	4,177,710	4,144,494	4,162,576	4,424,378
<b>Total Operating Income</b>	<b>51,707,976</b>	<b>55,062,131</b>	<b>56,695,941</b>	<b>58,382,108</b>	<b>60,220,790</b>	<b>62,217,110</b>	<b>64,321,760</b>	<b>66,385,705</b>	<b>68,385,884</b>	<b>70,402,512</b>	<b>71,530,288</b>
<b>Operating Expenditure</b>											
Employee Costs - Salaries	13,676,752	14,087,054	14,580,101	15,090,405	15,618,569	16,165,219	16,731,002	17,316,587	17,922,667	18,549,961	19,199,209
Employee Costs - Casual Wages	209,455	215,739	223,290	231,105	239,193	247,565	256,230	265,198	274,480	284,087	294,030
Employee Costs - Superannuation	1,864,804	1,920,748	1,987,974	2,057,553	2,129,568	2,204,102	2,281,246	2,361,090	2,443,728	2,529,258	2,617,782
Employee Costs - Workers Comp	1,048,072	1,079,514	1,117,297	1,156,403	1,196,877	1,238,768	1,282,124	1,326,999	1,373,444	1,421,514	1,471,267
Employee Costs - Other	1,845,929	1,901,307	1,967,853	2,036,728	2,108,013	2,181,794	2,258,157	2,337,192	2,418,994	2,503,658	2,591,287
Borrowing Costs - Interest on Loans (External)	1,746,325	1,425,779	1,186,562	967,520	744,329	549,431	404,412	159,173	45,264	6,526	-
Borrowing Costs - Other	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Materials & Contracts - Contracts	2,971,719	4,837,342	4,968,026	5,102,269	5,240,169	5,381,826	5,527,346	5,676,834	5,830,396	5,988,147	6,150,202
Materials & Contracts - Legal Expenses	105,000	107,625	110,316	113,073	115,900	118,798	121,768	124,812	127,932	131,131	134,409
Materials & Contracts - Other	11,977,165	12,247,349	12,553,532	12,867,371	13,189,055	13,518,781	13,856,751	14,203,170	14,558,249	14,922,205	15,295,260
Depreciation - IPP&E	26,640,964	26,647,624	26,654,286	26,660,950	26,667,615	26,674,282	26,680,950	26,687,621	26,694,293	26,700,966	26,707,641
Other Expenses - Insurance	1,032,650	1,058,466	1,084,928	1,112,051	1,139,852	1,168,349	1,197,557	1,227,496	1,258,184	1,289,638	1,321,879
Other Expenses - Utilities	1,357,250	1,391,181	1,425,961	1,461,610	1,498,150	1,535,604	1,573,994	1,613,344	1,653,677	1,695,019	1,737,395
Other Expenses - Other	2,789,170	2,779,974	2,849,474	2,920,711	2,993,728	3,068,572	3,145,286	3,223,918	3,304,516	3,387,129	3,471,807
<b>Total Operating Expenditure</b>	<b>67,515,255</b>	<b>69,949,703</b>	<b>70,959,599</b>	<b>72,027,747</b>	<b>73,131,019</b>	<b>74,303,090</b>	<b>75,566,823</b>	<b>76,773,432</b>	<b>78,155,823</b>	<b>79,659,239</b>	<b>81,242,168</b>
<b>Operating Surplus/(Deficit)</b>	<b>(15,807,279)</b>	<b>(14,887,572)</b>	<b>(14,263,659)</b>	<b>(13,645,639)</b>	<b>(12,910,229)</b>	<b>(12,085,981)</b>	<b>(11,245,063)</b>	<b>(10,387,727)</b>	<b>(9,769,939)</b>	<b>(9,256,727)</b>	<b>(9,711,880)</b>
<b>Capital Income</b>											
Capital Grants	4,650,000	4,766,250	4,885,406	5,007,541	5,132,730	5,261,048	5,392,574	5,527,389	5,665,573	5,807,213	5,952,393
Capital Contributions - Recurrent - Developer Contributions	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600
Capital Contributions - Recurrent - Other Contributions	200,000	205,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773	256,017
Capital Contributions - Non-recurrent - Other Contributions	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920
Proceeds from Sale of I,PP&E	1,521,300	1,559,333	1,598,316	1,638,274	1,679,231	1,721,211	1,764,242	1,808,348	1,853,556	1,899,895	1,947,393
<b>Total Capital Income</b>	<b>7,064,400</b>	<b>7,223,720</b>	<b>7,387,023</b>	<b>7,554,409</b>	<b>7,725,979</b>	<b>7,901,838</b>	<b>8,082,094</b>	<b>8,266,857</b>	<b>8,456,238</b>	<b>8,650,354</b>	<b>8,849,323</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending  
30 June 2024  
SUMMARY OF BUDGET OF ALL G/L ACCOUNTS -  
GENERAL FUND  
by Income & Expenditure type  
Scenario: Environmental Levy (5% ) Application

	Current Year 2013/14	2014/15	2015/16	2016/17	2017/18	Projected Years					
						2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital Expenditure</b>											
Loan Principal Repayments (External)	3,528,790	3,945,245	3,700,680	3,506,713	3,136,521	3,074,550	3,274,886	2,386,041	794,820	392,505	-
Purchase of I,PP&E	11,782,783	11,841,602	12,137,642	12,441,083	15,752,111	16,070,913	19,397,686	22,732,628	21,225,944	21,731,593	22,249,882
<b>Total Capital Expenditure</b>	<b>15,311,573</b>	<b>15,786,847</b>	<b>15,838,322</b>	<b>15,947,796</b>	<b>18,888,632</b>	<b>19,145,463</b>	<b>22,672,572</b>	<b>25,118,669</b>	<b>22,020,764</b>	<b>22,124,098</b>	<b>22,249,882</b>
<b>Capital Surplus/(Deficit)</b>	<b>(8,247,173)</b>	<b>(8,563,127)</b>	<b>(8,451,299)</b>	<b>(8,393,388)</b>	<b>(11,162,653)</b>	<b>(11,243,625)</b>	<b>(14,590,478)</b>	<b>(16,851,813)</b>	<b>(13,564,526)</b>	<b>(13,473,744)</b>	<b>(13,400,560)</b>
<b>Transfer from Reserves (Income)</b>											
Transfer from Reserves	342,000	677,000	677,000	917,000	677,000	1,177,000	1,177,000	1,417,000	1,177,000	1,177,000	1,000,000
<b>Total Transfer from Reserves (Income)</b>	<b>342,000</b>	<b>677,000</b>	<b>677,000</b>	<b>917,000</b>	<b>677,000</b>	<b>1,177,000</b>	<b>1,177,000</b>	<b>1,417,000</b>	<b>1,177,000</b>	<b>1,177,000</b>	<b>1,000,000</b>
<b>Transfer to Reserves (Expenditure)</b>											
Transfer to Reserves	2,420,975	2,523,351	2,619,984	2,721,641	2,828,559	2,940,982	3,059,170	4,041,991	4,172,527	3,451,072	4,451,007
<b>Total Transfer to Reserves (Expenditure)</b>	<b>2,420,975</b>	<b>2,523,351</b>	<b>2,619,984</b>	<b>2,721,641</b>	<b>2,828,559</b>	<b>2,940,982</b>	<b>3,059,170</b>	<b>4,041,991</b>	<b>4,172,527</b>	<b>3,451,072</b>	<b>4,451,007</b>
<b>Net Reserve Surplus/(Deficit)</b>	<b>(2,078,975)</b>	<b>(1,846,351)</b>	<b>(1,942,984)</b>	<b>(1,804,641)</b>	<b>(2,151,559)</b>	<b>(1,763,982)</b>	<b>(1,882,170)</b>	<b>(2,624,991)</b>	<b>(2,995,527)</b>	<b>(2,274,072)</b>	<b>(3,451,007)</b>
<b>Internal Income</b>											
Other Internal Income - Operating	6,568,305	6,732,513	6,900,826	7,073,346	7,250,180	7,431,434	7,617,220	7,807,651	8,002,842	8,202,913	8,407,986
<b>Total Internal Income</b>	<b>6,568,305</b>	<b>6,732,513</b>	<b>6,900,826</b>	<b>7,073,346</b>	<b>7,250,180</b>	<b>7,431,434</b>	<b>7,617,220</b>	<b>7,807,651</b>	<b>8,002,842</b>	<b>8,202,913</b>	<b>8,407,986</b>
<b>Internal Expenditure</b>											
Other Internal Expenditure - Operating	6,433,438	6,548,181	6,711,886	6,879,683	7,051,675	7,227,967	7,408,666	7,593,883	7,783,730	7,978,323	8,177,781
Internal Expenditure - Capitalised	1,066,000	1,092,650	1,119,966	1,147,965	1,176,665	1,206,081	1,236,233	1,267,139	1,298,817	1,331,288	1,364,570
<b>Total Internal Expenditure</b>	<b>7,499,438</b>	<b>7,640,831</b>	<b>7,831,852</b>	<b>8,027,649</b>	<b>8,228,340</b>	<b>8,434,048</b>	<b>8,644,899</b>	<b>8,861,022</b>	<b>9,082,547</b>	<b>9,309,611</b>	<b>9,542,351</b>
<b>Internal Surplus/(Deficit)</b>	<b>(931,133)</b>	<b>(908,319)</b>	<b>(931,027)</b>	<b>(954,302)</b>	<b>(978,160)</b>	<b>(1,002,614)</b>	<b>(1,027,679)</b>	<b>(1,053,371)</b>	<b>(1,079,705)</b>	<b>(1,106,698)</b>	<b>(1,134,365)</b>
<b>Net Surplus/(Deficit)</b>	<b>(27,064,559)</b>	<b>(26,205,369)</b>	<b>(25,588,969)</b>	<b>(24,797,970)</b>	<b>(27,202,600)</b>	<b>(26,096,201)</b>	<b>(28,745,390)</b>	<b>(30,917,901)</b>	<b>(27,409,698)</b>	<b>(26,111,241)</b>	<b>(27,697,812)</b>
Depreciation	(26,640,964)	(26,647,624)	(26,654,286)	(26,660,950)	(26,667,615)	(26,674,282)	(26,680,950)	(26,687,621)	(26,694,293)	(26,700,966)	(26,707,641)
<b>Restated Net Result</b>	<b>(423,595)</b>	<b>442,255</b>	<b>1,065,317</b>	<b>1,862,979</b>	<b>(534,985)</b>	<b>578,081</b>	<b>(2,064,439)</b>	<b>(4,230,281)</b>	<b>(715,405)</b>	<b>589,725</b>	<b>(990,171)</b>



# Long-Term Financial Plan

2013/14 - 2022/23

## HIGH GROWTH MODEL



Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2023  
INCOME STATEMENT - GENERAL FUND  
High Growth Model

	Current Year 2012/13	2013/14	2014/15	2015/16	2016/17	Projected Years		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$			\$	\$	\$	\$	\$	\$
<b>Income from Continuing Operations</b>													
<b>Revenue:</b>													
Rates & Annual Charges	32,598,110	33,467,410	35,646,119	38,186,192	39,471,292	40,815,794	42,222,842	43,695,770	45,238,116	46,853,636	48,546,321		
User Charges & Fees	4,714,300	3,725,450	3,890,785	4,063,863	4,245,059	4,434,765	4,633,392	4,841,372	5,059,160	5,287,230	5,526,081		
Interest & Investment Revenue	1,743,000	1,877,200	2,007,200	2,332,200	2,597,200	2,902,200	3,227,200	3,362,200	3,392,200	3,337,200	3,332,200		
Other Revenues	967,919	948,330	972,038	996,339	1,021,248	1,046,779	1,072,948	1,099,772	1,127,266	1,155,448	1,184,334		
Grants & Contributions provided for Operating Purposes	10,510,202	11,689,586	11,870,219	12,056,422	12,246,523	12,438,952	12,637,041	12,839,628	13,045,752	13,230,356	13,471,588		
Grants & Contributions provided for Capital Purposes	37,639,300	5,543,100	5,664,387	5,788,707	5,916,135	6,046,748	6,180,627	6,317,853	6,458,509	6,602,682	6,750,459		
<b>Total Income from Continuing Operations</b>	<b>88,172,831</b>	<b>57,251,076</b>	<b>60,050,748</b>	<b>63,423,724</b>	<b>65,497,457</b>	<b>67,685,238</b>	<b>69,974,051</b>	<b>72,156,595</b>	<b>74,321,003</b>	<b>76,466,552</b>	<b>78,810,983</b>		
<b>Expenses from Continuing Operations</b>													
Employee Benefits & On-Costs	19,500,079	18,359,012	19,001,578	19,666,633	20,354,965	21,067,389	21,804,747	22,567,914	23,357,791	24,175,313	25,021,449		
Borrowing Costs Materials &	1,992,500	1,996,325	1,675,779	1,436,562	1,217,520	994,329	799,431	654,412	409,173	295,264	256,526		
Contracts Depreciation &	10,498,678	7,920,199	8,447,392	8,558,577	8,772,541	8,941,855	9,165,401	9,294,536	9,526,900	9,765,072	10,009,199		
Amortisation Other Expenses	32,944,125	33,177,000	34,006,425	34,856,586	35,728,000	36,621,200	37,536,730	38,475,149	39,437,027	40,422,953	41,433,527		
<b>Total Expenses from Continuing Operations</b>	<b>13,211,121</b>	<b>12,463,887</b>	<b>12,667,314</b>	<b>12,983,997</b>	<b>13,308,597</b>	<b>13,641,312</b>	<b>13,982,345</b>	<b>14,331,903</b>	<b>14,690,201</b>	<b>15,057,456</b>	<b>15,433,892</b>		
<b>Operating Result from Continuing Operations</b>	<b>78,146,503</b>	<b>73,916,424</b>	<b>75,798,488</b>	<b>77,502,354</b>	<b>79,381,623</b>	<b>81,266,085</b>	<b>83,288,654</b>	<b>85,323,913</b>	<b>87,421,091</b>	<b>89,716,058</b>	<b>92,154,593</b>		
<b>Net Operating Result for the Year</b>	<b>10,026,327</b>	<b>(16,665,348)</b>	<b>(15,747,739)</b>	<b>(14,078,631)</b>	<b>(13,884,167)</b>	<b>(13,580,847)</b>	<b>(13,314,604)</b>	<b>(13,167,318)</b>	<b>(13,100,088)</b>	<b>(13,249,506)</b>	<b>(13,343,610)</b>		
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>10,026,327</b>	<b>(16,665,348)</b>	<b>(15,747,739)</b>	<b>(14,078,631)</b>	<b>(13,884,167)</b>	<b>(13,580,847)</b>	<b>(13,314,604)</b>	<b>(13,167,318)</b>	<b>(13,100,088)</b>	<b>(13,249,506)</b>	<b>(13,343,610)</b>		
	<b>(27,612,973)</b>	<b>(22,208,448)</b>	<b>(21,412,127)</b>	<b>(19,867,338)</b>	<b>(19,800,302)</b>	<b>(19,627,595)</b>	<b>(19,495,231)</b>	<b>(19,485,171)</b>	<b>(19,558,597)</b>	<b>(19,852,188)</b>	<b>(20,094,069)</b>		

Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2023  
BALANCE SHEET - GENERAL FUND  
High Growth Model






















































	Current Year	Projected Years									
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash & Cash Equivalents	2,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	2,263,182	2,000,000	2,000,000	3,000,000
Investments	26,628,982	27,495,554	30,300,706	35,685,387	42,117,958	47,887,998	51,600,656	51,600,656	50,477,415	48,891,887	49,763,149
Receivables	7,676,545	4,064,068	4,282,448	4,518,994	4,683,785	4,851,168	5,014,270	5,161,499	5,311,967	5,466,751	5,648,555
Inventories	537,044	475,255	486,310	488,530	492,722	496,061	500,442	503,015	507,569	512,238	517,023
Other	484,952	406,329	421,777	430,341	441,100	451,137	462,416	471,996	483,796	495,890	508,288
<b>Total Current Assets</b>	<b>37,327,523</b>	<b>35,441,207</b>	<b>38,491,241</b>	<b>44,123,253</b>	<b>50,735,565</b>	<b>56,686,364</b>	<b>60,577,784</b>	<b>60,000,348</b>	<b>58,780,747</b>	<b>57,366,767</b>	<b>59,437,015</b>
<b>Non-Current Assets</b>											
Receivables	239,699	249,605	265,495	283,977	293,515	303,491	313,927	324,847	336,277	348,246	360,781
Inventories	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166	10,166
Infrastructure, Property, Plant & Equipment	540,459,750	518,610,233	495,978,728	472,781,435	449,004,209	426,632,553	406,701,606	391,247,385	377,306,809	365,017,718	349,371,400
<b>Total Non-Current Assets</b>	<b>540,709,616</b>	<b>518,870,004</b>	<b>496,254,389</b>	<b>473,075,578</b>	<b>449,307,891</b>	<b>426,946,211</b>	<b>407,025,699</b>	<b>391,582,398</b>	<b>377,653,252</b>	<b>365,376,130</b>	<b>349,742,347</b>
<b>TOTAL ASSETS</b>	<b>578,037,139</b>	<b>554,311,210</b>	<b>534,745,630</b>	<b>517,198,831</b>	<b>500,043,456</b>	<b>483,632,574</b>	<b>467,603,483</b>	<b>451,582,746</b>	<b>436,433,999</b>	<b>422,742,896</b>	<b>409,179,362</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables	9,739,060	6,107,270	6,134,674	6,267,185	6,402,690	6,609,176	6,869,239	7,190,706	7,428,088	7,681,311	7,753,892
Borrowings	3,528,790	3,945,245	3,700,680	3,506,713	3,136,521	3,074,550	3,274,886	2,386,041	794,820	392,505	-
Provisions	5,113,000	5,213,000	5,313,000	5,413,000	5,513,000	5,613,000	5,713,000	5,813,000	5,913,000	6,013,000	6,113,000
<b>Total Current Liabilities</b>	<b>18,380,850</b>	<b>15,265,515</b>	<b>15,148,354</b>	<b>15,186,898</b>	<b>15,052,211</b>	<b>15,296,726</b>	<b>15,857,125</b>	<b>15,389,747</b>	<b>14,135,908</b>	<b>14,086,816</b>	<b>13,866,892</b>
<b>Non-Current Liabilities</b>											
Borrowings	24,211,961	20,266,716	16,566,036	13,059,323	9,922,802	6,848,252	3,573,366	1,187,325	392,505	-	-
Provisions	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000	6,763,000
<b>Total Non-Current Liabilities</b>	<b>30,974,961</b>	<b>27,029,716</b>	<b>23,329,036</b>	<b>19,822,323</b>	<b>16,685,802</b>	<b>13,611,252</b>	<b>10,336,366</b>	<b>7,950,325</b>	<b>7,155,505</b>	<b>6,763,000</b>	<b>6,763,000</b>
<b>TOTAL LIABILITIES</b>	<b>49,355,811</b>	<b>42,295,231</b>	<b>38,477,390</b>	<b>35,009,221</b>	<b>31,738,013</b>	<b>28,907,978</b>	<b>26,193,491</b>	<b>23,340,072</b>	<b>21,291,413</b>	<b>20,849,816</b>	<b>20,629,892</b>
<b>Net Assets</b>	<b>528,681,327</b>	<b>512,015,980</b>	<b>496,268,240</b>	<b>482,189,610</b>	<b>468,305,443</b>	<b>454,724,596</b>	<b>441,409,993</b>	<b>428,242,674</b>	<b>415,142,586</b>	<b>401,893,080</b>	<b>388,549,470</b>
<b>EQUITY</b>											
Retained Earnings	301,940,327	285,274,980	269,527,240	255,448,610	241,564,443	227,983,596	214,668,993	201,501,674	188,401,586	175,152,080	161,808,470
Revaluation Reserves	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000	226,741,000
Council Equity Interest	528,681,327	512,015,980	496,268,240	482,189,610	468,305,443	454,724,596	441,409,993	428,242,674	415,142,586	401,893,080	388,549,470
<b>Total Equity</b>	<b>528,681,327</b>	<b>512,015,980</b>	<b>496,268,240</b>	<b>482,189,610</b>	<b>468,305,443</b>	<b>454,724,596</b>	<b>441,409,993</b>	<b>428,242,674</b>	<b>415,142,586</b>	<b>401,893,080</b>	<b>388,549,470</b>

Greater Taree City Council  
10 Year Financial Plan for the Years ending 30 June 2023  
CASH FLOW STATEMENT - GENERAL FUND  
High Growth Model

	Current Year 2012/13	2013/14	2014/15	2015/16	2016/17	Projected Years		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$			\$	\$	\$	\$	\$	\$
<b>Cash Flows from Operating Activities</b>													
<b>Receipts:</b>													
Rates & Annual Charges	32,578,773	33,412,333	35,508,081	38,025,259	39,389,871	40,730,610	42,133,695	43,602,449	45,140,396	46,751,281	48,439,076		
User Charges & Fees	4,869,198	3,859,505	3,868,371	4,040,400	4,220,495	4,409,047	4,606,465	4,813,177	5,029,635	5,256,311	5,493,701		
Interest & Investment Revenue Received	1,787,908	1,898,398	1,961,236	2,290,132	2,558,097	2,865,587	3,200,377	3,356,954	3,389,638	3,335,169	3,312,558		
Grants & Contributions	44,086,415	20,735,505	17,511,829	17,821,725	18,138,710	18,461,285	18,792,597	19,131,807	19,478,029	19,807,603	20,193,143		
Other	3,173,917	(63,711)	1,012,190	1,041,749	1,046,937	1,073,563	1,100,936	1,129,004	1,157,789	1,186,932	1,218,087		
<b>Payments:</b>													
Employee Benefits & On-Costs	(19,549,945)	(18,259,391)	(19,059,333)	(19,566,633)	(20,254,965)	(20,967,389)	(21,704,747)	(22,467,914)	(23,257,791)	(24,075,313)	(24,921,449)		
Materials & Contracts	(8,745,272)	(8,554,026)	(8,321,773)	(8,485,025)	(8,681,548)	(8,856,388)	(9,069,996)	(9,212,349)	(9,427,055)	(9,662,731)	(9,904,299)		
Borrowing Costs	(2,001,661)	(2,009,025)	(1,689,978)	(1,449,881)	(1,230,141)	(1,005,617)	(810,496)	(666,198)	(417,760)	(298,125)	(257,939)		
Other	(13,211,121)	(12,463,887)	(12,667,314)	(12,983,997)	(13,308,597)	(13,641,312)	(13,982,345)	(14,331,903)	(14,690,201)	(15,057,456)	(15,433,892)		
<b>Net Cash provided (or used in) Operating Activities</b>	<b>42,988,211</b>	<b>18,555,702</b>	<b>18,123,310</b>	<b>20,733,728</b>	<b>21,878,859</b>	<b>23,069,386</b>	<b>24,266,485</b>	<b>25,355,027</b>	<b>26,402,682</b>	<b>27,243,671</b>	<b>28,138,986</b>		
<b>Cash Flows from Investing Activities</b>													
<b>Receipts:</b>													
Sale of Investment Securities	12,371,018	-	-	-	-	-	-	-	1,123,242	1,585,528	-		
Sale of Infrastructure, Property, Plant & Equipment	423,274	1,515,296	1,559,127	1,598,105	1,638,058	1,679,009	1,720,984	1,764,009	1,808,109	1,853,312	1,899,645		
<b>Payments:</b>													
Purchase of Investment Securities	-	(866,572)	(2,805,152)	(5,384,682)	(6,432,570)	(5,770,040)	(3,712,659)	-	-	-	(871,262)		
Purchase of Infrastructure, Property, Plant & Equipment	(60,807,254)	(14,675,637)	(12,932,039)	(13,246,472)	(13,577,633)	(15,841,834)	(19,200,260)	(24,580,968)	(27,211,173)	(29,887,690)	(27,774,863)		
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(48,012,962)</b>	<b>(14,026,912)</b>	<b>(14,178,065)</b>	<b>(17,033,048)</b>	<b>(18,372,146)</b>	<b>(19,932,865)</b>	<b>(21,191,935)</b>	<b>(22,816,959)</b>	<b>(24,279,822)</b>	<b>(26,448,851)</b>	<b>(26,746,481)</b>		
<b>Cash Flows from Financing Activities</b>													
<b>Receipts:</b>													
Proceeds from Borrowings & Advances	6,500,000	-	-	-	-	-	-	-	-	-	-		
<b>Payments:</b>													
Repayment of Borrowings & Advances	(3,040,249)	(3,528,790)	(3,945,245)	(3,700,680)	(3,506,713)	(3,136,521)	(3,074,550)	(3,274,886)	(2,386,041)	(794,820)	(392,505)		
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>3,459,751</b>	<b>(3,528,790)</b>	<b>(3,945,245)</b>	<b>(3,700,680)</b>	<b>(3,506,713)</b>	<b>(3,136,521)</b>	<b>(3,074,550)</b>	<b>(3,274,886)</b>	<b>(2,386,041)</b>	<b>(794,820)</b>	<b>(392,505)</b>		
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,565,000)</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(736,818)</b>	<b>(263,182)</b>	<b>-</b>	<b>1,000,000</b>		
<b>plus: Cash, Cash Equivalents &amp; Investments - beginning of year</b>	<b>3,565,000</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,263,182</b>	<b>2,000,000</b>	<b>2,000,000</b>		
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,263,182</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>3,000,000</b>		
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>2,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>2,263,182</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>3,000,000</b>		
<b>Investments - end of the year</b>	<b>26,628,982</b>	<b>27,495,554</b>	<b>30,300,706</b>	<b>35,685,387</b>	<b>42,117,958</b>	<b>47,887,998</b>	<b>51,600,656</b>	<b>51,600,656</b>	<b>50,477,415</b>	<b>48,891,887</b>	<b>49,763,149</b>		
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>28,628,982</b>	<b>30,495,554</b>	<b>33,300,706</b>	<b>38,685,387</b>	<b>45,117,958</b>	<b>50,887,998</b>	<b>54,600,656</b>	<b>53,863,838</b>	<b>52,477,415</b>	<b>50,891,887</b>	<b>52,763,149</b>		
<b>Representing:</b>													
- External Restrictions	22,362,740	24,539,498	26,333,516	28,224,605	30,217,800	32,318,372	34,031,840	35,863,979	38,679,435	41,625,936	43,851,504		
- Internal Restrictions	2,074,891	1,977,108	2,046,835	2,116,562	1,946,289	2,016,016	2,085,743	2,155,470	1,985,197	2,054,924	2,124,651		
- Unrestricted	4,191,351	3,978,948	4,920,355	8,344,221	12,953,869	16,553,610	18,483,074	15,844,390	11,812,783	7,211,027	6,786,995		
<b>28,628,982</b>	<b>30,495,554</b>	<b>33,300,706</b>	<b>38,685,387</b>	<b>45,117,958</b>	<b>50,887,998</b>	<b>54,600,656</b>	<b>53,863,838</b>	<b>52,477,415</b>	<b>50,891,887</b>	<b>52,763,149</b>			



**Greater Taree City Council**  
**10 Year Financial Plan for the Years ending 30 June 2023**  
**FINANCIAL PERFORMANCE INDICATORS - GENERAL FUND**  
**High Growth Model**

	Current Year 2012/13	2013/14	2014/15	2015/16	2016/17	Projected Years					
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23				
Unrestricted Current Ratio	1.01	0.96	1.10	1.48	1.98	2.34	2.44	2.34	2.24	1.75	1.79
Debt Service Ratio	10.44%	11.25%	10.86%	9.35%	8.31%	7.02%	6.35%	6.24%	4.30%	1.63%	0.94%
Rates & Annual Charges Coverage Ratio	36.97%	58.46%	59.36%	60.21%	60.26%	60.30%	60.34%	60.56%	60.87%	61.27%	61.60%
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	6.43%	6.43%	6.45%	6.45%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%	6.44%
Operating Surplus/(Deficit) Ratio - on total operating income	-54.64%	-42.95%	-39.37%	-34.47%	-33.23%	-31.84%	-30.56%	-29.60%	-28.82%	-28.42%	-27.88%
Operating Surplus/(Deficit) Ratio - on own sourced operating income	-68.99%	-55.50%	-50.36%	-43.59%	-41.83%	-39.89%	-38.11%	-36.77%	-35.68%	-35.05%	-34.30%
Budgeted Income/(Expenditure) Gap (excluding Reserve Transfers)	(47,642,797)	(31,521,620)	(31,067,904)	(29,438,603)	(29,341,655)	(30,966,912)	(33,994,937)	(39,463,132)	(40,982,580)	(42,178,188)	(39,523,324)
Budgeted Income/(Expenditure) Gap (including Reserve Transfers)	(34,437,427)	(33,600,595)	(32,931,649)	(31,399,419)	(31,164,577)	(33,137,211)	(35,778,132)	(41,364,998)	(43,627,763)	(45,194,416)	(41,818,619)
Interest Cover Ratio	3.68	6.49	8.52	11.43	14.08	18.09	23.57	30.02	49.58	70.67	84.19
Net Interest Coverage Ratio	0.28%	0.21%	-0.55%	-1.41%	-2.11%	-2.82%	-3.47%	-3.75%	-4.01%	-3.98%	-3.90%
Net Interest Coverage Ratio - adjusted by externally restricted investment income	1.83%	2.85%	2.09%	1.27%	0.55%	-0.10%	-0.59%	-0.65%	-0.65%	-0.41%	-0.39%
Other Debtor Outstanding Percentage	10.67%	9.42%	9.56%	9.64%	9.76%	9.81%	9.81%	9.80%	9.82%	9.88%	9.98%
Asset Renewal Ratio (all assets)	186.80%	38.73%	38.03%	38.03%	38.03%	43.50%	51.49%	64.42%	69.24%	74.18%	66.82%
Operating Ratio	-35.33%	-30.05%	-28.25%	-25.63%	-24.94%	-24.15%	-23.41%	-22.84%	-22.37%	-22.13%	-21.80%
EBITDA (earnings before interest, taxes, depreciation & amortisation)	7,323,652	12,964,877	14,270,077	16,425,810	17,145,219	17,987,934	18,840,931	19,644,390	20,287,603	20,866,029	21,595,984
Net Assets	528,681,327	512,015,980	496,268,240	482,189,610	468,305,443	454,724,596	441,409,993	428,242,674	415,142,586	401,893,080	388,549,470
Operational Result before Capital Grants & Contributions											
Unrestricted Current Ratio											
Debt Service Ratio											
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage											
Unrestricted Current Ratio	Good		From 1.5 to 2.5								
	Satisfactory		Between 1.0 and 1.49, or greater than 2.5								
	Unsatisfactory		less than 1								
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	Good		6% or below								
	Satisfactory		From 6.01% to 7.50%								
	Unsatisfactory		Above 7.5%								
Debt Service Ratio	Good		Below 10%								
	Satisfactory		Between 10% and 20%								
	Unsatisfactory		Above 20%								

**Greater Taree City Council**  
**10 Year Financial Plan for the Years ending**  
**30 June 2023**  
**SUMMARY OF BUDGET OF ALL G/L ACCOUNTS -**  
**GENERAL FUND**  
**by Income & Expenditure type**  
**High Growth Model**

	Current Year	Projected Years									
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating Income</b>											
Rates - Ordinary	19,802,400	20,541,300	21,245,731	21,974,293	22,739,600	23,543,718	24,388,847	25,277,325	26,211,642	27,194,444	28,228,550
Rates - Special	38,400	-	1,067,900	1,104,209	1,142,304	1,182,284	1,224,256	1,268,329	1,314,623	1,363,264	1,414,386
Rates - Special Variation	4,495,900	4,648,700	4,806,756	6,326,185	6,544,439	6,773,494	7,013,953	7,266,456	7,531,681	7,810,353	8,103,242
Annual Charges	8,261,410	8,277,410	8,525,732	8,781,504	9,044,949	9,316,298	9,595,787	9,883,660	10,180,170	10,485,575	10,800,143
User Charges - Specific	2,187,800	2,134,550	2,241,277	2,353,341	2,471,008	2,594,559	2,724,287	2,860,501	3,003,526	3,153,702	3,311,388
Fees & Charges - Statutory & Regulatory	886,300	837,500	858,438	879,898	901,896	924,443	947,554	971,243	995,524	1,020,412	1,045,923
Fees & Charges - Other	1,640,200	753,400	791,070	830,624	872,155	915,763	961,551	1,009,628	1,060,110	1,113,115	1,168,771
Interest & Investment Revenues - o/s Rates & Annual Charges	130,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Interest & Investment Revenues - Investments	1,592,000	1,697,800	1,827,800	2,152,800	2,417,800	2,722,800	3,047,800	3,182,800	3,212,800	3,157,800	3,152,800
Interest & Investment Revenues - Other	21,000	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Other Revenues	967,919	948,330	972,038	996,339	1,021,248	1,046,779	1,072,948	1,099,772	1,127,266	1,155,448	1,184,334
Operating Grants - General Purpose (Untied)	6,369,938	8,113,310	8,316,143	8,524,046	8,737,147	8,955,576	9,179,466	9,408,952	9,644,176	9,885,280	10,132,412
Operating Contributions - Specific - Other Contributions	4,140,264	3,576,276	3,554,076	3,532,376	3,509,376	3,483,376	3,457,576	3,430,676	3,401,576	3,345,076	3,339,176
<b>Total Operating Income</b>	<b>50,533,531</b>	<b>51,707,976</b>	<b>54,386,361</b>	<b>57,635,017</b>	<b>59,581,322</b>	<b>61,638,490</b>	<b>63,793,424</b>	<b>65,838,742</b>	<b>67,862,494</b>	<b>69,863,870</b>	<b>72,060,524</b>
<b>Operating Expenditure</b>											
Employee											
Costs - Salaries Employee Costs -	13,259,179	13,676,752	14,155,438	14,650,878	15,163,659	15,694,387	16,243,691	16,812,220	17,400,648	18,009,670	18,640,009
Casual Wages Employee Costs -	660,332	209,455	216,786	224,374	232,227	240,355	248,767	257,474	266,485	275,812	285,466
Superannuation Employee Costs -	2,415,808	1,864,804	1,930,072	1,997,624	2,067,541	2,139,905	2,214,802	2,292,320	2,372,551	2,455,591	2,541,536
Workers Comp Employee Costs -	1,301,650	1,048,072	1,084,755	1,122,721	1,162,016	1,202,687	1,244,781	1,288,348	1,333,440	1,380,111	1,428,415
Other	1,863,110	1,559,929	1,614,527	1,671,035	1,729,522	1,790,055	1,852,707	1,917,551	1,984,666	2,054,129	2,126,024
Borrowing Costs - Interest on Loans (External)	1,742,500	1,746,325	1,425,779	1,186,562	967,520	744,329	549,431	404,412	159,173	45,264	6,526
Borrowing Costs - Other	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Materials & Contracts - Contracts	7,671,924	7,885,875	8,458,302	8,569,759	8,784,003	8,953,603	9,177,443	9,306,880	9,539,552	9,778,040	10,022,491
Materials & Contracts - Legal Expenses	105,000	105,000	107,625	110,316	113,073	115,900	118,798	121,768	124,812	127,932	131,131
Materials & Contracts - Other	3,501,226	64,192	65,797	67,442	69,128	70,856	72,627	74,443	76,304	78,212	80,167
Depreciation - IPP&E	32,944,125	33,177,000	34,006,425	34,856,586	35,728,000	36,621,200	37,536,730	38,475,149	39,437,027	40,422,953	41,433,527
Other Expenses - Insurance	925,465	1,032,650	1,058,466	1,084,928	1,112,051	1,139,852	1,168,349	1,197,557	1,227,496	1,258,184	1,289,638
Other Expenses - Utilities	1,767,400	1,564,650	1,603,766	1,643,860	1,684,957	1,727,081	1,770,258	1,814,514	1,859,877	1,906,374	1,954,033
Other Expenses - Other	10,518,256	9,866,587	10,005,082	10,255,209	10,511,589	10,774,379	11,043,738	11,319,832	11,602,828	11,892,898	12,190,221
<b>Total Operating Expenditure</b>	<b>78,925,975</b>	<b>74,051,291</b>	<b>75,982,819</b>	<b>77,691,294</b>	<b>79,575,286</b>	<b>81,464,589</b>	<b>83,492,122</b>	<b>85,532,467</b>	<b>87,634,859</b>	<b>89,935,170</b>	<b>92,379,183</b>
<b>Operating Surplus/(Deficit)</b>	<b>(28,392,444)</b>	<b>(22,343,315)</b>	<b>(21,596,458)</b>	<b>(20,056,277)</b>	<b>(19,993,965)</b>	<b>(19,826,100)</b>	<b>(19,698,698)</b>	<b>(19,693,725)</b>	<b>(19,772,365)</b>	<b>(20,071,300)</b>	<b>(20,318,659)</b>
<b>Capital Income</b>											
Capital Grants - Recurrent	10,750,000	4,650,000	4,766,250	4,885,406	5,007,541	5,132,730	5,261,048	5,392,574	5,527,389	5,665,573	5,807,213
Capital Grants - Non-recurrent	26,410,000	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Capital Contributions - Recurrent - Developer Contributions	289,800	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600	691,600
Capital Contributions - Recurrent - Other Contributions	188,000	200,000	205,000	210,125	215,378	220,763	226,282	231,939	237,737	243,681	249,773
Capital Contributions - Non-recurrent - Other Contributions	1,500	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873
New Loans raised - External	6,500,000	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of I,PP&E	411,500	1,521,300	1,559,333	1,598,316	1,638,274	1,679,231	1,721,211	1,764,242	1,808,348	1,853,556	1,899,895
<b>Total Capital Income</b>	<b>44,550,800</b>	<b>7,064,400</b>	<b>7,223,720</b>	<b>7,387,023</b>	<b>7,554,409</b>	<b>7,725,979</b>	<b>7,901,838</b>	<b>8,082,094</b>	<b>8,266,857</b>	<b>8,456,238</b>	<b>8,650,354</b>

**Greater Taree City Council**  
**10 Year Financial Plan for the Years ending**  
**30 June 2023**  
**SUMMARY OF BUDGET OF ALL G/L ACCOUNTS -**  
**GENERAL FUND**  
**by Income & Expenditure type**  
**High Growth Model**

	Current Year 2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$	2016/17 \$	Projected Years					
						2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$
<b>Capital Expenditure</b>											
Loan Principal Repayments (External)	3,040,249	3,528,790	3,945,245	3,700,680	3,506,713	3,136,521	3,074,550	3,274,886	2,386,041	794,820	392,505
Purchase of I,PP&E	60,343,675	11,782,783	11,841,602	12,137,642	12,441,083	14,752,110	18,120,913	23,548,936	26,037,659	28,688,601	26,355,816
<b>Total Capital Expenditure</b>	<b>63,383,924</b>	<b>15,311,573</b>	<b>15,786,847</b>	<b>15,838,322</b>	<b>15,947,796</b>	<b>17,888,631</b>	<b>21,195,463</b>	<b>26,823,822</b>	<b>28,423,700</b>	<b>29,483,421</b>	<b>26,748,321</b>
<b>Capital Surplus/(Deficit)</b>	<b>(18,833,124)</b>	<b>(8,247,173)</b>	<b>(8,563,127)</b>	<b>(8,451,299)</b>	<b>(8,393,388)</b>	<b>(10,162,653)</b>	<b>(13,293,625)</b>	<b>(18,741,728)</b>	<b>(20,156,844)</b>	<b>(21,027,183)</b>	<b>(18,097,967)</b>
<b>Transfer from Reserves (Income)</b>											
Transfer from Reserves	16,120,925	342,000	677,000	677,000	917,000	677,000	1,177,000	1,177,000	1,417,000	1,177,000	1,177,000
<b>Total Transfer from Reserves (Income)</b>	<b>16,120,925</b>	<b>342,000</b>	<b>677,000</b>	<b>677,000</b>	<b>917,000</b>	<b>677,000</b>	<b>1,177,000</b>	<b>1,177,000</b>	<b>1,417,000</b>	<b>1,177,000</b>	<b>1,177,000</b>
<b>Transfer to Reserves (Expenditure)</b>											
Transfer to Reserves	2,915,556	2,420,975	2,540,745	2,637,816	2,739,922	2,847,299	2,960,195	3,078,866	4,062,183	4,193,228	3,472,295
<b>Total Transfer to Reserves (Expenditure)</b>	<b>2,915,556</b>	<b>2,420,975</b>	<b>2,540,745</b>	<b>2,637,816</b>	<b>2,739,922</b>	<b>2,847,299</b>	<b>2,960,195</b>	<b>3,078,866</b>	<b>4,062,183</b>	<b>4,193,228</b>	<b>3,472,295</b>
<b>Net Reserve Surplus/(Deficit)</b>	<b>13,205,369</b>	<b>(2,078,975)</b>	<b>(1,863,745)</b>	<b>(1,960,816)</b>	<b>(1,822,922)</b>	<b>(2,170,299)</b>	<b>(1,783,195)</b>	<b>(1,901,866)</b>	<b>(2,645,183)</b>	<b>(3,016,228)</b>	<b>(2,295,295)</b>
<b>Internal Income</b>											
Other Internal Income - Operating	7,761,015	6,568,305	6,732,513	6,900,826	7,073,346	7,250,180	7,431,434	7,617,220	7,807,651	8,002,842	8,202,913
<b>Total Internal Income</b>	<b>7,761,015</b>	<b>6,568,305</b>	<b>6,732,513</b>	<b>6,900,826</b>	<b>7,073,346</b>	<b>7,250,180</b>	<b>7,431,434</b>	<b>7,617,220</b>	<b>7,807,651</b>	<b>8,002,842</b>	<b>8,202,913</b>
<b>Internal Expenditure</b>											
Other Internal Expenditure - Operating	6,981,544	6,433,438	6,548,181	6,711,886	6,879,683	7,051,675	7,227,967	7,408,666	7,593,883	7,783,730	7,978,323
Internal Expenditure - Capitalised	1,196,700	1,066,000	1,092,650	1,119,966	1,147,965	1,176,664	1,206,081	1,236,233	1,267,139	1,298,817	1,331,288
<b>Total Internal Expenditure</b>	<b>8,178,244</b>	<b>7,499,438</b>	<b>7,640,831</b>	<b>7,831,852</b>	<b>8,027,648</b>	<b>8,228,340</b>	<b>8,434,048</b>	<b>8,644,899</b>	<b>8,861,022</b>	<b>9,082,547</b>	<b>9,309,611</b>
<b>Internal Surplus/(Deficit)</b>	<b>(417,228)</b>	<b>(931,133)</b>	<b>(908,319)</b>	<b>(931,027)</b>	<b>(954,302)</b>	<b>(978,160)</b>	<b>(1,002,614)</b>	<b>(1,027,679)</b>	<b>(1,053,371)</b>	<b>(1,079,705)</b>	<b>(1,106,698)</b>
<b>Net Surplus/(Deficit)</b>	<b>(34,437,427)</b>	<b>(33,600,595)</b>	<b>(32,931,649)</b>	<b>(31,399,419)</b>	<b>(31,164,577)</b>	<b>(33,137,211)</b>	<b>(35,778,132)</b>	<b>(41,364,998)</b>	<b>(43,627,763)</b>	<b>(45,194,416)</b>	<b>(41,818,619)</b>
Depreciation	(32,944,125)	(33,177,000)	(34,006,425)	(34,856,586)	(35,728,000)	(36,621,200)	(37,536,730)	(38,475,149)	(39,437,027)	(40,422,953)	(41,433,527)
<b>Restated Net Result</b>	<b>(1,493,302)</b>	<b>(423,595)</b>	<b>1,074,776</b>	<b>3,457,166</b>	<b>4,563,424</b>	<b>3,483,989</b>	<b>1,758,599</b>	<b>(2,889,849)</b>	<b>(4,190,736)</b>	<b>(4,771,463)</b>	<b>(385,092)</b>