



Bellingen Shire Council

Long Term Financial Plan
2014/2015 to 2023/2024

Contents

INTRODUCTION.....	3
CURRENT FINANCIAL POSITION.....	5
NSW TREASURY CORPORATION REPORT	6
LONG TERM FINANCIAL PLAN (LTFP) POSITION.....	8
SPECIAL RATE VARIATION	9
Community Engagement.....	9
Our Community's Capacity to Pay	10
Impact of Proposed Rate Variations on Ratepayers	12
Affordability.....	12
Price Increase Comparison (Utilities)	12
Price Increase Comparison (Rates and Charges).....	13
Proportion of Household Expenditure.....	13
Conclusions on affordability	13
Our Community's Willingness to Pay.....	15
Alternative Funding Options	15
COST CONTAINMENT STRATEGIES.....	21
Financial Planning Policy.....	21
Time in Lieu Policy.....	22
Annual Leave Policy	22
Overtime Reduction	23
Recruitment and Selection Policy	23
PLANNING ASSUMPTIONS.....	24
REVENUE FORECASTS.....	27
Rates and Annual Charges	27
User Charges and Fees	29
Interest and Investments	30
Other Revenues	30
Grants – Operating and Capital	30
EXPENDITURE FORECASTS.....	31
Employee Costs.....	31
Borrowings.....	32
Materials and Contracts.....	32
Depreciation.....	32
Other Expenses.....	32
ASSET MANAGEMENT PLANS	33
PERFORMANCE MEASURES	34
Key Performance Indicators – Financial Policy.....	34
Ratio Analysis	35
Treasury Corp (T-Corp) Ratio Analysis.....	36
SENSITIVITY ANALYSIS.....	38
Scenario A – Special Rate Variation 11.80% with Bank Loan (Attachment 5).....	38
Scenario A – Special Rate Variation 11.80% with Bank Loan (Attachment 5) Continued.....	39
Scenario B – Special Rate Variation 11.80% with Bank Loan and LIRS Subsidy (Attachment 6)	40
Scenario B – Special Rate Variation 11.80% with Bank Loan and LIRS Subsidy (Attachment 6) Continued	41

INTRODUCTION

The 10 Year Long Term Financial Plan (hereafter referred to as LTFP) is a requirement under the Integrated Planning and Reporting Framework for NSW Local Government. Within the LTFP, Bellingen Shire Council (hereafter referred to as Council or BSC) can assess its ability to provide a certain level of service to the community given its revenue capacity over a long term. The overall objective of Council's LTFP is to achieve optimal balance between servicing the needs of the community and remaining financially sustainable in the long term.

The LTFP must be:

- Used in the decision making process in relation to The Shire of Bellingen 2030 Community Vision (Strategic Plan) and the development of the Delivery Program;
- For a minimum of 10 years;
- Updated annually as part of the Operational Plan process;
- Reviewed in detail as part of the four yearly review of the Delivery Program.

The basic structure of the LTFP must include:

- Projected income and expenditure, balance sheet and cash flow statement;
- Planning assumptions;
- Methods of monitoring financial performance;
- Sensitivity analysis;
- Financial modelling for different scenarios.

Council's LTFP has been prepared over a 10 year term and has been compiled with reference to Council's Community Vision. The LTFP is a dynamic document and will be reviewed three times during the year and at the completion of the Annual Financial Reports. The LTFP does not operate in isolation from Council's Strategic Planning Framework: it is one of a suite of documents that form part of Council's Operational and Delivery Plan.

Financial sustainability is one of the key objectives of Council. This objective, however, is not easy to achieve given the following reasons which impact on what services and functions Council can provide to our Community:

- An ageing infrastructure network;
- Cost shifting from other levels of government – where the arrangements and/ or costs of service delivery are shifted from other levels of government to local government;
- Uncertainty with grant funding over the long term;
- Increases in expenditure including Award increases and inflation at times being greater than the Rate Pegging increase.

The NSW Government introduced rate pegging in 1977. Rate pegging limits the amount that Council can increase its total general rate income from one year to the next by a specific figure determined by the Independent Pricing and Regulatory Tribunal (IPART). The Chair of IPART has specified a permissible increase in revenue from ordinary rates as prescribed by Section 506, NSW Local Government Act 1993 of 2.30% for 2014/15. General income comprises income from ordinary rates and does not include income from waste management service charges or water and sewerage service charges.

In 2013, the NSW Treasury Corporation undertook a financial capacity and sustainability review on all NSW councils. The review considered the financial performance of councils against benchmarks, whether councils had the financial capacity to borrow and the long

term sustainability of each council. To be considered financially sustainable over the long term, a council must be able to generate the required level of revenue to provide the level of services that the community wants.

Cost shifting is a significant impost on local government. Local Government NSW prepares a report on an annual basis on the impact of cost shifting on local government. The 2011 report indicates that the impact on rural councils per annum was 3.88% of local government total income before capital. For Bellingen Shire Council, the extrapolated impact per annum is \$1.085 million.

The Independent Local Government Review Panel has made a range of observations and recommendations regarding the financial sustainability of local government and in particular long term funding and the need for improved funding models and greater certainty.

CURRENT FINANCIAL POSITION

General Fund working funds balance (excludes Water and Sewer Funds)

	2012/13	2011/12
	\$ '000	\$ '000
Current Assets	14,568	17,711
Current Liabilities	(5,475)	(6,312)
Net Current Assets	9,093	11,399
Add: Employee Entitlements > 12 months	1,834	1,505
Less: External Restrictions	(5,832)	(7,759)
Less: Internal Restrictions	(2,719)	(4,292)
Net Working Funds – General Fund	\$2,376	\$ 853

Consolidated Financial Statement Data

	2012/13 Actual	2011/12 Actual
	\$ '000	\$ '000
Statement of Comprehensive Income		
Revenue	29,518	31,033
Expenses	(32,126)	(33,147)
Net Operating Result for the Year	(2,608)	(2,114)
Net Operating Result before Grants & Contributions provided for Capital Purposes	(\$ 4,157)	(\$ 5,728)
Balance Sheet		
Total Assets	563,155	558,318
Total Liabilities	(11,140)	(12,133)
Total Equity	\$552,015	\$546,185
Statement of Cash Flow		
Cash & Cash Equivalents – Opening Balance	17,432	21,510
Cash & Cash Equivalents – Closing Balance	15,143	17,432
Add:		
Investments on Hand	13,750	15,357
Total Cash, Cash Equivalents and Investments	\$ 28,893	\$ 32,789

Consolidated Key Financial Performance Indicators

	2012/13	2011/12
Unrestricted Ratio	2.48	2.13
Debt Service Ratio	2.48%	2.92%
Rate Coverage Ratio	35.96%	31.00%
Outstanding Rates %	9.13%	9.39%
Asset Renewal Ratio	50.73%	79.08%

NSW TREASURY CORPORATION REPORT

During 2013, NSW Treasury Corporation (hereafter referred as T-Corp) undertook a financial sustainable review on each of the 152 NSW Councils. The review considered the following key areas:

- The financial capacity of the Council to undertake additional borrowings;
- The long term sustainability of the Council;
- The financial performance of the Council compared to similar Councils and measured against prudent benchmarks.

The review also provided a Financial Sustainability Rating (FSR) and future outlook for each Council. There were seven FSR ratings (very strong, strong, sound, moderate, weak, very weak and distressed) and three outlook categories (positive, neutral and negative).

Bellingen Shire Council received a FSR rating of moderate and an outlook rating of negative. This means that Council has adequate capacity to meet its financial commitments in the short to medium term and has an acceptable capacity in the long term; however the negative outlook rating means there is a possibility the financial sustainability of Council could deteriorate in the future unless Council undertakes action to improve its sustainability.

With the review of Bellingen Shire Council (March 2013), T-Corp made the following observations:

- Council's unrestricted Current ratio has been well above benchmark for the past four years, indicating Council had sufficient liquidity;
- For the past four years, Council has incurred operating deficits;
- Eight flood events over the past four years has affected Council's operating expenses and ability to fund asset renewal;
- Council reported \$22.4 million of infrastructure backlog, which is on an upward trend (\$16.4 million as at 30th June 2013) and Council has been unable to fund the required asset renewal amounts over the review period;
- Council is forecasting operating deficits into the future;
- The forecast capital expenditure is insufficient to meet the cost of forecast asset renewals;
- Council does not have the capacity to undertake any additional borrowings in the short to medium term;
- Council is heavily reliant on the provision of operating and capital grants and would not be sustainable without the continuation of these grants;
- Undertaking a Special Rate Variation submission, if approved, would better enable sufficient asset renewal; and,
- The flood events in recent year have negatively affected Council's capacity to invest in capital expenditure.

The review undertook analysis on a range of ratios. Ratio analysis will be discussed later in this LTFP, under the heading 'Treasury Corp (T-Corp) Ratio Analysis' on page 35.

The T-Corp review report is one of a series of considerations for council in relation to addressing the infrastructure backlog and lodging a special rate variation application for the 2014/15 year.

Specifically, whilst Council has undertaken a broad range of initiatives in terms of organisational reform, service delivery reviews and ongoing refinement of the Integrated

Planning and Reporting documents, the infrastructure backlog signals the need for significantly increased levels of investment in infrastructure.

In addition, an outlook of 'negative' and an infrastructure backlog that continues to rise, signals a need to actively consider levels of service (which is occurring through our service delivery review program), generate efficiencies and productivity improvements, (which is being addressed through our organisational reform program) and generate additional revenue sources.

LONG TERM FINANCIAL PLAN (LTFP) POSITION

Council's 10 year LTFP for 2014/15 to 2023/24 is provided in Attachment 1 and is prepared on a Consolidated Council basis, which includes the 2.30% rate pegging. Attachments 2, 3 and 4 provide the budget based on Fund type (General, Water and Sewer). Attachments 5 illustrates the impact of the 11.80% Special Rate Variation (hereafter referred to as SRV) and Attachment 6 illustrates the 11.80% SRV with a Local Infrastructure Renewal Scheme application (hereafter referred to as LIRS). Attachments 1 through to 6 were adopted as the recommended budget options for the LTFP. The Council resolution is dated 13th January 2013. The budget has been prepared with the following strategies/objectives in mind:

- Maintaining a fair and equitable rating structure;
- Achieving full cost recovery for the provision of services;
- Allocating resources that achieves maximum result in meeting Community Vision goals and objectives;
- Achieving a strong asset management position;
- Maintaining a balanced budget over the 10 year life of the LTFP;

In summary, the LTFP budget is as follows. This projection is the 2.30% rate pegging amount based on the 2014/15 to 2023/24 budget as per Attachment 1:

Budget Year	Surplus/(Deficit)
	\$
Net Working Funds – General Fund Opening Balance (As at 30 th Sept 2013)	2,254,187
2014/2015 Budget	(82,841)
2015/2016 Budget	(74,393)
2016/2017 Budget	(95,600)
2017/2018 Budget	66,791
2018/2019 Budget	(75,275)
2019/2020 Budget	123,526
2020/2021 Budget	(86,441)
2021/2022 Budget	20,266
2022/2023 Budget	10,549
2023/2024 Budget	193,417
Net Working Funds – General Fund (As at 30th June 2024)	2,254,186

In achieving a balanced budget, there must not be any year with a deficit greater than \$100,000. This is in line with Council's Financial Planning Policy.

Council has recommended that the 11.80% special rate variation be included in the LTFP along with the 2.30% rate pegging. This rate variation is included as Attachment 5. This scenario is prepared based on the General Fund only as it is recommended that the SRV would be for the Transport Infrastructure (i.e. our roads and bridges backlog). Attachment 6 illustrates the impact of a special rate variation with the inclusion of the LIRS application.

The LIRS is a subsidised loan arrangement with the NSW State Government and Council is making an application under the LIRS program to maximise funding leverage in terms of the Transport Infrastructure backlog.

If a SRV is applied for and not approved the LIRS application will be withdrawn.

Details on the special rate variation application are discussed in the next section and further details of the LIRS application can be found under the "Borrowings" heading on 31.

SPECIAL RATE VARIATION

Community Engagement

In this revision of the Long Term Financial Plan, an emphasis is being placed on addressing the infrastructure backlog in relation to Transport Infrastructure (roads and bridges) that stood at \$12.892 million for roads at the end of 2012/13 financial year. Road and bridges were identified as areas of high importance and low satisfaction in the 2012 Community Satisfaction Survey. The failure of Hanley's Bridge in the same year and the subsequent inspection program highlighted that 13 bridges were in need of major repair work. Seven of these bridges will be repaired during 2013/14 as part of the works program. The remaining six require investment of between \$1.823m - \$3.822m depending on the replacement scenario.

The condition of the sealed road network continues to be reviewed in conjunction with the review of Council's Asset Management Plans. The assessment to date has identified at least 20 kilometres of road that require reconstruction and/or resealing as a priority. In addition to the sealed road network a number of other road improvement projects have been identified through staff assessment or via community feedback. These include seal extension projects, drainage improvements, urban road improvement and retaining wall replacements.

As a consequence, community engagement commenced in November 2013 on the need for road and bridge infrastructure works, Council's current financial position, and options for funding the works through a special rate variation. Engagement activities included community forums, a Chamber of Commerce Forum for the business community, a web-based *SRV Information Centre*, fact sheets, responses to community questions and submissions via fact sheets and Frequently Asked Questions (FAQ's), media releases and the associated media coverage, a resident mail-out, and an online self-select survey.

Four funding options for addressing the roads and bridge infrastructure backlog were canvassed during the initial community engagement:

1. A 2.3% increase in general rate income (the base case, or rate peg);
2. An 8.3% increase in general rate income (which included the rate cap);
3. An 11.8% increase in general rate income (which included the rate cap);
4. A 17.3% increase in general rate income (which included the rate cap).

As at December 2013, the engagement activities resulted in:

- A letter drop to all residences regarding the Special Rate Variation proposals;
- 3 community forums with 150 residents in attendance.
- A forum for the 3 Chambers of Commerce
- 105 survey responses;
- Provision of over forty responses to community questions (in FAQ's);
- 4 newspaper articles;
- 2 television reports (PRIME7); and,
- Approximately 20 submissions on the SRV, including letters, emails and letters to the editor.

On 13 January 2014 Council resolved to engage further with the community on option 1 (2.3% increase) and option 3 (11.8% increase).

Our Community's Capacity to Pay

The Socio-Economic Indexes for Areas (hereafter referred to as SEIFA) of disadvantage measures the relative level of socio economic disadvantage based on a range of census characteristics. The index is derived from attributes that reflect disadvantage such as low income, low educational attainment, high unemployment, and jobs in relatively unskilled occupations. A higher score on the index means a lower level of disadvantage. A table of Bellingen and neighbouring council SEIFA follows:

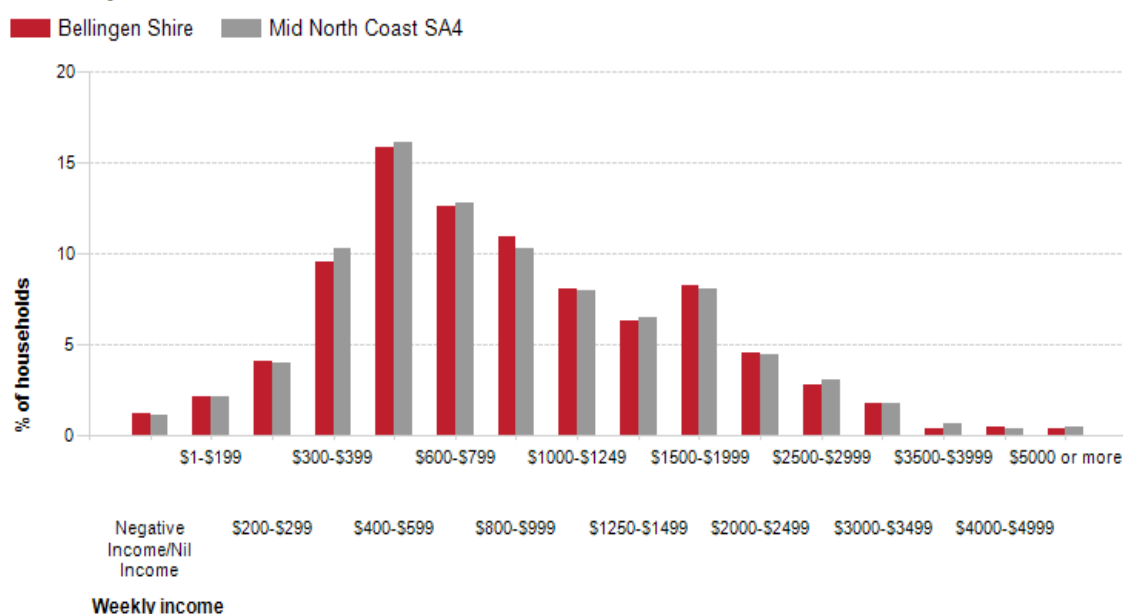
Council/ Area	Bellingen LGA	Greater Taree LGA	Kempsey LGA	Port Macquarie Hastings LGA	Nambucca LGA	Coffs Harbour LGA	Mid-North Coast
SEIFA Index 2011	950.1	913.7	879.7	968.8	900.0	958.4	930.4

Source: Australian Bureau of Statistics, Census of Population and Housing 2011. Compiled and presented in profile.id

The SEIFA index of Bellingen Shire indicates a relatively good capacity to pay in comparison to other councils in the Mid North Coast Region of councils. Please note that SEIFA scores are standardised against a mean of 1,000 with a standard deviation of 100. This means the average SEIFA score will be 1,000 and the middle two thirds of SEIFA scores will fall between 900 and 1,100 (approximately).

Households form the common 'economic unit' in our society. Bellingen Shire's Household Income is one of the most important indicators of socio-economic status. The following graph shows income band comparison of Bellingen Shire to the Mid North Coast area.

Weekly household income, 2011



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.

.id
the population experts

Analysis of household income levels in Bellingen Shire in 2011 compared to Mid North Coast shows that there was a smaller proportion of high income households (those earning \$2,500 per week or more) and a lower proportion of low income households (those earning less than \$600 per week).

Overall, 5.5% of the households earned a high income, and 32.6% were low income households, compared with 6.2% and 33.5% respectively for Mid North Coast.

The following table shows average rates and charges for Bellingen and neighbouring councils, and the group average from local government comparative data.

Council/ Area	Bellingen LGA	Greater Taree LGA	Kempsey LGA	Port Macquarie Hastings LGA	Nambucca LGA	Coffs Harbour LGA	Group Average (11)*
Average Residential Rate	\$779.21	\$477.47	\$668.22	\$907.27	\$736.15	\$804.18	\$632.67
Average Business Rate	\$899.74	\$553.72	\$1,464.02	\$3,000.48	\$1,489.43	\$3,589.73	\$1,728.02
Average Farmland Rate	\$1,693.58	\$1,669.25	\$1,307.64	\$1,583.46	\$1,566.12	\$1,462.94	\$2,370.31
Average Water and Sewer Bill	\$931.00	\$765.00	\$1,137.00	\$1,108.00	\$800.00	\$1,219.00	\$1,038.05
Average Domestic Waste Charge	\$346.53	\$137.72	\$271.93	\$301.68	\$360.43	\$373.51	\$246.46

Source: Comparative Information on NSW Local Government 2011/2012

*Group 11 councils are of the type "Large Rural": "Bellingen, Cabonne, Cooma-Monaro, Corowa, Cowra, Greater Hume, Gunnedah, Inverell, Leeton, Moree Plains, Muswellbrook, Nambucca, Narrabri, Palerang, Parkes, Tumut, Upper Hunter, Warrumbungle, Yass Valley, Young

Comparing Bellingen Shire with Port Macquarie and Coffs Harbour, Bellingen Shire's average residential and business rates are lower, farmland higher, water and sewer are lower, domestic waste charges mixed.

In comparison with Nambucca Shire, while average residential rates are 6% higher in Bellingen Shire, average business rates are 40% lower (with a similar ratio of business/residential rateable properties of 7-8% in 2010/11).

It should be noted that since the last comparative data collection in 2010/11 (which is cited above) the following councils from the above table were granted special rate variations as follows:

Council	Kempsey LGA	Port Macquarie Hastings LGA	Nambucca LGA	Coffs Harbour LGA
2012/13	16.05%	7.30%	10.04%	5.64%
2013/14	14.33%	-	-	5.43%

The level of outstanding rates and charges also gives an indication of the community's ability to pay. The following table provides comparisons of outstanding rates and charges.

Council/ Area	Bellingen LGA	Greater Taree LGA	Kempsey LGA	Port Macquarie Hastings LGA	Nambucca LGA	Coffs Harbour LGA	NSW Average
Outstanding Rates and Annual Charges 2010/11 (%)	7.24	6.16	4.86	8.70	6.16	6.12	5.26

Source: Comparative Information on NSW Local Government 2010/11

Impact of Proposed Rate Variations on Ratepayers

Council levies an annual general rate and any SRV relates to the general rate only. Water, sewer and waste are levied separately. The table below outlines projected average annual rate increases associated with the proposed rate increase options:

Type	2.30%	11.80%
Residential Rural	\$24.00	\$123.00
Business	\$19.00	\$97.00
Farmland	\$42.00	\$218.00
Residential Dorriggo	\$15.00	\$79.00
Business Dorriggo	\$16.00	\$81.00
Residential Bellingin	\$18.00	\$91.00
Business Bellingin	\$26.00	\$131.00
Residential Urunga	\$20.00	\$104.00
Business Urunga	\$32.00	\$167.00
Residential Mylestom	\$21.00	\$107.00

Affordability

When assessing affordability, analysis of three areas was considered:

- Price rise comparisons with utilities over the past three years, with a similar forward projection;
- Rates and charge increases over the past three years, with a similar forward projection;
- Contribution of the proposed rate increases as a proportion of household expenditure.

Price Increase Comparison (Utilities)

The all cities average price increase for utilities for the period December 2010 to September 2013 was 22.10%¹, and a similar projection can be assumed.

Assuming an annual 2.6% peg rate increase post 2014/15, the three year cumulative rate increase comparison for the proposed rate increase options are as follows:

Price	2.30%	11.80%
3 year cumulative BSC rate and domestic waste charge increase	8.28%	14.13%
3 year cumulative utilities increase (projected)	22.1%	22.1%

¹ ABS: CPI figures all cities averages

Price Increase Comparison (Rates and Charges)

The all capital cities average price increase for rates and charges for the period December 2010 to September 2013 was 20.2%², and a similar projection can be assumed.

For the three years 2011/12 – 2013/14 the cumulative average residential rate and charges (domestic waste) increases for Bellingen Shire Council was 18.7% or an average of 5.9% pa – predominantly due to increases in domestic waste charges.

Assuming annual 2.6% pa peg rate increases and 3% pa increases in domestic waste charges post 2014/15, the three year cumulative average residential rate and charges increase comparison for the proposed rate increase options are as follows:

Price	2.30%	11.80%
3 year cumulative BSC rate and domestic waste charge increase	8.28%	14.13%
3 year cumulative rates and charges increase (projected)	20.20%	20.20%

Note: This comparison was made based on the availability of comparable Australian Bureau of Statistics data.

Proportion of Household Expenditure

The CPI contribution (i.e. the proportion of weekly household expenditure) for rates and charges is 1.26%³(all capital cities weighted average) for the proposed rate increase options are as follows:

	2.30%	11.80%
Average BSC rate and domestic waste charge increase 2014/15	2.53%	8.09%
CPI Increase due to BCS rates and charges	0.03%	0.10%

Conclusions on Affordability

As indicated above, Bellingen Shire's SEIFA index indicates a capacity to pay that is higher than average for the Mid North Coast Region of councils. Household income data indicates that incomes are more concentrated around middle income levels (\$600 - \$2,500 per week) in comparison to other councils in the Mid North Coast Region of councils. The data indicates that the proportion of low income households in the Bellingen Shire is lower than the Mid North Coast Region of councils.

Additionally, comparative rating data (2010/11) indicates similar rating averages to its neighbouring councils (with the exception of Taree LGA). It should be noted that a number of those councils have received Special Rate Variation increases since that time.

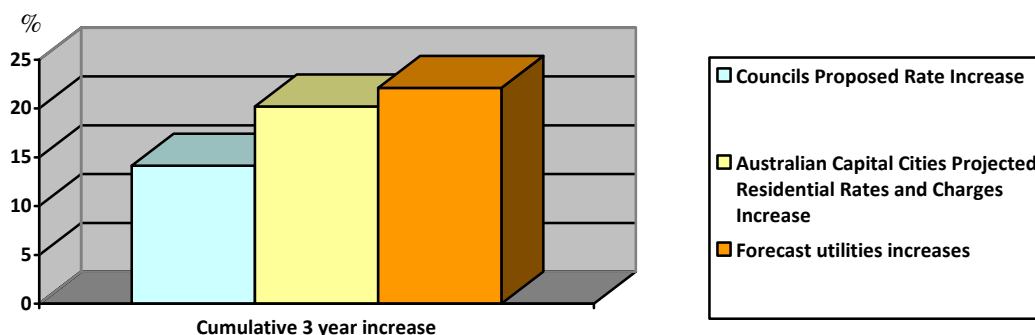
A comparison using Australian Bureau of Statistics data was undertaken against similar measures, i.e. utility costs, residential rates and charges in Australian capital cities

² ABS: CPI figures all cities averages

³ ABS: 16th SERIES CPI, AVERAGE WEEKLY EXPENDITURE AND WEIGHTS, JUNE QUARTER 2011, WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES (a)

(average), and as a contribution to household expenditure. The comparison indicates that the proposed SRV of 11.8% had a cumulative 3 year increase of 14.13% that compared favourably with projected increases for utilities of 22.1%.

The 3 year cumulative increase of 14.13% due to the SRV also compared favourably with the Australian capital cities average projected increase of 20.2% for residential rates and charges.



With regard to household expenditure, it has been calculated that the SRV contribution to household expenditure is, on average, an increase of 0.1%.

In summary, the foregoing analysis draws favourable conclusions about the Community's capacity to pay and that a Special Rate Variation of 11.8% is affordable by the community generally.

Our Community's Willingness to Pay

The Infrastructure Backlog is a key challenge for Council's across NSW. In 2013 the Division of Local Government carried out a survey of NSW Councils which indicated that the backlog across the state was \$7.4 billion. The process that Council has undertaken in terms of development of its Asset Management Plans (as a component of the Integrated Planning and Reporting Framework), ongoing refinement of the Asset Management Plans (as outlined in the Operational Plan) and the specific road and bridge infrastructure assessments undertaken by Council during 2013, has allowed Council to determine more specifically the backlog of Transport (road and bridge) Infrastructure in Bellingen Shire, and the need to invest to reduce this backlog.

The Community Satisfaction Survey undertaken by Council in 2012 indicated that sealed and unsealed roads and bridges were three of the bottom eight (of 25) service satisfaction ratings. This was confirmed in the 2013 SRV (self-completion) Survey which identified these services as the bottom three (of 9) categories for rating of the current state, and the top three categories deserving of more funding.

The 2013 SRV Survey also indicated that 51.6% of respondents were in favour of a Special Rate Variation increase. The survey was made available to all Shire residents via Council's website and was actively promoted via the various forums undertaken and in local media.

Council received 105 survey responses. A summary of the results are shown below⁴:

Option	% of respondents preference
2.4% Rate Peg Only	48.40%
8.4% SRV	24.70%
11.9% SRV	18.30%
17.4% SRV	8.60%

Alternative Funding Options

Council has explored the options for funding the required road and bridge infrastructure projects. Included in the options were the following;

- Reserves – Council does not have any externally or internally restricted reserves available to fund the infrastructure projects;
- Grants – a review of available grants is undertaken on a rolling basis however there is no grant funding available for the infrastructure projects;
- General fund – a review of Council's 2013 financial statements and 2015 to 2024 LTFP reveals that Council does not have any available general funds;
- Fees and charges – fees and charges cannot be charged to fund the infrastructure projects;
- Loans – Council can borrow to fund the projects, however as supported by the TCorp report council does not have the financial capacity to service loans unless an alternative source of income is sought;
- Special rate variation – Given the above and supported by the TCorp report Council's only avenue is to apply for a SRV.

⁴ Initial consultation was based on an assumed 2.4% peg rate increase. Following the IPART peg rate determination in December 2014 of 2.3%, community engagement materials were updated to reflect the new scenarios, ie 2.3%, 8.3%, 11.8% and 17.3%

If Council is not successful in the SRV application Council will still be required to undertake some of the infrastructure projects due to access and safety issues E.g. Newry Island Bridge. The balance of the projects will not be undertaken. The funding for those projects that are undertaken will be reallocated from other services e.g. road maintenance. This will decrease the level of service and safety of those other assets.

Consideration of these alternative revenue options would be in addition to the range of other initiatives being undertaken by Council currently around organisational efficiencies and in particular work around organisational reform, service delivery reviews and ongoing refinement of our Integrated Planning and Reporting documents.

In contemplating this issue it is important to note that the work of the Independent Local Government Review Panel has highlighted a range of areas for reform of the local government sector and in particular contemplation of revised funding arrangements to work towards long term financial sustainability.

However in the meantime, the alternative revenue options that could be considered are as follows:

- **Grant Funding**

The current external economic circumstances indicate that there are limited grant funding options available and this is unlikely to change for the foreseeable future. In the event that Council was able to secure additional grant funding, it would most likely be for a one-off project. In addition many grant opportunities require matching funding from Council which would in turn place pressure on projects already considered in the works program;

- **S94 and S64 funding**

Section 94 of the NSW Environmental Planning and Assessment Act 1979 and Section 64 of the NSW Local Government Act 1993 allows Councils to levy developers for contributions towards public amenities and services required as a consequence of development. This may be the provision of new facilities for an area or the expansion of existing facilities where an area is growing.

Section 94 and Section 64 Contributions plans are public documents that outline the process for collecting, administering and spending the funds. Council has recently reviewed its Section 94 Plan in relation to Open Space and placed the Open Space Plan on public exhibition for community comment. Responses to the Open Space Plan are currently being collated and it is anticipated that the final plan will be presented to Council for consideration and adoption in the first quarter of 2014.

In addition Council is currently reviewing the Section 94 Plan in relation to Transport Infrastructure. It is anticipated that the draft plan will be presented to Council in 2014.

In NSW Local Water Utilities are regulated predominantly by NSW EPA, NSW Office of Water, NSW Health and NSW Division of Local Government. These agencies are responsible for different aspects of regulation relevant to provision of water and sewerage services. The NSW Office of Water is responsible for water supply, sewerage and liquid trade waste pricing, inclusive of the methodology used by NSW Local Government to calculate Section 64 contributions (which are development contributions relative to the provision of water and wastewater services). The NSW Office of Water requires that all Local Water Utilities (LWU) use the approved pricing

methodologies. Furthermore, NSW Office of Water require that LWU have a sound Strategic Business Plan (SBP), Development Servicing Plans (DSP) and long term financial plan describing revenues and expenditures associated with operating water supply and sewerage businesses.

SBP and DSP documents are intrinsically linked. Critical to the SBP is development of acceptable Typical Residential Bills' (TRB) i.e. what residential customers pay, and s64 contributions (what developers pay), both of which are interdependent. The key revenue streams for Council are annual charges, developer contributions, liquid trade waste charges, subsidy funding and loan funds. These are essentially balanced in the medium to long term by expenditure associated with operation and maintenance, renewals, capital works, new capital works, interest on loans and depreciation (non-cash).

In June 2007, Council adopted a revised Section 64 Development Servicing Plans (DSP) for Water Supply and Sewerage.

The expenditure of Section 94 and Section 64 Funds has, and continues to be, actively reviewed by Council. Further the process is governed by the arrangements as outlined above, noting the need for a nexus in terms of collection and subsequent expenditure of funds.

- **Fees**

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

It is anticipated that a review of the remaining Council's fees and charges will be undertaken in 2014/15 with no significant alteration to current pricing structures until this occurs. Increases in user charges and fees are forecast to increase by CPI.

Current levels of service are expected to continue for 2014/15, with active consideration to be provided to levels of service for future years, as an integral component of the service delivery review process.

- **Borrowings**

T-Corp provided the following observations in its 2013 assessment of Bellingen Shire Council:

- Council does not have the capacity to undertake any additional borrowings in the short to medium term unless additional revenue sources are generated to repay the loan;
- Council is heavily reliant on the provision of operating and capital grants and would not be sustainable without the continuation of these grants;
- Undertaking a Special Rate Variation submission, if approved, would better enable sufficient asset renewal; and,
- The flood events in recent year have negatively affected Council's capacity to invest in capital expenditure.

- **Reserve Funding**

Under the NSW Local Government Act 1993 Council's cash funds are held in Externally Restricted Reserves and Internally Restricted Reserves. Externally Restricted Reserves include funds raised for water, sewerage, domestic waste, Special Roads Levy, Environmental Levy, Section 94 Contributions etc. and are only to be used for the purpose they were raised. Internally Restricted Reserves include funds held under resolution of Council for employee leave entitlements, plant and vehicle replacement etc. These funds are only to be used for the purpose under which they were resolved by Council. The 2013 financial year financial reports Note 6 show that Externally Restricted Reserves amount to \$25.900m and Internally Restricted Reserves amount to \$2.993m.

- **Redirection of funds through service reductions and/ or productivity improvements**

For the past 2 ½ years Bellingen Shire Council has embarked on a process of major organisational review and reform aimed at improving our service to our community. These activities are based on contemporary organisational principles, but more importantly on what the community has told us in 2012 in response to our customer and planning surveys.

More specifically, our customer survey in 2012 provided specific advice in terms of resident priorities around roads and infrastructure as follows:

- Services with a low satisfaction mean included footpaths and cycle ways, maintenance of sealed roads and maintenance of unsealed roads.
- Services rated important to respondents were maintenance of sealed roads, river water quality, waste and recycling, protection of the natural environment and flood management.
- In contrast maintenance of sealed roads, river water quality, bridge maintenance, maintenance of unsealed roads, footpaths/ cycleways and flood management were regarded as having high importance but low satisfaction.
- Any additional income should be spent on road improvements.

The imperatives to conduct the organisational review related to a range of challenges facing Bellingen Shire and Local Government in the wider context. In particular, these challenges included the need to ensure effective and efficient service delivery and within that quality and allocation of resources, as well as broader drivers around financial sustainability, asset management, community needs and customer service.

Council received quarterly reports around our progress commencing in August 2012. Our outcomes to date include:

- Customer service initiatives including the development of a customer service charter, a review of our customer request management system and the establishment of a customer service team with the objective of resolution of 80% of enquiries on first call;
- Improvements to asset management including the development of asset management plans, condition reporting and a major road and bridge review in terms of both condition, priorities and funding options;
- A focus on and improved management of leave liability;
- The establishment of a revised Advisory Committee structure which aligns to our community vision;

- The standardisation of engineering policies and DA standard engineering conditions to provide improved certainty to our development sector and customers generally;
- Reduction in casual labour and investment in our young people via the establishment of a traineeship program;
- Implementation of a service review program which seeks to define standards of service and improve efficiencies and effectiveness and deliver productivity savings, which to date has focused on weeds, Bellingin Pool, and our road and bridge programs;
- Implementation of a Joint Workers Compensation Improvement Plan with our insurer to improve our safety and incident performance and reduce our premium costs;
- A review of our Planning and Regulation Section in response to changes in the planning system and a downturn in the building industry;
- Rearrangement of our Works Section to provide focus on supervision and quality of work;
- Online recruitment to ensure efficiencies in the process and a reduction in advertising costs;
- Online training to ensure efficiencies in the process, ensure our staff and volunteers have the appropriate and current knowledge and qualifications along with a reduction in associated costs;
- Collaboration with other councils in our region around a range of issues such as work health and safety, IT, procurement roads and bridges, waste and HR as well as actively working towards a model that will establish shared servicing;
- Development of an intranet to disseminate information, reduce printing costs and improve customer service.

A snapshot of outcomes from our reform processes to date:

- Draw down on reserves to fund non recurrent (\$270,000) implementation costs related to the organisation review has not been required primarily as a direct consequence of cost management and efficiency initiatives;
- Recruitment managed in house resulting in savings of \$95,000 in external recruitment fees in 2011/12;
- Reduction in overtime hours by approximately 54.43% for the period 1st July 2010 to 30th June 2013. This percentage only relates to overtime paid directly out of Council own funds (i.e. it excludes grant funding, State Works funding, water and sewer funds);
- 43% reduction in workers compensation claims since 1st July 2010. In terms of dollars, Council has seen a reduction in workers compensation wages cost as follows:

	2010/11	2011/12	2012/13
Total WC Wage Paid	\$143,685.35	\$137,933.87	\$65,836.00

- 55% reduction in days lost to injury since 2010;
- In 2013 increased the library hours of Dorrigo and Urunga Libraries without any additional costs, by rearranging staffing;

- Focusing on customer service and actively managing correspondence with outstanding tasks reduced by 60% since January 2013;
- Measuring response via telephone as have a target of first contact resolution of 80%. Average to date has been 50% and for November 63%;
- Number 2 in the state for waste diversion;
- Resumed operation of waste facilities which were previously operated under contract in order to improve customer service, assess true operational costs and ensure effective environmental management. A first step in the refinement of operations expect income generation, for example, is the sale of metals \$285,000 over three years, procured through MIDROC; and,
- In addition recent changes to the opening hours for our waste facilities for next year are projected to save around \$165 000.

As the changes implemented in the organisation restructure and service reviews take effect, Council will continue to capture data, define measures, and review the outcomes in terms of improved performance and/ or budget savings.

COST CONTAINMENT STRATEGIES

Council has implemented a range of cost containment strategies including the Financial Planning Policy, Time in Lieu Policy, Annual Leave Policy, Policy on the Recruitment and Selection of Council Staff, in addition to the range of initiatives outlined in the previous section.

Financial Planning Policy

Council's adopted Financial Planning Policy sets the cost containment framework for the prudent management of Council's finances and in particular incorporates the long term funding of Council's Asset Management obligations.

The Long Term Financial Plan (LTFP) and Quarterly Budget Review Statement Guidelines released by the Division of Local Government (DLG) require Councils to establish a suite of key performance indicators (KPIs) that monitor their financial performance and also measure their long term financial sustainability.

The LTFP Guidelines specifically state that *"the indicators or measures will tie back to council's financial strategies and provide a framework against which to benchmark council's performance."*

The Guidelines also state "Performance measures need to be simple, measurable and understandable. To be effective, indicators need to:

- Measure those factors which define financial sustainability;*
- Be relatively few in number; and*
- Be based on information that is readily available and reliable."*

These KPIs are focused on Council's short term financial position and include benchmarks which not only measure Council's financial position but also Council's financial performance, asset management performance and long term financial sustainability.

Council uses the following KPI's:

- **Unrestricted Current Ratio:** This is a measure of Council's ability to meet its short term liabilities with its short term assets. Council aims to maintain a consolidated Unrestricted Current Ratio above 2:1;
- **Rates & Annual Charges Outstanding:** This measure assesses the impact of uncollected rates & annual charges on Council's liquidity and the adequacy of Council's debt recovery efforts. Council aims to maintain a consolidated Rates & annual Charges Outstanding ratio at less than 7% with a long term aim for less than 4%;
- **Available Working Funds (General Fund):** This is similar to the Unrestricted Current Ratio and a measure of Council's ability to meet short term financial shocks whether they be reductions in anticipated revenues or unplanned additional expenditure (measured in \$). Council aims to maintain the General Fund Working Funds position above \$1 Million with a long term aim of \$1.5 Million;
- **Operating Balance Ratio (by Fund):** This Ratio measures whether the council is sustainable in terms of its operating result. Councils should not be recording recurring operating deficits or funding operating results from capital revenues. This is an indicator of the inter-generational equity of Council's financial performance. Council

aims to maintain a neutral budget position over the term of Council's Long Term Financial Plan. In addition, Council will cap each financial year's deficit position to less than \$100,000;

- **Debt Service Ratio:** This ratio is an indicator of whether the Council has excessive debt servicing costs, relative to operating revenue. Council aims to maintain a General Fund Debt Service Ratio at less than 5% for the general fund and less than 20% for water and sewerage;
- **Rates & Annual Charges Coverage Ratio:** This ratio is an indicator of Council's financial self-sufficiency. It indicates how a council covers its operating costs through its taxation revenue. Councils that have a low ratio, tend to be more reliant on grants and generally have lower flexibility to vary these charges. Council aims for a consolidated Rates & Annual Charges Coverage ratio of greater than 40% with an aim of greater than 50% in the medium term.
- **Building & Infrastructure Renewal Ratio (by Fund):** This ratio assesses the rate at which building & infrastructure assets are being renewed & upgraded against the rate at which they are depreciated and must be viewed on a trend basis. Council aims to maintain a Building and Infrastructure Renewal Ratio of greater than 90% over the trend of the Long Term Financial Plan.

Time in Lieu Policy

Council has recently implemented a Time in Lieu (hereafter referred to as TIL) Policy. The Policy restricts the amount of TIL that can be accumulated. The recently adopted policy restricts the number of hours allowed to be accrued: set as 48 hours maximum in total. This is down from the policy before that allowed up to 70 hours in total to be accrued. In general, TIL is generally accrued for indoor staff whereas the outdoor staff receive paid overtime.

The data below shows the tracking of TIL movements for the past 3 years:

	2010/11	2011/12	2012/13
Hours Added	3,060.50	4,065.00	3,919.00
Dollar Total	\$98,940.07	\$138,912.46	\$143,852.59
Hours Taken	(2,732.00)	(3,652.00)	(4,321.00)
Dollar Total	(\$86,812.00)	(\$121,673.96)	(\$156,685.06)
Closing Balance			
Hours	1,849.00	2,262.00	1,860.00
Dollar Total	\$62,377.12	\$79,615.62	\$66,783.15

Annual Leave Policy

Council has a policy regarding Annual Leave. Under this policy, an employee is not allowed to accrue more than 8 weeks annual leave in total. This is subject to workflow requirements, but generally an employee is required to take annual leave when their accrued annual leave balance is greater than the 8 weeks threshold.

Council intends to focus on reducing the annual leave balances during 2013/14 and 2014/15 years. The table below shows annual leave total balance has been increasing over the past 3 years. This increase is due to many factors, including workflow and staffing

levels in the organisation.

	2010/11	2011/12	2012/13
Total Hours Accrued	21,003.92	22,268.68	23,470.90
Dollar Total	\$617,412.11	\$667,129.31	\$746,973.09

Overtime Reduction

Council has been undertaking measures to reduce overtime costs where possible. This has been undertaken as part of the recent organisation restructure. Figures supplied below show the reduction in overtime in relation to Council funded activities. In other words, the overtime data below excludes amounts relating to Grant Funding, State Works, Private Works, Water Fund and Sewer Fund. The amounts only relate to those activities that directly impact on Council own funds. The figures are inclusive of time and a half, double time and triple time.

	2010/11	2011/12	2012/13
Hours Worked	4,566.50	3,366.00	2,081.00
Dollar Total	\$175,273	\$143,599	\$94,566

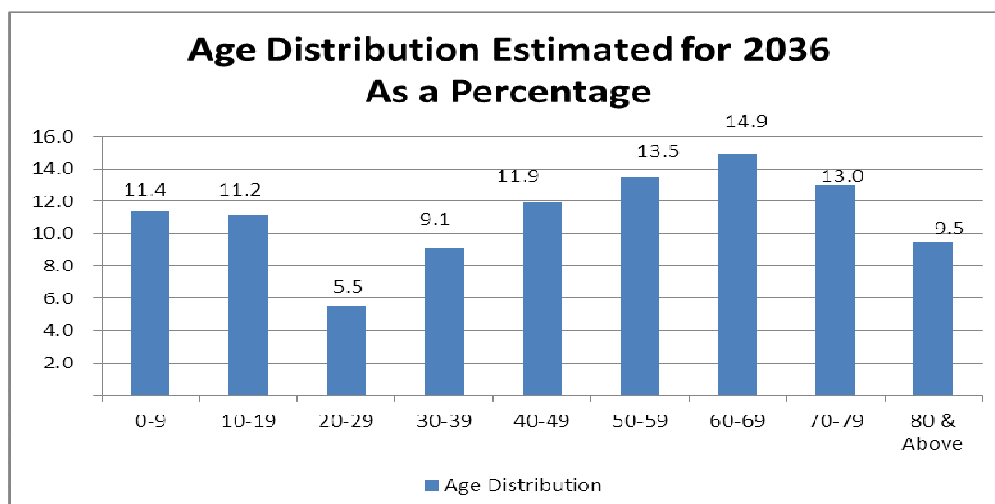
Recruitment and Selection Policy

Council updated the recruitment and selection policy and streamlined procedures throughout the 2012/13 financial year including the development of the Bellingen Shire Council careers site, expansion of the variety of media, including social media, used to attract candidates and the introduction of online recruitment processes. This has enabled a reduction in recruitment related print advertising costs over the period. In addition, during the 2012/13 financial year these initiatives allowed Council to manage in-house the recruitment to 21 full time/part time positions, including 2 executive positions, and more efficiently process a total of 441 applications. The estimated saving in external recruitment fees for key roles was \$95,000. The introduction of enhancements to Council's recruitment process and procedures has also resulted in a steady decrease in Council's average "time to hire" (i.e. from application closing date to job offer) from 8 weeks in 2010/11 to 6.2 weeks in 2012/13.

PLANNING ASSUMPTIONS

Population Bellingen Local Government Area (BLGA) had a population of 13,450 in 2010*. Population is expected to grow between 2010 and 2036 to an estimated population of around 14,602*. The graph below shows the age distribution estimated for 2036.

It is estimated that of the estimated population for 2036, 37.4% of people will be aged 60 or over. The NSW State average for 2036 is estimated to be 26.9%. This is expected to result in increased pension rebate claims against rates and also impact on the services Council will be required to provide.



* Source – www.abs.gov.au ABS 3235.0

Inflation The Consumer Price Index (CPI) is a measure of change, over time, in retail prices of a constant basket of goods and services representative of consumption expenditure by resident households in Australian metropolitan areas. Note that CPI movements are just one of many tools and assumptions used in the budget process to determine rising budget costs.

For the 2014/15 budget, the CPI percentage is estimated as 3.00%. This is at the higher end of the Reserve Bank of Australia's (RBA) estimate for the years 2014/15 to 2015/16*. The CPI has been maintained as 3.00% for the remaining nine years of 2015/16 to 2023/24.

2014/15	2015/16	2016/17	2017/18 Onwards
3.00%	3.00%	3.00%	3.00%

* Source – RBA August 2013 Economic Report Outlook

Service Local governments have witnessed service provision costs escalating over recent years and the expectations for Councils to provide a broader, more comprehensive range of services to their communities. At the same time, the levels of income generated within Councils to fund services have not kept pace with the increase in costs.

Council understands that it has an obligation to the community to utilise ratepayer's funds frugally, and to date it has undertaken a number of productivity, efficiency and quality improvement reforms. The details of these reforms are reported to Council in reports and various other reporting mechanisms as they are realised.

In the 2012/13 year, after implementing the new Integrated Planning and Reporting framework, Bellingen Shire Council moved to bed down the service planning aspect of its business into the model.

Council embarked on a program of formal, forward looking reviews of the services provided by Council. This was in order to ensure that Bellingen Shire meets its commitments to the residents and ratepayers of the Shire. The reviews investigate the extent to which services fulfil the dimensions of quality and efficiency along with the objectives of the service area and the scope of the services being provided. Reviewing the services ensures that services remain financially sustainable and reflect the needs of the community over the longer term.

Over sixty different services have been identified as being delivered by Council to the community (that's about a service for every two full time equivalent staff members).

Services include libraries, swimming pools, parks and gardens, emergency services (RFS, SES, Lifeguards and surf lifesaving), weed management, maintenance of roads, maintenance of bridges, rebuilding of roads, rebuilding of bridges, drain management, public furniture maintenance, vegetation control as well as many more.

So far, reviews have been conducted on Weed Management, the Bellingen Swimming Pool, Bridge Maintenance and Repair and Roads Maintenance. The output of those reviews is under active consideration and benefits from the reviews are expected to flow into the future.

Council is committed to further service delivery reviews of its services as opportunities present themselves. Services currently under consideration for reviews are:

- Ranger Services;
- Rivers and Waterways;
- Water and Wastewater;
- Public Conveniences; and,
- Construction Certificates and Building Certification.

Service Levels

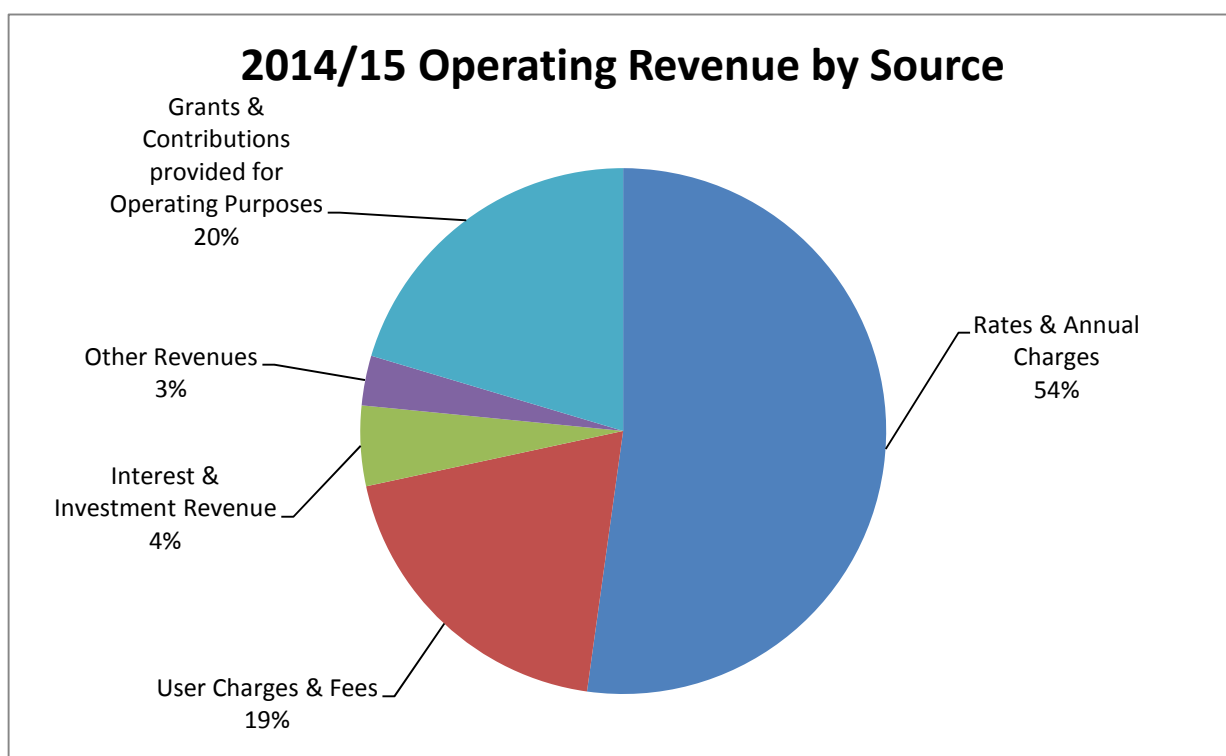
Council is currently undertaking a review of service levels as part of its Community Strategic Plan and Delivery Program implementation as outlined above. Each of the reviews is intended to assist Council to achieve the following for the reviewed service:

- 1) Define service standards;
- 2) Identify operational efficiencies;
- 3) Identify potential alternative revenue sources on a service by service basis;
- 4) Benchmark Council's service delivery against other providers and alternative service delivery methods;
- 5) Consult on where the balance between cost and levels of service lies for the community; and,
- 6) Adjust service levels to better reflect the Communities desires and capacity/ desire to pay.

At the time of preparing this LTFP, the outcomes of the reviews undertaken to date were at various stages. For Bellingen Pool major changes to operations have been implemented. Changes to our weed service are pending. The preliminary outcomes of our roads and bridges review have been incorporated into the direction proposed for investment in transport infrastructure. Detailed outcomes aimed at major reform in terms of efficiency and productivity is envisaged. Once this data becomes more readily available, the service review outcomes will be built into the LTFP in more detail.

REVENUE FORECASTS

The following pie graph shows the breakup of Council's revenue sources for the 2014/15 year:



Rates and Annual Charges

- Rates Ordinary Levy**

2014/15 Rates revenue break-up into categories:

Rates by Category (Before Rebates)	2014/15	% of Levied Total
Residential	4,620,934	76.69
Farmland	1,018,262	16.90
Business	386,471	6.41
Total	6,025,667	100.00

Since 2011/2012, the responsibility for setting the rate pegging for NSW Councils lies with the Independent Pricing and Regulatory Tribunal (IPART). Rate pegging is determined by IPART using a Local Government Cost Index less a productivity factor. For the 2014/15 year, a carbon price adjustment will apply.

The budget attachments assume a rate peg 2.30% for 2014/15. The Rates pegging assumption is then increased to 3.00% for 2015/2016 onwards, which is consistent with the average for the past 9 years of rate pegging.

2014/15	2015/16	2016/17	2017/18 Onwards
2.30%	3.00%	3.00%	3.00%

As part of this LTFP, a Special Rate Variation (SRV) application will be lodged for the 2014/15 year onwards to the Independent Pricing and Regulatory Pricing Tribunal (IPART). Attachment 5 reflects the current recommended special rate variation. The objective of the recommended special rate variation is to invest in Transport Infrastructure and address the asset management backlog.

- **Environmental Levy**

The Environmental Levy was implemented following permanent approval from the Minister for Local Government in 2005/06 financial year. Funds raised from the levy invest specifically in local environmental sustainability projects which are considered by both the Environmental Sustainability Advisory Committee, which is comprised of both Council and community representatives, and the elected council. The levy is calculated at 4.00% of Ordinary Rates (gross levy – before any pensioner rebate adjustments).

2014/15	2015/16	2016/17	2017/18 Onwards
4.00%	4.00%	4.00%	4.00%

Revenue collected for the Levy for the next four years is as follows:

2014/15	2015/16	2016/17	2017/18
\$241,027	\$248,258	\$255,706	\$263,377

- **Special Roads Levy**

This levy was approved by the Minister for Local Government in 1996/97. The levy is calculated at 5.00% of Ordinary Rates (gross levy – before any pensioner rebate adjustments) and is put towards the Transport Infrastructure (roads and bridges) capital works program. The Levy applies to all rateable land within the Shire.

2014/15	2015/16	2016/17	2017/18 Onwards
5.00%	5.00%	5.00%	5.00%

Revenue collected for the Levy for the next four years is as follows:

2014/15	2015/16	2016/17	2017/18
\$303,590	\$313,305	\$323,330	\$333,680

- **Water Availability Charge**

The Water Fund business unit is self-funded and annual charges are calculated on a cost-recovery basis. The water price structure is assumed to remain on a charge basis of consumption 75% and access charge 25% for the duration of the LTFP. This is in line with the Best Practice Management of Water and Sewer Guidelines 2007.

As per Section 501 of the NSW Local Government Act 1993, an annual charge may be levied on each parcel of rateable land for which the service is provided or proposed to be provided. The water availability charge is a service charge amount and is utilised to maintain the water infrastructure network to ensure water is delivered to the property. Maintaining the network includes the treatment facilities, reservoirs, pump stations and pipelines, as well as operational needs pertaining to these assets.

Council also collects a water usage charge based on a per kilolitre basis, or consumption basis. It is a separate charge under Fees and Charges and is not a part of the Rates

Notice. The water usage charge is utilised in the provision of clean drinking water, whereas the water availability charge is for the delivery of water to the property.

The LTFP makes the assumption that the Water Fund business unit will continue to pay the General Fund a dividend of \$115,000 per annum. Note that this is not indexed over the life of the LTFP.

- **Wastewater Availability Charge**

The Wastewater Fund business unit is self-funded and annual charges are calculated on a cost-recovery basis. This is in line with the Best Practice Management of Water and Wastewater Guidelines.

As per Section 501 of the NSW Local Government Act 1993, an annual charge may be levied on each parcel of rateable land for which the service is provided or proposed to be provided. The wastewater availability charge amount is used to maintain the wastewater infrastructure network to ensure wastewater services are available to the Shire residents and businesses. Maintaining the infrastructure includes the treatment facilities, pump stations and pipelines, as well as the operational needs pertaining to these assets, which include the treatment of waste effluent.

The 10 Year LTFP does not make the assumption that the Sewer Fund business unit will pay the General Fund a dividend for the 2014/15 and 2015/16 years. From 2016/17 year onwards, a dividend of \$65,000 has been budgeted for as it is projected that the Sewer Fund will have the capacity.

- **Waste Availability Charge**

The Waste Fund business unit is self-funded and annual charges are calculated on a cost-recovery basis. The charge collected is used to fund the Council's waste management services, including the kerb side collection, recycling and operating the waste facilities. The charge does vary depending on the category applied to the ratepayer, but it is considered that all property owners should contribute to the current and future provision of waste services, whether or not the service is used.

As per Section 504(2) of the NSW Local Government Act 1993, income to be applied by a council towards the cost of providing domestic waste management services must be obtained from the making and levying of annual charges or the imposition of charges for the actual use of the service, or both.

User Charges and Fees

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

It is anticipated that a review of the remaining Council's fees and charges will be undertaken in 2014/15 with no significant alteration to current pricing structures until this occurs. Increases in user charges and fees are forecast to increase by CPI.

Current levels of service are expected to continue for 2014/15, with active consideration provided to levels of service for future years, as an integral component of the service delivery review process.

Interest and Investments

Investments are made in accordance with the Minister for Local Government Investment Order and Council Investment Policy. The budgeted interest rate is determined by a weighted average interest rate based on the 90 day bank bill plus a margin based on the type of investment and duration invested for. The rate for 2014/2015 is applied for the duration of the LTFP.

2014/15	2015/16	2016/17	2017/18 Onwards
3.47%	3.47%	3.72%	3.97 to 4.47%

Other Revenues

Other revenue income has been budgeted for based on a CPI forecast or reviewing the past four years of actual income for trends.

Council has a property portfolio which is being reviewed in 2014/15 as identified in the annual plan and is progressively reviewing other revenue sources.

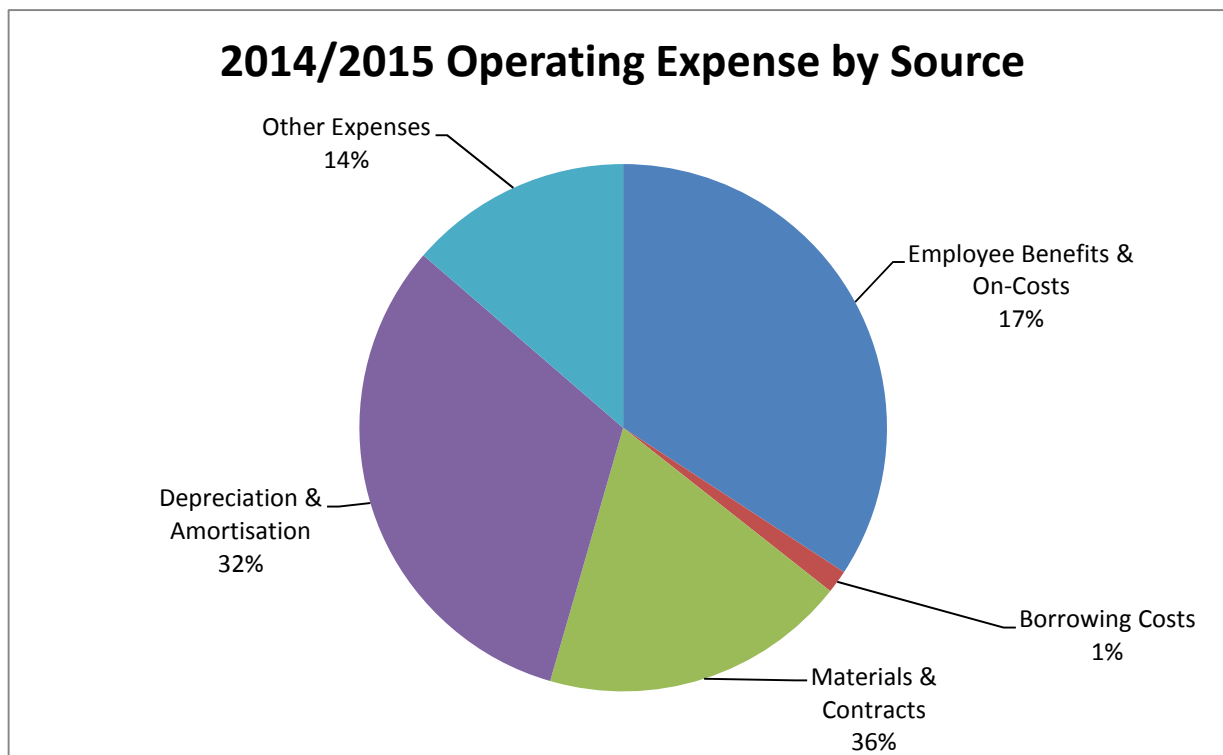
Grants – Operating and Capital

Given the uncertain nature of grant funding, the budget has been prepared with the following grant funding sources included (all assumed to continue over the duration of the LTFP, with the exception of grant funding for the Dorrig Support Services). Where possible, grants have been increased in line with CPI. If information is insufficient to assume CPI will apply, grants have remained static in value:

- Roads to Recovery;
- Roads and Maritime Services (RMS);
- Financial Assistance Grant (FAGs);
- Library Per Capita Grant;
- Noxious Weeds Action Plan;
- Rural Fire Service – Operating and Capital; and,
- Heritage Assistance Schemes

EXPENDITURE FORECASTS

The following pie graph shows the break-up of Council's operating expenditure for 2014/15:



Employee Costs

Employee costs cover wages, all leave types, training, superannuation and associated costs. Wage increases can be in two parts – increases under the NSW Local Government (State) Award 2010 and grade/step progression under Council's Salary Structure. The budget factors in a 3.25% increase to employee salaries as at 1 July 2014. This assumes that wages will continue to increase in line with the NSW Local Government (State) Award 2010 until such time a new Award is negotiated.

All associated employee costs have also been increased by 3.25%, with the exception of superannuation and training. Council can expect an increase in employer contributions for Superannuation Guarantee Contributions (SGC) from 9.00% in 2012/13 to 12.00% by 2019/20.

	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019 Onwards
Wages	3.25%	3.25%	3.25%	3.25%	3.25%
All Leave	3.25%	3.25%	3.25%	3.25%	3.25%
Training	2.50%	2.50%	2.50%	2.50%	2.50%
Superannuation	9.50%	10.00%	10.50%	11.00%	11.50-12.00%
Workers Compensation	3.00%	3.00%	3.00%	3.00%	3.00%

Council is also a party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'. Council's additional contribution for 2014/15 is \$123,522 and this contribution is assumed to be required to be paid over the duration of the LTFP. As a result of the global financial crisis in 2008-09, the Scheme has a significant deficiency of assets over liabilities amounting to around \$276.4 million at March 2013.

Borrowings

Council has a total loan balance outstanding of \$5.086 million as at 30th June 2013. Total repayments are fixed for the three loans and total \$603,552 per annum.

As part of SRV of 9.50% considered under Sensitivity Analysis A, Council is considering a bank loan to help accelerate the Works program. Attachment 5 shows the impact of the bank loan with a SRV of 9.50%. If Council was successful in receiving the 9.50% SRV, Council will apply for a bank loan and use the SRV revenue to repay the loan. The details of the recommended bank loan are as follows:

Term	Principle	Interest	Total Loan	Interest Rate
10 Years	\$4.225 million	\$1.373 million	\$5.598 million	5.80%

As part of the Sensitivity Analysis B, Council considers the impact of LIRS interest subsidy. These subsidies are through the NSW Government and allow Councils to borrow from a financial institution for capital and renewal projects at a subsidised interest rate. The LIRS application is to be lodged in January 2014 and commences in the 2014/15 financial year.

The recommended LIRS borrowing is summarised as follows and is included in Attachment 6. The attachment provided in the scenario analysis is based on using a bank loan rate of 5.80% minus the 3.00% subsidised rate under the LIRS program:

Term	Principle	Interest	Total Loan	Interest Rate
10 Years	\$4.850 million	\$0.748 million	\$5.598 million	2.80%

Materials and Contracts

Materials and contracts expenditure has generally been indexed in line with CPI forecasts. Some costs have been based on previous year expense movements whilst others consider Council operational needs.

Depreciation

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

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

Other Expenses

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

ASSET MANAGEMENT PLANS

As part of the Integrated Planning and Reporting Framework, Council has an Asset Management Strategy, Policy and Plans for key asset types including roads, bridges, water, wastewater and waste assets. Details of these plans can be located on Council's website or by contacting Council on (02) 6655 7300. Capital works expenditure has been based on Council's Asset Management Plans, The Shire of Bellingen 2030 Community Vision (Strategic Plan) and other relevant plans.

The 10 Year Asset Management Capital Works Program focuses on road reseals, management of bridges and building management. The 2014/15 capital program is as per the program below. This does not include any special rate variation amount. The capital works listing below is based on the Consolidated Council Budget (as per Attachment 1). Council is currently integrating the full 10 year capital program into Council's relevant Asset Management Plans.

2014/15 Capital Description	Funding Amount \$	Funding Source
General Fund		
Furniture and Fittings	5,000	General Revenue
IT Hardware Desktops	14,000	General Revenue
Software Development Fund	50,000	General Revenue
Customer Service Area	10,000	General Revenue
Small Plant Replacement Program	17,900	Plant Fund
Major Plant Replacement Program	1,776,000	Plant Fund
Stock Picker/ Scissor Lift	23,200	Internal Reserve
Fuel Bowser Replacement	15,000	General Revenue
Bellingen Youth Centre – Room Fit out & Upgrade Security	12,200	General Revenue
Bushfire Fighting Equipment	402,000	Grant Funding
Roads to Recovery Program	680,400	Grant Funding
Hand Dryers for Public Toilets	2,250	General Revenue
Pedestrian and Mobility Program (PAMP)	60,000	50% Grant and Enviro Levy
Dorrigo Depot – Relocation of Power Lines	20,000	Internal Reserve
Dorrigo Depot – Electronic Security Gates for Entrance	35,000	Internal Reserve
Raleigh Depot – Oil Separator for Wash Bay	30,000	Internal Reserve
Raleigh Depot – Repair of Carpark Driveway	10,000	Internal Reserve
Raleigh Depot – Upgrade of Electrical Overload Protection	6,000	Internal Reserve
Raleigh Depot – LDC Operations Room	37,075	Internal Reserve
Total General Fund	3,206,025	
Water Fund		
Reservoirs	15,000	Water Fund
New Meters	25,000	Water Fund
Mains – New and Renewal Program	215,000	Water Fund
New Connections to Service	20,000	Water Fund
Stop Valve Replacement	15,000	Water Fund
Replicate O'Connor's Reservoir to Mylestom Main	200,000	Water Fund
Total Water Fund	490,000	
Sewer Fund		
Pump Stations/ Rising Mains	120,000	Sewer Fund
Reticulation Mains	120,000	Sewer Fund
Urunga Treatment Works Improvements	20,000	Sewer Fund
Telemetry	50,000	Sewer Fund
Total Sewer Fund	310,000	
Total	4,006,025	

PERFORMANCE MEASURES

Key Performance Indicators – Financial Policy

Key Performance Indicators (KPIs) are required to be linked to Council's financial strategies and provide a framework against which to benchmark Council's performance. KPIs need to be regularly reviewed to ensure they continue to measure appropriately and to add value to Council's ongoing assessment of its financial sustainability.

KPIs are reviewed as part of the Quarterly Budget Review process. The quarterly review is undertaken to provide a progress report on how the Council is meeting its original budget. Any budget variations are proposed to Council as part of the report requiring Council resolution to accept or reject the variation request.

Council adopted its Financial Planning Policy on 24th April 2013. Within this policy, the following KPIs were established (those that apply to the General Fund only):

1. Balance Budget Over 10 Years *Target: \$0 or greater*
Yearly budget position must not be greater than \$100,000 deficit, with a balanced budget over the 10 Year LTFP.
2. Unrestricted Cash Ratio *Target: 2 or greater*
Assess the adequacy of working capital after excluding all restricted assets and liabilities.
3. Debt Service Ratio *Target: 5% or less*
Assesses the degree to which revenues are committed to the repayment of debt.
4. Rates and Charges Coverage Ratio *Target: 40% or greater*
Assess the degree of dependence upon revenues from rates and annual charges.
5. Rates and Charges Outstanding % *Target: 7% or less*
Assess the impact of uncollected rates and charges on liquidity and the adequacy of recovery efforts.
6. Asset Renewal Ratio *Target: 1 or greater*
Assess the rate at which assets are being renewed against the rate they are being depreciated.

Ratio Analysis

Based on the LTFP budget at Attachment 1, Council's ratios for the budgeted 2014/15 year are forecast to be as follows. The ratios below are currently required to be reported on as part of Council's Financial Policy guidelines:

Ratio	Consolidated	General Fund	Water Fund	Sewer Fund
Budget < \$100,000	(\$82,841)	(\$82,841)	\$0	\$0
Unrestricted Cash Ratio ~	2.83	2.83	33.45	7.94
Debt Service Ratio *	5.73%	5.73%	0.00%	8.22%
Rates & Charges Ratio	53.43%	51.98%	18.24%	90.57%
Rates & Charges Outstanding	8.15%	8.65%	8.56%	6.43%
Asset Renewal Ratio	0.17	0.13	0.23	0.33

~ Note – The unrestricted cash ratio for consolidated and general fund equal as under consolidated both the water and sewer funds are treated as external restrictions and therefore get removed from the calculation.

* Note – Sewer Fund internal loan from Water Fund shown above in Debt Service Ratio. This does not impact on Consolidated as under consolidation the internal loan is cancelled out.

The General Fund (as per Attachment 2) over the four years is as follows:

Ratio	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Budget Deficit < (\$100,000)	(\$82,841)	(\$74,393)	(\$95,600)	\$66,791
Unrestricted Cash Ratio	2.83	2.64	2.36	2.56
Debt Service Ratio	5.73%	5.35%	5.22%	4.97%
Rates & Charges Ratio	51.98%	53.13%	53.08%	53.40%
Rates & Charges Outstanding	8.65%	8.42%	8.19%	7.98%
Asset Renewal Ratio	0.13	0.07	0.07	0.07

The Water Fund (as per Attachment 3) over the four years is as follows:

Ratio	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Budget Deficit < (\$100,000)	\$0	\$0	\$0	\$0
Unrestricted Cash Ratio	33.45	35.08	37.03	37.75
Debt Service Ratio	0.00%	0.00%	0.00%	0.00%
Rates & Charges Ratio	18.24%	18.36%	18.06%	17.82%
Rates & Charges Outstanding	8.56%	8.51%	8.46%	8.32%
Asset Renewal Ratio	0.23	0.25	0.22	0.22

The Sewer Fund (as per Attachment 4) over the four years is as follows:

Ratio	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Budget Deficit < (\$100,000)	\$0	\$0	\$0	\$0
Unrestricted Cash Ratio	7.94	8.92	10.31	11.26
Debt Service Ratio	8.22%	7.97%	7.70%	7.44%
Rates & Charges Ratio	90.57%	90.43%	89.99%	89.49%
Rates & Charges Outstanding	6.43%	6.26%	6.08%	5.92%
Asset Renewal Ratio	0.33	0.27	0.25	0.31

Treasury Corp (T-Corp) Ratio Analysis

With reference to the T-Corp report released in March 2013, the following ratios have been incorporated into the LTFP for the 2014/15 year onwards. Note that some of the ratios are already reported on by Council as part of its Financial Policy and are provided for comparison purposes:

Ratio	T-Corp Ratio Minimum	Consolidated	General Fund	Water Fund	Sewer Fund
Operating Performance	> (4.0%)	(32.13%)	(41.21%)	(10.20%)	(0.65%)
Own Source Revenue	> 60.0%	66.73%	59.78%	82.39%	96.02%
Unrestricted Current	> 1.50x	2.61	2.61	33.45	7.94
Debt Service Cover	> 2.00x	2.41	2.41	N/a	3.57
Capital Expenditure	> 1.10x	0.42	0.40	0.66	0.34
Infrastructure Backlog	< 0.02x	0.09	0.04	0.27	0.46
Asset Maintenance	> 1.00x	1.01	1.02	0.69	1.13
Building & Infrastructure Renewals	> 1.00x	0.17	0.13	0.23	0.33
Cash Expense Cover	> 3.0 mths	8.52	5.74	27.79	10.11
Interest Cover	> 4.00x	3.40	3.40	N/a	6.82

~ Note – The unrestricted cash ratio for consolidated and general fund equal as under consolidated both the water and sewer funds are treated as external restrictions and therefore get removed from the calculation.

* Note – Sewer Fund internal loan from Water Fund shown above in Debt Service Ratio and Interest Cover Ratio. This does not impact on Consolidated as under consolidation the internal loan is cancelled out.

The General Fund (as per Attachment 2) over the four years is as follows:

Ratio	T-Corp Ratio Minimum	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Operating Performance	> (4.0%)	(41.21%)	(40.40%)	(38.74%)	(37.87%)
Own Source Revenue	> 60.0%	59.78%	62.37%	62.34%	63.30%
Unrestricted Current	> 1.50x	2.61	2.41	2.14	2.34
Debt Service Cover	> 2.00x	2.41	2.72	3.00	3.17
Capital Expenditure	> 1.10x	0.40	0.28	0.27	0.25
Infrastructure Backlog	< 0.02x	0.04	0.04	0.04	0.04
Asset Maintenance	> 1.00x	1.02	1.02	1.02	1.02
Building & Infrastructure Renewals	> 1.00x	0.13	0.07	0.07	0.07
Cash Expense Cover	> 3.0 mths	5.74	5.19	5.35	4.95
Interest Cover	> 4.00x	3.40	3.94	4.61	5.10

What Do the Ratios Mean?

Operating Performance Ratio – Council is not meeting the minimum required benchmark of (4.0%) or greater. Currently, Bellingen Shire Council is not funding its depreciation which accounts for the bulk of the operating deficit. By not funding the depreciation, the asset deterioration is not being funded and therefore will cause future issues when it comes to asset replacement unless additional funding sources are found or operating expenses are reduced.

Own Source Revenue Ratio – This is the amount of rates revenue collected when compared against total other revenue sources. The ratios above show Council will meet this benchmark of > 60.0% or greater in the 2015/16 year.

Unrestricted Current Ratio – Working funds available after removing the external asset and liability restrictions. This is the amount of funds available to fund day-to-day operations. Based on the T-Corp minimum of >1.50x, Council is meeting this benchmark.

Debt Service Cover Ratio – This ratio represents the amount of revenue received that is directed towards repaying loan debt. Council is meeting the T-Corp benchmark of >2.00x. The ratio should be between 2.00 and 15.00.

Capital Expenditure Ratio – Without a special rate variation, it is projected that Council's capital expenditure will deteriorate over the next four years. In previous years, Council has been required to undertake major flood restoration works in addition to works funded by other external grants. This has facilitated investment in major capital works renewals. However, such sources of funds no longer exist and unless a special rate variation is applied, then Council would only be able to self-fund one to two major works projects each year. This is insufficient for infrastructure requirements and the ratio estimates above support this.

Infrastructure Backlog Ratio – This ratio shows the proportion of the infrastructure backlog that needs to be carried out in relation to Council's total value of assets. The total infrastructure backlog for NSW Councils was reported as \$7.2 billion as at 30th June 2012, of which approximately 61.2% (or \$4.4 billion) related to public roads. Council is double the T-Corp benchmark.

Asset Maintenance Ratio – This ratio is to assess the actual maintenance versus required maintenance expenditure. In other words, for every \$1 of required maintenance, Council spends \$1.02 on actual maintenance. Therefore, in terms of this ratio Council is meeting the benchmark requirement. Assets are being maintained with required operational needs, but not being renewed over the long term (see Infrastructure Backlog and Capital Expenditure ratios above).

Building and Infrastructure Renewals Ratio – This ratio assesses the rate at which assets are being renewed against the rate they are being depreciated. Council is not meeting this benchmark going forward. Council needs to undertake more infrastructure renewal, hence the reason for considering a special rate variation which will be utilised in infrastructure asset renewal.

Cash Expense Cover Ratio – How much cash is available to satisfy liquidity needs in the short term (i.e. is Council able to pay its debts when they fall due). The ratio data above indicates that Council can pay approximately 5 months of its expenses without additional cash inflows. This is above the T-Corp benchmark of a minimum 3 months. Note that the ratio does not include long term deposits/ investments. In accordance with this ratio, Council is maintaining a healthy short term financial position.

Interest Cover Ratio – This ratio assesses the extent to which Council can service its interest bearing debt and whether it has the capacity to take on additional borrowings. The ratios above show a range of 3.40 in 2014/15 to 5.10 in 2017/18 and demonstrate that Council has 3.40 to 5.10 times interest cover and is in a satisfactory position to service the current debt commitments.

SENSITIVITY ANALYSIS

Scenario A – Special Rate Variation 11.80% with Bank Loan (Attachment 5)

- Includes the 2.30% rate pegging;
- Demonstrates the impact of a 9.50% increase above the rate pegging amount. The additional rates revenue raised through the SRV is for the purpose of addressing the Asset Management Capital Works program backlog, with the focus on transport (road and bridge) infrastructure;
- An increase in the Capital Works expenditure program will result in movement in the depreciation expense. With additional capital works being carried out, it is expected that depreciation will slightly increase. Road and bridge maintenance is expected to remain constant for the 10 years;
- There is an increase in interest revenue and interest expense. It is expected that Council will drawdown the bank loan in full in the 2014/15 year and therefore, the funds earn interest until they are spent;
- Council applies for, and is successful, in getting a \$4.225 million bank loan. This would result is a combined loan and SRV budget amount which would increase the available budget funds for Roads and Bridge renewals, especially in the period 2014/15 to 2017/18;
- The loan will be required to be repaid over 10 years. The SRV amount would be utilised to repay the loan. By doing this, the loan allows for a greater injection of funds in the 2014/15 to 2017/18 period rather than spread out over the 10 year budget. Therefore, the Asset Management Capital Works program backlog is dealt with more quickly; and,
- No changes in any other budget assumption.

Year	SRV 9.50%	Loan Reserve Movement	Total Budget Available	Asset Management Capital Works	Loan Repayment
2014/2015	\$559,925	\$1,325,010	\$1,884,785	(\$1,325,010)	(\$ 559,755)
2015/2016	\$576,723	\$ 626,347	\$1,203,070	(\$ 643,295)	(\$ 559,755)
2016/2017	\$594,024	\$ 677,021	\$1,271,045	(\$ 711,270)	(\$ 559,755)
2017/2018	\$611,845	\$ 613,850	\$1,225,695	(\$ 665,920)	(\$ 559,755)
2018/2019	\$630,201	\$ 544,819	\$1,175,020	(\$ 615,245)	(\$ 559,755)
2019/2020	\$649,107	\$ 44,893	\$ 694,000	(\$ 134,225)	(\$ 559,755)
2020/2021	\$668,580	\$ 84,045	\$ 752,625	(\$ 192,850)	(\$ 559,755)
2021/2022	\$688,637	\$ 162,253	\$ 850,890	(\$ 291,115)	(\$ 559,755)
2022/2023	\$709,296	\$ 69,483	\$ 778,779	(\$ 219,004)	(\$ 559,755)
2023/2024	\$730,575	\$ 41,705	\$ 772,800	(\$ 212,505)	(\$ 559,755)
Total LTFP Impact	\$6,418,913	\$4,189,426	\$10,608,189	(\$5,010,439)	(\$5,597,550)

After the 10 year program above, there will be a Loan Reserve balance of \$35,574 remaining to spend as at 30th June 2024.

The Asset Management Capital Works program budget would see an increase of funding over the LTFP for a total of \$10.608 million, of which \$5.010 million is capital works and \$5.598 million is repaying the loan. The interest payable on the loan is \$1.373 million. For a detailed listing of proposed capital works projects over the 10 year program, please refer to the current Delivery Program. Please note that this is a rolling program based on priorities and subject to consideration annually by Council as part of the annual budgeting process.

Scenario A – Special Rate Variation 11.80% with Bank Loan (Attachment 5) Continued

The details of the recommended bank loan are as follows:

Term	Principle	Interest	Total Loan	Interest Rate
10 Years	\$4.225 million	\$1.373 million	\$5.598 million	5.80%

With reference to the T-Corp ratios, a SRV of 9.50% with a bank loan of \$4.225 million would result in the amended ratios:

Original ratios (As per page 34):

Ratio	T-Corp Ratio Minimum	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Operating Performance	> (4.0%)	(41.21%)	(40.40%)	(38.74%)	(37.87%)
Own Source Revenue	> 60.0%	59.78%	62.37%	62.34%	63.30%
Unrestricted Current	> 1.50x	2.61	2.41	2.14	2.34
Debt Service Cover	> 2.00x	2.41	2.72	3.00	3.17
Capital Expenditure	> 1.10x	0.40	0.28	0.27	0.25
Infrastructure Backlog	< 0.02x	0.04	0.04	0.04	0.04
Asset Maintenance	> 1.00x	1.02	1.02	1.02	1.02
Building & Infrastructure Renewals	> 1.00x	0.13	0.07	0.07	0.07
Cash Expense Cover	> 3.0 mths	5.74	5.19	5.35	4.95
Interest Cover	> 4.00x	3.40	3.94	4.61	5.10

New amended ratios after the 9.50% SRV and bank loan is applied are:

Ratio	T-Corp Ratio Minimum	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Operating Performance	> (4.0%)	(37.13%)	(36.45%)	(34.85%)	(34.02%)
Own Source Revenue	> 60.0%	60.59%	63.22%	63.28%	64.31%
Unrestricted Current	> 1.50x	3.43	2.86	2.40	2.18
Debt Service Cover	> 2.00x	3.54	3.83	4.11	4.27
Capital Expenditure	> 1.10x	0.57	0.35	0.36	0.33
Infrastructure Backlog	< 0.02x	0.03	0.03	0.03	0.03
Asset Maintenance	> 1.00x	1.02	1.02	1.02	1.02
Building & Infrastructure Renewals	> 1.00x	0.23	0.22	0.22	0.22
Cash Expense Cover	> 3.0 mths	5.64	5.34	5.34	5.23
Interest Cover	> 4.00x	4.98	5.40	5.79	6.01

Scenario B – Special Rate Variation 11.80% with Bank Loan and LIRS Subsidy (Attachment 6)

- Includes the 2.30% rate pegging;
- Demonstrates the impact of a 9.50% increase above the rate pegging amount. The additional rates revenue raised through the SRV is for the purpose of addressing the Asset Management Capital Works program backlog, with the focus on transport (road and bridge) infrastructure;
- An increase in the Capital Works expenditure program will result in movement in the depreciation expense. With additional capital works being carried out, it is expected that depreciation will slightly increase. Road and bridge maintenance is expected to remain constant for the 10 years;
- There is an increase in interest revenue and interest expense. It is expected that Council will drawdown the LIRS loan in full in the 2014/15 year and therefore, the funds earn interest until they are spent;
- Council applies for, and is successful, in getting a \$4.850 million bank loan with interest subsidy through the LIRS program. This would result is a combined loan and SRV budget amount which would increase the available budget funds for Roads and Bridge renewals, especially in the period 2014/15 to 2017/18;
- The loan will be required to be repaid over 10 years. The SRV amount would be utilised to repay the loan. By doing this, the loan allows for a greater injection of funds in the 2014/15 to 2017/18 period rather than spread out over the 10 year budget. Therefore, the Asset Management Capital Works program backlog is dealt with more quickly; and,
- No changes in any other budget assumption.

Year	SRV 9.50%	Loan Reserve Movement	Total Budget Available	Asset Management Capital Works	Loan Repayment
2014/2015	\$559,925	\$1,325,010	\$1,884,765	(\$1,325,010)	(\$ 559,755)
2015/2016	\$576,723	\$ 626,327	\$1,203,050	(\$ 643,295)	(\$ 559,755)
2016/2017	\$594,024	\$ 677,001	\$1,271,025	(\$ 711,270)	(\$ 559,755)
2017/2018	\$611,845	\$ 613,830	\$1,225,675	(\$ 665,920)	(\$ 559,755)
2018/2019	\$630,201	\$ 544,799	\$1,175,000	(\$ 615,245)	(\$ 559,755)
2019/2020	\$649,107	\$ 480,873	\$1,129,980	(\$ 570,225)	(\$ 559,755)
2020/2021	\$668,580	\$ 374,025	\$1,042,605	(\$ 482,850)	(\$ 559,755)
2021/2022	\$688,637	\$ 72,233	\$ 760,870	(\$ 201,115)	(\$ 559,755)
2022/2023	\$709,296	\$ 119,463	\$ 828,759	(\$ 269,004)	(\$ 559,755)
2023/2024	\$730,575	(\$ 14,315)	\$ 716,260	(\$ 156,505)	(\$ 559,755)
Total LTFP Impact	\$6,418,913	\$4,819,246	\$11,237,989	(\$5,640,439)	(\$5,597,550)

After the 10 year program above, there will be a Loan Reserve balance of \$30,924 remaining to spend as at 30th June 2024.

The Asset Management Capital Works program budget would see an increase of funding over the LTFP for a total of \$11.238 million, of which \$5.640 million is capital works and \$5.598 million is repaying the loan. The interest payable on the loan is \$0.748 million. For a detailed listing of proposed capital works projects over the 10 year program, please refer to the current Delivery Program. Please note that this is a rolling program based on priorities and subject to consideration annually by Council as part of the annual budgeting process.

Scenario B – Special Rate Variation 11.80% with Bank Loan and LIRS Subsidy (Attachment 6) Continued

The details of the recommended LIRS loan are as follows. Note that the loan interest rate is 5.80% less the 3.00% interest rate subsidy:

Term	Principle	Interest	Total Loan	Interest Rate
10 Years	\$4.850 million	\$0.748 million	\$5.598 million	2.80%

With reference to the T-Corp ratios, a SRV of 9.50% with LIRS application of \$4.850 million would result in the amended ratios:

Original ratios (As per page 34):

Ratio	T-Corp Ratio Minimum	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Operating Performance	> (4.0%)	(41.21%)	(40.40%)	(38.74%)	(37.87%)
Own Source Revenue	> 60.0%	59.78%	62.37%	62.34%	63.30%
Unrestricted Current	> 1.50x	2.61	2.41	2.14	2.34
Debt Service Cover	> 2.00x	2.41	2.72	3.00	3.17
Capital Expenditure	> 1.10x	0.40	0.28	0.27	0.25
Infrastructure Backlog	< 0.02x	0.04	0.04	0.04	0.04
Asset Maintenance	> 1.00x	1.02	1.02	1.02	1.02
Building & Infrastructure Renewals	> 1.00x	0.13	0.07	0.07	0.07
Cash Expense Cover	> 3.0 mths	5.74	5.19	5.35	4.95
Interest Cover	> 4.00x	3.40	3.94	4.61	5.10

New amended ratios after 9.50% SRV with LIRS is applied are:

Ratio	T-Corp Ratio Minimum	2014/15 Year	2015/16 Year	2016/17 Year	2017/18 Year
Operating Performance	> (4.0%)	(36.35%)	(35.71%)	(34.30%)	(33.59%)
Own Source Revenue	> 60.0%	60.52%	63.14%	63.20%	64.23%
Unrestricted Current	> 1.50x	3.50	2.86	2.51	2.30
Debt Service Cover	> 2.00x	1.85	2.00	2.14	2.38
Capital Expenditure	> 1.10x	0.57	0.35	0.36	0.33
Infrastructure Backlog	< 0.02x	0.03	0.03	0.03	0.03
Asset Maintenance	> 1.00x	1.02	1.02	1.02	1.02
Building & Infrastructure Renewals	> 1.00x	0.36	0.36	0.35	0.35
Cash Expense Cover	> 3.0 mths	5.84	5.82	5.68	5.58
Interest Cover	> 4.00x	3.83	4.33	4.97	5.89

Consolidated Council	ATTACHMENT 1									
	Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Income from Continuing Operations										
Rates & Annual Charges	11,967,638	12,315,676	12,674,041	13,048,550	13,439,799	13,842,775	14,257,830	14,685,336	15,125,655	15,579,177
User Charges & Fees	4,286,204	4,334,946	4,383,954	4,447,928	4,527,635	4,609,738	4,694,304	4,781,405	4,871,126	4,963,502
Interest & Investment Revenue	955,934	942,352	1,026,052	1,122,267	1,204,097	1,210,926	1,213,372	1,254,404	1,307,875	1,388,613
Other Revenues	674,602	686,573	763,892	776,068	788,612	801,536	814,851	828,568	842,701	857,261
Grants & Contributions provided for Operating Purposes	4,489,624	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Total Income from Continuing Operations	22,374,002	22,627,273	23,319,868	23,938,661	24,628,985	25,262,573	25,569,567	26,616,750	27,355,276	28,141,630
Expenses from Continuing Operations										
Employee Benefits & On-Costs	(10,533,541)	(10,858,660)	(11,115,842)	(11,381,996)	(11,657,406)	(11,942,395)	(12,213,764)	(12,493,814)	(12,847,266)	(13,211,337)
Borrowing Costs	(424,738)	(412,956)	(390,964)	(372,328)	(352,086)	(331,871)	(306,943)	(282,966)	(250,781)	(223,465)
Materials & Contracts	(5,386,569)	(5,462,255)	(5,350,358)	(5,524,703)	(5,638,695)	(5,754,836)	(5,647,135)	(6,304,004)	(6,428,912)	(6,597,817)
Depreciation & Amortisation	(9,589,399)	(9,723,952)	(9,866,741)	(10,017,384)	(10,166,639)	(10,324,657)	(10,543,387)	(10,707,953)	(10,853,604)	(10,989,387)
Other Expenses	(3,629,548)	(3,317,399)	(3,629,611)	(3,634,552)	(3,977,527)	(3,975,895)	(4,313,856)	(4,287,622)	(4,440,246)	(4,551,530)
Total Expenses from Continuing Operations	(29,563,795)	(29,775,222)	(30,353,516)	(30,930,964)	(31,792,352)	(32,329,654)	(33,025,085)	(34,076,359)	(34,820,809)	(35,573,536)
Capital Income										
Capital Income	826,800	739,800	636,800	408,800	725,800	485,800	1,095,800	1,393,800	674,800	452,800
Grants & Contributions provided for Capital Purposes	1,157,400	797,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400
Total Capital Income	1,984,200	1,537,200	1,502,200	1,274,200	1,591,200	1,351,200	1,961,200	2,259,200	1,540,200	1,318,200
Capital Expenditure										
Capital Expenditure	(4,006,025)	(2,867,720)	(2,772,253)	(2,712,598)	(3,242,892)	(5,041,530)	(3,722,517)	(2,854,518)	(2,563,035)	(2,351,567)
Total Capital Expenditure	(4,006,025)	(2,867,720)	(2,772,253)	(2,712,598)	(3,242,892)	(5,041,530)	(3,722,517)	(2,854,518)	(2,563,035)	(2,351,567)
Transfers From/(To) Reserves	(287,051)	(1,135,917)	(1,449,835)	(1,292,561)	(1,179,406)	823,820	(1,120,658)	(2,316,582)	(2,012,214)	(2,091,066)
Loan Movement	(173,571)	(183,958)	(208,805)	(227,331)	(247,448)	(267,540)	(292,336)	(316,177)	(342,473)	(239,632)
Add Back Depreciation (Contra)	9,589,399	9,723,952	9,866,741	10,017,384	10,166,639	10,324,657	10,543,387	10,707,953	10,853,604	10,989,387
Retained Surplus/(Deficit)	(82,841)	(74,393)	(95,600)	66,791	(75,275)	123,526	(86,441)	20,266	10,549	193,417

Consolidated Council	ATTACHMENT 1 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Current Assets										
Cash and Cash Equivalents	13,793,574	12,757,083	13,495,853	14,477,523	13,994,186	12,573,722	12,631,190	14,279,488	14,736,893	15,752,433
Investments	11,000,000	11,500,000	11,500,000	11,500,000	12,500,000	13,000,000	13,000,000	12,500,000	13,500,000	14,500,000
Receivables	3,183,115	3,115,043	3,199,921	3,270,144	3,344,512	3,418,884	3,392,776	3,528,661	3,613,361	3,700,802
Inventories	370,000	373,700	381,174	392,609	408,314	404,230	396,146	384,261	368,891	372,580
Other	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Total Current Assets	28,396,689	27,797,326	28,629,993	29,694,912	30,303,287	29,454,800	29,479,815	30,753,904	32,282,484	34,391,054
Non-Current Assets										
Receivables	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Infrastructure, Property, Plant & Equipment	543,411,808	537,651,433	534,327,022	529,532,025	540,281,044	538,467,653	535,300,259	529,598,487	538,321,943	530,746,037
Investments - equity method	0	0	0	0	0	0	0	0	0	0
Investment Properties	1,915,000	1,915,000	2,010,750	2,010,750	2,010,750	2,111,290	2,111,290	2,111,290	2,216,855	2,216,855
Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	545,340,808	539,580,433	536,351,772	531,556,775	542,305,794	540,592,943	537,425,549	531,723,777	540,552,798	532,976,892
Current Liabilities										
Payables	2,002,450	1,895,318	1,914,353	1,914,024	1,989,051	2,157,117	2,178,547	2,199,367	2,122,853	2,119,955
Borrowings	176,327	190,723	206,842	227,968	247,907	267,835	292,388	318,085	345,658	238,805
Provisions	2,720,059	2,752,479	2,786,154	2,821,119	2,857,414	2,895,077	2,905,607	2,974,672	3,016,689	3,060,246
Total Current Liabilities	4,898,836	4,838,520	4,907,349	4,963,111	5,094,372	5,320,029	5,376,542	5,492,124	5,485,200	5,419,006
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	4,557,673	4,350,831	4,122,864	3,874,956	3,607,121	3,314,733	2,996,648	2,650,990	2,412,185	2,151,994
Provisions	723,492	763,980	804,469	844,957	885,446	925,934	966,423	1,006,911	1,047,400	1,087,888
Total Non-Current Liabilities	5,281,165	5,114,811	4,927,333	4,719,913	4,492,567	4,240,667	3,963,071	3,657,901	3,459,585	3,239,882
Net Assets	563,557,496	557,424,428	555,147,083	551,568,663	563,022,142	560,487,047	557,565,751	553,327,656	563,890,497	558,709,058
Equity										
Retained earnings	262,589,120	256,978,370	251,446,922	245,728,819	240,156,652	234,440,771	228,946,454	223,746,044	217,820,712	211,707,006
Revaluation Reserves	300,968,376	300,446,058	303,700,161	305,839,844	322,865,490	326,046,275	328,619,297	329,581,611	346,069,785	347,002,052
Total Council Equity	563,557,496	557,424,428	555,147,083	551,568,663	563,022,142	560,487,047	557,565,751	553,327,656	563,890,497	558,709,058

Consolidated Council	ATTACHMENT 1 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Cash Flows from Operating Activities										
Receipts										
Rates & Annual Charges	11,905,116	12,296,155	13,510,353	13,915,008	14,338,025	14,772,291	15,215,216	15,671,428	16,141,314	16,594,836
User Charges & Fees	4,276,925	4,322,728	4,366,045	4,428,605	4,507,993	4,591,837	4,675,867	4,762,415	4,851,566	4,943,357
Interest & Investment Revenue	924,554	939,502	1,023,187	1,118,527	1,199,436	1,206,126	1,208,427	1,249,311	1,302,628	1,383,212
Other Revenues	674,602	686,573	763,892	776,068	788,612	801,536	814,851	828,568	842,701	857,261
Grants & Contributions	5,647,024	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Payments										
Employee Benefits & On-Costs	(10,410,911)	(10,802,702)	(11,058,464)	(11,323,160)	(11,597,063)	(11,880,505)	(12,178,819)	(12,400,142)	(12,780,443)	(13,142,769)
Borrowing Costs	(428,301)	(415,538)	(395,600)	(375,364)	(353,745)	(335,556)	(310,986)	(287,113)	(256,902)	(227,885)
Materials & Contracts	(5,016,497)	(5,541,857)	(5,331,903)	(5,527,381)	(5,567,570)	(5,588,826)	(5,627,590)	(6,284,888)	(6,505,624)	(6,602,820)
Other	(3,229,548)	(3,317,399)	(3,629,611)	(3,634,552)	(3,977,527)	(3,975,895)	(4,313,856)	(4,287,622)	(4,440,246)	(4,551,530)
Net Cash provided in Operating Activities	4,342,964	2,515,187	3,719,828	3,921,598	4,007,003	4,388,606	4,072,320	4,318,994	4,362,913	4,606,739
Cash Flows from Investing Activities										
Investment securities	2,000,000	(500,000)	0	0	(1,000,000)	(500,000)	0	500,000	(1,000,000)	(1,000,000)
Intangibles, Infrastructure, Property, Plant & Equipment	(4,006,025)	(2,867,720)	(2,772,253)	(2,712,598)	(3,242,892)	(5,041,530)	(3,722,517)	(2,854,518)	(2,563,035)	(2,351,567)
Net Cash used in Operating Activities	(2,006,025)	(3,367,720)	(2,772,253)	(2,712,598)	(4,242,892)	(5,541,530)	(3,722,517)	(2,354,518)	(3,563,035)	(3,351,567)
Cash Flows from Financing Activities										
Borrowing and Advances - Proceeds	0	0	0	0	0	0	0	0	0	0
Borrowing and Advances - Repayments	(173,571)	(183,958)	(208,805)	(227,331)	(247,448)	(267,540)	(292,336)	(316,177)	(342,473)	(239,632)
Net Cash used in Operating Activities	(173,571)	(183,958)	(208,805)	(227,331)	(247,448)	(267,540)	(292,336)	(316,177)	(342,473)	(239,632)
Net Increase/ (Decrease) in Cash & Cash Equivalents	2,163,368	(1,036,491)	738,770	981,669	(483,337)	(1,420,464)	57,468	1,648,299	457,405	1,015,540
Plus: Cash & Cash Equivalents - Beginning of Yr										
Cash & Cash Equivalents on Hand	11,630,206	13,793,574	12,757,083	13,495,853	14,477,523	13,994,186	12,573,722	12,631,190	14,279,488	14,736,893
Cash, Cash Equivalents & Investments - End of Yr	13,793,574	12,757,083	13,495,853	14,477,523	13,994,186	12,573,722	12,631,190	14,279,488	14,736,893	15,752,433
Plus: Investments on Hand - End of Yr										
Investments on Hand	11,000,000	11,500,000	11,500,000	11,500,000	12,500,000	13,000,000	13,000,000	12,500,000	13,500,000	14,500,000
Total Cash, Cash Equivalents and Investments	24,793,574	24,257,083	24,995,853	25,977,523	26,494,186	25,573,722	25,631,190	26,779,488	28,236,893	30,252,433

General Fund	ATTACHMENT 2 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Income from Continuing Operations										
Rates & Annual Charges	8,718,906	8,980,474	9,249,888	9,527,385	9,813,206	10,107,603	10,410,831	10,723,156	11,044,850	11,376,196
User Charges & Fees	2,473,616	2,500,396	2,527,109	2,551,914	2,574,759	2,598,290	2,622,527	2,647,492	2,673,205	2,699,658
Interest & Investment Revenue	449,488	421,612	446,273	478,392	581,268	530,721	570,925	596,443	616,667	655,462
Other Revenues	643,083	654,124	730,484	741,673	753,200	765,077	777,313	789,919	802,908	816,289
Grants & Contributions provided for Operating Purposes	4,489,624	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Total Income from Continuing Operations	16,774,717	16,904,332	17,425,683	17,843,212	18,391,275	18,799,289	18,970,806	19,824,047	20,345,549	20,900,682
Expenses from Continuing Operations										
Employee Benefits & On-Costs	(9,665,135)	(9,962,031)	(10,190,073)	(10,426,139)	(10,670,484)	(10,923,398)	(11,161,649)	(11,407,505)	(11,725,652)	(12,053,271)
Borrowing Costs	(424,738)	(412,956)	(390,964)	(372,328)	(352,086)	(331,871)	(306,943)	(282,966)	(250,781)	(223,465)
Materials & Contracts	(3,795,129)	(3,813,663)	(3,741,080)	(3,875,478)	(3,941,927)	(4,005,499)	(3,846,264)	(4,439,301)	(4,520,340)	(4,637,501)
Depreciation & Amortisation	(7,930,685)	(8,041,945)	(8,160,035)	(8,284,621)	(8,408,058)	(8,538,742)	(8,719,637)	(8,855,738)	(8,976,195)	(9,088,512)
Other Expenses	(1,871,359)	(1,502,843)	(1,694,031)	(1,641,236)	(1,910,209)	(1,860,752)	(2,135,505)	(2,044,121)	(2,129,589)	(2,171,647)
Total Expenses from Continuing Operations	(23,687,046)	(23,733,438)	(24,176,182)	(24,599,803)	(25,282,764)	(25,660,262)	(26,169,999)	(27,029,631)	(27,602,556)	(28,174,396)
Capital Income										
Capital Income	791,800	704,800	601,800	373,800	690,800	450,800	1,060,800	1,358,800	639,800	417,800
Grants & Contributions provided for Capital Purposes	1,157,400	797,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400
Total Capital Income	1,949,200	1,502,200	1,467,200	1,239,200	1,556,200	1,316,200	1,926,200	2,224,200	1,505,200	1,283,200
Capital Expenditure										
Capital Expenditure	(3,206,025)	(2,217,720)	(2,242,253)	(2,087,598)	(2,332,892)	(1,926,530)	(2,117,517)	(2,279,518)	(2,033,035)	(1,891,567)
Total Capital Expenditure	(3,206,025)	(2,217,720)	(2,242,253)	(2,087,598)	(2,332,892)	(1,926,530)	(2,117,517)	(2,279,518)	(2,033,035)	(1,891,567)
Transfers From/(To) Reserves	329,199	(387,753)	(521,278)	(385,511)	(567,704)	(676,374)	(1,123,232)	(1,258,392)	(838,330)	(773,382)
Loan Movement	(173,571)	(183,958)	(208,805)	(227,331)	(247,448)	(267,540)	(292,336)	(316,177)	(342,473)	(239,632)
Add Back Depreciation (Contra)	7,930,685	8,041,945	8,160,035	8,284,621	8,408,058	8,538,742	8,719,637	8,855,738	8,976,195	9,088,512
Retained Surplus/(Deficit)	(82,841)	(74,393)	(95,600)	66,791	(75,275)	123,526	(86,441)	20,266	10,549	193,417

General Fund	ATTACHMENT 2 Bellinghen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Current Assets										
Cash and Cash Equivalents	7,337,281	6,601,924	6,969,688	6,577,998	4,489,009	6,056,229	6,224,308	7,924,276	8,258,203	8,008,741
Investments	3,000,000	2,500,000	2,000,000	2,500,000	4,500,000	3,000,000	3,000,000	1,500,000	1,500,000	2,500,000
Receivables	2,545,448	2,475,223	2,546,756	2,601,266	2,665,338	2,729,016	2,726,396	2,862,208	2,931,823	3,003,509
Inventories	355,415	358,969	366,149	377,133	392,219	387,974	379,565	367,182	351,129	354,640
Other	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Total Current Assets	13,288,144	11,987,616	11,935,638	12,111,033	12,102,841	12,231,183	12,389,972	12,715,160	13,104,494	13,932,129
Non-Current Assets										
Receivables	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Infrastructure, Property, Plant & Equipment	458,294,284	452,174,587	447,875,600	442,968,014	452,697,848	449,968,501	443,364,157	436,323,381	444,574,460	436,501,214
Investments - equity method	0	0	0	0	0	0	0	0	0	0
Investment Properties	1,915,000	1,915,000	2,010,750	2,010,750	2,010,750	2,111,290	2,111,290	2,111,290	2,216,855	2,216,855
Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	460,223,284	454,103,587	449,900,350	444,992,764	454,722,598	452,093,791	445,489,447	438,448,671	446,805,315	438,732,069
Current Liabilities										
Payables	1,695,237	1,594,026	1,625,194	1,609,957	1,650,565	1,610,247	1,762,618	1,869,177	1,789,863	1,785,654
Borrowings	176,327	190,723	206,842	227,968	247,907	267,835	292,388	318,085	345,658	238,805
Provisions	2,293,007	2,326,372	2,361,000	2,396,929	2,434,197	2,472,847	2,484,373	2,554,449	2,597,490	2,642,086
Total Current Liabilities	4,164,571	4,111,121	4,193,036	4,234,854	4,332,669	4,350,929	4,539,379	4,741,711	4,733,011	4,666,545
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	4,557,673	4,350,831	4,122,864	3,874,956	3,607,121	3,314,733	2,996,648	2,650,990	2,412,185	2,151,994
Provisions	620,515	660,211	699,907	739,601	779,295	818,986	858,678	898,368	938,057	977,744
Total Non-Current Liabilities	5,178,188	5,011,042	4,822,771	4,614,557	4,386,416	4,133,719	3,855,326	3,549,358	3,350,242	3,129,738
Net Assets	464,168,669	456,969,040	452,820,181	448,254,386	458,106,354	455,840,326	449,484,714	442,872,762	451,826,556	444,867,915
Equity										
Retained earnings	237,040,257	231,713,350	226,430,051	220,912,660	215,577,372	210,032,600	204,759,606	199,778,222	194,026,414	188,035,900
Revaluation Reserves	227,128,412	225,255,690	226,390,130	227,341,726	242,528,982	245,807,726	244,725,107	243,094,540	257,800,142	256,832,015
Total Council Equity	464,168,669	456,969,040	452,820,181	448,254,386	458,106,354	455,840,326	449,484,714	442,872,762	451,826,556	444,867,915

General Fund	ATTACHMENT 2 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Cash Flows from Operating Activities										
Receipts										
Rates & Annual Charges	8,625,796	8,961,385	10,086,632	10,395,023	10,713,402	11,039,145	11,370,305	11,711,400	12,062,725	12,394,135
User Charges & Fees	2,212,880	2,495,556	2,518,756	2,544,105	2,557,217	2,591,219	2,542,274	2,613,748	2,667,963	2,694,033
Interest & Investment Revenue	456,876	419,322	443,972	475,838	578,447	527,815	567,930	593,358	613,490	652,193
Other Revenues	643,083	654,124	730,484	741,673	753,200	765,077	777,313	789,919	802,908	816,289
Grants & Contributions provided for Operating Purposes	5,647,024	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Payments										
Employee Benefits & On-Costs	(9,825,710)	(9,906,405)	(10,133,036)	(10,367,651)	(10,610,497)	(11,215,774)	(11,127,075)	(11,314,208)	(11,659,153)	(11,985,091)
Borrowing Costs	(428,301)	(415,538)	(395,600)	(375,364)	(353,745)	(335,556)	(310,986)	(287,113)	(256,902)	(227,885)
Materials & Contracts	(3,688,416)	(3,887,005)	(3,710,285)	(3,892,997)	(3,905,306)	(4,047,482)	(3,695,533)	(4,334,356)	(4,599,927)	(4,643,367)
Other	(1,473,859)	(1,502,843)	(1,694,031)	(1,641,236)	(1,910,209)	(1,860,752)	(2,135,505)	(2,044,121)	(2,129,589)	(2,171,647)
Net Cash provided in Operating Activities	2,169,373	1,166,321	2,318,822	2,423,238	2,491,351	2,261,291	2,577,932	2,795,663	2,709,435	2,881,737
Cash Flows from Investing Activities										
Investment securities	500,000	500,000	500,000	(500,000)	(2,000,000)	1,500,000	0	1,500,000	0	(1,000,000)
Intangibles, Infrastructure, Property, Plant & Equipment	(3,206,025)	(2,217,720)	(2,242,253)	(2,087,598)	(2,332,892)	(1,926,530)	(2,117,517)	(2,279,518)	(2,033,035)	(1,891,567)
Net Cash used in Operating Activities	(2,706,025)	(1,717,720)	(1,742,253)	(2,587,598)	(4,332,892)	(426,530)	(2,117,517)	(779,518)	(2,033,035)	(2,891,567)
Cash Flows from Financing Activities										
Borrowing and Advances	0	0	0	0	0	0	0	0	0	0
Borrowing and Advances - Repayments	(173,571)	(183,958)	(208,805)	(227,331)	(247,448)	(267,540)	(292,336)	(316,177)	(342,473)	(239,632)
Net Cash used in Operating Activities	(173,571)	(183,958)	(208,805)	(227,331)	(247,448)	(267,540)	(292,336)	(316,177)	(342,473)	(239,632)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(710,223)	(735,357)	367,764	(391,690)	(2,088,989)	1,567,221	168,079	1,699,968	333,926	(249,462)
Plus: Cash & Cash Equivalents - Beginning of Yr										
Cash & Cash Equivalents on Hand	8,047,504	7,337,281	6,601,924	6,969,688	6,577,998	4,489,009	6,056,229	6,224,308	7,924,276	8,258,203
Cash, Cash Equivalents & Investments - End of Yr	7,337,281	6,601,924	6,969,688	6,577,998	4,489,009	6,056,229	6,224,308	7,924,276	8,258,203	8,008,741
Plus: Investments on Hand - End of Yr										
Investments on Hand	3,000,000	2,500,000	2,000,000	2,500,000	4,500,000	3,000,000	3,000,000	1,500,000	1,500,000	2,500,000
Total Cash, Cash Equivalents and Investments	10,337,281	9,101,924	8,969,688	9,077,998	8,989,009	9,056,229	9,224,308	9,424,276	9,758,203	10,508,741

Water Fund	ATTACHMENT 3 Bellingin Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Income from Continuing Operations										
Rates & Annual Charges	465,711	468,882	472,040	480,693	495,117	509,968	525,265	541,024	557,253	573,970
User Charges & Fees	1,640,600	1,657,418	1,674,415	1,708,125	1,759,365	1,812,147	1,866,512	1,922,505	1,980,185	2,039,591
Interest & Investment Revenue	407,870	414,208	454,051	495,391	503,220	502,655	429,034	417,033	428,984	445,915
Other Revenues	12,479	12,853	13,239	13,636	14,045	14,466	14,900	15,347	15,808	16,282
Grants & Contributions provided for Operating Purposes	0	0	0	0	0	0	0	0	0	0
Total Income from Continuing Operations	2,526,660	2,553,361	2,613,745	2,697,845	2,771,747	2,839,237	2,835,711	2,895,909	2,982,230	3,075,758
Expenses from Continuing Operations										
Employee Benefits & On-Costs	(352,901)	(364,370)	(376,212)	(388,439)	(401,063)	(414,098)	(427,556)	(441,452)	(455,799)	(470,612)
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Materials & Contracts	(638,708)	(649,288)	(675,889)	(687,027)	(707,218)	(727,477)	(748,321)	(779,767)	(792,332)	(806,034)
Depreciation & Amortisation	(739,195)	(749,575)	(760,582)	(772,194)	(783,700)	(795,881)	(812,742)	(825,427)	(836,655)	(847,112)
Other Expenses	(1,053,469)	(1,087,108)	(1,119,671)	(1,153,187)	(1,196,688)	(1,224,205)	(1,260,770)	(1,298,418)	(1,337,184)	(1,377,104)
Total Expenses from Continuing Operations	(2,784,273)	(2,850,341)	(2,932,353)	(3,000,847)	(3,088,668)	(3,161,660)	(3,249,389)	(3,345,064)	(3,421,970)	(3,500,862)
Capital Income										
Capital Income	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Grants & Contributions provided for Capital Purposes	0	0	0	0	0	0	0	0	0	0
Total Capital Income	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Capital Expenditure										
Capital Expenditure	(490,000)	(395,000)	(290,000)	(320,000)	(470,000)	(2,915,000)	(1,375,000)	(340,000)	(300,000)	(260,000)
Total Capital Expenditure	(490,000)	(395,000)	(290,000)	(320,000)	(470,000)	(2,915,000)	(1,375,000)	(340,000)	(300,000)	(260,000)
Transfers From/(To) Reserves	(21,582)	(87,595)	(181,973)	(179,192)	(26,778)	2,411,542	945,936	(66,272)	(126,915)	(192,009)
Loan Movement	0	0	0	0	0	0	0	0	0	0
Add Back Depreciation (Contra)	739,195	749,575	760,582	772,194	783,700	795,881	812,742	825,427	836,655	847,112
Retained Surplus/(Deficit)	0	0	0	0	0	0	0	0	0	0

Water Fund	ATTACHMENT 3 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Current Assets										
Cash and Cash Equivalents	4,735,984	5,035,960	4,929,763	5,330,262	6,595,182	4,479,655	3,647,784	3,851,991	3,191,873	3,596,374
Investments	6,500,000	6,500,000	7,000,000	7,000,000	6,000,000	6,500,000	6,500,000	6,500,000	7,500,000	7,500,000
Receivables	322,449	326,633	331,910	338,850	341,803	349,179	320,290	314,993	324,294	333,761
Inventories	14,585	14,731	15,025	15,476	16,095	16,256	16,581	17,079	17,762	17,940
Other	0	0	0	0	0	0	0	0	0	0
Total Current Assets	11,573,018	11,877,324	12,276,698	12,684,588	12,953,080	11,345,090	10,484,655	10,684,063	11,033,929	11,448,075
Non-Current Assets										
Receivables	0	0	0	0	0	0	0	0	0	0
Infrastructure, Property, Plant & Equipment	46,001,402	45,848,480	45,875,666	45,196,286	45,344,802	45,424,286	47,828,446	48,381,026	48,065,045	47,773,940
Investments - equity method	0	0	0	0	0	0	0	0	0	0
Investment Properties	0	0	0	0	0	0	0	0	0	0
Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	46,001,402	45,848,480	45,875,666	45,196,286	45,344,802	45,424,286	47,828,446	48,381,026	48,065,045	47,773,940
Current Liabilities										
Payables	151,208	144,880	138,949	144,006	161,748	388,345	250,470	159,892	158,826	157,900
Borrowings	0	0	0	0	0	0	0	0	0	0
Provisions	179,758	179,438	179,114	178,785	178,452	178,113	177,770	177,421	177,066	176,705
Total Current Liabilities	330,966	324,318	318,063	322,791	340,200	566,458	428,240	337,313	335,892	334,605
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	0	0	0	0	0	0	0	0	0	0
Provisions	92,683	93,446	94,208	94,971	95,734	96,497	97,260	98,022	98,785	99,548
Total Non-Current Liabilities	92,683	93,446	94,208	94,971	95,734	96,497	97,260	98,022	98,785	99,548
Net Assets	57,150,771	57,308,040	57,740,093	57,463,112	57,861,948	56,106,421	57,787,601	58,629,754	58,664,297	58,787,862
Equity										
Retained earnings	17,344,300	17,077,320	16,788,711	16,515,709	16,228,788	15,936,364	15,552,687	15,133,532	14,723,791	14,328,687
Revaluation Reserves	39,806,471	40,230,720	40,951,382	40,947,403	41,633,160	40,170,057	42,234,914	43,496,222	43,940,506	44,459,175
Total Council Equity	57,150,771	57,308,040	57,740,093	57,463,112	57,861,948	56,106,421	57,787,601	58,629,754	58,664,297	58,787,862

Water Fund	ATTACHMENT 3 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Cash Flows from Operating Activities										
Receipts										
Rates & Annual Charges	481,005	468,666	471,824	480,103	494,132	508,955	524,221	539,948	556,145	572,830
User Charges & Fees	1,988,032	1,653,729	1,669,637	1,702,368	1,758,315	1,806,732	1,897,420	1,929,882	1,973,026	2,032,331
Interest & Investment Revenue	388,486	413,928	453,769	494,798	502,300	501,708	428,059	416,029	427,949	444,849
Other Revenues	12,479	12,853	13,239	13,636	14,045	14,466	14,900	15,347	15,808	16,282
Grants & Contributions provided for Operating Purposes	0	0	0	0	0	0	0	0	0	0
Payments										
Employee Benefits & On-Costs	(80,276)	(363,737)	(375,578)	(387,802)	(400,424)	(59,554)	(426,912)	(440,809)	(455,213)	(469,965)
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Materials & Contracts	(513,043)	(655,660)	(681,722)	(681,722)	(689,066)	(500,935)	(886,095)	(870,077)	(792,953)	(807,027)
Other	(1,052,219)	(1,087,108)	(1,119,671)	(1,153,187)	(1,196,688)	(1,224,205)	(1,260,770)	(1,298,418)	(1,337,184)	(1,377,104)
Net Cash provided in Operating Activities	1,224,464	442,671	431,498	468,194	482,615	1,047,168	290,823	291,902	387,577	412,196
Cash Flows from Investing Activities										
Investment securities	2,000,000	0	(500,000)	0	1,000,000	(500,000)	0	0	(1,000,000)	0
Intangibles, Infrastructure, Property, Plant & Equipment	(490,000)	(395,000)	(290,000)	(320,000)	(470,000)	(2,915,000)	(1,375,000)	(340,000)	(300,000)	(260,000)
Net Cash used in Operating Activities	1,510,000	(395,000)	(790,000)	(320,000)	530,000	(3,415,000)	(1,375,000)	(340,000)	(1,300,000)	(260,000)
Cash Flows from Financing Activities										
Borrowing and Advances - Proceeds	0	0	0	0	0	0	0	0	0	0
Borrowing and Advances - Repayments	252,305	252,305	252,305	252,305	252,305	252,305	252,305	252,305	252,305	252,305
Net Cash used in Operating Activities	252,305	252,305	252,305	252,305	252,305	252,305	252,305	252,305	252,305	252,305
Net Increase/ (Decrease) in Cash & Cash Equivalents	2,986,769	299,976	(106,197)	400,499	1,264,920	(2,115,527)	(831,872)	204,207	(660,118)	404,501
Plus: Cash & Cash Equivalents - Beginning of Yr										
Cash & Cash Equivalents on Hand	1,749,215	4,735,984	5,035,960	4,929,763	5,330,262	6,595,182	4,479,655	3,647,784	3,851,991	3,191,873
Cash, Cash Equivalents & Investments - End of Yr	4,735,984	5,035,960	4,929,763	5,330,262	6,595,182	4,479,655	3,647,784	3,851,991	3,191,873	3,596,374
Plus: Investments on Hand - End of Yr										
Investments on Hand	6,500,000	6,500,000	7,000,000	7,000,000	6,000,000	6,500,000	6,500,000	6,500,000	7,500,000	7,500,000
Total Cash, Cash Equivalents and Investments	11,235,984	11,535,960	11,929,763	12,330,262	12,595,182	10,979,655	10,147,784	10,351,991	10,691,873	11,096,374

Sewer Fund	ATTACHMENT 4 Bellingin Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Income from Continuing Operations										
Rates & Annual Charges	2,783,021	2,866,320	2,952,113	3,040,472	3,131,476	3,225,204	3,321,735	3,421,156	3,523,552	3,629,011
User Charges & Fees	171,988	177,132	182,431	187,889	193,511	199,301	205,265	211,408	217,735	224,252
Interest & Investment Revenue	98,576	106,532	125,728	148,484	119,609	177,550	213,413	240,928	262,224	287,236
Other Revenues	19,040	19,596	20,169	20,759	21,367	21,993	22,638	23,302	23,986	24,690
Grants & Contributions provided for Operating Purposes	0	0	0	0	0	0	0	0	0	0
Total Income from Continuing Operations	3,072,625	3,169,580	3,280,441	3,397,604	3,465,962	3,624,047	3,763,050	3,896,794	4,027,497	4,165,190
Expenses from Continuing Operations										
Employee Benefits & On-Costs	(515,505)	(532,259)	(549,557)	(567,418)	(585,859)	(604,899)	(624,559)	(644,857)	(665,815)	(687,454)
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Materials & Contracts	(952,732)	(999,304)	(933,390)	(962,198)	(989,550)	(1,021,861)	(1,052,550)	(1,084,937)	(1,116,240)	(1,154,281)
Depreciation & Amortisation	(919,519)	(932,432)	(946,124)	(960,569)	(974,881)	(990,034)	(1,011,008)	(1,026,788)	(1,040,754)	(1,053,763)
Other Expenses	(704,720)	(727,448)	(815,910)	(840,129)	(870,630)	(890,938)	(917,580)	(945,082)	(973,473)	(1,002,779)
Total Expenses from Continuing Operations	(3,092,476)	(3,191,443)	(3,244,980)	(3,330,314)	(3,420,920)	(3,507,732)	(3,605,697)	(3,701,664)	(3,796,282)	(3,898,278)
Capital Income										
Capital Income	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Grants & Contributions provided for Capital Purposes	0	0	0	0	0	0	0	0	0	0
Total Capital Income	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Capital Expenditure										
Capital Expenditure	(310,000)	(255,000)	(240,000)	(305,000)	(440,000)	(200,000)	(230,000)	(235,000)	(230,000)	(200,000)
Total Capital Expenditure	(310,000)	(255,000)	(240,000)	(305,000)	(440,000)	(200,000)	(230,000)	(235,000)	(230,000)	(200,000)
Transfers From/(To) Reserves	(594,668)	(660,569)	(746,584)	(727,858)	(584,924)	(911,349)	(943,362)	(991,918)	(1,046,969)	(1,125,675)
Loan Movement	0	0	0	0	0	0	0	0	0	0
Add Back Depreciation (Contra)	919,519	932,432	946,124	960,569	974,881	990,034	1,011,008	1,026,788	1,040,754	1,053,763
Retained Surplus/(Deficit)	0	0	0	0	0	0	0	0	0	0

Sewer Fund	ATTACHMENT 4 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Current Assets										
Cash and Cash Equivalents	1,720,309	1,119,199	1,596,402	2,569,263	2,909,995	2,037,837	2,759,098	2,503,221	3,286,817	4,147,318
Investments	1,500,000	2,500,000	2,500,000	2,000,000	2,000,000	3,500,000	3,500,000	4,500,000	4,500,000	4,500,000
Receivables	315,218	313,187	321,255	330,028	337,371	340,689	346,090	351,460	357,244	363,532
Inventories	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total Current Assets	3,535,527	3,932,386	4,417,657	4,899,291	5,247,366	5,878,526	6,605,188	7,354,681	8,144,061	9,010,850
Non-Current Assets										
Receivables	0	0	0	0	0	0	0	0	0	0
Infrastructure, Property, Plant & Equipment	39,116,122	39,628,366	40,575,756	41,367,725	42,238,394	43,074,866	44,107,656	44,894,080	45,682,438	46,470,883
Investments - equity method	0	0	0	0	0	0	0	0	0	0
Investment Properties	0	0	0	0	0	0	0	0	0	0
Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	39,116,122	39,628,366	40,575,756	41,367,725	42,238,394	43,074,866	44,107,656	44,894,080	45,682,438	46,470,883
Current Liabilities										
Payables	156,005	156,412	150,210	160,061	176,738	158,525	165,459	170,298	174,164	176,401
Borrowings	0	0	0	0	0	0	0	0	0	0
Provisions	247,294	246,669	246,040	245,405	244,765	244,117	243,464	242,802	242,133	241,455
Total Current Liabilities	403,299	403,081	396,250	405,466	421,503	402,642	408,923	413,100	416,297	417,856
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	0	0	0	0	0	0	0	0	0	0
Provisions	10,294	10,323	10,354	10,385	10,417	10,451	10,485	10,521	10,558	10,596
Total Non-Current Liabilities	10,294	10,323	10,354	10,385	10,417	10,451	10,485	10,521	10,558	10,596
Net Assets	42,238,056	43,147,348	44,586,809	45,851,165	47,053,840	48,540,299	50,293,436	51,825,140	53,399,644	55,053,281
Equity										
Retained earnings	8,204,563	8,187,700	8,228,160	8,300,450	8,350,492	8,471,807	8,634,161	8,834,291	9,070,506	9,342,418
Revaluation Reserves	34,033,493	34,959,648	36,358,649	37,550,715	38,703,348	40,068,492	41,659,275	42,990,849	44,329,138	45,710,863
Total Council Equity	42,238,056	43,147,348	44,586,809	45,851,165	47,053,840	48,540,299	50,293,436	51,825,140	53,399,644	55,053,281

Sewer Fund	ATTACHMENT 4 Bellingin Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Cash Flows from Operating Activities										
Receipts										
Rates & Annual Charges	2,798,315	2,866,104	2,951,897	3,039,882	3,130,491	3,224,191	3,320,691	3,420,080	3,522,444	3,627,871
User Charges & Fees	76,013	173,443	177,653	182,132	192,461	193,886	236,173	218,785	210,576	216,992
Interest & Investment Revenue	79,192	106,252	125,446	147,891	118,689	176,603	212,438	239,924	261,189	286,170
Other Revenues	19,040	19,596	20,169	20,759	21,367	21,993	22,638	23,302	23,986	24,690
Grants & Contributions provided for Operating Purposes	0	0	0	0	0	0	0	0	0	0
Payments										
Employee Benefits & On-Costs	(504,925)	(532,560)	(549,850)	(567,707)	(586,142)	(605,177)	(624,832)	(645,125)	(666,077)	(687,713)
Borrowing Costs	0	0	0	0	0	0	0	0	0	0
Materials & Contracts	(815,038)	(999,192)	(939,897)	(952,662)	(973,198)	(1,040,410)	(1,045,962)	(1,080,456)	(1,112,744)	(1,152,425)
Other	(703,470)	(727,448)	(815,910)	(840,129)	(870,630)	(890,938)	(917,580)	(945,082)	(973,473)	(1,002,779)
Net Cash provided in Operating Activities	949,127	906,195	969,508	1,030,165	1,033,038	1,080,147	1,203,566	1,231,428	1,265,901	1,312,806
Cash Flows from Investing Activities										
Investment securities	(500,000)	(1,000,000)	0	500,000	0	(1,500,000)	0	(1,000,000)	0	0
Intangibles, Infrastructure, Property, Plant & Equipment	(310,000)	(255,000)	(240,000)	(305,000)	(440,000)	(200,000)	(230,000)	(235,000)	(230,000)	(200,000)
Net Cash used in Operating Activities	(810,000)	(1,255,000)	(240,000)	195,000	(440,000)	(1,700,000)	(230,000)	(1,235,000)	(230,000)	(200,000)
Cash Flows from Financing Activities										
Borrowing and Advances - Proceeds	0	0	0	0	0	0	0	0	0	0
Borrowing and Advances - Repayments	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)
Net Cash used in Operating Activities	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)	(252,305)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(113,178)	(601,110)	477,203	972,860	340,733	(872,158)	721,261	(255,877)	783,596	860,501
Plus: Cash & Cash Equivalents - Beginning of Yr										
Cash & Cash Equivalents on Hand	1,833,487	1,720,309	1,119,199	1,596,402	2,569,263	2,909,995	2,037,837	2,759,098	2,503,221	3,286,817
Cash, Cash Equivalents & Investments - End of Yr	1,720,309	1,119,199	1,596,402	2,569,263	2,909,995	2,037,837	2,759,098	2,503,221	3,286,817	4,147,318
Plus: Investments on Hand - End of Yr										
Investments on Hand	1,500,000	2,500,000	2,500,000	2,000,000	2,000,000	3,500,000	3,500,000	4,500,000	4,500,000	4,500,000
Total Cash, Cash Equivalents and Investments	3,220,309	3,619,199	4,096,402	4,569,263	4,909,995	5,537,837	6,259,098	7,003,221	7,786,817	8,647,318

Scenario A - Special Rate Variation 11.80%	ATTACHMENT 5									
	Bellinghen Shire Council - Long Term Financial Plan									
General Fund Only	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Income from Continuing Operations										
Rates & Annual Charges	9,278,831	9,557,197	9,843,912	10,139,230	10,443,407	10,756,710	11,079,411	11,411,793	11,754,146	12,106,771
User Charges & Fees	2,473,616	2,500,396	2,527,109	2,551,914	2,574,759	2,598,290	2,622,527	2,647,492	2,673,205	2,699,658
Interest & Investment Revenue	561,873	510,688	510,150	519,436	602,064	549,971	587,168	606,758	624,528	661,912
Other Revenues	643,083	654,124	730,484	741,673	753,200	765,077	777,313	789,919	802,908	816,289
Grants & Contributions provided for Operating Purposes	4,489,624	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Total Income from Continuing Operations	17,447,027	17,570,131	18,083,584	18,496,102	19,042,273	19,467,646	19,655,628	20,522,999	21,062,706	21,637,707
Expenses from Continuing Operations										
Employee Benefits & On-Costs	(9,665,135)	(9,962,031)	(10,190,073)	(10,426,139)	(10,670,484)	(10,923,398)	(11,161,649)	(11,407,505)	(11,725,652)	(12,053,271)
Borrowing Costs	(663,273)	(632,030)	(589,843)	(549,815)	(506,914)	(462,696)	(412,342)	(361,433)	(300,719)	(243,183)
Materials & Contracts	(3,795,129)	(3,813,663)	(3,741,080)	(3,875,478)	(3,941,927)	(4,005,499)	(3,846,264)	(4,439,301)	(4,520,340)	(4,637,501)
Depreciation & Amortisation	(7,930,685)	(8,064,073)	(8,170,778)	(8,296,499)	(8,419,179)	(8,549,017)	(8,721,879)	(8,858,959)	(8,981,057)	(9,092,169)
Other Expenses	(1,871,359)	(1,502,843)	(1,694,031)	(1,641,236)	(1,910,209)	(1,860,752)	(2,135,505)	(2,044,121)	(2,129,589)	(2,171,647)
Total Expenses from Continuing Operations	(23,925,580)	(23,974,640)	(24,385,804)	(24,789,169)	(25,448,713)	(25,801,361)	(26,277,640)	(27,111,319)	(27,657,356)	(28,197,771)
Capital Income										
Capital Income	791,800	704,800	601,800	373,800	690,800	450,800	1,060,800	1,358,800	639,800	417,800
Grants & Contributions provided for Capital Purposes	1,157,400	797,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400
Total Capital Income	1,949,200	1,502,200	1,467,200	1,239,200	1,556,200	1,316,200	1,926,200	2,224,200	1,505,200	1,283,200
Capital Expenditure										
Capital Expenditure	(4,531,035)	(2,861,015)	(2,953,523)	(2,753,518)	(2,948,137)	(2,060,755)	(2,310,367)	(2,570,633)	(2,252,039)	(2,104,072)
Total Capital Expenditure	(4,531,035)	(2,861,015)	(2,953,523)	(2,753,518)	(2,948,137)	(2,060,755)	(2,310,367)	(2,570,633)	(2,252,039)	(2,104,072)
Transfers From/(To) Reserves	(2,682,929)	149,517	91,866	187,295	(43,681)	(650,730)	(1,055,429)	(1,106,454)	(776,708)	(738,127)
Loan Movement	3,729,792	(524,660)	(569,701)	(609,619)	(652,396)	(696,491)	(746,712)	(797,486)	(852,311)	(779,689)
Add Back Depreciation (Contra)	7,930,685	8,064,073	8,170,778	8,296,499	8,419,179	8,549,017	8,721,879	8,858,959	8,981,057	9,092,169
Retained Surplus/(Deficit)	(82,841)	(74,393)	(95,600)	66,791	(75,275)	123,526	(86,441)	20,266	10,549	193,417

Scenario A - Special Rate Variation 11.80%	ATTACHMENT 5 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
General Fund Only										
Current Assets										
Cash and Cash Equivalents	7,201,749	6,803,712	6,957,030	6,947,895	4,739,432	6,220,866	6,262,779	7,757,110	7,976,867	7,639,674
Investments	6,000,000	4,500,000	3,500,000	3,000,000	4,500,000	3,000,000	3,000,000	1,500,000	1,500,000	2,500,000
Receivables	2,545,448	2,475,223	2,546,756	2,601,266	2,665,338	2,729,016	2,726,396	2,862,208	2,931,823	3,003,509
Inventories	355,415	358,969	366,149	377,133	392,219	387,974	379,565	367,182	351,129	354,640
Other	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Total Current Assets	16,152,612	14,189,404	13,422,980	12,980,930	12,353,264	12,395,820	12,428,443	12,547,994	12,823,158	13,563,062
Non-Current Assets										
Receivables	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Infrastructure, Property, Plant & Equipment	459,619,294	452,795,754	448,576,127	443,622,056	453,301,972	450,092,451	443,554,765	436,611,275	444,788,602	436,710,062
Investments - equity method	0	0	0	0	0	0	0	0	0	0
Investment Properties	1,915,000	1,915,000	2,010,750	2,010,750	2,010,750	2,111,290	2,111,290	2,111,290	2,216,855	2,216,855
Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	461,548,294	454,724,754	450,600,877	445,646,806	455,326,722	452,217,741	445,680,055	438,736,565	447,019,457	438,940,917
Current Liabilities										
Payables	1,695,237	1,594,026	1,625,194	1,609,957	1,650,565	1,610,247	1,762,618	1,869,177	1,789,863	1,785,654
Borrowings	517,029	551,619	589,130	632,916	676,857	722,211	773,696	827,922	885,715	238,805
Provisions	2,293,007	2,326,372	2,361,000	2,396,929	2,434,197	2,472,847	2,484,373	2,554,449	2,597,490	2,642,086
Total Current Liabilities	4,505,273	4,472,017	4,575,324	4,639,802	4,761,619	4,805,305	5,020,687	5,251,548	5,273,068	4,666,545
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	8,120,334	7,552,596	6,942,341	6,289,485	5,592,700	4,845,936	4,046,542	3,191,047	2,412,185	2,151,994
Provisions	620,515	660,211	699,907	739,601	779,295	818,986	858,678	898,368	938,057	977,744
Total Non-Current Liabilities	8,740,849	8,212,807	7,642,248	7,029,086	6,371,995	5,664,922	4,905,220	4,089,415	3,350,242	3,129,738
Net Assets	464,454,784	456,229,334	451,806,285	446,958,848	456,546,372	454,143,334	448,182,590	441,943,595	451,219,305	444,707,696
Equity										
Retained earnings	237,600,182	232,290,073	227,024,075	221,524,505	216,207,573	210,681,707	205,428,186	200,466,859	194,735,710	188,766,475
Revaluation Reserves	226,854,602	223,939,261	224,782,210	225,434,342	240,338,799	243,461,628	242,754,404	241,476,737	256,483,595	255,941,221
Total Equity	464,454,784	456,229,334	451,806,285	446,958,848	456,546,372	454,143,334	448,182,590	441,943,595	451,219,305	444,707,696

Scenario A - Special Rate Variation 11.80%	ATTACHMENT 5 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
General Fund Only										
Cash Flows from Operating Activities										
Receipts										
Rates & Annual Charges	9,146,526	9,497,737	10,639,075	10,964,039	11,299,489	11,642,814	11,992,084	12,351,832	12,722,371	13,073,570
User Charges & Fees	2,212,880	2,495,556	2,518,756	2,544,105	2,557,217	2,591,219	2,542,274	2,613,748	2,667,963	2,694,033
Interest & Investment Revenue	460,795	423,359	448,130	480,121	582,858	532,359	572,610	598,178	618,455	657,307
Other Revenues	643,083	654,124	730,484	741,673	753,200	765,077	777,313	789,919	802,908	816,289
Grants & Contributions provided for Operating Purposes	5,647,024	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Payments										
Employee Benefits & On-Costs	(9,825,710)	(9,906,405)	(10,133,036)	(10,367,651)	(10,610,497)	(11,215,774)	(11,127,075)	(11,314,208)	(11,659,153)	(11,985,091)
Borrowing Costs	(666,836)	(634,612)	(594,479)	(552,851)	(508,573)	(466,381)	(416,385)	(365,580)	(306,840)	(247,603)
Materials & Contracts	(3,688,416)	(3,887,005)	(3,710,285)	(3,892,997)	(3,905,306)	(4,047,482)	(3,695,533)	(4,334,356)	(4,599,927)	(4,643,367)
Other	(1,473,859)	(1,502,843)	(1,694,031)	(1,641,236)	(1,910,209)	(1,860,752)	(2,135,505)	(2,044,121)	(2,129,589)	(2,171,647)
Net Cash provided in Operating Activities	2,455,488	1,487,637	2,676,543	2,819,050	2,927,022	2,738,679	3,098,992	3,362,449	3,324,107	3,546,567
Cash Flows from Investing Activities										
Investment securities	(2,500,000)	1,500,000	1,000,000	500,000	(1,500,000)	1,500,000	0	1,500,000	0	(1,000,000)
Intangibles, Infrastructure, Property, Plant & Equipment	(4,531,035)	(2,861,015)	(2,953,523)	(2,753,518)	(2,948,137)	(2,060,755)	(2,310,367)	(2,570,633)	(2,252,039)	(2,104,072)
Net Cash used in Operating Activities	(7,031,035)	(1,361,015)	(1,953,523)	(2,253,518)	(4,448,137)	(560,755)	(2,310,367)	(1,070,633)	(2,252,039)	(3,104,072)
Cash Flows from Financing Activities										
Borrowing and Advances	4,225,000	0	0	0	0	0	0	0	0	0
Borrowing and Advances - Repayments	(495,208)	(524,660)	(569,701)	(609,619)	(652,396)	(696,491)	(746,712)	(797,486)	(852,311)	(779,689)
Net Cash used in Operating Activities	3,729,792	(524,660)	(569,701)	(609,619)	(652,396)	(696,491)	(746,712)	(797,486)	(852,311)	(779,689)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(845,755)	(398,038)	153,319	(44,087)	(2,173,511)	1,481,434	41,913	1,494,331	219,757	(337,193)
Plus: Cash & Cash Equivalents - Beginning of Yr										
Cash & Cash Equivalents on Hand	8,047,504	7,201,749	6,803,712	6,957,030	6,912,943	4,739,432	6,220,866	6,262,779	7,757,110	7,976,867
Cash, Cash Equivalents & Investments - End of Yr	7,201,749	6,803,712	6,957,030	6,912,943	4,739,432	6,220,866	6,262,779	7,757,110	7,976,867	7,639,674
Plus: Investments on Hand - End of Yr										
Investments on Hand	6,000,000	4,500,000	3,500,000	3,000,000	4,500,000	3,000,000	3,000,000	1,500,000	1,500,000	2,500,000
Total Cash, Cash Equivalents and Investments	13,201,749	11,303,712	10,457,030	9,912,943	9,239,432	9,220,866	9,262,779	9,257,110	9,476,867	10,139,674

Scenario B - Special Rate Variation 11.80% and LIRS Application	ATTACHMENT 6 Bellinghen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
General Fund Only										
Income from Continuing Operations										
Rates & Annual Charges	9,278,831	9,557,197	9,843,912	10,139,230	10,443,407	10,756,710	11,079,411	11,411,793	11,754,146	12,106,771
User Charges & Fees	2,473,616	2,500,396	2,527,109	2,551,914	2,574,759	2,598,290	2,622,527	2,647,492	2,673,205	2,699,658
Interest & Investment Revenue	585,366	534,065	533,528	542,814	625,443	557,044	583,396	606,352	622,253	661,732
Other Revenues	643,083	654,124	730,484	741,673	753,200	765,077	777,313	789,919	802,908	816,289
Grants & Contributions provided for Operating Purposes	4,489,624	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Total Income from Continuing Operations	17,470,520	17,593,508	18,106,961	18,519,480	19,065,652	19,474,719	19,651,856	20,522,593	21,060,432	21,637,527
Expenses from Continuing Operations										
Employee Benefits & On-Costs	(9,665,135)	(9,962,031)	(10,190,073)	(10,426,139)	(10,670,484)	(10,923,398)	(11,161,649)	(11,407,505)	(11,725,652)	(12,053,271)
Borrowing Costs	(558,093)	(534,246)	(499,847)	(468,453)	(435,093)	(401,388)	(362,589)	(324,348)	(277,495)	(235,091)
Materials & Contracts	(3,795,129)	(3,813,663)	(3,741,080)	(3,875,478)	(3,941,927)	(4,005,499)	(3,846,264)	(4,439,301)	(4,520,340)	(4,637,501)
Depreciation & Amortisation	(7,930,685)	(8,064,178)	(8,193,011)	(8,329,480)	(8,464,041)	(8,604,998)	(8,795,421)	(8,939,590)	(9,063,402)	(9,180,094)
Other Expenses	(1,871,359)	(1,502,843)	(1,694,031)	(1,641,236)	(1,910,209)	(1,860,752)	(2,135,505)	(2,044,121)	(2,129,589)	(2,171,647)
Total Expenses from Continuing Operations	(23,820,401)	(23,876,961)	(24,318,041)	(24,740,787)	(25,421,754)	(25,796,035)	(26,301,429)	(27,154,865)	(27,716,477)	(28,277,604)
Capital Income										
Capital Income	791,800	704,800	601,800	373,800	690,800	450,800	1,060,800	1,358,800	639,800	417,800
Grants & Contributions provided for Capital Purposes	1,157,400	797,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400	865,400
Total Capital Income	1,949,200	1,502,200	1,467,200	1,239,200	1,556,200	1,316,200	1,926,200	2,224,200	1,505,200	1,283,200
Capital Expenditure										
Capital Expenditure	(4,531,035)	(2,861,015)	(2,953,523)	(2,753,518)	(2,948,137)	(2,496,755)	(2,600,367)	(2,480,633)	(2,302,039)	(2,048,072)
Total Capital Expenditure	(4,531,035)	(2,861,015)	(2,953,523)	(2,753,518)	(2,948,137)	(2,496,755)	(2,600,367)	(2,480,633)	(2,302,039)	(2,048,072)
Transfers From/(To) Reserves	(3,331,839)	126,120	68,469	163,897	(67,080)	(221,824)	(761,678)	(1,196,069)	(724,454)	(793,968)
Loan Movement	4,250,029	(622,423)	(659,677)	(690,961)	(724,196)	(757,778)	(796,445)	(834,550)	(875,514)	(787,761)
Add Back Depreciation (Contra)	7,930,685	8,064,178	8,193,011	8,329,480	8,464,041	8,604,998	8,795,421	8,939,590	9,063,402	9,180,094
Retained Surplus/(Deficit)	(82,841)	(74,393)	(95,600)	66,791	(75,275)	123,526	(86,441)	20,266	10,549	193,417

Scenario B - Special Rate Variation 11.80% and LIRS Application	ATTACHMENT 6 Bellingen Shire Council - Long Term Financial Plan									
General Fund Only	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Current Assets										
Cash and Cash Equivalents	7,461,013	7,415,591	7,398,034	7,411,770	5,777,178	6,844,845	6,606,013	8,197,091	8,369,451	8,091,351
Investments	6,500,000	4,750,000	4,000,000	3,500,000	4,500,000	3,000,000	3,000,000	1,500,000	1,500,000	2,500,000
Receivables	2,545,448	2,475,223	2,546,756	2,601,266	2,665,338	2,729,016	2,726,396	2,862,208	2,931,823	3,003,509
Inventories	355,415	358,969	366,149	377,133	392,219	387,974	379,565	367,182	351,129	354,640
Other	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239
Total Current Assets	16,911,876	15,051,283	14,363,984	13,944,805	13,391,010	13,019,799	12,771,677	12,987,975	13,215,742	14,014,739
Non-Current Assets										
Receivables	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Infrastructure, Property, Plant & Equipment	459,619,294	454,120,659	450,499,966	446,213,441	456,502,537	454,277,159	448,079,881	441,156,368	449,589,244	441,580,921
Investments - equity method	0	0	0	0	0	0	0	0	0	0
Investment Properties	1,915,000	1,915,000	2,010,750	2,010,750	2,010,750	2,111,290	2,111,290	2,111,290	2,216,855	2,216,855
Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	461,548,294	456,049,659	452,524,716	448,238,191	458,527,287	456,402,449	450,205,171	443,281,658	451,820,099	443,811,776
Current Liabilities										
Payables	1,695,237	1,594,026	1,625,194	1,609,957	1,650,565	1,610,247	1,762,618	1,869,177	1,789,863	1,785,654
Borrowings	614,792	641,595	670,472	704,716	738,145	771,944	810,761	851,126	893,787	238,805
Provisions	2,293,007	2,326,372	2,361,000	2,396,929	2,434,197	2,472,847	2,484,373	2,554,449	2,597,490	2,642,086
Total Current Liabilities	4,603,036	4,561,993	4,656,666	4,711,602	4,822,907	4,855,038	5,057,752	5,274,752	5,281,140	4,666,545
Non-Current Liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	8,542,808	7,885,094	7,193,497	6,468,841	5,710,768	4,914,271	4,077,813	3,199,119	2,412,185	2,151,994
Provisions	620,515	660,211	699,907	739,601	779,295	818,986	858,678	898,368	938,057	977,744
Total Non-Current Liabilities	9,163,323	8,545,305	7,893,404	7,208,442	6,490,063	5,733,257	4,936,491	4,097,487	3,350,242	3,129,738
Net Assets	464,693,811	457,993,644	454,338,630	450,262,952	460,605,327	458,833,953	452,982,605	446,897,394	456,404,459	450,030,232
Equity										
Retained earnings	237,468,833	232,148,556	226,884,222	221,385,526	216,070,589	210,547,940	205,298,762	200,343,631	194,623,795	188,665,267
Revaluation Reserves	227,224,978	225,845,088	227,454,408	228,877,426	244,534,738	248,286,013	247,683,842	246,553,763	261,780,664	261,364,965
Total Equity	464,693,811	457,993,644	454,338,630	450,262,952	460,605,327	458,833,953	452,982,605	446,897,394	456,404,459	450,030,232

Scenario B - Special Rate Variation 11.80% and LIRS Application	ATTACHMENT 6 Bellingen Shire Council - Long Term Financial Plan									
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
General Fund Only										
Cash Flows from Operating Activities										
Receipts										
Rates & Annual Charges	9,146,526	9,497,737	10,639,075	10,964,039	11,299,489	11,642,814	11,992,084	12,351,832	12,722,371	13,073,570
User Charges & Fees	2,212,880	2,495,556	2,518,756	2,544,105	2,557,217	2,591,219	2,542,274	2,613,748	2,667,963	2,694,033
Interest & Investment Revenue	592,636	523,948	525,228	535,919	619,751	552,566	579,838	602,900	619,031	658,380
Other Revenues	643,083	654,124	730,484	741,673	753,200	765,077	777,313	789,919	802,908	816,289
Grants & Contributions provided for Operating Purposes	5,647,024	4,347,726	4,471,929	4,543,849	4,668,842	4,797,599	4,589,210	5,067,037	5,207,920	5,353,077
Payments										
Employee Benefits & On-Costs	(9,825,710)	(9,906,405)	(10,133,036)	(10,367,651)	(10,610,497)	(11,215,774)	(11,127,075)	(11,314,208)	(11,659,153)	(11,985,091)
Borrowing Costs	(559,650)	(534,822)	(502,477)	(469,484)	(434,746)	(403,067)	(364,626)	(326,489)	(281,610)	(237,511)
Materials & Contracts	(3,688,416)	(3,887,005)	(3,710,285)	(3,892,997)	(3,905,306)	(4,047,482)	(3,695,533)	(4,334,356)	(4,599,927)	(4,643,367)
Other	(1,473,859)	(1,502,843)	(1,694,031)	(1,641,236)	(1,910,209)	(1,860,752)	(2,135,505)	(2,044,121)	(2,129,589)	(2,171,647)
Net Cash provided in Operating Activities	2,694,515	1,688,016	2,845,643	2,958,215	3,037,742	2,822,200	3,157,979	3,406,262	3,349,914	3,557,732
Cash Flows from Investing Activities										
Investment securities	(3,000,000)	1,750,000	750,000	500,000	(1,000,000)	1,500,000	0	1,500,000	0	(1,000,000)
Intangibles, Infrastructure, Property, Plant & Equipment	(4,531,035)	(2,861,015)	(2,953,523)	(2,753,518)	(2,948,137)	(2,496,755)	(2,600,367)	(2,480,633)	(2,302,039)	(2,048,072)
Net Cash used in Operating Activities	(7,531,035)	(1,111,015)	(2,203,523)	(2,253,518)	(3,948,137)	(996,755)	(2,600,367)	(980,633)	(2,302,039)	(3,048,072)
Cash Flows from Financing Activities										
Borrowing and Advances	4,850,000	0	0	0	0	0	0	0	0	0
Borrowing and Advances - Repayments	(599,971)	(622,423)	(659,677)	(690,961)	(724,196)	(757,778)	(796,445)	(834,550)	(875,514)	(787,761)
Net Cash used in Operating Activities	4,250,029	(622,423)	(659,677)	(690,961)	(724,196)	(757,778)	(796,445)	(834,550)	(875,514)	(787,761)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(586,491)	(45,422)	(17,557)	13,736	(1,634,591)	1,067,667	(238,832)	1,591,079	172,360	(278,100)
Plus: Cash & Cash Equivalents - Beginning of Yr										
Cash & Cash Equivalents on Hand	8,047,504	7,461,013	7,415,591	7,398,034	7,411,770	5,777,178	6,844,845	6,606,013	8,197,091	8,369,451
Cash, Cash Equivalents & Investments - End of Yr	7,461,013	7,415,591	7,398,034	7,411,770	5,777,178	6,844,845	6,606,013	8,197,091	8,369,451	8,091,351
Plus: Investments on Hand - End of Yr										
Investments on Hand	6,500,000	4,750,000	4,000,000	3,500,000	4,500,000	3,000,000	3,000,000	1,500,000	1,500,000	2,500,000
Total Cash, Cash Equivalents and Investments	13,961,013	12,165,591	11,398,034	10,911,770	10,277,178	9,844,845	9,606,013	9,697,091	9,869,451	10,591,351