

# Delivery Program

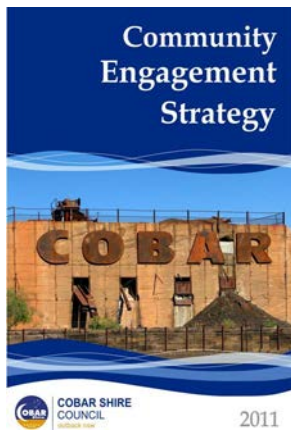
## Budgets



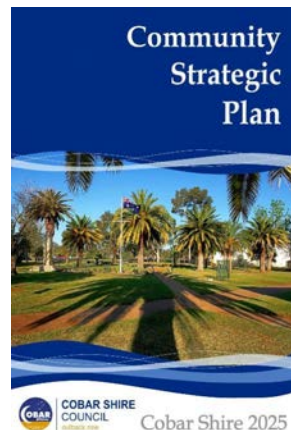
**COBAR SHIRE**  
**COUNCIL**  
outback nsw

2012/2013 - 2015/2016

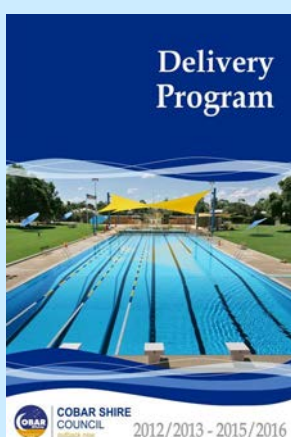
# Strategic Planning Framework



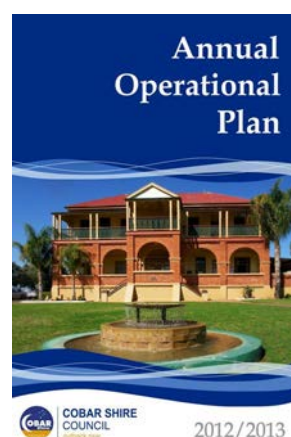
The **Community Engagement Strategy** outlines how Council will engage with its community and relevant stakeholders in developing and finalising the Community Strategic Plan. Over time it will be reviewed to outline how Council will ensure regular engagement and discussion with our community about their needs and aspirations for the town.



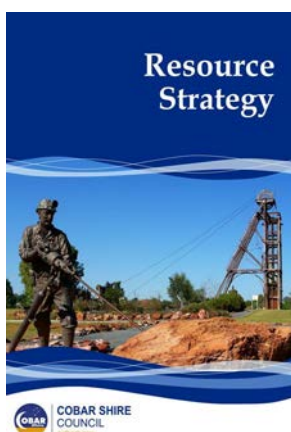
The **Community Strategic Plan** identifies the long term aspirations for our community. The Strategic Plan stretches beyond the next ten years, identifying the outcomes and long term strategic responses needed to achieve the agreed directions and meet the community's values. It demands strong leadership from Council in working with others to grow our Shire into the future.



The 4 Year **Delivery Program** links the 'planning' in the long term Strategic Plan with the 'implementing' in the Annual Operational Plan. It is the strategic document that guides the organisation's work program over the Councillor's four year elected term. The Delivery Program sets out clear priorities, ongoing activities and specific actions Council will undertake, within its responsibilities and capacity, towards achieving the community's outcomes.



The **Annual Operational Plan** is the 'implementing' part of Council's key strategic documents, and outlines all of Council's services and infrastructure activities and tasks for the year. Both ongoing activities and specific tasks contribute to the implementation of Council's Delivery Program.



The **Resource Strategy** outlines Council's capacity to manage assets and deliver services over the next ten years. The Resource Strategy includes three key elements – a Long Term Financial Plan, a Workforce Plan, and Asset Management Plans. To prepare the Resource Strategy, Council determines its capacity and how to effectively manage its finances, the sustainability of its workforce, and the overall costs of its community assets.

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# Introduction

Council has undertaken scenario planning during the development of the Long Term Financial Plan and the subsequent development of the budgets for the Delivery Program. The scenarios are outlined below. Further information on each can be found in the Long Term Financial Plan.

## Scenarios

Four scenarios are presented in the LTFP, showing the impacts associated with the scenario. The scenarios are:

1. The Status Quo – there is no special rate variation, depreciation of the roads network is retained at \$2m pa.
2. Successful SRV – Council receives a one-off SRV of 25% (including the rate peg amount of 3.4%) in 2013/14 and depreciation of the roads network is retained at \$2m pa. Funds generated through the SRV are split with \$300,000 towards financial sustainability (provision of services, namely the Cobar Memorial Swimming Pool) and the remainder funding maintenance works on the Shire road network (evenly split between bitumen reseals and gravel resheeting).
3. Status Quo with \$7.8m pa in road depreciation. According to the reworked Transport Asset Management Plan, an additional \$7.9m pa should be spent on maintaining (not improving) the road network. This very large gap is unlikely to be funded in the short or medium term.
4. SRV application for 25% increase in 2013/14 successful, and road depreciation set at \$7.8m pa.

In all budget scenarios, the Roads to Recovery funding will fall by \$300,000 in 2013/14 due to government policy. It is assumed the program will be refunded from 2014/15. The shortfall can be funded through the SRV in scenario 2.

Rate rises are not likely to result in significant improvements in service delivery or asset management, but rather are required to maintain Council's operations at current levels, without creating a deficit budget.

## Assumptions

Common assumptions across all three scenarios are as follows:

- Council's current borrowings will be repaid by 2021 and no additional borrowings will be undertaken and \$825K is still owed in 2021/22
- Interest rates will remain flat for both borrowed funds and invested funds.
- Inflation has been set at 3% per annum.
- Wage costs will increase by 3.5% per annum.
- The rate peg is 3.4% in 2013/14 and 3% thereafter.
- Any windfalls from the sale of land are excluded from the model.
- Plant disposals are at break even.
- Roads to Recovery falls by \$300,000 in 2013/14 and then returns to current levels.
- There are no revaluations to impact on depreciation.
- In 2017 when the financial position improves, and additional \$750,000 CHECK is added to asset maintenance.
- Roads to Recovery funding alternates between asset renewal (capital works) and maintenance improvement.

# Scenario 1 – Status Quo Scenario

## Summary

	2013	2014	2015	2016
<b>REVENUE</b>				
Rates and Annual Charges	4,298,604	4,441,202	4,574,573	4,712,999
User Fees and Charges	2,911,005	3,335,701	3,435,772	3,538,846
Interest and Investment Revenue	135,500	208,000	255,000	306,000
Other Revenues	12,637,675	12,986,083	13,291,945	13,699,996
Operating Grants	6,624,740	8,049,163	8,290,638	8,539,357
Capital Grants	761,723	421,723	807,426	831,649
<b>Total Income from Continuing Operations</b>	<b>27,369,248</b>	<b>29,441,873</b>	<b>30,655,354</b>	<b>31,628,847</b>
<b>EXPENSES</b>				
Employee Benefits and On-costs	10,007,757	10,324,921	10,673,696	11,034,351
Borrowing Costs	241,481	287,888	303,252	322,614
Materials and Contracts	6,512,537	6,725,615	6,913,172	7,171,671
Depreciation and Amortisation	4,201,723	4,324,502	4,465,876	4,586,680
Other Expenses	7,927,916	8,517,558	8,707,446	9,003,974
Net Losses from the Disposal of Assets	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>28,891,414</b>	<b>30,180,485</b>	<b>31,063,443</b>	<b>32,119,290</b>

<b>Operating Result from Continuing Operations</b>	<b>-1,522,166</b>	<b>-738,612</b>	<b>-408,089</b>	<b>-490,443</b>
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Cash on hand at year end	3,302,786	2,920,121	3,289,603	3,032,862
Sundry and Rate Debtors and Inventories	2,300,000	2,300,000	2,300,000	2,300,000
<b>Estimate of Current Assets</b>	<b>5,602,786</b>	<b>5,220,121</b>	<b>5,589,603</b>	<b>5,332,862</b>

Estimate of Restrictions	2,000,000	2,000,000	2,000,000	2,000,000
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Loan	216,048	225,882	238,751	251,965
Payables	1,800,000	1,800,000	1,800,000	1,800,000
<b>Estimate of Current Liabilities</b>	<b>2,016,048</b>	<b>2,025,882</b>	<b>2,038,751</b>	<b>2,051,965</b>

Depreciation	4,201,723	4,324,502	4,465,876	4,586,680
Capital Expenditure	2,848,723	3,742,673	3,449,555	4,101,012
<b>Difference</b>	<b>-1,353,000</b>	<b>-581,829</b>	<b>-1,016,322</b>	<b>-485,668</b>

Unrestricted Current Ratio:1	1.79	1.59	1.76	1.62
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Loans outstanding	3,214,952	2,989,070	2,750,319	2,498,354
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## Assumptions

	2014	2015	2016
Wages increase by	3.50%	3.50%	3.50%
Expenses other than wages increase by	3.00%	3.00%	3.00%
Rate increase	3.40%	3.00%	3.00%
Variation increase	0.00%		
Plant costs increase by	2%	2%	2%
Road expenditure increases by - flat base level - if SRV application successful	0		

No service level changes in corporate and community and environmental services			
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Increase in water usage charges	30%	3.00%	3.00%
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Increase in cost of water	67%	3.00%	3.00%
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Increase in sewerage rates	3.00%	3.00%	3.00%
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Increase in domestic waste charges	3.00%	3.00%	3.00%
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Increase in trade waste charges	3.00%	3.00%	3.00%
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Interest on earnings	4.50%	4.50%	4.50%
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Roads Wages	37%		
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# Capital

GENERAL FUND	2013	2014	2015	2016
<b>ADMINISTRATION</b>				
Computer Equipment	100,000	30,000	30,000	30,000

<b>PLANT</b>				
P1040 - Truck Tipper	55,000			
Back Hoe		112,200	114,444	116,733
Tractor				
4/5 Tonne Trucks		61,200	31,212	
Prime Mover			228,888	233,466
Street Sweeper				
Heavy Trucks				
Bus				
Skidsteer Loader				
Loader		200,000		
Light trucks				
Heavy trailers				
Grader			208,080	212,242
Water Pumps & Minor Items	10,000	10,200	10,404	10,612
Miscellaneous Plant	5,000	5,100	5,202	5,306
Light Vehicles Changeover	131,000	230,520	243,454	181,467
Sedans Changeover	120,000	154,020	126,929	118,855
Mower Small	5,000	5,000	5,000	5,000
Mower Large	26,000	26,520	27,050	27,591
Fuel Tanker	5,000		5,202	
Caravans		20,000	20,000	20,000
Generators		17,340		18,041
Roller Multi Tyred	170,000			
Road Train Dolly	35,000			
Semi Trailer Side Tipper	100,000		83,232	84,897
Paveliner		193,800		

<b>LIBRARIES</b>				
Library Books Etc	25,000	25,750	26,523	27,318

<b>HOUSING</b>				
Up grade Various Dwellings	60,000	61,800	63,654	65,564
Nymagee School	5,000			

<b>AERODROME</b>				
Airport Terminal/Apron/Runway				

<b>SWIMMING POOL</b>				

<b>PUBLIC BUILDINGS</b>				



	2013	2014	2015	2016
<b>PARKS &amp; GARDENS</b>				
General Parks Upgrade	30,000	30,900	31,827	32,782
<b>ECONOMIC DEVELOPMENT</b>				
Main Street Reinstatements				
Grant Expenditure	100,000	100,000	100,000	100,000
Street Decorations - Christmas	5,000		5,000	
<b>LILLIANE BRADY VILLAGE</b>				
Extension of Lounge Room	90,000			
<b>CARAVAN PARK</b>				
Land Purchase		165,000		
<b>RURAL SHIRE ROADS</b>				
Gravelling		216,300	222,789	229,473
Resealing	210,000	216,300	222,789	229,473
<b>ROADS TO RECOVERY</b>				
Unallocated	761,723	421,723	807,426	831,649
<b>REGIONAL ROADS</b>				
Roads to Recovery Gravel & Seal				
Gravelling	300,000	100,000	300,000	100,000
Sealing and Resealing	200,000	206,000	212,180	218,545
Renwal Program		824,000		874,182
SRV additional expenditure				
<b>TOTAL CAPITAL GENERAL FUND</b>	<b>2,548,723</b>	<b>3,783,673</b>	<b>3,491,785</b>	<b>4,144,509</b>
<b>WATER FUND</b>				
<b>WATER</b>				
Water Mains Replacement	100,000	103,000	106,090	109,273
New Mains Purchase				
Filtration Plant - replace piping & Valves	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL WATER FUND</b>	<b>200,000</b>	<b>206,000</b>	<b>212,180</b>	<b>218,545</b>
<b>SEWERAGE FUND</b>				
<b>SEWERAGE</b>				
Sewerage Works Improvements	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL SEWERAGE FUND</b>	<b>100,000</b>	<b>103,000</b>	<b>106,090</b>	<b>109,273</b>
<b>WASTE FUND</b>				
<b>WASTE</b>				
<b>Capital Expenditure</b>				
Commercial Waste Truck				68,000
Town Waste Truck			200,000	
Landfill Loader				80,000
<b>TOTAL CAPITAL WASTE FUND</b>			<b>200,000</b>	<b>148,000</b>
<b>TOTAL CAPITAL ALL FUNDS</b>	<b>2,848,723</b>	<b>3,742,673</b>	<b>3,449,555</b>	<b>4,101,012</b>



# Scenario 2 – 25% SRV Scenario

## Summary

	2013	2014	2015	2016
<b>REVENUE</b>				
Rates and Annual Charges	4,298,604	5,006,268	5,156,591	5,312,478
User Fees and Charges	2,911,005	3,335,701	3,435,772	3,538,846
Interest and Investment Revenue	135,500	208,000	255,000	306,000
Other Revenues	12,637,675	12,986,083	13,291,945	13,699,996
Operating Grants	6,624,740	8,049,163	8,290,638	8,539,357
Capital Grants	761,723	421,723	807,426	831,649
<b>Total Income from Continuing Operations</b>	<b>27,369,248</b>	<b>30,006,939</b>	<b>31,237,373</b>	<b>32,228,326</b>
<b>EXPENSES</b>				
Employee Benefits and On-costs	10,007,757	10,324,921	10,673,696	11,034,351
Borrowing Costs	241,481	287,888	303,252	22,614
Materials and Contracts	6,512,537	6,725,615	6,913,172	7,171,671
Depreciation and Amortisation	4,201,723	4,324,502	4,465,876	4,586,680
Other Expenses	7,927,916	8,517,558	8,707,446	9,003,974
Net Losses from the Disposal of Assets	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>28,891,414</b>	<b>30,180,485</b>	<b>31,063,443</b>	<b>32,119,290</b>
<b>Operating Result from Continuing Operations</b>	<b>-1,522,166</b>	<b>-173,545</b>	<b>173,930</b>	<b>109,036</b>
Cash on hand at year end	3,302,786	3,135,188	3,726,188	3,697,612
Sundry and Rate Debtors and Inventories	2,300,000	2,300,000	2,300,000	2,300,000
<b>Estimate of Current Assets</b>	<b>5,602,786</b>	<b>5,435,188</b>	<b>6,026,188</b>	<b>5,997,612</b>
Estimate of Restrictions	2,000,000	2,000,000	2,000,000	2,000,000
Loan	216,048	225,882	238,751	251,965
Payables	1,800,000	1,800,000	1,800,000	1,800,000
<b>Estimate of Current Liabilities</b>	<b>2,016,048</b>	<b>2,025,882</b>	<b>2,038,751</b>	<b>2,051,965</b>
Depreciation	4,201,723	4,324,502	4,465,876	4,586,680
Capital Expenditure	2,848,723	4,092,673	3,810,055	4,472,327
<b>Difference</b>	<b>-1,353,000</b>	<b>-231,829</b>	<b>-655,822</b>	<b>-114,353</b>
Unrestricted Current Ratio:1	1.79	1.70	1.97	1.95
Loans outstanding	3,214,952	2,989,070	2,750,319	2,498,354

## Assumptions

	2014	2015	2016
Wages increase by	3.50%	3.50%	3.50%
Expenses other than wages increase by	3.00%	3.00%	3.00%
Rate increase	3.00%	3.00%	3.00%
Variation increase	21.60%		
Plant costs increase by	2%	2%	2%
Road expenditure increases by - flat base level - if SRV application successful	350,000		
Road expenditure increases as cash balances increase			
No service level changes in corporate and community and environmental services			
Increase in water usage charges	3.00%	3.00%	3.00%
Increase in cost of water	3.00%	3.00%	3.00%
Increase in sewerage rates	3.00%	3.00%	3.00%
Increase in domestic waste charges	3.00%	3.00%	3.00%
Increase in trade waste charges	3.00%	3.00%	3.00%
Interest on earnings	4.50%	4.50%	4.50%
Roads Wages			

# Capital

	2013	2014	2015	2016
<b>GENERAL FUND ADMINISTRATION</b>				
Computer Equipment	100,000	30,000	30,000	30,000

<b>PLANT</b>				
P1040 - Truck Tipper	55,000			
Back Hoe		112,200	114,444	116,733
Tractor				
4/5 Tonne Trucks		61,200	31,212	
Prime Mover			228,888	233,466
Street Sweeper				
Heavy Trucks				
Bus				
Skidsteer Loader				
Loader		200,000		
Light trucks				
Heavy trailers				
Grader			208,080	212,242
Water Pumps & Minor Items	10,000	10,200	10,404	10,612
Miscellaneous Plant	5,000	5,100	5,202	5,306
Light Vehicles Changeover	131,000	230,520	243,454	181,467
Sedans Changeover	120,000	154,020	126,929	118,855
Mower Small	5,000	5,000	5,000	5,000
Mower Large	26,000	26,520	27,050	27,591
Fuel Tanker	5,000		5,202	
Caravans		20,000	20,000	20,000
Generators		17,340		18,041
Roller Multi Tyred	170,000			
Road Train Dolly	35,000			
Semi Trailer Side Tipper	100,000		83,232	84,897
Paveliner		193,800		

<b>LIBRARIES</b>				
Library Books Etc	25,000	25,750	26,523	27,318

<b>HOUSING</b>				
Up grade Various Dwellings	60,000	61,800	63,654	65,564
Nymagee School	5,000			

<b>AERODROME</b>				
Airport Terminal/Apron/Runway				

<b>SWIMMING POOL</b>				

<b>PUBLIC BUILDINGS</b>				

	2013	2014	2015	2016
<b>PARKS &amp; GARDENS</b>				
General Parks Upgrade	30,000	30,900	31,827	32,782
<b>ECONOMIC DEVELOPMENT</b>				
Main Street Reinstatements				
Grant Expenditure	100,000	100,000	100,000	100,000
Street Decorations - Christmas	5,000		5,000	
<b>LILLIANE BRADY VILLAGE</b>				
Extension of Lounge Room	90,000			
<b>CARAVAN PARK</b>				
Land Purchase		165,000		
<b>RURAL SHIRE ROADS</b>				
Gravelling		216,300	222,789	229,473
Resealing	210,000	216,300	222,789	229,473
<b>ROADS TO RECOVERY</b>				
Unallocated	761,723	421,723	807,426	831,649
<b>REGIONAL ROADS</b>				
Roads to Recovery Gravel & Seal				
Gravelling	300,000	100,000	300,000	100,000
Sealing and Resealing	200,000	206,000	212,180	218,545
Renewal Program		824,000		874,182
SRV additional expenditure		350,000	360,500	371,315
<b>TOTAL CAPITAL GENERAL FUND</b>	<b>2,548,723</b>	<b>3,783,673</b>	<b>3,491,785</b>	<b>4,144,509</b>
<b>WATER FUND</b>				
<b>WATER</b>				
Water Mains Replacement	100,000	103,000	106,090	109,273
New Mains Purchase				
Filtration Plant - replace piping & Valves	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL WATER FUND</b>	<b>200,000</b>	<b>206,000</b>	<b>212,180</b>	<b>218,545</b>
<b>SEWERAGE FUND</b>				
<b>SEWERAGE</b>				
Sewerage Works Improvements	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL SEWERAGE FUND</b>	<b>100,000</b>	<b>103,000</b>	<b>106,090</b>	<b>109,273</b>
<b>WASTE FUND</b>				
<b>WASTE</b>				
<b>Capital Expenditure</b>				
Commercial Waste Truck				68,000
Town Waste Truck			200,000	
Landfill Loader				80,000
<b>TOTAL CAPITAL WASTE FUND</b>			<b>200,000</b>	<b>148,000</b>
<b>TOTAL CAPITAL ALL FUNDS</b>	<b>2,848,723</b>	<b>4,092,673</b>	<b>3,810,055</b>	<b>4,472,327</b>

# Scenario 3 – The Increased Depreciation of the Transport Network Scenario

## Summary

	2013	2014	2015	2016
<b>REVENUE</b>				
Rates and Annual Charges	4,298,604	4,441,202	4,574,573	4,712,999
User Fees and Charges	2,911,005	3,335,701	3,435,772	3,538,846
Interest and Investment Revenue	135,500	208,000	255,000	306,000
Other Revenues	12,637,675	12,986,083	13,291,945	13,699,996
Operating Grants	6,624,740	8,049,163	8,290,638	8,539,357
Capital Grants	761,723	421,723	807,426	831,649
<b>Total Income from Continuing Operations</b>	<b>27,369,248</b>	<b>29,441,873</b>	<b>30,655,354</b>	<b>31,628,847</b>
<b>EXPENSES</b>				
Employee Benefits and On-costs	10,007,757	10,324,921	10,673,696	11,034,351
Borrowing Costs	241,481	287,888	303,252	322,614
Materials and Contracts	6,512,537	6,725,615	6,913,172	7,171,671
Depreciation and Amortisation	10,096,723	10,396,352	10,719,882	11,028,305
Other Expenses	7,927,916	8,517,558	8,707,446	9,003,974
Net Losses from the Disposal of Assets	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>34,786,414</b>	<b>36,252,335</b>	<b>37,317,448</b>	<b>38,560,916</b>
<b>Operating Result from Continuing Operations</b>	<b>-7,417,166</b>	<b>-6,810,462</b>	<b>-6,662,094</b>	<b>-6,932,069</b>
Cash on hand at year end	3,302,786	2,920,121	3,289,603	3,032,862
Sundry and Rate Debtors and Inventories	2,300,000	2,300,000	2,300,000	2,300,000
<b>Estimate of Current Assets</b>	<b>5,602,786</b>	<b>5,220,121</b>	<b>5,589,603</b>	<b>5,332,862</b>
Estimate of Restrictions	1,800,000	1,800,000	1,800,000	1,800,000
Loan	216,048	225,882	238,751	251,965
Payables	2,000,000	2,000,000	2,000,000	2,000,000
<b>Estimate of Current Liabilities</b>	<b>2,216,048</b>	<b>2,225,882</b>	<b>2,238,751</b>	<b>2,251,965</b>
Depreciation	10,096,723	10,396,352	10,719,882	11,028,305
Capital Expenditure	2,848,723	3,742,673	3,449,555	4,101,012
<b>Difference</b>	<b>-7,248,000</b>	<b>-6,653,679</b>	<b>-7,270,327</b>	<b>-6,927,293</b>
Unrestricted Current Ratio:1	1.72	1.54	1.69	1.57
Loans outstanding	3,214,952	2,989,070	2,750,319	2,498,354

## Assumptions

	2014	2015	2016
Wages increase by	3.50%	3.50%	3.50%
Expenses other than wages increase by	3.00%	3.00%	3.00%
Rate increase	3.40%	3.00%	3.00%
Variation increase	0.00%		
Plant costs increase by	2%	2%	2%
Road expenditure increases by - flat base level - if SRV application successful	0		

No service level changes in corporate and community and environmental services			
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Increase in water usage charges	30%	3.00%	3.00%
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Increase in cost of water	67%	3.00%	3.00%
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Increase in sewerage rates	3.00%	3.00%	3.00%
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Increase in domestic waste charges	3.00%	3.00%	3.00%
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Increase in trade waste charges	3.00%	3.00%	3.00%
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Interest on earnings	4.50%	4.50%	4.50%
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Roads Wages	37%		
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# Capital

GENERAL FUND	2013	2014	2015	2016
<b>ADMINISTRATION</b>				
Computer Equipment	100,000	30,000	30,000	30,000

<b>PLANT</b>				
P1040 - Truck Tipper	55,000			
Back Hoe		112,200	114,444	116,733
Tractor				
4/5 Tonne Trucks		61,200	31,212	
Prime Mover			228,888	233,466
Street Sweeper				
Heavy Trucks				
Bus				
Skidsteer Loader				
Loader		200,000		
Light trucks				
Heavy trailers				
Grader			208,080	212,242
Water Pumps & Minor Items	10,000	10,200	10,404	10,612
Miscellaneous Plant	5,000	5,100	5,202	5,306
Light Vehicles Changeover	131,000	230,520	243,454	181,467
Sedans Changeover	120,000	154,020	126,929	118,855
Mower Small	5,000	5,000	5,000	5,000
Mower Large	26,000	26,520	27,050	27,591
Fuel Tanker	5,000		5,202	
Caravans		20,000	20,000	20,000
Generators		17,340		18,041
Roller Multi Tyred	170,000			
Road Train Dolly	35,000			
Semi Trailer Side Tipper	100,000		83,232	84,897
Paveliner		193,800		

<b>LIBRARIES</b>				
Library Books Etc	25,000	25,750	26,523	27,318

<b>HOUSING</b>				
Up grade Various Dwellings	60,000	61,800	63,654	65,564
Nymagee School	5,000			

<b>AERODROME</b>				
Airport Terminal/Apron/Runway				

<b>SWIMMING POOL</b>				

<b>PUBLIC BUILDINGS</b>				



	2013	2014	2015	2016
<b>PARKS &amp; GARDENS</b>				
General Parks Upgrade	30,000	30,900	31,827	32,782
<b>ECONOMIC DEVELOPMENT</b>				
Main Street Reinstatements				
Grant Expenditure	100,000	100,000	100,000	100,000
Street Decorations - Christmas	5,000		5,000	
<b>LILLIANE BRADY VILLAGE</b>				
Extension of Lounge Room	90,000			
<b>CARAVAN PARK</b>				
Land Purchase		165,000		
<b>RURAL SHIRE ROADS</b>				
Gravelling		216,300	222,789	229,473
Resealing	210,000	216,300	222,789	229,473
<b>ROADS TO RECOVERY</b>				
Unallocated	761,723	421,723	807,426	831,649
<b>REGIONAL ROADS</b>				
Roads to Recovery Gravel & Seal				
Gravelling	300,000	100,000	300,000	100,000
Sealing and Resealing	200,000	206,000	212,180	218,545
Renewal Program		824,000		874,182
SRV additional expenditure				
<b>TOTAL CAPITAL GENERAL FUND</b>	<b>2,548,723</b>	<b>3,433,673</b>	<b>3,131,285</b>	<b>3,773,194</b>
<b>WATER FUND</b>				
<b>WATER</b>				
Water Mains Replacement	100,000	103,000	106,090	109,273
New Mains Purchase				
Filtration Plant - replace piping & Valves	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL WATER FUND</b>	<b>200,000</b>	<b>206,000</b>	<b>212,180</b>	<b>218,545</b>
<b>SEWERAGE FUND</b>				
<b>SEWERAGE</b>				
Sewerage Works Improvements	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL SEWERAGE FUND</b>	<b>100,000</b>	<b>103,000</b>	<b>106,090</b>	<b>109,273</b>
<b>WASTE FUND</b>				
<b>WASTE</b>				
<b>Capital Expenditure</b>				
Commercial Waste Truck				68,000
Town Waste Truck			200,000	
Landfill Loader				80,000
<b>TOTAL CAPITAL WASTE FUND</b>			<b>200,000</b>	<b>148,000</b>
<b>TOTAL CAPITAL ALL FUNDS</b>	<b>2,848,723</b>	<b>3,742,673</b>	<b>3,449,555</b>	<b>4,101,012</b>

# Scenario 4 - Successful 25% SRV and Increased Depreciation Scenario

## Summary

	2013	2014	2015	2016
<b>REVENUE</b>				
Rates and Annual Charges	4,298,604	5,006,268	5,156,591	5,312,478
User Fees and Charges	2,911,005	3,335,701	3,435,772	3,538,846
Interest and Investment Revenue	135,500	208,000	255,000	306,000
Other Revenues	12,637,675	12,986,083	13,291,945	13,699,996
Operating Grants	6,624,740	8,049,163	8,290,638	8,539,357
Capital Grants	761,723	421,723	807,426	831,649
<b>Total Income from Continuing Operations</b>	<b>27,369,248</b>	<b>30,006,939</b>	<b>31,237,373</b>	<b>32,228,326</b>
<b>EXPENSES</b>				
Employee Benefits and On-costs	10,007,757	10,324,921	10,673,696	11,034,351
Borrowing Costs	241,481	287,888	303,252	322,614
Materials and Contracts	6,512,537	6,725,615	6,913,172	7,171,671
Depreciation and Amortisation	10,470,019	10,780,847	11,115,912	11,436,216
Other Expenses	7,927,916	8,517,558	8,707,446	9,003,974
Net Losses from the Disposal of Assets	-	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>35,159,710</b>	<b>36,636,829</b>	<b>37,713,478</b>	<b>38,968,826</b>
<b>Operating Result from Continuing Operations</b>	<b>7,790,462</b>	<b>6,629,890</b>	<b>6,476,105</b>	<b>6,740,501</b>
Cash on hand at year end	3,302,786	3,135,188	3,726,188	3,697,612
Sundry and Rate Debtors and Inventories	2,500,000	2,500,000	2,500,000	2,500,000
<b>Estimate of Current Assets</b>	<b>5,802,786</b>	<b>5,635,188</b>	<b>6,226,188</b>	<b>6,197,612</b>
Estimate of Restrictions	2,000,000	2,000,000	2,000,000	2,000,000
Loan	216,048	225,882	238,751	251,965
Payables	2,000,000	2,000,000	2,000,000	2,000,000
<b>Estimate of Current Liabilities</b>	<b>2,216,048</b>	<b>2,225,882</b>	<b>2,238,751</b>	<b>2,251,965</b>
Depreciation	10,470,019	10,780,847	11,115,912	11,436,216
Capital Expenditure	2,848,723	4,092,673	3,810,055	4,472,327
<b>Difference</b>	<b>-7,621,296</b>	<b>-6,688,174</b>	<b>-7,305,857</b>	<b>-6,963,889</b>
Unrestricted Current Ratio:1	1.72	1.63	1.89	1.86
Loans outstanding	3,214,952	2,989,070	2,750,319	2,498,354

## Assumptions

	2014	2015	2016
Wages increase by	3.50%	3.50%	3.50%
Expenses other than wages increase by	3.00%	3.00%	3.00%
Rate increase	3.40%	3.00%	3.00%
Variation increase	21.60%		
Plant costs increase by	2%	2%	2%
Road expenditure increases by - flat base level - if SRV application successful	350,000		

No service level changes in corporate and community and environmental services			
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Increase in water usage charges	30%	3.00%	3.00%
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Increase in cost of water	67%	3.00%	3.00%
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Increase in sewerage rates	3.00%	3.00%	3.00%
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Increase in domestic waste charges	3.00%	3.00%	3.00%
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Increase in trade waste charges	3.00%	3.00%	3.00%
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Interest on earnings	4.50%	4.50%	4.50%
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Roads Wages	37%		
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# Capital

GENERAL FUND	2013	2014	2015	2016
<b>ADMINISTRATION</b>				
Computer Equipment	100,000	30,000	30,000	30,000

<b>PLANT</b>				
P1040 - Truck Tipper	55,000			
Back Hoe		112,200	114,444	116,733
Tractor				
4/5 Tonne Trucks		61,200	31,212	
Prime Mover			228,888	233,466
Street Sweeper				
Heavy Trucks				
Bus				
Skidsteer Loader				
Loader		200,000		
Light trucks				
Heavy trailers				
Grader			208,080	212,242
Water Pumps & Minor Items	10,000	10,200	10,404	10,612
Miscellaneous Plant	5,000	5,100	5,202	5,306
Light Vehicles Changeover	131,000	230,520	243,454	181,467
Sedans Changeover	120,000	154,020	126,929	118,855
Mower Small	5,000	5,000	5,000	5,000
Mower Large	26,000	26,520	27,050	27,591
Fuel Tanker	5,000		5,202	
Caravans		20,000	20,000	20,000
Generators		17,340		18,041
Roller Multi Tyred	170,000			
Road Train Dolly	35,000			
Semi Trailer Side Tipper	100,000		83,232	84,897
Paveliner		193,800		

<b>LIBRARIES</b>				
Library Books Etc	25,000	25,750	26,523	27,318

<b>HOUSING</b>				
Up grade Various Dwellings	60,000	61,800	63,654	65,564
Nymagee School	5,000			

<b>AERODROME</b>				
Airport Terminal/Apron/Runway				

<b>SWIMMING POOL</b>				

<b>PUBLIC BUILDINGS</b>				

	2013	2014	2015	2016
<b>PARKS &amp; GARDENS</b>				
General Parks Upgrade	30,000	30,900	31,827	32,782
<b>ECONOMIC DEVELOPMENT</b>				
Main Street Reinstatements				
Grant Expenditure	100,000	100,000	100,000	100,000
Street Decorations - Christmas	5,000		5,000	
<b>LILLIANE BRADY VILLAGE</b>				
Extension of Lounge Room	90,000			
<b>CARAVAN PARK</b>				
Land Purchase		165,000		
<b>RURAL SHIRE ROADS</b>				
Gravelling		216,300	222,789	229,473
Resealing	210,000	216,300	222,789	229,473
<b>ROADS TO RECOVERY</b>				
Unallocated	761,723	421,723	807,426	831,649
<b>REGIONAL ROADS</b>				
Roads to Recovery Gravel & Seal				
Gravelling	300,000	100,000	300,000	100,000
Sealing and Resealing	200,000	206,000	212,180	218,545
Renewal Program		824,000		874,182
SRV additional expenditure		350,000	360,500	371,315
<b>TOTAL CAPITAL GENERAL FUND</b>	<b>2,548,723</b>	<b>3,783,673</b>	<b>3,491,785</b>	<b>4,144,509</b>
<b>WATER FUND</b>				
<b>WATER</b>				
Water Mains Replacement	100,000	103,000	106,090	109,273
New Mains Purchase				
Filtration Plant - replace piping & Valves	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL WATER FUND</b>	<b>200,000</b>	<b>206,000</b>	<b>212,180</b>	<b>218,545</b>
<b>SEWERAGE FUND</b>				
<b>SEWERAGE</b>				
Sewerage Works Improvements	100,000	103,000	106,090	109,273
<b>TOTAL CAPITAL SEWERAGE FUND</b>	<b>100,000</b>	<b>103,000</b>	<b>106,090</b>	<b>109,273</b>
<b>WASTE FUND</b>				
<b>WASTE</b>				
<b>Capital Expenditure</b>				
Commercial Waste Truck				68,000
Town Waste Truck			200,000	
Landfill Loader				80,000
<b>TOTAL CAPITAL WASTE FUND</b>			<b>200,000</b>	<b>148,000</b>
<b>TOTAL CAPITAL ALL FUNDS</b>	<b>2,848,723</b>	<b>4,092,673</b>	<b>3,810,055</b>	<b>4,472,327</b>

## Version Control

No.	Date Adopted	Minute No.	Date Commenced	Date notified in Local Paper
1	28 June 2012	145.6.2012	29/06/12	N/A
2	28 February 2013	16.2.2013	01/03/13	N/A