

COFFS HARBOUR CITY COUNCIL

INTEGRATED PLANNING AND REPORTING



2015 - 2025 RESOURCING STRATEGY Adopted by Council 12 February 2015

ASSET MANAGEMENT STRATEGY
LONG TERM FINANCIAL PLAN
WORKFORCE MANAGEMENT PLAN



Helping to achieve the 2030 Community Vision

1. Legislative Context

Coffs Harbour City Council is established under the NSW Local Government Act, 1993.

Section 8 of the Act sets out Council's charter – the reason Council exists – which is defined as the following:

- To provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively
- To exercise community leadership
- To exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism
- To promote and to provide and plan for the needs of children
- To properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development
- To have regard to the long term and cumulative effects of its decisions
- to bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible
- To engage in long-term strategic planning on behalf of the local community
- To exercise its functions in a manner that is consistent with and promotes social justice principles of equity, access, participation and rights
- To facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government
- To raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants
- To keep the local community and the State government (and through it, the wider community) informed about its activities
- To ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected
- To be a responsible employer.

Chapter 13 of the Act asks the question “how are councils made accountable for their actions?” Sections 402 to 407 of the Act answer this in relation to Strategic Planning, establishing what is known as the Integrated Planning and Reporting Framework.

In consultation with the community, Council has developed our Community Strategic Plan, Coffs Harbour 2030, which identifies the main priorities and aspirations for the future of the Coffs Harbour local government area.

This Resourcing Strategy underpins Council's response to those priorities and aspirations – the means by which Council will provide the resources required to implement the strategies established by the Community Strategic Plan that Council is responsible for.

In accordance with the Act, this Resourcing Strategy includes long-term financial planning, workforce management planning and asset management planning.

The Resourcing Strategy informs Council's Delivery Program that details the principal activities to be undertaken by Council over the next four years to implement the strategies established by the Coffs Harbour 2030 Plan. The Operational Plan specifies the resources and activities of the first year of the Delivery Program.

The Integrated Planning and Reporting Framework is depicted in the following diagram.



2. Background: The Road to Financial Sustainability

In recent years, Coffs Harbour City Council's Resourcing Strategy has been driven by the need to address "Council's unsustainable position." Put simply, Council cannot continue to deliver its existing services to the current standards, let alone achieve new objectives over and above these.

How did this situation arise?

As noted in the Strategy, two key factors common to most local government were the key contributors to this unsustainable position:

- a widening gap between expenditure and revenues
- deterioration of infrastructure

The "widening gap" between expenditure and revenues arises from:

- State Government 'Rate Pegging': legislation that has, over the last 30 years, meant increases in revenue have not kept pace with inflation or CPI.
- Cost Shifting: An LG NSW report has found that in recent years Council has become responsible for 25 extra services that were previously the responsibility of State or Federal Government and that these cost Coffs Harbour City Council \$4.4 million each year to deliver.
- Community Expectations: Council now delivers a wider range of services than it did in the past.

With regards to deterioration of infrastructure, Council is the "custodian and trustee" of public assets including transport, water, sewerage, stormwater drainage, buildings and recreation assets with a replacement value of around \$2 billion.

The competing financial pressures noted above have led to a gradual reduction in funding for infrastructure repair and renewal over a number of years to the point where Council cannot continue to deliver the services it currently does to the current standards.

Council's Infrastructure Investments

Water supply and sewerage infrastructure makes up approximately \$1 billion (around half) of the replacement value of Council assets. Under the NSW Local Government Act, 1993 these services are funded by specific charges and accounted for distinct from "general" activities funded by ordinary rates.

Over the past decade, Council has made substantial investments in the provision of new water and sewerage infrastructure including the construction of a \$60 million Water Treatment Plant at Karangi, a \$90 million Water Reclamation Plant at Coffs Harbour and (with our neighbours, Clarence Valley Council) the \$180 million Shannon Creek Dam and Regional Water Supply Scheme.

These investment decisions have set a foundation for the social, environmental and economic future of the City, ensuring the expected level of service can be delivered. The decisions were supported by 30 year financial plans demonstrating that Council could repay the substantial loans required via water and sewerage charges (initially requiring an increase, but then held to around CPI).

The same approach is clearly required to address the “other half” of Council’s infrastructure portfolio – transport, stormwater drainage, buildings and recreation assets together valued at around \$1 billion – which similarly underpin the future of the City, ensuring that current services can be provided into the future.

Coming to grips with Asset and Financial Management Challenges

Since 2011, Council has been focused on a broad-ranging strategy aimed at securing a sustainable financial position to enable the organisation to serve the needs of Coffs Harbour.

It is an ongoing and intensive process which has incorporated:

- An Asset Management Gap Analysis;
- Improvements in the provision of asset-related data (quantity, current condition, deterioration behaviour, current costs to maintain and renew);
- A Council-wide Service Review;
- Extensive Community Engagement (including Customer Satisfaction surveys) on service level options, targeting impacts on service users, budget implications, risks, etc.; and
- The 2012/13 review of Council’s Integrated Planning and Reporting framework.

The scale of the challenge facing Council is substantial; in 2014 it was quantified as an \$8-million cash based “financial sustainability gap”. This gap comprised a \$6.2 million shortfall in funding for infrastructure maintenance and renewal (just to maintain assets at current service levels) and a \$1.8 million underlying operating cash deficit. However, the underlying accrual accounting deficit (net of capital contributions and grants) is approximately \$12 million. The adopted 2014/2024 Resourcing Strategy identified a range of options to help close the gap:

- Productivity improvements (changing the way services are delivered)
- New revenue opportunities (e.g. commercialisation of council services)
- Reductions in current levels of service delivery
- Additional rate income
- Asset management improvements, including the review of useful lives/depreciation and review of the infrastructure backlog

Those options are reflected in two core features of the 2015-2025 Resourcing Strategy:

Transformation to Sustainability (T2S)

During 2014, Council initiated the Transformation to Sustainability (T2S) project to address Council’s underlying operating deficit through an organisational re-structure, productivity and efficiency improvements and the pursuit of new revenue opportunities. The impact of T2S has been factored into the ‘Sustainable’ model within the 2015-2025 Long Term Financial Plan. It has been estimated that following a three-year implementation phase, T2S could realise savings of more than \$3 million a year for the organisation.

Special Rate Variation

The development of the 2014/2024 Resourcing Strategy was guided by a 2013 community engagement process which demonstrated that the community was prepared to pay more for infrastructure maintenance via a Special Rate Variation (SRV) in order to maintain current levels of service. Accordingly, Council applied to the Independent Pricing and Regulatory Tribunal (IPART) for a three-year Special Rate Variation – staged over 2014/2015, 2015/2016 and 2016/2017 – to generate approximately \$6.2 million to address the funding shortfall for infrastructure maintenance and renewal. IPART acknowledged the need for the increase in

revenue but approved only the first year of the SRV, saying Council's community engagement had been deficient.

Council has subsequently renewed and expanded its community engagement - on the organisation's financial challenges and the need for additional revenue - with a view to making a new application to implement years 2 and 3 of the original SRV proposal in 2015/2016 and 2016/2017. The 2015-2015 Resourcing Strategy incorporates this two-year proposed SRV.

3. The Purpose of this Resourcing Strategy

This 2015-2025 Resourcing Strategy has been prepared to describe the means by which Council will provide the financial, workforce and asset resources required to implement the strategies established by the Community Strategic Plan that Council is responsible for.

Long Term Financial Plan

The Long Term Financial Plan (LTFP) includes two scenarios based on a "Base-Line" and a "Sustainable" financial model.

- The Base-Line Model produces financial projections (at both fund and consolidated levels) over the next ten years based on a 'business as usual' scenario. This model includes revenues generated by the approved 2014/2015 Special Rate Variation (for asset maintenance and renewal) and an associated works program. The Base-Line model is unsustainable. It includes no increase in asset renewals to cover inflation, insufficient expenditure on assets to maintain acceptable standards and a declining operation position. A continuation of this position in future years will result in an unacceptable decline in the standard and usability of infrastructure, particularly roads and recreational facilities and a reduction in general service levels provided by Council.
- The Sustainable Model produces financial projections (at both fund and consolidated levels) over the next ten years based on a progression towards a 'Sustainable' level of service for assets. This level of service requires additional funding to eliminate the annual General Fund infrastructure renewal gap as well as projected net operating result deficits (before capital grants & contributions) in future years. Council's Sustainable Model previously formed the basis of Council's 2014-2018 Delivery Program and will again be used to develop Council's 2015-2019 Delivery Program. The required additional funding to achieve a 'Sustainable' level of service delivery comes from a number of funding sources which include:
 - Savings through productivity and service delivery improvements
 - Commercialisation of Council services
 - New revenue opportunities
 - Additional rate revenue via a proposed Special Rate Variation

Workforce Management Plan

The Workforce Management Plan has been revised to reflect the recent structural changes of the organisation through the Transformation to Sustainability (T2S) program. The Organisational Development Group (formerly known as Human resources and Organisation Development Division), is currently also being remodelled. The new Organisational Development strategy will include a new workforce development plan with greater focus on talent management and succession planning. Hence this workforce management plan will be revised at a later stage.

Asset Management Strategy

Council's Asset Management Policy states Council's commitment to:

- Delivering community priorities for asset-related services within Council's limited funds; and
- Minimising the life-cycle cost to build, operate, maintain and renew these assets.

It notes that Council will prepare, implement and review Asset Management Plans (AMPs) defining how Council plans for, accounts for, and manages the public assets for which it is custodian and trustee.

In line with the Policy, the Asset Management Strategy sets out:

- Where we are now;
- Where we want to be, i.e. to achieve the objectives of the Policy; and
- How we will get there

The Strategy is focused on the corporate level: i.e., Council's capacity and capability to achieve Policy objectives across all asset classes. Improvement plans relevant to particular asset classes are included in each AMP.

It should be noted that the Coffs Harbour City Council 2015/2025 Resourcing Strategy continues the implementation of a number of initiatives related to the Mid North Coast Regional Organisation of Councils (MIDROC) Asset Management Improvement Project as well as the NSW Government's *Fit for the Future* asset management benchmarking structure.



COFFS HARBOUR CITY COUNCIL

ASSET MANAGEMENT STRATEGY 2014/15



1. Introduction

1.1 Background

Under the NSW Local Government Act, 1993 Council is required to develop a Community Strategic Plan (Coffs Harbour 2030) that identifies the main priorities and aspirations for the future of the local government area.

The Act requires Council to develop a Resourcing Strategy (of which this Asset Management Strategy forms a part) for the provision of the resources required to implement the strategies established by the Community Strategic Plan that Council is responsible for delivering (via its Delivery Plan).

Given the long-lived nature of most public infrastructure it is vital that Council effectively plan, account for and manage the assets which the Act establishes Council as “custodian and trustee”.

Asset Management Plans set out what asset-related services Council plans to provide based on the priorities in the Community Strategic Plan and funding provided in the “sustainable case” in the Long Term Financial Plan (another component of the Resourcing Strategy).

1.2 Purpose of this Asset Management Strategy

Coffs Harbour City Council's Asset Management Policy states Council's commitment to:

- delivering community priorities for asset-related services within Council's limited funds
- minimising the life-cycle cost to build, operate, maintain and renew these assets.

and notes that Council will prepare, implement and review Asset Management Plans defining how Council plans for, accounts for, and manages the public assets for which it is custodian and trustee.

The full Policy is included in the Appendix to this Strategy. This Asset Management Strategy (AMS) sets out:

- where we are now,
- where we want to be, i.e. to achieve the objectives of the Policy and
- how we will get there

The Strategy is focused on the corporate level: Council's capacity and capability to achieve Policy objectives across all asset classes. An Improvement Plan in section 3 summarises the actions identified and discussed in section 2.

Improvement plans relevant to particular asset classes are included in each AMP.

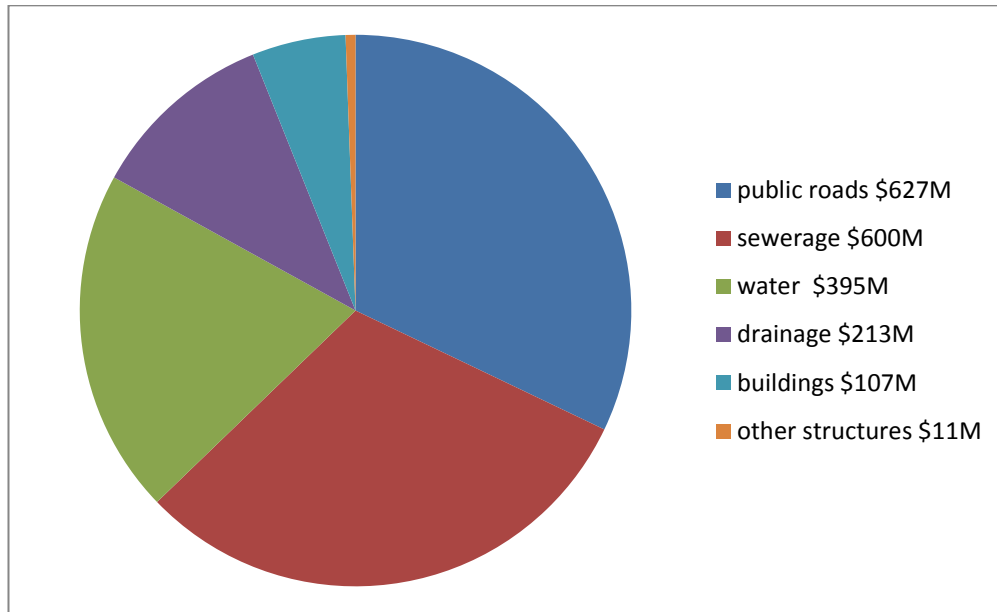
This INTERIM UPDATE to the 2014 AMS has been prepared as supporting information to accompany Council's submission to IPART for a Special Rate Variation.

Appendix B (the only modification in this interim update) firstly outlines progress on the actions from the 2014 Improvement Plan to date.

Appendix B secondly outlines the asset management improvement strategies now underway that will inform a fully revised AMS, due to be completed for adoption by Council by April 2015. These are particularly influenced by the MIDROC AM improvement project (item 14 from the Improvement Plan) and Council's Fit for the Future submission.

1.3 Scope of this Strategy

Council's assets include transport, water supply, sewerage, stormwater drainage, buildings and recreation assets. Together these have a replacement value of around \$2 Billion. The relative value of each asset class is set out in the chart below



The assets making up each asset class is summarised below. Further details are provided in each AMP.

Transport

- 700km sealed roads
- 120 unsealed roads
- 102 concrete and 69 timber bridges
- Coffs Harbour Jetty
- 150km footpaths and cycleways
- 540km kerb and gutter

Sewerage

- 500km gravity mains
- 94km rising (pumping) mains
- 118 pump stations
- 5 treatment plants
- 10km deep sea release
- 59km reclaimed water mains

Water

- 472km service mains (pipes)
- 155km trunk mains
- 9 pump stations
- 2 treatment plants
- 23 reservoirs and dams

Stormwater drainage

- 230km pipes
- 7,785 pits
- 10 detention basins
- 33 gross pollutant traps

Buildings

- 300 buildings including works depots, offices, neighbourhood and community centres, public halls, toilets, commercial buildings used by community groups
- 5 swimming pools

Recreation assets

- 55 playgrounds with over 300 items of equipment
- 80 BBQs
- 100 shelters
- 300 table and chairs
- 287 seats
- 940km retaining wall

2. Asset Management Gap Analysis and Actions

2.1 Levels of Service

Council has undertaken an extensive Community Engagement project regarding levels of service across all services Council delivers.

With regards to asset-related services, only two levels of service were considered: maintaining the current level of service and an 'enhanced' level of service.

Levels of service have a direct correlation to the resources required for delivery of the service, so the issue is fundamental in terms of asset management planning.

The AMP for each asset class identifies established measures of the current level of service and information regarding the desired level of service. The clarity of the current and desired level of service varies considerably between asset classes.

The Integrated Planning and Reporting Framework makes clear that a key part of the preparation of the Community Strategic Plan is that it be formulated having regard to levels of service.

When the Community Strategic Plan is next reviewed following the 2016 local government election, information in regards to current levels of service across all asset classes and the resources implications of varying these (including the provision of new assets) will be essential to facilitate deeper engagement with the community regarding what Council is able to deliver in terms of the community's aspirations and priorities.

ACTION 1: Develop a strategy for the presentation of asset-related levels of service (both current and potential changes to this) to support the review of the Community Strategic Plan in 2016.

2.2 Asset Data Migration

Council's asset-related data sets have historically been kept in a variety of systems and programs creating issues with consistency, data integrity and reporting.

An Asset Data Migration Plan has been prepared with the objective of holding all asset data in Council's corporate Asset Management System, AssetMaster.

The Plan prioritises the various asset classes based on materiality (the value of assets) and other factors, and includes a current status field that will enable progress to be monitored by the Asset Accounting Team and Council's Executive Leadership team.

ACTION 2: Implement **Asset Data Migration Plan** and report on progress.

2.3 Data Collection Program

The Asset Data Migration Plan identifies a number of asset classes for which limited information is held and prioritises the collection of these in order to achieve the objective of all asset-related data being held in the corporate Asset Management System.

Yet more broadly than this, condition data on all assets is in need of improvement and, in fact, ongoing cycles of inspection to track deterioration and identify priorities for major preventative maintenance and renewal.

Action A1 of the 2013 Asset Management Strategy identified the need to improve asset condition data. Whilst some asset classes have progressed, resourcing limitations meant that overall progress has been limited.

One of the tasks in establishing the Strategic Asset Planning function is a review of the resources allocated to physical data collection (field work) against data management (office work). As the new team is established, this will be a focus for management.

A fundamental input to this analysis will be the development of an asset inspection cycle across all asset classes that considers the resourcing required to deliver it.

ACTION 3: develop a 5 year Data Collection program based on the information required to enable effective asset management, statutory requirements and risk.

ACTION 4: Review resources allocated within the Strategic Asset Planning branch to physical data collection (field work) against data management (office work).

2.4 Data Collection Procedures

Asset Data Management Guidelines were developed several years ago establishing controls for the accurate and consistent collection of asset-related data. These need to be reviewed by the Asset Data and Reporting Team in consultation with Council's Geographical Information Systems branch who establish the corporate framework for GIS data generally. This review needs to be coordinated by the Asset Accounting Team given it involves staff from across the organisation.

ACTION 5: Review and update **Asset Data Management Guidelines**.

Action A3 from the 2013 Asset Management Strategy required the development of written procedures for data collection for all asset classes. This has not progressed given resource limitations, but is an important strategy to ensure accurate and consistent information is collected.

ACTION 6: Development of written procedures for collection of asset data for all asset classes. **Asset Data Collection Procedure** should include a **Plan** (ACTION 3 above) for data collection, and consider including the **Asset Data Management Guidelines**.

2.5 Works Order System

A critical means of collecting asset-related information is via the Works Order System implemented during the 2012/13 financial year which captures detailed information on asset creation and disposals as well as the costs of this work.

The implementation of the system was hindered by the lack of clarity in roles under the previous organisational structure (action A2 from the 2013 Strategy), which has now been resolved.

A review of the Works Order System following the 2012/13 financial year (action A4 of the 2013 Strategy) highlighted a number of issues that need to be addressed. The implementation of corrective actions regarding these, and the effective functioning of the Works Order system besides, will be an agenda item for the Asset Accounting Team.

ACTION 7: Review Works Order System at Asset Accounting Team meetings and monitor implementation of improvement actions identified.

Currently, the Works Order system is operated via a spreadsheet developed in-house. This was a 'stop-gap' measure given that an off-the-shelf product was not identified that would serve the varying objectives it needs to – not only collecting asset-related data, but also managing programs, budgets, approvals processes, etc.

Ideally, a database needs to be purchased or developed to perform this function to ensure accuracy and robustness in this critical process.

ACTION 8: define Works Order system requirements and evaluate options for a database satisfying the needs of all users.

2.6 Capitalisation Policy

Council adopted an Asset Capitalisation Policy in 2012, which was refined during the 2012/13 financial year. Given the scale of the changes in terms of implementing the Works Order system in earnest during the 2013/14 financial year it will be important to review this to ensure the data being captured serves the range of needs it needs to.

ACTION 9: review Capitalisation Policy.

2.7 Specifications for Data Submission from Design and Developers

A significant volume of work can be saved for the Strategic Asset Planning division if the asset-related information they receive is in the correct format and therefore able to be simply imported, rather than manipulated or even worse collected from scratch.

Whilst discussions have continued with the Survey and Design branch and the Subdivision branch (both within Engineering Services) further work is required to establish processes that facilitate ease of data importing. The need to do so must be balanced against challenges of imposing such systems externally, i.e. on the development community – this has been one of the key points of discussion with regards to the ADAC (as designed as constructed) system which is being adopted by many councils.

ACTION 10: Review opportunities to facilitate easier importation of asset-related data from both the Survey and Design branch and also from developers.

2.8 Asset Management System

Council currently utilises AssetMaster as the corporate asset management system. Not all asset classes are currently loaded into the system – action 2 is the implementation of the Asset Data Migration Plan.

A key asset class not included is plant and vehicle assets. Investigations into the most appropriate system to satisfy asset accounting and operational management of plant and vehicle assets is continuing.

The need for a database to manage works orders is action 7. Whilst works orders do not need to be undertaken using the same system (but rather generate asset creation and disposal information that can be easily uploaded) the relationship between these systems is important.

Further, Council also operates a number of maintenance management systems (details of which are included in the respective AMPs) which also have an inter-relationship with the assets system.

Review of the Asset Management System suitability and options is considered important at this time.

ACTION 11: Review suitability of Asset Management System (AssetMaster) and options available.

2.9 Accounting Structure

A key barrier to the reconciliation of financial information and asset-related information has been the structure of Council's general ledger (accounting structure).

A project has been underway for several years scoping up a restructure of the ledger as noted by action A5 in the 2013 Strategy.

ACTION 12: Restructure of General Ledger.

2.10 Customer Request System

Customer Requests (CRs) not only enable Council to respond to defects in a timely manner (i.e. between inspections to identify defects by Council staff) but also enable Council to better understand the desired levels of service for the community with a view to improving them where resources permit.

The current CR system has deficiencies from a number of perspectives, including a need to review the categorisation of requests, integration with other systems (particularly those used for prioritising defects for repair and scheduling work) and reporting functionality to enable effective asset management and satisfy legislative obligations.

Whilst the CR system is 'bigger' than simply asset management, this is a key component.

ACTION 13: undertake a needs analysis of Council's customer request system from an assets and infrastructure perspective.

2.11 Establishment of Methodology for Reporting in Special Schedule 7

As noted by the NSW Government's Local Government Infrastructure Audit released in 2013, there is a lack of consistency in the way these figures are reported across the industry.

The Director City Infrastructure Services is Council's representative on the Mid North Coast Regional Organisation of Councils (MIDROC) Roads and Bridges Working Party, which has been working on a common methodology for reporting the infrastructure renewal backlog (referred to in Special Schedule 7 as the "estimated cost to bring up to a satisfactory condition / standard").

ACTION 14: in consultation with MIDROC Roads and Bridges Working Party, seek a common methodology for reporting the infrastructure backlog reported in Special Schedule 7 for roads and bridges, with a view to extending this methodology across all asset classes.

This will inform the **Asset Revaluation and Reporting Methodologies** to be developed for each asset class in ACTION 17.

Another measure reported in Special Schedule 7 that is currently undefined on a common basis across the industry is the "required annual maintenance" figure. As noted in the Transport AMP, this is to be determined following analysis of compliance with the draft Maintenance Defects Levels of Service. Given the variability in available and relevant information on maintenance levels of service available (as discussed in each AMP) this figure is likely to remain specific to an individual asset category, however the possibility of developing a common methodology should be reviewed in future years.

This will also be included in each **Asset Revaluation and Reporting Methodology**.

2.12 Independent Asset Management Gap Analysis

Council has had very limited resources and clear priorities for action in the past few years regarding asset management, however it would be timely to engage an independent consultant to undertake a gap analysis of Council's asset management systems, processes and documentation with a view to informing the preparation of the 2015 Asset Management Strategy.

ACTION 15: undertake an Asset Management Gap Analysis to inform the production of the 2015 Asset Management Strategy.

2.13 Asset Revaluation Methodologies

Council has developed a number of revaluation methodologies for each asset class. These need to be reviewed and a consistent format developed where possible.

ACTION 16: Review and Update **Asset Revaluation and Reporting Methodologies** for all Asset Classes.

3. Improvement Plan

Actions identified in section 3 are summarised in the table below, with responsibilities and timeframes allocated to each.

Progress on these actions will be an agenda item at Asset Accounting Team Meetings, which will be reported to Council's Executive Leadership Team.

Action	Details	Who	When
1	Develop a strategy for the presentation of asset-related levels of service (both current and potential changes to this) to support the review of the Community Strategic Plan in 2016.	Director Sustainable Infrastructure	December 2015
2	Implement Asset Data Migration Plan and report on progress.	Group Leader Strategic Asset Management	Report to AA Team Meetings
3	develop a 5 year Data Collection program based on the information required to enable effective asset management, statutory requirements and risk.	Group Leader Strategic Asset Management	May 2014
4	Review resources allocated within the Strategic Asset Planning branch to physical data collection (field work) against data management (office work).	Group Leader Strategic Asset Management	May 2014
5	Review and update Asset Data Management Guidelines.	AA Team	December 2014
6	Development of written procedures for collection of asset data for all asset classes. Asset Data Collection Procedure should include a Plan (ACTION 3 above) for data collection, and consider including the Asset Data Management Guidelines.	Group Leader Strategic Asset Management	December 2014
7	Review Works Order System at Asset Accounting Team meetings and monitor implementation of improvement actions identified.	AA Team	Each meeting
8	Define Works Order system requirements and evaluate options for a database satisfying the needs of all users.	Group Leader Strategic Asset Management	May 2014
9	Review Capitalisation Policy.	AA Team	August 2014
10	Review opportunities to facilitate easier importation of asset-related data from both the Survey and Design branch and also from developers.	Group Leader Strategic Asset Management	December 2014

11	Review suitability of Asset Management System (AssetMaster) and options available.	AA Team	May 2014
12	Restructure of General Ledger.	Group Leader Financial Management	June 2014
13	Undertake a needs analysis of Council's customer request system from an assets and infrastructure perspective	Group Leader Strategic Asset Management	May 2014
14	In consultation with MIDROC Roads and Bridges Working Party, seek a common methodology for reporting the infrastructure backlog reported in Special Schedule 7 for roads and bridges, with a view to extending this methodology across all asset classes.	Director Sustainable Infrastructure	May 2014
15	Undertake an Asset Management Gap Analysis to inform the production of the 2015 Asset Management Strategy.	Director Sustainable Infrastructure	September 2014
16	Review and Update Asset Revaluation and Reporting Methodologies for all Asset Classes.	Group Leader Strategic Asset Management	May 2014

Appendix A – Interim Update to AMS

As noted in section 1.2, this is an interim update to the 2014 AMS prepared to support the IPART submission for a Special Rate Variation.

A fully revised AMS will be developed for adoption by Council in May 2015, along with other IPR documents, following completion of the MIDROC project (item 14 in the Improvement Plan) which will inform a number of elements of the plan.

This interim update includes the following:

- A1. Status update on items in the Improvement Plan
- A2. Asset Management Improvement Strategies now underway.

A1. Status update on items in the Improvement Plan

The table below presents the current status of actions identified in the Improvement Plan (section 7).

Action	Details	Who	When	Status
1	Develop a strategy for the presentation of asset-related levels of service (both current and potential changes to this) to support the review of the Community Strategic Plan in 2016.	Director Sustainable Infrastructure	December 2015	To come. Part of T2S program.
2	Implement Asset Data Migration Plan and report on progress.	Group Leader Strategic Asset Management	Report to AA Team Meetings	Plan implemented. All major asset classes are now in Assetmaster.
3	Develop a 5 year Data Collection program based on the information required to enable effective asset management, statutory requirements and risk.	Group Leader Strategic Asset Management	May 2014	Complete.
4	Review resources allocated within the Strategic Asset Planning branch to physical data collection (field work) against data management (office work).	Group Leader Strategic Asset Management	May 2014	Initial review undertaken, but further analysis as part of T2S.
5	Review and update Asset Data Management Guidelines.	AA Team	December 2014	Not yet complete.
6	Development of written procedures for collection of asset data for all asset classes. Asset Data Collection Procedure should include a Plan (ACTION 3 above) for data collection, and consider including the Asset Data Management Guidelines.	Group Leader Strategic Asset Management	December 2014	Not yet complete.
7	Review Works Order System at Asset Accounting Team meetings and monitor implementation of improvement actions identified.	AA Team	Each meeting	Ongoing monitoring and review has been undertaken.
8	Define Works Order system requirements and evaluate options for a database satisfying the needs of all users.	Group Leader Strategic Asset Management	May 2014	An interim WO database has been developed in-house pending item 11 and is functioning effectively.
9	Review Capitalisation Policy.	AA Team	August 2014	Complete.
10	Review opportunities to facilitate easier importation of asset-related data from both the Survey and Design branch and also from developers.	Group Leader Strategic Asset Management	December 2014	Still under investigation – there are a number of issues at play in the industry about standardised formats, etc.

11	Review suitability of Asset Management System (AssetMaster) and options available.	AA Team	May 2014	Options investigated and final approval of outcomes and way forward to come.
12	Restructure of General Ledger.	Group Leader Financial Management	June 2014	Completed.
13	Undertake a needs analysis of Council's customer request system from an assets and infrastructure perspective	Group Leader Strategic Asset Management	May 2014	Customer service is a major focus of T2S project.
14	In consultation with MIDROC Roads and Bridges Working Party, seek a common methodology for reporting the infrastructure backlog reported in Special Schedule 7 for roads and bridges, with a view to extending this methodology across all asset classes.	Director Sustainable Infrastructure	May 2014	As per B1.
15	Undertake an Asset Management Gap Analysis to inform the production of the 2015 Asset Management Strategy.	Director Sustainable Infrastructure	September 2014	As per B1.
16	Review and Update Asset Revaluation and Reporting Methodologies for all Asset Classes.	Group Leader Strategic Asset Management	May 2014	Part of the MIDROC project.

A2. Asset Management Improvement Strategies now underway.

As noted in section 1.2, Council is currently implementing a number of asset management improvement strategies influenced particularly by a MIDROC AM improvement project (item 14 from the Improvement Plan) and Council's *Fit for the Future* submission. These are outlined below.

Regional Collaboration on Asset Management Improvement

It is widely recognised that the reliability of infrastructure data within NSW local government is mixed. This brings into question comparisons between councils based on figures reported in Special Schedule 7 and elsewhere (particularly depreciation) which inform Fit for the Future ratios and also the auditability of these figures.

The "talking apples and apples about infrastructure" project was initiated by Coffs Harbour City Council within MIDROC specifically to address this issue and as such the project will positively influence all infrastructure related ratios. The project has been recognised as a case study that can help other regions address this issue and it is expected that the principles and many of the outcomes will be applied across the state.

The first component of the project is the development of a consistent methodology for asset condition, valuation, levels of service, backlog and required maintenance. The expected outcomes are consistency of reporting on assets between councils (improving the validity of benchmarking via Fit for the Future ratios) and confidence in the figures reported. The outcomes at the regional level will inform, and be informed by, Council's own strategies as discussed below.

The second element of the project involves undertaking an Asset Management Maturity Assessment for each council (based on the National Assessment Framework for Local Government Asset Management and Financial Reporting – refer implementation proposal by ACELG, 2012) to establish a snapshot of asset management practices across the region that will inform a Regional Asset Management Strategy to be implemented by the MIDROC Asset Management Working Group (held accountable by regular reporting to MIDROC Mayors and GMs).

The expected outcomes arising from the second component are more rapid improvement in asset management capability and capacity as a result of collaboration and sharing best practice, as well as reduced duplication and increased economies of scale created by joint initiatives in both asset management planning and, potentially, infrastructure-related service delivery.

Reducing the Backlog

With regards to reducing the backlog, Council is particularly focused on public roads, not only given the revaluation of transport assets is occurring this year, but also because this asset class represents 61% of the WDV of assets and 81% of the backlog for the General Fund. That said, the same principles are being applied to other asset classes.

The work Council is undertaking is informing, and will be informed by, the "talking apples" project through MIDROC.

The basic strategy is that Council is differentiating between asset renewal projects that are urgent (having regard to a range of risk drivers such as traffic speed, volume, the type of hazard, etc.) and those which can be programmed for completion within the short to medium term horizon. The former – deemed “unsatisfactory” – will be retained in reporting as the “backlog” and the latter will be recorded and reported via Council’s Asset Management Plans.

It is important to note (with reference to the commentary on Report on Infrastructure Assets i.e. Special Schedule 7 contained in the OLG Code of Accounting Practice update 22) that this policy approach is supported by Council’s Community Engagement Regarding Levels of Service undertaken in 2013, where a statistically-significant reference panel gave clear feedback to Council that, having regard to the costs of service delivery, they agreed to retain current levels of service across the network as a whole.

Thus, assets falling below a previous-defined standard (based on condition) are not “backlog” because the community has agreed to accept a certain percentage of the network (actual locations will change as the highest priority works are undertaken and other roads deteriorate over time) being in relatively poor condition.

However, in order to ensure that Council complies with its obligations under the NSW Civil Liabilities Act, 2002 (i.e. to assess risks and allocate its limited resources having regard to these) a relatively small percentage of assets will remain classified as “backlog” because they represent an “unsatisfactory” risk.

In addition to this portion of backlog arising from safety risk, it is anticipated that another category of backlog based on “economic risk” will be retained e.g. where some works should be undertaken as at the reporting date so as to avoid significantly higher renewal costs being incurred by Council in future (i.e. an unsustainable way to manage assets). Examples of assets presenting an “economic risk” are resealing of sealed roads to avoid rapid deterioration because of water ingress (meaning the road structure / pavement does not reach its assumed useful life / design life) or renewal of the roof of a building to avoid damage to the remainder of the structure (leading to far greater expense).

Council’s approach to reducing the backlog will be tempered via a “reasonableness” test by benchmarking against other MIDROC councils as part of the “talking apples” project.

The expected outcome of this approach will be a substantial reduction in the numerator of the infrastructure backlog ratio in the 2015/16 reporting year.

By focusing renewal expenditure on these assets identified as being “high risk” (i.e. unsatisfactory) and with a continued increase in funding for infrastructure renewal (via the Special Rate Variation agreed to by the community as part of the 2013 Community Engagement process) Council is confident in being able to significantly reduce the quantum of the backlog, and therefore the infrastructure backlog ratio, further.

Improving Asset Maintenance

While Council could take a “shortcut” and reduce its estimate for required asset maintenance to current allocations in order to achieve the Fit for the Future ratio of greater than 100% average over three years, Council recognises the importance of preventative maintenance, particularly in order to ensure that assets reach their anticipated useful life / design life (if they do not, this will reduce useful life and increase depreciation, negatively impacting on the operating performance ratio).

It is worthy of note, again, that as part of Council's Community Engagement Regarding Levels of Service from 2013, the community agreed to pay more for infrastructure maintenance via a Special Rate Variation in order to maintain current levels of service.

Council has made significant investments in the implementation of the Reflect maintenance management system (particularly for roads, but it is being rolled out across other asset classes) including GPS enabled mobile technology to that means maintenance activities are carried out more efficiently and also gathering data on assets requiring significant maintenance (which then informs renewal programs).

Over the medium term these initiatives, together with a focus on assets having a high maintenance cost (and those presenting an economic risk to Council) it is expected that both the cost of maintenance (the numerator) and required maintenance (the denominator) will decrease, thereby improving the result in the asset maintenance ratio.

Improving Infrastructure Program Management

Council has established an infrastructure program management function with primary responsibility for delivering infrastructure related works programs through both internal and external service providers.

This has resulted in better forward programming and specification of works (doing the right treatment to renew assets), improved information being fed back to the strategic asset planning function (to refine future works programs) and greater accountability for internal service providers (decreasing costs of infrastructure maintenance and renewal).

Improved program management improves all infrastructure-related ratios including:

- Operating performance ratio, because depreciation is reduced by increasing useful life and decreasing renewal cost (both a focus of program management engineers for each asset class)
- Building and asset renewal ratio, because depreciation is reduced
- Infrastructure backlog ratio, because the "backlog" will be better targeted for reduction and the cost of renewal works (by both internal and external providers) will reduce
- Asset maintenance ratio, because actual maintenance costs will reduce as a result of greater accountability
- Real operating expenditure will reduce because of better program management

Improving the Competitiveness of Internal Service Provision.

Council has also established its works department, CityWorks, as a commercialised business unit. In addition to providing services to council, CityWorks provides services to a range of state government and private customers (e.g. \$8.5M reconstruction of Cook Drive and Pacific Highway under an Alliance Contract with RMS, multi-million dollar projects to relocate water and sewerage mains for Leighton-Fulton Hogan Joint Venture and RMS, road and bridge construction for Bellingen Shire Council).

This exposure to the market is improving competitiveness and building capacity, which then applies to works carried out for council thereby reducing the unit cost of renewal works (meaning more work can be completed for current funding) to address "unsatisfactory" assets and therefore reducing the infrastructure backlog ratio.

In addition, dividend payments from external works are a source of additional revenue for council, thereby improving the own source revenue ratio.

Asset Management Improvement objectives, strategies, milestones and outcomes and impacts on *Fit for the Future* ratios are outlined below.

Objective	Strategies	Key milestones	Outcome	Impact on other measures
1. Challenge the validity of current assumptions informing asset valuation	<ul style="list-style-type: none"> a) Undertake a benchmarking exercise against other councils and industry experts to review useful life and renewal cost of all transport assets b) Adopt revised values for useful life and replacement cost 	Completion of revaluation by April 2015.	It is expected that useful lives will increase, increasing WDV (denominator in infrastructure backlog ratio) and therefore improving the result.	The most significant impact is expected to be a reduction in depreciation, and therefore operating expenses (increasing the numerator in operating performance ratio and denominator in building and asset renewal ratio) and therefore improving both results.
2. Review asset renewal strategies	<ul style="list-style-type: none"> a) Review drivers for renewal (levels of service, minimising life cycle cost, risk) b) Review classification of “unsatisfactory” assets c) Formulate new renewal program based on improved prioritisation methodology 	Finalisation of prioritisation methodologies for transport and buildings by April 2015 and production of revised renewal programs and list of backlog infrastructure.	Differentiating between assets that represent a high risk (and are therefore “unsatisfactory”) v’s assets requiring renewal in the medium term will potentially significantly reduce the estimated cost to bring to satisfactory (numerator in infrastructure backlog ratio) and therefore improving the result.	Potential for reduction in infrastructure-related expenditure by better targeting available funds (reducing numerator in real operating expenditure) therefore improving the result.
3. Review asset maintenance strategies	<ul style="list-style-type: none"> a) Detailed analysis of maintenance effort in the context of drivers (levels of service, minimising life-cycle cost, risk) b) Formulate revised maintenance strategies to improve prioritisation and resource 	Completion of review by April 2015	Better targeting maintenance expenditure may reduce required maintenance (denominator in asset maintenance ratio) although this is considered unlikely (Council has identified	More effective maintenance techniques will extend useful life, reducing depreciation (increasing numerator in operating performance ratio and denominator in building and asset renewal ratio) therefore

	effectiveness / efficiency		the need to invest more in preventative maintenance).	improving the result. May reduce required maintenance over time and therefore numerator in real operating expenditure , improving the result.
4. Increased competitiveness of infrastructure-related service provision	<p>a) Increase accountability for internal service providers through more effective program management</p> <p>b) Commercialisation of internal service provider (CityWorks)</p>	Ongoing implementation	Reduction in the unit costs of asset renewal and maintenance work will reduce numerator in infrastructure backlog ratio and denominator in asset maintenance ratio) therefore improving both results.	Increased revenues from commercial activities (increasing the numerator in own source revenue) will improve result.



LONG TERM FINANCIAL PLAN 2015/16 – 2024/25

Introduction

Councils are required to prepare a ten-year resourcing strategy to identify the resources it needs to implement the community strategic plan. An essential element of the resourcing strategy is that it includes provisions for long term financial planning. The Long Term Financial Plan incorporates the principles and strategies contained within Council's Workforce Strategy and Asset Management Planning. The Long Term Financial Plan is for a period of ten years.

What is a Long Term Financial Plan?

A long term financial plan can be best described as a financial decision making and problem solving tool. It is the point at which long term community aspirations are tested against financial realities. It consists of modelling expenditure and revenue projections, based on a number of market based and internal assumptions.

The Long Term Financial Plan is a necessary component of Council's resourcing strategy, it includes the financial modelling of actions and strategies contained within Council's asset management planning and workforce plan.

What is the Purpose of this Long Term Financial Plan?

The primary purpose of this Long Term Financial Plan is to facilitate effective financial decision-making which is informed by the short, medium and long term expectations of the community.

This Long Term Financial Plan seeks to answer the following questions:

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

The Plan will be an effective tool in modelling the financial impacts of significant growth within the Coffs Harbour Local Government Area. It will identify the additional resources (people, time and finances) required to plan for growth whilst continuing to deliver the services and standard of service our community expects.

The Long Term Financial Plan will be updated quarterly in line with the statutory quarterly review of Council's Operational Plan (budget). Upon adoption of a new Community Strategic Plan every 4 years, a detailed review of the Long Term Financial Plan will be undertaken to ensure it still represents the key directives and service priorities identified in the Community Strategic Plan – *Coffs Harbour 2030*.

Long Term Financial Sustainability

How do we define Long Term Financial Sustainability?

A financially sustainable Council is one that has the ability to fund ongoing service delivery and the renewal and replacement of assets without incurring excessive debt or rate increases. This definition has been translated into four key financial sustainability principles:

- Council must achieve a fully funded operating position reflecting that Council collects enough revenue to fund operational expenditure, repayment of debt and depreciation,
- Council must maintain sufficient cash reserves to ensure that it can meet its short-term working capital requirements,
- Council must have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works,
- Council must maintain its asset base, by renewing ageing infrastructure and by ensuring cash reserves are set asides for those works which are yet to be identified.

Funding the life cycle of assets is a major issue for all levels of Government. The Percy Allan Report (released 2006) identified that NSW Councils had an infrastructure renewal backlog of \$6.3 billion and an annual renewal gap of \$500 million. The backlog in asset renewal is a direct result of Councils in NSW not being able to cash fund depreciation. This means that as assets are consumed, funds are not being put aside to replace the asset at the end of its useful life.

This is not a result of poor management; Councils simply cannot afford to fund depreciation without compromising existing levels of service.

The problem with this approach is the older assets get, the more they cost a Council to maintain. This in part is being addressed through the implementation of Integrated Planning and Reporting, moving a focus away from simply maintaining assets to managing an assets life cycle.

How is Long Term Financial Sustainability Measured?

Key Financial Indicators (KFIs)

Council in April 2012 adopted a number of Key Financial Indicators (KFI) which are monitored and reported to Council on an annual basis.

These indicators are used as financial health checks to monitor the operational liquidity (short term focus), fiscal responsibility (elected term focus) and financial sustainability (long term/intergenerational focus) of the Council. The indicator targets have been derived through a combination of management policy, Office of Local Government recommendations and industry benchmarking.

These ratios (detailed in the following table) are monitored on a consolidated and individual fund basis.

Key Financial Indicator	Council Target
Unrestricted Current Ratio	2:1
Working Capital (excluding Internal Restrictions)	> \$1,000,000
Cash Flow Adequacy Ratio (measures the ability of cash from operations to pay for asset purchases and loan repayments)	> 1
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage	< 7%
Operating Result adjusted for Renewal Costs	Break even over 5 years
Own Source Revenue Ratio (Income excluding grants and contributions as a % of total income)	65%
Employee Costs as a % of Rates, Annual Charges and United Grants	Between 55% - 75%
Rates and Annual Charges Coverage Ratio	> 40%
Debt Service Ratio (General Fund)	< 10%
ELE Funding Ratio	20%
Building and Infrastructure Renewal Ratio	> 100%
Operating Balance Ratio	> 0%
Broad Liabilities Ratio	< 100%

Level of Service for Assets

Current asset data places Council's annual 'infrastructure gap' (for the General Fund) around \$4.2 million. If this infrastructure gap is not addressed, asset service levels will decline as community assets deteriorate.

This annual funding gap has an impact on Council's ability to meet community strategies captured within the Community Strategic Plan.

The following asset-specific strategies from the *Coffs Harbour 2030 Plan* are impacted by the amount of Council's General Fund asset maintenance and renewal spends.

- Provide infrastructure that supports sustainable living and is resilient to climatic events
- Provide public spaces and facilities that are accessible and safe for all
- Provide safe and accessible play spaces for our children within each community
- Improve the effectiveness of the existing transport system
- Ensure adequate maintenance and renewal of roads, footpaths and cycleways

Addressing the Funding Challenge

The 2015/2019 Delivery Program will be developed on an asset service level using the '**Sustainable Financial Model**' within Council's Long Term Financial Plans. This level of service will require additional funding to eliminate the annual General Fund infrastructure gap (approximately \$4.2M) as well as projected net operating result deficits (before capital grants & contributions) in future years.

Long Term Financial Plan Scenarios

Two of Council's Long Term Financial Plan scenarios are included in this document, being:

1. The 'Base-Line' Financial Model, and
2. The 'Sustainable' Financial Model

The Base-Line Model

Council's Base-Line Model produces financial projections (at both fund and consolidated levels) over the next ten years based on a 'business as usual' scenario. This model includes revenues generated by the approved 2014/2015 Special Rate Variation (for asset maintenance and renewal) and an associated works program.

Council's Base-Line Model contains the following key assumptions:

- Annual increases in rate revenue of 3.5% (including 0.5% for property growth)
- Revenue from annual charges increasing by 4% - 6% per annum (including growth)
- Other Revenues increasing by 3%
- Recurrent grant funding capped at (0% - 3%) increase per annum
- Annual increases of 5% for salary expenditure
- Operational expenditure increases capped at 3% per annum
- Recurrent capital expenditure capped at (0% - 3%) increase per annum
- A set program of capital projects over 10 years
- Existing Loan repayments (per loan repayment schedules)
- Further productivity improvements through the 'Transformation to Sustainability' process

The Base-Line model is unsustainable. It includes no increase in asset renewals to cover inflation, insufficient expenditure on assets to maintain acceptable standards and a declining operation position.

A continuation of this position in future years will result in an unacceptable decline in the standard and usability of infrastructure, particularly roads and recreational facilities and a reduction in general service levels provided by Council.

The Sustainable Model

Council's Sustainable Model produces financial projections (at both fund and consolidated levels) over the next ten years based on a progression towards a 'Sustainable' level of service for assets. This level of service requires additional funding to eliminate the annual General Fund infrastructure maintenance and renewal gap as well as projected net operating result deficits (before capital grants & contributions) in future years.

Council's Sustainable Model previously formed the basis of Council's 2014-2018 Delivery Program and will again be used to develop Council's 2015-2019 Delivery Program.

This Financial Model contains the following key assumptions in addition to those mentioned in the Base-Line Scenario:

- No General Fund budget deficits for the next 10 years
- The value of the General Fund infrastructure backlog will not continue to increase
- No significant increases in unfunded new capital works
- Potential change to service levels upon further review of current service levels
- Increase in General Fund asset maintenance spends
- Increase in General Fund asset renewal spends
- Additional rate funding through a community wide permanent Special Rate Variation over a 2 year period

Funding Options – 'Sustainable' Level of Service

The required additional funding to achieve a 'Sustainable' level of service delivery comes from a number of funding sources which include:

- Savings through productivity and service delivery improvements
- Commercialisation of Council services
- New revenue opportunities
- Additional rate revenue via a proposed Special Rate Variation

Proposed Special Rate Variation

The proposed community-wide Special Rate Variation is a key element of Council's funding strategy to ensure the sustainable management of Council's infrastructure assets. All additional revenue generated by the Special Rate Variation (above rate pegging allowances) will be allocated to funding asset maintenance and renewal works.

The proposed Special Rate Variation is a permanent multiple year increase over a two year period commencing from 2015/2016.

The proposed Special Rate Variation will yield an additional \$4.2 million (approximately) in the second year (2016/2017) to be used for additional asset maintenance and renewal of community assets. As the proposed Special Rate Variation is a permanent increase to Council's rate base, the \$4.2 million after the second year (2016/17) will then increase in future years by the rate pegging allowance.

Allocation of Additional Rate Funds

The proposed Special Rate Variation will generate additional ordinary rate funds (above the pegging increase) in the second year of approximately \$4.2 million to address Council's annual infrastructure maintenance and renewal gap. The following table shows the proposed allocation of these additional funds for the first two years across particular asset categories and expenditure.

Asset Expenditure	2015/2016	2016/2017
Road Rehabilitation Program	\$800,000	\$1,500,000
Additional Road Maintenance	\$200,000	\$400,000
Other Transport Asset Renewal Program	\$200,000	\$400,000
Building Renewal Program	\$500,000	\$1,000,000
Additional Building Maintenance	\$170,000	\$330,000
Recreational Asset Renewal	\$260,000	\$500,000
Asset Management Expenditure	\$60,000	\$100,000
Totals	\$2,190,000	\$4,230,000

Impact on Ratepayers

As mentioned previously, the 'Sustainable' Financial Model will form the basis of Council's Delivery Program for 2015-2019 (which includes proposed additional rate revenue generated through a Special Rate Variation staged over 2 years). The impact on the average residential property is shown in the table below.

Total rate burden increase for the Average Residential property over next 2 Years with the Proposed Special Rate Variation - 8.14% 2015/2016 and 7.75% 2016/2017

Rates & Charges	CURRENT	Year 1		Year 2			2 Year Compound Increases from 2014/2015		
	2014/15	2015/2016	Increase Year 1		2016/2017	Increase Year 2		2014/2015	
	(\$)	(\$)	Amount (\$)	%	(\$)	Amount (\$)	%	Amount (\$)	%
Residential Ordinary Rate	1,004.93	1,090.50	85.57	8.5%	1,175.01	84.51	7.7%	170.08	16.9%
Environmental Levy	39.19	40.23	1.04	2.7%	41.44	1.21	3.0%	2.25	5.7%
Sewerage Access Charge	806.00	814.00	8.00	1.0%	822.00	8.00	1.0%	16.00	2.0%
Water Access Charge	143.00	151.00	8.00	5.6%	157.00	6.00	4.0%	14.00	9.8%
Water Usage (250 KL pa)	657.50	690.00	32.50	4.9%	725.00	35.00	5.1%	67.50	10.3%
Domestic Waste Service	566.00	600.00	34.00	6.0%	636.00	36.00	6.0%	70.00	12.4%
Stormwater Management	25.00	25.00	0.00	0.0%	25.00	0.00	0.0%	0.00	0.0%
Totals	3,241.62	3,410.73	169.11	5.2%	3,581.45	170.72	5.0%	339.83	10.5%
Increase per Week			3.25			3.28		6.54	

Please Note

Rate Pegging does not apply to Sewerage, Water, Waste or Stormwater charges.

Water charges include 250 KL of water usage for a year.

The table on the next page provides a comparison of the Residential Ordinary Rate for Councils in the Group 5 Category of Councils in NSW. This table shows that Council's average Residential Ordinary Rate is the second lowest within the group and well below the overall group average.

Comparative Information for Group 5 NSW Local Government Councils 2014/2015 (Average Approximate Residential Ordinary Rate)

Group 5 Council	Average Approximate Residential Ordinary Rate (\$)
Coffs Harbour	\$1,006
Lake Macquarie	\$1,178
Maitland	\$1,106
Newcastle	\$1,074
Port Macquarie-Hastings	\$1,103
Shoalhaven	\$945
Tweed	\$1,287
Wollongong	\$1,253
Group Average	\$1,104

Long Term Financial Plans (In detail)

The following pages of this document show the two Long Term Financial Plan scenarios for Council's General Fund and a scenario for each of the Water Supply and Sewerage Funds. Each scenario incorporates a Budget Summary, Income Statement, Balance Sheet and Cash Flow Statement (by fund) for the current year (2014/15) and the next ten years.

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BUDGET SUMMARY - GENERAL FUND											
Scenario: Sustainable Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Rates & Annual Charges	55,650,175	60,142,141	64,536,092	67,096,911	69,771,049	72,426,777	73,357,387	76,186,250	79,135,518	81,292,972	84,472,574
User Charges & Fees	13,780,459	14,602,811	15,188,242	15,687,519	16,097,188	16,541,704	16,999,260	17,470,245	17,955,057	18,454,108	18,967,823
Interest & Investment Revenue	2,513,716	2,140,909	2,017,115	2,258,512	2,306,758	2,227,885	2,285,476	2,383,345	2,487,853	2,572,998	2,731,792
Other Revenues	6,176,483	8,073,433	8,900,037	9,060,619	9,208,965	9,451,678	9,700,483	9,956,767	10,221,274	10,514,158	10,820,977
Grants & Contributions provided for Operating Purposes	15,389,070	12,551,595	12,668,509	12,801,106	13,102,962	13,419,303	13,719,717	14,027,526	14,342,927	14,666,122	14,998,518
Grants & Contributions provided for Capital Purposes	16,508,341	9,804,107	8,722,512	8,923,472	9,268,477	9,485,830	9,709,703	9,940,293	10,177,800	10,422,433	10,674,404
Total Income from Continuing Operations	110,018,244	107,314,996	112,032,507	115,828,139	119,755,399	123,553,177	125,772,026	129,964,425	134,320,429	137,922,790	142,666,089
Expenses from Continuing Operations											
Employee Benefits & On-Costs	32,077,223	33,138,553	34,496,669	36,220,076	37,253,523	39,060,328	40,951,297	42,930,454	45,002,016	47,170,407	49,440,354
Borrowing Costs	1,863,243	1,607,279	1,323,018	1,120,986	951,713	780,583	616,537	501,548	396,557	323,933	275,596
Materials & Contracts	42,633,499	33,882,537	34,601,044	35,338,273	36,188,521	37,243,435	38,350,549	39,448,612	40,623,075	41,535,145	42,934,793
Depreciation & Amortisation	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,770,466	6,307,813	6,513,524	6,754,750	6,884,427	7,043,204	7,155,926	7,321,892	7,441,727	7,615,399	7,560,681
Total Expenses from Continuing Operations	109,914,875	104,551,081	107,437,486	110,850,328	113,632,746	117,452,749	121,399,265	125,557,209	129,878,719	134,152,688	138,844,463
Net Operating Profit /(Loss) for the Year	103,369	2,763,915	4,595,021	4,977,811	6,122,653	6,100,428	4,372,762	4,407,217	4,441,711	3,770,102	3,821,627
Capital (Balance Sheet) and Reserve Movements											
Capital Expenditure	(52,492,495)	(28,976,264)	(25,802,958)	(26,652,128)	(27,325,696)	(28,986,578)	(30,107,885)	(27,341,165)	(25,497,444)	(29,743,049)	(26,594,393)
Loan Repayments (External)	(4,261,482)	(4,603,201)	(3,410,406)	(2,722,527)	(2,535,313)	(2,704,834)	(1,967,653)	(1,868,060)	(1,456,857)	(990,401)	(596,217)
New Loan Borrowings (External)	2,200,000	-	-	-	-	-	-	-	-	-	-
New Loan Borrowings (Internal)	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of intangible & tangible Assets	2,923,900	1,519,129	1,262,938	1,298,000	1,362,900	1,328,837	1,334,103	1,178,507	925,908	1,871,225	1,873,482
Deferred Debtors and Advances received (External)	41,785	39,353	40,391	41,504	32,362	18,976	20,348	21,819	9,550	-	-
Non-cash Expense Contra Income	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Net Transfers (to)/from Reserves	22,931,954	4,091,521	(2,206,286)	(3,482,839)	(4,987,181)	(3,839,017)	(4,466,556)	(8,572,629)	(12,731,683)	(10,188,367)	(15,655,431)
Total Capital (Balance Sheet) and Reserve Movements	(85,894)	1,685,437	386,910	(101,747)	(1,098,366)	(857,418)	(862,688)	(1,226,824)	(2,335,182)	(1,542,787)	(2,339,520)
Net Result (including Depreciation & Other non-cash items)	17,475	4,449,352	4,981,931	4,876,064	5,024,287	5,243,010	3,510,074	3,180,392	2,106,529	2,227,315	1,482,107
Add back Depreciation Expense (non-cash)	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Add back ELE Expense (non-cash)											
Add back Other Expenses (non-cash)	4,500,000	4,635,000	4,774,050	4,917,300	5,163,165	5,318,060	5,477,602	5,641,930	5,811,188	5,985,523	6,165,089
Less Other Income (non-cash)	(33,070,444)	(34,249,899)	(35,277,281)	(36,333,543)	(37,517,727)	(38,643,259)	(39,802,557)	(40,996,633)	(42,226,532)	(43,493,328)	(44,798,128)
Cash Budget Surplus/(Deficit)	17,475	4,449,352	4,981,931	4,876,064	5,024,287	5,243,010	3,510,074	3,180,392	2,106,529	2,227,315	1,482,107

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
INCOME STATEMENT - GENERAL FUND											
Scenario: Sustainable Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	55,650,175	60,142,141	64,536,092	67,096,911	69,771,049	72,426,777	73,357,387	76,186,250	79,135,518	81,292,972	84,472,574
User Charges & Fees	13,780,459	14,602,811	15,188,242	15,687,519	16,097,188	16,541,704	16,999,260	17,470,245	17,955,057	18,454,108	18,967,823
Interest & Investment Revenue	2,513,716	2,140,909	2,017,115	2,258,512	2,306,758	2,227,885	2,285,476	2,383,345	2,487,853	2,572,998	2,731,792
Other Revenues	6,176,483	8,073,433	8,900,037	9,060,619	9,208,965	9,451,678	9,700,483	9,956,767	10,221,274	10,514,158	10,820,977
Grants & Contributions provided for Operating Purposes	15,389,070	12,551,595	12,668,509	12,801,106	13,102,962	13,419,303	13,719,717	14,027,526	14,342,927	14,666,122	14,998,518
Grants & Contributions provided for Capital Purposes	16,508,341	9,804,107	8,722,512	8,923,472	9,268,477	9,485,830	9,709,703	9,940,293	10,177,800	10,422,433	10,674,404
Other Income:											
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	110,018,244	107,314,996	112,032,507	115,828,139	119,755,399	123,553,177	125,772,026	129,964,425	134,320,429	137,922,790	142,666,089
Expenses from Continuing Operations											
Employee Benefits & On-Costs	32,077,223	33,138,553	34,496,669	36,220,076	37,253,523	39,060,328	40,951,297	42,930,454	45,002,016	47,170,407	49,440,354
Borrowing Costs	1,863,243	1,607,279	1,323,018	1,120,986	951,713	780,583	616,537	501,548	396,557	323,933	275,596
Materials & Contracts	42,633,499	33,882,537	34,601,044	35,338,273	36,188,521	37,243,435	38,350,549	39,448,612	40,623,075	41,535,145	42,934,793
Depreciation & Amortisation	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,770,466	6,307,813	6,513,524	6,754,750	6,884,427	7,043,204	7,155,926	7,321,892	7,441,727	7,615,399	7,560,681
Total Expenses from Continuing Operations	109,914,875	104,551,081	107,437,486	110,850,328	113,632,746	117,452,749	121,399,265	125,557,209	129,878,719	134,152,688	138,844,463
Operating Result from Continuing Operations	103,369	2,763,915	4,595,020	4,977,811	6,122,653	6,100,428	4,372,762	4,407,216	4,441,710	3,770,102	3,821,626
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	103,369	2,763,915	4,595,020	4,977,811	6,122,653	6,100,428	4,372,762	4,407,216	4,441,710	3,770,102	3,821,626
Net Operating Result before Grants and Contributions provided for Capital Purposes	(16,404,972)	(7,040,192)	(4,127,492)	(3,945,661)	(3,145,824)	(3,385,402)	(5,336,942)	(5,533,077)	(5,736,090)	(6,652,331)	(6,852,778)

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BALANCE SHEET - GENERAL FUND											
Scenario: Sustainable Model											
	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	1,971,871	1,956,004	2,251,955	2,637,382	3,103,429	3,523,154	3,893,850	4,438,303	5,136,927	5,731,160	6,542,917
Investments	7,003,162	6,946,808	7,997,887	9,366,742	11,021,923	12,512,590	13,829,126	15,762,768	18,243,953	20,354,391	23,237,369
Receivables	14,019,693	13,853,186	14,553,463	15,054,432	15,581,078	16,154,983	16,627,665	17,257,453	17,956,823	18,602,892	19,356,303
Inventories	2,067,730	1,739,716	1,781,034	1,822,003	1,866,873	1,921,333	1,978,239	2,035,197	2,095,556	2,146,177	2,209,042
Other	1,132,237	997,360	1,022,137	1,047,432	1,072,512	1,102,978	1,133,777	1,165,640	1,198,312	1,227,140	1,257,668
Non-current assets classified as "held for sale"	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000
Total Current Assets	27,681,694	26,980,074	29,093,476	31,414,990	34,132,815	36,702,039	38,949,657	42,146,361	46,118,571	49,548,760	54,090,299
Non-Current Assets											
Investments	30,462,395	30,217,267	34,789,258	40,743,512	47,943,230	54,427,340	60,154,016	68,564,985	79,357,660	88,537,654	101,078,053
Receivables	1,638,602	1,553,523	1,582,211	1,600,711	1,635,753	1,669,749	1,671,985	1,719,959	1,779,811	1,826,057	1,890,549
Infrastructure, Property, Plant & Equipment	1,191,823,151	1,189,665,387	1,183,702,176	1,177,640,061	1,171,248,295	1,165,580,838	1,160,029,665	1,150,837,619	1,138,993,811	1,129,357,830	1,115,445,702
Investment Property	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000
Intangible Assets	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000
Total Non-Current Assets	1,229,801,148	1,227,313,176	1,225,950,644	1,225,861,284	1,226,704,278	1,227,554,928	1,227,732,665	1,226,999,563	1,226,008,282	1,225,598,541	1,224,291,304
TOTAL ASSETS	1,257,482,842	1,254,293,250	1,255,044,121	1,257,276,274	1,260,837,093	1,264,256,966	1,266,682,322	1,269,145,924	1,272,126,853	1,275,147,300	1,278,381,603
LIABILITIES											
Current Liabilities											
Payables	8,187,501	6,885,835	6,430,282	6,382,091	6,336,321	6,332,647	6,324,101	6,218,571	6,183,560	6,394,053	6,371,127
Borrowings	4,603,201	3,410,406	2,722,527	2,535,313	2,704,834	1,967,653	1,868,060	1,456,857	990,401	596,217	541,623
Provisions	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268
Total Current Liabilities	26,038,971	23,544,509	22,401,077	22,165,672	22,289,423	21,548,568	21,440,429	20,923,696	20,422,229	20,238,538	20,161,019
Non-Current Liabilities											
Payables	894,298	845,660	867,469	892,529	911,778	939,732	968,524	998,500	1,029,588	1,059,841	1,091,660
Borrowings	21,882,472	18,472,066	15,749,539	13,214,226	10,509,392	8,541,739	6,673,679	5,216,822	4,226,421	3,630,204	3,088,581
Provisions	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732
Total Non-Current Liabilities	28,564,502	25,105,458	22,404,740	19,894,487	17,208,902	15,269,202	13,429,935	12,003,054	11,043,741	10,477,777	9,967,973
TOTAL LIABILITIES	54,603,473	48,649,967	44,805,817	42,060,159	39,498,325	36,817,771	34,870,364	32,926,750	31,465,969	30,716,315	30,128,991
Net Assets	1,202,879,369	1,205,643,284	1,210,238,304	1,215,216,115	1,221,338,768	1,227,439,196	1,231,811,957	1,236,219,174	1,240,660,884	1,244,430,986	1,248,252,612
EQUITY											
Retained Earnings	710,697,369	713,461,284	718,056,304	723,034,115	729,156,768	735,257,196	739,629,957	744,037,174	748,478,884	752,248,986	756,070,612
Revaluation Reserves	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000
Council Equity Interest	1,202,879,369	1,205,643,284	1,210,238,304	1,215,216,115	1,221,338,768	1,227,439,196	1,231,811,957	1,236,219,174	1,240,660,884	1,244,430,986	1,248,252,612
Total Equity	1,202,879,369	1,205,643,284	1,210,238,304	1,215,216,115	1,221,338,768	1,227,439,196	1,231,811,957	1,236,219,174	1,240,660,884	1,244,430,986	1,248,252,612

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
CASH FLOW STATEMENT - GENERAL FUND											
Scenario: Sustainable Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	55,703,683	59,905,356	64,304,473	66,961,922	69,630,087	72,286,786	73,308,332	76,037,132	78,980,053	81,179,246	84,304,968
User Charges & Fees	13,080,160	14,559,170	15,157,174	15,661,023	16,075,448	16,518,115	16,974,979	17,445,251	17,929,329	18,427,625	18,940,561
Interest & Investment Revenue Received	3,939,655	2,086,392	1,829,824	2,088,363	2,102,392	2,040,046	2,143,741	2,146,144	2,197,138	2,333,392	2,396,937
Grants & Contributions	26,632,985	19,007,249	16,745,341	16,792,602	17,174,864	17,552,059	17,918,568	18,291,820	18,674,630	19,067,259	19,471,043
Other	5,439,118	7,505,122	8,592,460	8,926,594	9,096,009	9,295,342	9,499,029	9,792,017	10,052,270	10,313,572	10,665,750
Payments:											
Employee Benefits & On-Costs	(32,167,131)	(33,130,218)	(34,757,096)	(36,220,076)	(37,253,523)	(39,060,328)	(40,951,297)	(42,930,454)	(45,002,016)	(47,170,407)	(49,440,354)
Materials & Contracts	(43,336,881)	(33,699,250)	(34,602,429)	(35,335,576)	(36,195,900)	(37,247,613)	(38,356,072)	(39,452,215)	(40,628,361)	(41,534,246)	(42,943,326)
Borrowing Costs	(1,798,059)	(1,945,351)	(1,573,488)	(1,320,936)	(1,137,914)	(979,234)	(761,047)	(638,744)	(503,553)	(396,671)	(319,384)
Other	(4,770,466)	(6,307,813)	(6,513,524)	(6,754,750)	(6,884,427)	(7,043,204)	(7,155,926)	(7,321,892)	(7,441,727)	(7,615,399)	(7,560,681)
Net Cash provided (or used in) Operating Activities	22,723,063	27,980,657	29,182,736	30,799,166	32,607,035	33,361,969	32,620,304	33,369,060	34,257,764	34,604,371	35,515,515
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	15,858,443	301,483	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	2,923,900	1,519,129	1,262,938	1,298,000	1,362,900	1,328,837	1,334,103	1,178,507	925,908	1,871,225	1,873,482
Deferred Debtors Receipts	41,785	39,353	40,391	41,504	32,362	18,976	20,348	21,819	9,550	-	-
Payments:											
Purchase of Investment Securities	-	-	(5,623,070)	(7,323,110)	(8,854,899)	(7,974,777)	(7,043,211)	(10,344,612)	(13,273,861)	(11,290,430)	(15,423,378)
Purchase of Infrastructure, Property, Plant & Equipment	(47,004,837)	(25,253,289)	(21,156,637)	(21,707,607)	(22,146,038)	(23,610,446)	(24,593,196)	(21,812,260)	(19,763,880)	(23,600,532)	(20,557,645)
Net Cash provided (or used in) Investing Activities	(28,180,709)	(23,393,324)	(25,476,379)	(27,691,213)	(29,605,675)	(30,237,410)	(30,281,956)	(30,956,546)	(32,102,282)	(33,019,737)	(34,107,541)
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	2,200,000	-	-	-	-	-	-	-	-	-	-
Payments:											
Repayment of Borrowings & Advances	(4,261,482)	(4,603,201)	(3,410,406)	(2,722,527)	(2,535,313)	(2,704,834)	(1,967,653)	(1,868,060)	(1,456,857)	(990,401)	(596,217)
Net Cash Flow provided (used in) Financing Activities	(2,061,482)	(4,603,201)	(3,410,406)	(2,722,527)	(2,535,313)	(2,704,834)	(1,967,653)	(1,868,060)	(1,456,857)	(990,401)	(596,217)
Net Increase/(Decrease) in Cash & Cash Equivalents	(7,519,129)	(15,868)	295,951	385,427	466,047	419,725	370,695	544,453	698,624	594,233	811,757
plus: Cash, Cash Equivalents & Investments - beginning of year	9,491,000	1,971,871	1,956,004	2,251,955	2,637,382	3,103,429	3,523,154	3,893,850	4,438,303	5,136,927	5,731,160
Cash & Cash Equivalents - end of the year	1,971,871	1,956,004	2,251,955	2,637,382	3,103,429	3,523,154	3,893,850	4,438,303	5,136,927	5,731,160	6,542,917
Cash & Cash Equivalents - end of the year	1,971,871	1,956,004	2,251,955	2,637,382	3,103,429	3,523,154	3,893,850	4,438,303	5,136,927	5,731,160	6,542,917
Investments - end of the year	37,465,557	37,164,074	42,787,145	50,110,255	58,965,153	66,939,930	73,983,141	84,327,753	97,601,614	108,892,044	124,315,422
Cash, Cash Equivalents & Investments - end of the year	39,437,428	39,120,078	45,039,100	52,747,636	62,068,582	70,463,084	77,876,991	88,766,056	102,738,541	114,623,205	130,858,339

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BUDGET SUMMARY - GENERAL FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Rates & Annual Charges	55,650,175	57,898,196	60,216,052	62,647,270	65,187,919	67,706,153	68,495,145	71,178,140	73,977,165	75,979,868	79,000,078
User Charges & Fees	13,780,459	14,602,811	15,188,242	15,687,519	16,097,188	16,541,704	16,999,260	17,470,245	17,955,057	18,454,108	18,967,823
Interest & Investment Revenue	2,513,716	2,140,909	2,017,115	2,258,512	2,306,758	2,227,885	2,285,476	2,383,345	2,487,853	2,572,998	2,731,792
Other Revenues	6,176,483	8,073,433	8,900,037	9,060,619	9,208,965	9,451,678	9,700,483	9,956,767	10,221,274	10,514,158	10,820,977
Grants & Contributions provided for Operating Purposes	15,389,070	12,551,595	12,668,509	12,801,106	13,102,962	13,419,303	13,719,717	14,027,526	14,342,927	14,666,122	14,998,518
Grants & Contributions provided for Capital Purposes	16,508,341	9,804,107	8,722,512	8,923,472	9,268,477	9,485,830	9,709,703	9,940,293	10,177,800	10,422,433	10,674,404
Total Income from Continuing Operations	110,018,244	105,071,051	107,712,467	111,378,498	115,172,269	118,832,553	120,909,784	124,956,315	129,162,076	132,609,686	137,193,592
Expenses from Continuing Operations											
Employee Benefits & On-Costs	32,077,223	33,138,553	34,496,669	36,220,076	37,253,523	39,060,328	40,951,297	42,930,454	45,002,016	47,170,407	49,440,354
Borrowing Costs	1,863,243	1,607,279	1,323,018	1,120,986	951,713	780,583	616,537	501,548	396,557	323,933	275,596
Materials & Contracts	42,633,499	33,442,076	33,739,933	34,451,329	35,274,969	36,302,476	37,381,362	38,450,349	39,594,864	40,476,088	41,843,964
Depreciation & Amortisation	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,770,466	6,307,813	6,513,524	6,754,750	6,884,427	7,043,204	7,155,926	7,321,892	7,441,727	7,615,399	7,560,681
Total Expenses from Continuing Operations	109,914,875	104,110,620	106,576,375	109,963,384	112,719,194	116,511,790	120,430,077	124,558,946	128,850,508	133,093,631	137,753,634
Net Operating Profit /(Loss) for the Year	103,369	960,431	1,136,092	1,415,114	2,453,075	2,320,763	479,707	397,370	311,568	(483,945)	(560,041)
Capital (Balance Sheet) and Reserve Movements											
Capital Expenditure	(52,492,495)	(27,172,780)	(22,344,029)	(23,089,431)	(23,656,118)	(25,206,913)	(26,214,829)	(23,331,318)	(21,367,302)	(25,489,003)	(22,212,725)
Loan Repayments (External)	(4,261,482)	(4,603,201)	(3,410,406)	(2,722,527)	(2,535,313)	(2,704,834)	(1,967,653)	(1,868,060)	(1,456,857)	(990,401)	(596,217)
New Loan Borrowings (External)	2,200,000	-	-	-	-	-	-	-	-	-	-
New Loan Borrowings (Internal)	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of intangible & tangible Assets	2,923,900	1,519,129	1,262,938	1,298,000	1,362,900	1,328,837	1,334,103	1,178,507	925,908	1,871,225	1,873,482
Deferred Debtors and Advances received (External)	41,785	39,353	40,391	41,504	32,362	18,976	20,348	21,819	9,550	-	-
Non-cash Expense Contra Income	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Net Transfers (to)/from Reserves	22,931,954	4,091,521	(2,206,286)	(3,482,839)	(4,987,181)	(3,839,017)	(4,466,556)	(8,572,629)	(12,731,683)	(10,188,367)	(15,655,431)
Total Capital (Balance Sheet) and Reserve Movements	(85,894)	3,488,921	3,845,839	3,460,950	2,571,212	2,922,247	3,030,368	2,783,023	1,794,961	2,711,260	2,042,148
Net Result (including Depreciation & Other non-cash items)	17,475	4,449,352	4,981,931	4,876,064	5,024,287	5,243,010	3,510,074	3,180,392	2,106,529	2,227,315	1,482,107
Add back Depreciation Expense (non-cash)	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Add back ELE Expense (non-cash)											
Add back Other Expenses (non-cash)	4,500,000	4,635,000	4,774,050	4,917,300	5,163,165	5,318,060	5,477,602	5,641,930	5,811,188	5,985,523	6,165,089
Less Other Income (non-cash)	(33,070,444)	(34,249,899)	(35,277,281)	(36,333,543)	(37,517,727)	(38,643,259)	(39,802,557)	(40,996,633)	(42,226,532)	(43,493,328)	(44,798,128)
Cash Budget Surplus/(Deficit)	17,475	4,449,352	4,981,931	4,876,064	5,024,287	5,243,010	3,510,074	3,180,392	2,106,529	2,227,315	1,482,107

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
INCOME STATEMENT - GENERAL FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	55,650,175	57,898,196	60,216,052	62,647,270	65,187,919	67,706,153	68,495,145	71,178,140	73,977,165	75,979,868	79,000,078
User Charges & Fees	13,780,459	14,602,811	15,188,242	15,687,519	16,097,188	16,541,704	16,999,260	17,470,245	17,955,057	18,454,108	18,967,823
Interest & Investment Revenue	2,513,716	2,140,909	2,017,115	2,258,512	2,306,758	2,227,885	2,285,476	2,383,345	2,487,853	2,572,998	2,731,792
Other Revenues	6,176,483	8,073,433	8,900,037	9,060,619	9,208,965	9,451,678	9,700,483	9,956,767	10,221,274	10,514,158	10,820,977
Grants & Contributions provided for Operating Purposes	15,389,070	12,551,595	12,668,509	12,801,106	13,102,962	13,419,303	13,719,717	14,027,526	14,342,927	14,666,122	14,998,518
Grants & Contributions provided for Capital Purposes	16,508,341	9,804,107	8,722,512	8,923,472	9,268,477	9,485,830	9,709,703	9,940,293	10,177,800	10,422,433	10,674,404
Other Income:											
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	110,018,244	105,071,051	107,712,467	111,378,498	115,172,269	118,832,553	120,909,784	124,956,315	129,162,076	132,609,686	137,193,592
Expenses from Continuing Operations											
Employee Benefits & On-Costs	32,077,223	33,138,553	34,496,669	36,220,076	37,253,523	39,060,328	40,951,297	42,930,454	45,002,016	47,170,407	49,440,354
Borrowing Costs	1,863,243	1,607,279	1,323,018	1,120,986	951,713	780,583	616,537	501,548	396,557	323,933	275,596
Materials & Contracts	42,633,499	33,442,076	33,739,933	34,451,329	35,274,969	36,302,476	37,381,362	38,450,349	39,594,864	40,476,088	41,843,964
Depreciation & Amortisation	28,570,444	29,614,899	30,503,231	31,416,243	32,354,562	33,325,199	34,324,955	35,354,703	36,415,345	37,507,805	38,633,039
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	4,770,466	6,307,813	6,513,524	6,754,750	6,884,427	7,043,204	7,155,926	7,321,892	7,441,727	7,615,399	7,560,681
Total Expenses from Continuing Operations	109,914,875	104,110,620	106,576,375	109,963,384	112,719,194	116,511,790	120,430,078	124,558,946	128,850,508	133,093,631	137,753,634
Operating Result from Continuing Operations	103,369	960,431	1,136,091	1,415,114	2,453,075	2,320,763	479,706	397,369	311,568	(483,945)	(560,042)
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	103,369	960,431	1,136,091	1,415,114	2,453,075	2,320,763	479,706	397,369	311,568	(483,945)	(560,042)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(16,404,972)	(8,843,676)	(7,586,421)	(7,508,358)	(6,815,402)	(7,165,067)	(9,229,997)	(9,542,924)	(9,866,232)	(10,906,378)	(11,234,446)

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BALANCE SHEET - GENERAL FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	1,971,871	1,958,041	2,255,778	2,641,201	3,107,365	3,527,208	3,898,025	4,442,603	5,141,357	5,735,723	6,547,616
Investments	7,003,162	6,954,044	8,011,464	9,380,306	11,035,901	12,526,987	13,843,955	15,778,042	18,259,686	20,370,595	23,254,060
Receivables	14,019,693	13,738,375	14,335,144	14,831,935	15,351,865	15,918,895	16,384,494	17,006,986	17,698,843	18,337,172	19,082,612
Inventories	2,067,730	1,722,627	1,747,623	1,787,590	1,831,428	1,884,824	1,940,636	1,996,466	2,055,662	2,105,086	2,166,718
Other	1,132,237	988,771	1,005,346	1,030,136	1,054,697	1,084,630	1,114,878	1,146,174	1,178,262	1,206,488	1,236,397
Non-current assets classified as "held for sale"	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000	1,487,000
Total Current Assets	27,681,694	26,848,858	28,842,356	31,158,168	33,868,256	36,429,544	38,668,987	41,857,271	45,820,809	49,242,064	53,774,403
Non-Current Assets											
Investments	30,462,395	30,248,743	34,848,317	40,802,512	48,004,031	54,489,965	60,218,519	68,631,424	79,426,093	88,608,139	101,150,652
Receivables	1,638,602	1,514,208	1,506,521	1,522,750	1,555,454	1,587,041	1,586,795	1,632,214	1,689,433	1,732,968	1,794,668
Infrastructure, Property, Plant & Equipment	1,191,823,151	1,187,861,903	1,178,439,763	1,168,814,951	1,158,753,607	1,149,306,485	1,139,862,256	1,126,660,364	1,110,686,413	1,096,796,385	1,078,502,589
Investment Property	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000	3,712,000
Intangible Assets	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000	2,165,000
Total Non-Current Assets	1,229,801,148	1,225,501,853	1,220,671,601	1,217,017,213	1,214,190,092	1,211,260,491	1,207,544,571	1,202,801,001	1,197,678,939	1,193,014,492	1,187,324,909
TOTAL ASSETS	1,257,482,842	1,252,350,711	1,249,513,957	1,248,175,381	1,248,058,349	1,247,690,035	1,246,213,558	1,244,658,272	1,243,499,748	1,242,256,557	1,241,099,313
LIABILITIES											
Current Liabilities											
Payables	8,187,501	6,750,437	6,169,682	6,113,673	6,059,850	6,047,882	6,030,793	5,916,463	5,872,389	6,073,547	6,041,007
Borrowings	4,603,201	3,410,406	2,722,527	2,535,313	2,704,834	1,967,653	1,868,060	1,456,857	990,401	596,217	541,623
Provisions	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268	13,248,268
Total Current Liabilities	26,038,971	23,409,111	22,140,477	21,897,254	22,012,952	21,263,803	21,147,121	20,621,589	20,111,058	19,918,032	19,830,898
Non-Current Liabilities											
Payables	894,298	842,003	860,318	885,164	904,193	931,918	960,476	990,212	1,021,050	1,051,047	1,082,602
Borrowings	21,882,472	18,472,066	15,749,539	13,214,226	10,509,392	8,541,739	6,673,679	5,216,822	4,226,421	3,630,204	3,088,581
Provisions	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732	5,787,732
Total Non-Current Liabilities	28,564,502	25,101,800	22,397,589	19,887,122	17,201,316	15,261,389	13,421,887	11,994,765	11,035,203	10,468,983	9,958,915
TOTAL LIABILITIES	54,603,473	48,510,912	44,538,066	41,784,376	39,214,269	36,525,192	34,569,009	32,616,354	31,146,261	30,387,015	29,789,813
Net Assets	1,202,879,369	1,203,839,800	1,204,975,891	1,206,391,005	1,208,844,080	1,211,164,843	1,211,644,549	1,212,041,918	1,212,353,486	1,211,869,541	1,211,309,499
EQUITY											
Retained Earnings	710,697,369	711,657,800	712,793,891	714,209,005	716,662,080	718,982,843	719,462,549	719,859,918	720,171,486	719,687,541	719,127,499
Revaluation Reserves	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000	492,182,000
Council Equity Interest	1,202,879,369	1,203,839,800	1,204,975,891	1,206,391,005	1,208,844,080	1,211,164,843	1,211,644,549	1,212,041,918	1,212,353,486	1,211,869,541	1,211,309,499
Total Equity	1,202,879,369	1,203,839,800	1,204,975,891	1,206,391,005	1,208,844,080	1,211,164,843	1,211,644,549	1,212,041,918	1,212,353,486	1,211,869,541	1,211,309,499

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
CASH FLOW STATEMENT - GENERAL FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	55,703,683	57,779,696	60,093,871	62,519,113	65,053,994	67,573,410	68,453,555	71,036,711	73,829,619	75,874,299	78,840,873
User Charges & Fees	13,080,160	14,559,170	15,157,174	15,661,023	16,075,448	16,518,115	16,974,979	17,445,251	17,929,329	18,427,625	18,940,561
Interest & Investment Revenue Received	3,939,655	2,122,233	1,860,268	2,087,980	2,104,410	2,042,083	2,145,839	2,148,306	2,199,364	2,335,685	2,399,299
Grants & Contributions	26,632,985	19,007,249	16,745,341	16,792,602	17,174,864	17,552,059	17,918,568	18,291,820	18,674,630	19,067,259	19,471,043
Other	5,439,118	7,453,997	8,545,160	8,923,641	9,092,968	9,292,210	9,495,802	9,788,694	10,048,847	10,310,046	10,662,119
Payments:											
Employee Benefits & On-Costs	(32,167,131)	(33,130,218)	(34,757,096)	(36,220,076)	(37,253,523)	(39,060,328)	(40,951,297)	(42,930,454)	(45,002,016)	(47,170,407)	(49,440,354)
Materials & Contracts	(43,336,881)	(33,251,496)	(33,734,353)	(34,448,204)	(35,281,908)	(36,306,200)	(37,386,418)	(38,453,471)	(39,599,654)	(40,474,678)	(41,851,971)
Borrowing Costs	(1,798,059)	(1,945,351)	(1,573,488)	(1,320,936)	(1,137,914)	(979,234)	(761,047)	(638,744)	(503,553)	(396,671)	(319,384)
Other	(4,770,466)	(6,307,813)	(6,513,524)	(6,754,750)	(6,884,427)	(7,043,204)	(7,155,926)	(7,321,892)	(7,441,727)	(7,615,399)	(7,560,681)
Net Cash provided (or used in) Operating Activities	22,723,063	26,287,468	25,823,353	27,240,393	28,943,912	29,588,910	28,734,054	29,366,222	30,134,840	30,357,760	31,141,505
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	15,858,443	262,770	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	2,923,900	1,519,129	1,262,938	1,298,000	1,362,900	1,328,837	1,334,103	1,178,507	925,908	1,871,225	1,873,482
Deferred Debtors Receipts	41,785	39,353	40,391	41,504	32,362	18,976	20,348	21,819	9,550	-	-
Payments:											
Purchase of Investment Securities	-	-	(5,656,995)	(7,323,036)	(8,857,115)	(7,977,020)	(7,045,522)	(10,346,992)	(13,276,312)	(11,292,955)	(15,425,978)
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(47,004,837)	(23,519,349)	(17,761,544)	(18,148,911)	(18,480,582)	(19,835,025)	(20,704,513)	(17,806,917)	(15,638,376)	(19,351,263)	(16,180,898)
Net Cash provided (or used in) Investing Activities	(28,180,709)	(21,698,097)	(22,115,211)	(24,132,443)	(25,942,435)	(26,464,232)	(26,395,584)	(26,953,583)	(27,979,230)	(28,772,993)	(29,733,395)
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	2,200,000	-	-	-	-	-	-	-	-	-	-
Payments:											
Repayment of Borrowings & Advances	(4,261,482)	(4,603,201)	(3,410,406)	(2,722,527)	(2,535,313)	(2,704,834)	(1,967,653)	(1,868,060)	(1,456,857)	(990,401)	(596,217)
Net Cash Flow provided (used in) Financing Activities	(2,061,482)	(4,603,201)	(3,410,406)	(2,722,527)	(2,535,313)	(2,704,834)	(1,967,653)	(1,868,060)	(1,456,857)	(990,401)	(596,217)
Net Increase/(Decrease) in Cash & Cash Equivalents	(7,519,129)	(13,830)	297,737	385,423	466,164	419,843	370,817	544,579	698,753	594,366	811,894
plus: Cash, Cash Equivalents & Investments - beginning of year	9,491,000	1,971,871	1,958,041	2,255,778	2,641,201	3,107,365	3,527,208	3,898,025	4,442,603	5,141,357	5,735,723
Cash & Cash Equivalents - end of the year	1,971,871	1,958,041	2,255,778	2,641,201	3,107,365	3,527,208	3,898,025	4,442,603	5,141,357	5,735,723	6,547,616
Cash & Cash Equivalents - end of the year	1,971,871	1,958,041	2,255,778	2,641,201	3,107,365	3,527,208	3,898,025	4,442,603	5,141,357	5,735,723	6,547,616
Investments - end of the year	37,465,557	37,202,787	42,859,782	50,182,818	59,039,933	67,016,952	74,062,474	84,409,466	97,685,778	108,978,734	124,404,712
Cash, Cash Equivalents & Investments - end of the year	39,437,428	39,160,828	45,115,560	52,824,019	62,147,297	70,544,160	77,960,499	88,852,070	102,827,135	114,714,456	130,952,328

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BUDGET SUMMARY - WATER FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Rates & Annual Charges	4,072,650	4,311,989	4,524,414	4,682,448	4,843,020	5,060,956	5,288,699	5,500,247	5,720,257	5,949,067	6,187,030
User Charges & Fees	13,397,325	14,213,704	14,948,415	15,622,094	16,207,674	16,902,752	17,496,272	18,110,032	18,745,739	19,399,126	20,062,952
Interest & Investment Revenue	1,717,600	1,253,000	1,102,500	1,303,000	1,335,575	1,694,575	1,619,575	1,519,575	1,489,575	1,489,575	1,489,575
Other Revenues	-	-	-	-	-	-	-	-	-	-	-
Grants & Contributions provided for Operating Purposes	284,410	294,509	298,303	302,169	305,923	309,672	313,478	317,344	321,271	325,260	329,312
Grants & Contributions provided for Capital Purposes	3,479,700	3,584,250	3,691,180	3,801,860	3,916,385	4,033,837	4,155,302	4,279,871	4,408,637	4,540,696	4,657,147
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	22,951,685	23,657,452	24,564,812	25,711,571	26,608,577	28,001,791	28,873,326	29,727,069	30,685,479	31,703,724	32,726,015
Expenses from Continuing Operations											
Employee Benefits & On-Costs	3,040,400	3,097,000	3,156,300	3,218,300	3,252,496	3,319,294	3,389,331	3,462,768	3,539,771	3,620,515	3,797,683
Borrowing Costs	5,516,246	5,153,161	4,827,646	4,480,856	4,109,787	3,713,258	3,287,923	2,849,861	2,468,626	2,072,800	1,648,717
Materials & Contracts	4,376,925	4,693,393	4,361,508	4,634,599	4,878,730	5,166,619	5,463,141	5,768,554	6,083,126	6,407,131	6,596,852
Depreciation & Amortisation	7,081,063	7,293,495	7,512,300	7,737,669	7,969,799	8,208,893	8,455,160	8,708,815	8,970,079	9,239,181	9,516,357
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	3,038,500
Total Expenses from Continuing Operations	22,964,634	23,187,049	22,807,754	23,021,424	23,160,812	23,358,064	23,545,555	23,739,998	24,011,602	24,289,627	24,598,109
Net Operating Profit /(Loss) for the Year	(12,949)	470,403	1,757,058	2,690,147	3,447,765	4,643,727	5,327,771	5,987,071	6,673,877	7,414,097	8,127,906
Capital (Balance Sheet) and Reserve Movements											
Capital Expenditure	(13,793,656)	(5,280,600)	(3,244,250)	(3,364,050)	(3,494,000)	(3,623,950)	(3,758,150)	(3,898,500)	(4,045,150)	(3,452,320)	(3,535,257)
Loan Repayments (External)	(5,873,389)	(4,591,051)	(4,913,543)	(5,257,115)	(5,624,742)	(6,017,596)	(6,438,984)	(5,995,362)	(5,495,559)	(5,887,884)	(6,308,218)
Non-cash Expense Contra Income	7,081,063	7,293,495	7,512,300	7,737,669	7,969,799	8,208,893	8,455,160	8,708,815	8,970,079	9,239,181	9,516,357
Net Transfers (to)/from Reserves	9,581,363	823,150	(1,281,730)	(1,361,210)	(1,374,335)	(1,484,937)	(1,452,302)	(1,411,621)	(1,409,937)	(2,147,026)	(2,180,740)
Total Capital (Balance Sheet) and Reserve Movements	(3,004,619)	(1,755,006)	(1,927,223)	(2,244,706)	(2,523,278)	(2,917,590)	(3,194,276)	(2,596,668)	(1,980,567)	(2,248,049)	(2,507,858)
Net Result (including Depreciation & Other non-cash items)	(3,017,568)	(1,284,603)	(170,165)	445,441	924,487	1,726,138	2,133,496	3,390,403	4,693,310	5,166,049	5,620,048
Add back Depreciation Expense (non-cash)	7,081,063	7,293,495	7,512,300	7,737,669	7,969,799	8,208,893	8,455,160	8,708,815	8,970,079	9,239,181	9,516,357
Add back ELE Expense (non-cash)											
Add back Other Expenses (non-cash)	504,700	520,000	535,000	551,000	568,000	585,000	603,000	621,000	640,000	659,000	659,000
Less Other Income (non-cash)	(7,585,763)	(7,813,495)	(8,047,300)	(8,288,669)	(8,537,799)	(8,793,893)	(9,058,160)	(9,329,815)	(9,610,079)	(9,898,181)	(10,175,357)
Cash Budget Surplus/(Deficit)	(3,017,568)	(1,284,603)	(170,165)	445,441	924,487	1,726,138	2,133,496	3,390,403	4,693,310	5,166,049	5,620,048

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
INCOME STATEMENT - WATER FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	4,072,650	4,311,989	4,524,414	4,682,448	4,843,020	5,060,956	5,288,699	5,500,247	5,720,257	5,949,067	6,187,030
User Charges & Fees	13,397,325	14,213,704	14,948,415	15,622,094	16,207,674	16,902,752	17,496,272	18,110,032	18,745,739	19,399,126	20,062,952
Interest & Investment Revenue	1,717,600	1,253,000	1,102,500	1,303,000	1,335,575	1,694,575	1,619,575	1,519,575	1,489,575	1,489,575	1,489,575
Other Revenues	-	-	-	-	-	-	-	-	-	-	-
Grants & Contributions provided for Operating Purposes	284,410	294,509	298,303	302,169	305,923	309,672	313,478	317,344	321,271	325,260	329,312
Grants & Contributions provided for Capital Purposes	3,479,700	3,584,250	3,691,180	3,801,860	3,916,385	4,033,837	4,155,302	4,279,871	4,408,637	4,540,696	4,657,147
Other Income:											
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	22,951,685	23,657,452	24,564,812	25,711,571	26,608,577	28,001,791	28,873,326	29,727,069	30,685,479	31,703,724	32,726,015
Expenses from Continuing Operations											
Employee Benefits & On-Costs	3,040,400	3,097,000	3,156,300	3,218,300	3,252,496	3,319,294	3,389,331	3,462,768	3,539,771	3,620,515	3,797,683
Borrowing Costs	5,516,246	5,153,161	4,827,646	4,480,856	4,109,787	3,713,258	3,287,923	2,849,861	2,468,626	2,072,800	1,648,717
Materials & Contracts	4,376,925	4,693,393	4,361,508	4,634,599	4,878,730	5,166,619	5,463,141	5,768,554	6,083,126	6,407,131	6,596,852
Depreciation & Amortisation	7,081,063	7,293,495	7,512,300	7,737,669	7,969,799	8,208,893	8,455,160	8,708,815	8,970,079	9,239,181	9,516,357
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	2,950,000	3,038,500
Total Expenses from Continuing Operations	22,964,634	23,187,049	22,807,754	23,021,424	23,160,812	23,358,064	23,545,555	23,739,998	24,011,602	24,289,627	24,598,109
Operating Result from Continuing Operations	(12,949)	470,403	1,757,058	2,690,147	3,447,765	4,643,727	5,327,771	5,987,071	6,673,877	7,414,097	8,127,906
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	(12,949)	470,403	1,757,058	2,690,147	3,447,765	4,643,727	5,327,771	5,987,071	6,673,877	7,414,097	8,127,906
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,492,649)	(3,113,847)	(1,934,122)	(1,111,713)	(468,620)	609,891	1,172,470	1,707,201	2,265,240	2,873,401	3,470,760

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BALANCE SHEET - WATER FUND											
Scenario: Base-Line Model											
	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	1,085,746	974,701	1,019,815	1,104,239	1,214,004	1,368,230	1,542,265	1,777,046	2,076,681	2,436,644	2,820,910
Investments	5,450,032	4,892,632	5,119,086	5,542,862	6,093,842	6,867,995	7,741,589	8,920,099	10,424,151	12,231,032	14,159,902
Receivables	3,169,898	3,318,214	3,488,724	3,642,090	3,777,290	3,939,983	4,082,298	4,227,518	4,378,002	4,532,889	4,690,698
Inventories	146,022	168,098	136,366	151,587	164,594	180,586	197,059	214,025	231,500	249,500	256,985
Other	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	9,851,697	9,353,645	9,763,992	10,440,778	11,249,730	12,356,795	13,563,211	15,138,688	17,110,334	19,450,065	21,928,495
Non-Current Assets											
Investments	15,179,135	13,626,694	14,257,402	15,437,680	16,972,240	19,128,370	21,561,456	24,843,779	29,032,784	34,065,210	39,437,397
Receivables	91,560	96,962	101,763	105,424	109,074	113,959	118,969	123,667	128,551	133,625	138,891
Infrastructure, Property, Plant & Equipment	291,250,593	289,237,698	284,969,648	280,596,029	276,120,230	271,535,287	266,838,277	262,027,963	257,103,034	251,316,172	245,335,073
Intangible Assets	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000	65,442,000
Total Non-Current Assets	371,963,289	368,403,354	364,770,813	361,581,133	358,643,544	356,219,616	353,960,702	352,437,409	351,706,369	350,957,008	350,353,361
TOTAL ASSETS	381,814,986	377,757,000	374,534,804	372,021,911	369,893,275	368,576,411	367,523,913	367,576,097	368,816,703	370,407,073	372,281,856
LIABILITIES											
Current Liabilities											
Payables	1,450,931	1,513,593	1,447,882	1,501,957	1,550,298	1,607,303	1,666,017	1,726,492	1,788,780	1,852,937	1,908,031
Borrowings	4,591,051	4,913,543	5,257,115	5,624,742	6,017,596	6,438,984	5,995,362	5,495,559	5,887,884	6,308,218	6,758,559
Total Current Liabilities	6,041,982	6,427,136	6,704,997	7,126,699	7,567,894	8,046,287	7,661,379	7,222,051	7,676,664	8,161,155	8,666,590
Non-Current Liabilities											
Payables	-	-	-	-	-	-	-	-	-	-	-
Borrowings	72,477,953	67,564,410	62,307,295	56,682,553	50,664,957	44,225,973	38,230,611	32,735,052	26,847,168	20,538,950	13,780,391
Total Non-Current Liabilities	72,477,953	67,564,410	62,307,295	56,682,553	50,664,957	44,225,973	38,230,611	32,735,052	26,847,168	20,538,950	13,780,391
TOTAL LIABILITIES	78,519,935	73,991,546	69,012,292	63,809,252	58,232,851	52,272,260	45,891,990	39,957,103	34,523,832	28,700,105	22,446,981
Net Assets	303,295,051	303,765,454	305,522,512	308,212,659	311,660,424	316,304,151	321,631,923	327,618,994	334,292,871	341,706,968	349,834,875
EQUITY											
Retained Earnings	178,743,051	179,213,454	180,970,512	183,660,659	187,108,424	191,752,151	197,079,923	203,066,994	209,740,871	217,154,968	225,282,875
Revaluation Reserves	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000	124,552,000
Council Equity Interest	303,295,051	303,765,454	305,522,512	308,212,659	311,660,424	316,304,151	321,631,923	327,618,994	334,292,871	341,706,968	349,834,875
Total Equity	303,295,051	303,765,454	305,522,512	308,212,659	311,660,424	316,304,151	321,631,923	327,618,994	334,292,871	341,706,968	349,834,875

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
CASH FLOW STATEMENT - WATER FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	3,899,622	4,287,716	4,502,871	4,666,421	4,826,736	5,038,854	5,265,602	5,478,793	5,697,944	5,925,862	6,162,897
User Charges & Fees	14,105,476	14,057,534	14,807,868	15,493,222	16,095,655	16,769,786	17,382,734	17,992,622	18,624,131	19,274,136	19,935,965
Interest & Investment Revenue Received	1,717,600	1,253,000	1,102,500	1,303,000	1,335,575	1,694,575	1,619,575	1,519,575	1,489,575	1,489,575	1,489,575
Grants & Contributions	3,213,946	3,400,115	3,454,430	3,552,975	3,654,256	3,758,456	3,865,727	3,976,161	4,089,853	4,206,900	4,327,402
Other	9,884	(14,632)	(13,168)	(12,074)	(10,495)	(12,458)	(10,637)	(11,000)	(11,394)	(11,710)	(11,898)
Payments:											
Employee Benefits & On-Costs	(3,040,400)	(3,097,000)	(3,156,300)	(3,218,300)	(3,252,496)	(3,319,294)	(3,389,331)	(3,462,768)	(3,539,771)	(3,620,515)	(3,797,683)
Materials & Contracts	(4,067,623)	(4,652,808)	(4,395,486)	(4,595,745)	(4,843,396)	(5,125,606)	(5,420,898)	(5,725,045)	(6,038,313)	(6,360,974)	(6,549,242)
Borrowing Costs	(5,516,246)	(5,153,161)	(4,827,646)	(4,480,856)	(4,109,787)	(3,713,258)	(3,287,923)	(2,849,861)	(2,468,626)	(2,072,800)	(1,648,717)
Other	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(2,950,000)	(3,038,500)
Net Cash provided (or used in) Operating Activities	7,372,258	7,130,766	8,525,069	9,758,643	10,746,047	12,141,056	13,074,848	13,968,477	14,893,401	15,880,474	16,869,799
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	11,275,833	2,109,841	-	-	-	-	-	-	-	-	-
Payments:											
Purchase of Investment Securities	-	-	(857,162)	(1,604,054)	(2,085,540)	(2,930,284)	(3,306,679)	(4,460,834)	(5,693,057)	(6,839,307)	(7,301,057)
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(13,288,956)	(4,760,600)	(2,709,250)	(2,813,050)	(2,926,000)	(3,038,950)	(3,155,150)	(3,277,500)	(3,405,150)	(2,793,320)	(2,876,257)
Net Cash provided (or used in) Investing Activities	(2,013,123)	(2,650,759)	(3,566,412)	(4,417,104)	(5,011,540)	(5,969,234)	(6,461,829)	(7,738,334)	(9,098,207)	(9,632,627)	(10,177,314)
Cash Flows from Financing Activities											
Payments:											
Repayment of Borrowings & Advances	(5,873,389)	(4,591,051)	(4,913,543)	(5,257,115)	(5,624,742)	(6,017,596)	(6,438,984)	(5,995,362)	(5,495,559)	(5,887,884)	(6,308,218)
Net Cash Flow provided (used in) Financing Activities	(5,873,389)	(4,591,051)	(4,913,543)	(5,257,115)	(5,624,742)	(6,017,596)	(6,438,984)	(5,995,362)	(5,495,559)	(5,887,884)	(6,308,218)
Net Increase/(Decrease) in Cash & Cash Equivalents	(514,254)	(111,044)	45,114	84,424	109,765	154,225	174,036	234,781	299,635	359,964	384,266
plus: Cash, Cash Equivalents & Investments - beginning of year	1,600,000	1,085,746	974,701	1,019,815	1,104,239	1,214,004	1,368,230	1,542,265	1,777,046	2,076,681	2,436,644
Cash & Cash Equivalents - end of the year	1,085,746	974,701	1,019,815	1,104,239	1,214,004	1,368,230	1,542,265	1,777,046	2,076,681	2,436,644	2,820,910
Cash & Cash Equivalents - end of the year	1,085,746	974,701	1,019,815	1,104,239	1,214,004	1,368,230	1,542,265	1,777,046	2,076,681	2,436,644	2,820,910
Investments - end of the year	20,629,167	18,519,326	19,376,488	20,980,542	23,066,082	25,996,366	29,303,044	33,763,878	39,456,935	46,296,242	53,597,299
Cash, Cash Equivalents & Investments - end of the year	21,714,913	19,494,028	20,396,303	22,084,781	24,280,086	27,364,596	30,845,310	35,540,925	41,533,616	48,732,886	56,418,210

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BUDGET SUMMARY - SEWER FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Rates & Annual Charges	22,466,397	22,964,508	23,427,854	23,902,342	24,346,494	24,833,841	25,330,948	25,838,009	26,355,225	26,882,799	27,421,181
User Charges & Fees	2,737,252	2,841,877	2,950,368	3,039,461	3,139,466	3,181,337	3,223,889	3,267,137	3,311,093	3,355,774	3,401,193
Interest & Investment Revenue	2,374,200	2,102,000	1,951,500	2,151,800	2,205,550	2,225,592	2,246,234	2,267,496	2,289,396	2,311,953	2,335,187
Other Revenues	172,900	178,000	166,500	171,400	175,686	180,957	186,385	191,977	197,736	203,668	209,778
Grants & Contributions provided for Operating Purposes	293,250	291,023	294,607	295,643	299,170	302,941	306,774	310,669	314,627	318,651	322,741
Grants & Contributions provided for Capital Purposes	6,416,095	5,094,161	3,969,096	3,959,669	3,952,960	4,149,049	4,498,020	4,649,961	4,804,960	4,949,108	5,097,582
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	34,460,094	33,471,569	32,759,925	33,520,315	34,119,326	34,873,716	35,792,250	36,525,248	37,273,038	38,021,954	38,787,661
Expenses from Continuing Operations											
Employee Benefits & On-Costs	4,664,799	4,733,867	4,806,225	4,882,170	4,924,225	5,010,436	5,100,958	5,196,006	5,295,806	5,400,597	5,670,626
Borrowing Costs	6,718,224	6,131,414	5,608,378	5,180,082	4,725,978	4,242,402	3,737,107	3,234,315	2,799,275	2,348,030	1,864,569
Materials & Contracts	5,251,571	5,430,175	5,600,343	6,013,081	6,382,410	6,819,882	7,270,479	7,734,593	8,212,631	8,705,010	8,966,160
Depreciation & Amortisation	10,895,783	11,222,656	11,559,336	11,906,116	12,263,299	12,631,198	13,010,134	13,400,438	13,802,451	14,216,525	14,643,020
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	5,090,041	5,092,742	5,095,524	5,098,390	5,100,849	5,103,874	5,106,991	5,110,200	5,113,506	5,116,912	5,270,419
Total Expenses from Continuing Operations	32,620,417	32,610,854	32,669,806	33,079,839	33,396,761	33,807,793	34,225,668	34,675,552	35,223,670	35,787,073	36,414,795
Net Operating Profit /(Loss) for the Year	1,839,677	860,714	90,119	440,476	722,565	1,065,923	1,566,582	1,849,696	2,049,368	2,234,881	2,372,866
Capital (Balance Sheet) and Reserve Movements											
Capital Expenditure	(23,722,491)	(5,049,800)	(3,908,300)	(3,895,900)	(3,870,500)	(3,647,200)	(3,961,100)	(4,040,000)	(4,204,000)	(4,265,000)	(4,321,840)
Loan Repayments (External)	(8,671,952)	(8,685,979)	(6,037,280)	(6,461,252)	(6,821,651)	(7,296,299)	(7,403,651)	(6,869,515)	(6,268,413)	(6,715,942)	(7,195,420)
Non-cash Expense Contra Income	10,895,783	11,222,656	11,559,336	11,906,116	12,263,299	12,631,198	13,010,134	13,400,438	13,802,451	14,216,525	14,643,020
Net Transfers (to)/from Reserves	16,494,396	(706,361)	(672,296)	(725,569)	(760,510)	(1,199,941)	(1,255,654)	(1,349,957)	(1,362,856)	(1,473,561)	(1,588,429)
Total Capital (Balance Sheet) and Reserve Movements	(5,004,264)	(3,219,484)	941,460	823,395	810,638	487,758	389,729	1,140,966	1,967,182	1,762,022	1,537,332
Net Result (including Depreciation & Other non-cash items)	(3,164,587)	(2,358,770)	1,031,579	1,263,871	1,533,203	1,553,682	1,956,310	2,990,662	4,016,550	3,996,903	3,910,198
Add back Depreciation Expense (non-cash)	10,895,783	11,222,656	11,559,336	11,906,116	12,263,299	12,631,198	13,010,134	13,400,438	13,802,451	14,216,525	14,643,020
Add back ELE Expense (non-cash)											
Add back Other Expenses (non-cash)	2,100,000	2,163,000	950,000	850,000	750,000	850,000	1,100,000	1,150,000	1,200,000	1,236,000	1,273,080
Less Other Income (non-cash)	(12,995,783)	(13,385,656)	(12,509,336)	(12,756,116)	(13,013,299)	(13,481,198)	(14,110,134)	(14,550,438)	(15,002,451)	(15,452,525)	(15,916,100)
Cash Budget Surplus/(Deficit)	(3,164,587)	(2,358,770)	1,031,579	1,263,871	1,533,203	1,553,682	1,956,310	2,990,662	4,016,550	3,996,903	3,910,198

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
INCOME STATEMENT - SEWER FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	22,466,397	22,964,508	23,427,854	23,902,342	24,346,494	24,833,841	25,330,948	25,838,009	26,355,225	26,882,799	27,421,181
User Charges & Fees	2,737,252	2,841,877	2,950,368	3,039,461	3,139,466	3,181,337	3,223,889	3,267,137	3,311,093	3,355,774	3,401,193
Interest & Investment Revenue	2,374,200	2,102,000	1,951,500	2,151,800	2,205,550	2,225,592	2,246,234	2,267,496	2,289,396	2,311,953	2,335,187
Other Revenues	172,900	178,000	166,500	171,400	175,686	180,957	186,385	191,977	197,736	203,668	209,778
Grants & Contributions provided for Operating Purposes	293,250	291,023	294,607	295,643	299,170	302,941	306,774	310,669	314,627	318,651	322,741
Grants & Contributions provided for Capital Purposes	6,416,095	5,094,161	3,969,096	3,959,669	3,952,960	4,149,049	4,498,020	4,649,961	4,804,960	4,949,108	5,097,582
Other Income:											
Net gains from the disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	34,460,094	33,471,569	32,759,925	33,520,315	34,119,326	34,873,716	35,792,250	36,525,248	37,273,038	38,021,954	38,787,661
Expenses from Continuing Operations											
Employee Benefits & On-Costs	4,664,799	4,733,867	4,806,225	4,882,170	4,924,225	5,010,436	5,100,958	5,196,006	5,295,806	5,400,597	5,670,626
Borrowing Costs	6,718,224	6,131,414	5,608,378	5,180,082	4,725,978	4,242,402	3,737,107	3,234,315	2,799,275	2,348,030	1,864,569
Materials & Contracts	5,251,571	5,430,175	5,600,343	6,013,081	6,382,410	6,819,882	7,270,479	7,734,593	8,212,631	8,705,010	8,966,160
Depreciation & Amortisation	10,895,783	11,222,656	11,559,336	11,906,116	12,263,299	12,631,198	13,010,134	13,400,438	13,802,451	14,216,525	14,643,020
Impairment	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	5,090,041	5,092,742	5,095,524	5,098,390	5,100,849	5,103,874	5,106,991	5,110,200	5,113,506	5,116,912	5,270,419
Total Expenses from Continuing Operations	32,620,417	32,610,854	32,669,806	33,079,839	33,396,761	33,807,793	34,225,668	34,675,552	35,223,670	35,787,073	36,414,795
Operating Result from Continuing Operations	1,839,677	860,714	90,119	440,476	722,565	1,065,923	1,566,582	1,849,696	2,049,368	2,234,881	2,372,866
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	1,839,677	860,714	90,119	440,476	722,565	1,065,923	1,566,582	1,849,696	2,049,368	2,234,881	2,372,866
Net Operating Result before Grants and Contributions provided for Capital Purposes	(4,576,418)	(4,233,447)	(3,878,977)	(3,519,193)	(3,230,395)	(3,083,126)	(2,931,438)	(2,800,265)	(2,755,591)	(2,714,227)	(2,724,715)

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
BALANCE SHEET - SEWER FUND											
Scenario: Base-Line Model											
	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS											
Current Assets											
Cash & Cash Equivalents	1,633,878	1,576,126	1,660,022	1,760,750	1,876,184	2,015,995	2,178,810	2,398,150	2,669,522	2,945,545	3,222,133
Investments	12,668,010	12,220,237	12,870,714	13,651,685	14,546,691	15,630,689	16,893,053	18,593,663	20,697,706	22,837,803	24,982,284
Receivables	2,434,799	1,964,623	2,016,652	2,065,274	2,115,714	2,152,117	2,189,210	2,227,006	2,265,519	2,304,764	2,344,768
Total Current Assets	16,736,687	15,760,986	16,547,389	17,477,709	18,538,589	19,798,802	21,261,073	23,218,818	25,632,747	28,088,112	30,549,185
Non-Current Assets											
Investments	18,375,678	17,726,159	18,669,713	19,802,556	21,100,814	22,673,216	24,504,347	26,971,180	30,023,215	33,127,549	36,238,243
Receivables	355,559	363,975	371,857	379,747	387,331	394,842	402,501	410,312	418,278	426,402	434,691
Infrastructure, Property, Plant & Equipment	476,075,708	469,902,852	462,251,816	454,241,600	445,848,801	436,864,803	427,815,769	418,455,331	408,856,880	398,905,356	388,584,175
Total Non-Current Assets	494,806,945	487,992,986	481,293,385	474,423,903	467,336,946	459,932,860	452,722,617	445,836,823	439,298,374	432,459,307	425,257,109
TOTAL ASSETS	511,543,633	503,753,972	497,840,774	491,901,612	485,875,536	479,731,662	473,983,690	469,055,642	464,931,121	460,547,419	455,806,294
LIABILITIES											
Current Liabilities											
Payables	2,030,827	2,066,431	2,100,394	2,182,008	2,255,017	2,341,520	2,430,617	2,522,388	2,616,911	2,714,271	2,795,699
Borrowings	8,685,979	6,037,280	6,461,252	6,821,651	7,296,299	7,403,651	6,869,515	6,268,413	6,715,942	7,195,420	7,709,131
Total Current Liabilities	10,716,806	8,103,711	8,561,646	9,003,659	9,551,316	9,745,171	9,300,132	8,790,801	9,332,853	9,909,691	10,504,830
Non-Current Liabilities											
Payables	-	-	-	-	-	-	-	-	-	-	-
Borrowings	84,201,150	78,163,870	71,702,618	64,880,967	57,584,668	50,181,017	43,311,502	37,043,089	30,327,147	23,131,727	15,422,596
Total Non-Current Liabilities	84,201,150	78,163,870	71,702,618	64,880,967	57,584,668	50,181,017	43,311,502	37,043,089	30,327,147	23,131,727	15,422,596
TOTAL LIABILITIES	94,917,956	86,267,581	80,264,264	73,884,626	67,135,984	59,926,188	52,611,634	45,833,890	39,660,000	33,041,418	25,927,426
Net Assets	416,625,677	417,486,391	417,576,510	418,016,986	418,739,551	419,805,474	421,372,056	423,221,752	425,271,120	427,506,002	429,878,868
EQUITY											
Retained Earnings	291,530,677	292,391,391	292,481,510	292,921,986	293,644,551	294,710,474	296,277,056	298,126,752	300,176,120	302,411,002	304,783,868
Revaluation Reserves	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000	125,095,000
Council Equity Interest	416,625,677	417,486,391	417,576,510	418,016,986	418,739,551	419,805,474	421,372,056	423,221,752	425,271,120	427,506,002	429,878,868
Total Equity	416,625,677	417,486,391	417,576,510	418,016,986	418,739,551	419,805,474	421,372,056	423,221,752	425,271,120	427,506,002	429,878,868

Coffs Harbour City Council											
10 Year Financial Plan for the Years ending 30 June 2025											
CASH FLOW STATEMENT - SEWER FUND											
Scenario: Base-Line Model	Current Year	Projected Years									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	22,343,175	22,933,197	23,398,728	23,872,516	24,318,575	24,803,207	25,299,700	25,806,136	26,322,713	26,849,636	27,387,339
User Charges & Fees	2,902,036	2,823,293	2,931,097	3,023,635	3,121,702	3,173,899	3,216,331	3,259,455	3,303,285	3,347,837	3,393,125
Interest & Investment Revenue Received	2,374,200	2,102,000	1,951,500	2,151,800	2,205,550	2,225,592	2,246,234	2,267,496	2,289,396	2,311,953	2,335,187
Grants & Contributions	4,049,830	3,746,372	3,313,268	3,405,186	3,501,702	3,601,532	3,704,329	3,810,157	3,919,106	4,031,271	4,146,746
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-	-
Other	315,495	165,467	155,421	160,664	163,774	175,572	180,905	186,398	192,057	197,887	203,893
Payments:											
Employee Benefits & On-Costs	(4,664,799)	(4,733,867)	(4,806,225)	(4,882,170)	(4,924,225)	(5,010,436)	(5,100,958)	(5,196,006)	(5,295,806)	(5,400,597)	(5,670,626)
Materials & Contracts	(5,008,663)	(5,394,571)	(5,566,380)	(5,931,467)	(6,309,400)	(6,733,380)	(7,181,381)	(7,642,823)	(8,118,107)	(8,607,651)	(8,884,732)
Borrowing Costs	(6,718,224)	(6,131,414)	(5,608,378)	(5,180,082)	(4,725,978)	(4,242,402)	(3,737,107)	(3,234,315)	(2,799,275)	(2,348,030)	(1,864,569)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-	-
Other	(5,090,041)	(5,092,742)	(5,095,524)	(5,098,390)	(5,100,849)	(5,103,874)	(5,106,991)	(5,110,200)	(5,113,506)	(5,116,912)	(5,270,419)
Net Cash provided (or used in) Operating Activities	10,503,010	10,417,734	10,673,508	11,521,693	12,250,850	12,889,709	13,521,061	14,146,297	14,699,864	15,265,396	15,775,943
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	20,484,312	1,097,292	-	-	-	-	-	-	-	-	-
Payments:											
Net Cash provided (or used in) Investing Activities	(1,138,179)	(1,789,508)	(4,552,331)	(4,959,714)	(5,313,764)	(5,453,600)	(5,954,595)	(7,057,443)	(8,160,078)	(8,273,431)	(8,303,935)
Cash Flows from Financing Activities											
Payments:											
Repayment of Borrowings & Advances	(8,671,952)	(8,685,979)	(6,037,280)	(6,461,252)	(6,821,651)	(7,296,299)	(7,403,651)	(6,869,515)	(6,268,413)	(6,715,942)	(7,195,420)
Net Cash Flow provided (used in) Financing Activities	(8,671,952)	(8,685,979)	(6,037,280)	(6,461,252)	(6,821,651)	(7,296,299)	(7,403,651)	(6,869,515)	(6,268,413)	(6,715,942)	(7,195,420)
Net Increase/(Decrease) in Cash & Cash Equivalents	692,878	(57,752)	83,896	100,727	115,435	139,811	162,816	219,339	271,373	276,023	276,588
plus: Cash, Cash Equivalents & Investments - beginning of year	941,000	1,633,878	1,576,126	1,660,022	1,760,750	1,876,184	2,015,995	2,178,810	2,398,150	2,669,522	2,945,545
Cash & Cash Equivalents - end of the year	1,633,878	1,576,126	1,660,022	1,760,750	1,876,184	2,015,995	2,178,810	2,398,150	2,669,522	2,945,545	3,222,133
Cash & Cash Equivalents - end of the year	1,633,878	1,576,126	1,660,022	1,760,750	1,876,184	2,015,995	2,178,810	2,398,150	2,669,522	2,945,545	3,222,133
Investments - end of the year	31,043,688	29,946,396	31,540,427	33,454,241	35,647,505	38,303,905	41,397,399	45,564,843	50,720,921	55,965,352	61,220,527
Cash, Cash Equivalents & Investments - end of the year	32,677,567	31,522,522	33,200,450	35,214,990	37,523,689	40,319,900	43,576,210	47,962,992	53,390,443	58,910,897	64,442,660



COFFS HARBOUR CITY COUNCIL

WORKFORCE MANAGEMENT PLAN

2011/2012 to 2015/2016



Coffs Harbour City

Coffs Harbour City is located on the Mid North Coast of New South Wales, about 540 kilometres north of Sydney, and 440 kilometres south of Brisbane. Coffs Harbour City is predominately a rural area, with expanding residential, rural-residential and resort areas, and some industrial and commercial land use. The City encompasses a total land area of nearly 1,200 square kilometres, including substantial national park, state forest, parklands, coastline and beaches. The original inhabitants of the area are the Gumbaynggir people.

Introduction

What is the Integrated Planning Framework?

The New South Wales (NSW) State Government has introduced a new planning and reporting framework for Local Government. These reforms replace the former Management Plan and Social Plan with an integrated framework; this also includes a new requirement to prepare a long term community strategic plan and resourcing strategy.

The Resourcing Strategy consists of three components including the Long Term Financial Plan, Asset Management Plan and Workforce Plan. These strategies are required under the amended Local Government Act 1993, Section 403.

Council's Delivery Program sets out strategies to incrementally address the emerging long term service delivery expectations and needs of the community. These strategies and the annually updated actions that underpin them are derived from our community's Vision 2030 document.





The Coffs Harbour 2030 Community Strategic Plan has five key areas derived from community consultation.

- **Learning & Prospering**
- **Places for Living**
- **Moving Around**
- **Looking After our Community**
- **Looking After our Environment**

The Operational Plan and Delivery Program are aligned with these five themes. Council's Workforce Management Plan will endeavour to build an organisational culture which continues to attract and retain great staff to assist in achieving the outcomes in the Delivery Program and Operational Plan.

With a high performing culture, Council will strengthen relationships with its partners. The Workforce Management Plan will be a dynamic document which will change as required.

The Workforce Management Plan is structured on the directions and key strategies set out in the Operational Plan and Delivery Program.



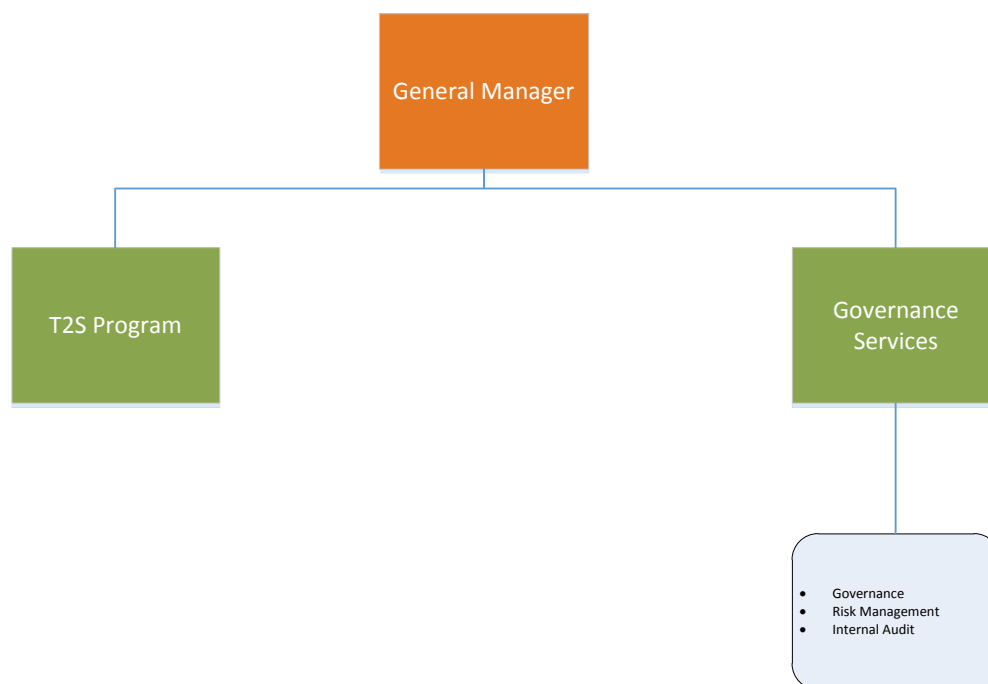
Council Service S36 - Human Resources

Develop and implement best practice workforce management strategies to assist Council to serve the community.

Coffs Harbour 2030 Plan

Strategy LC3.1: Council supports the delivery of high quality, sustainable outcomes for Coffs Harbour.

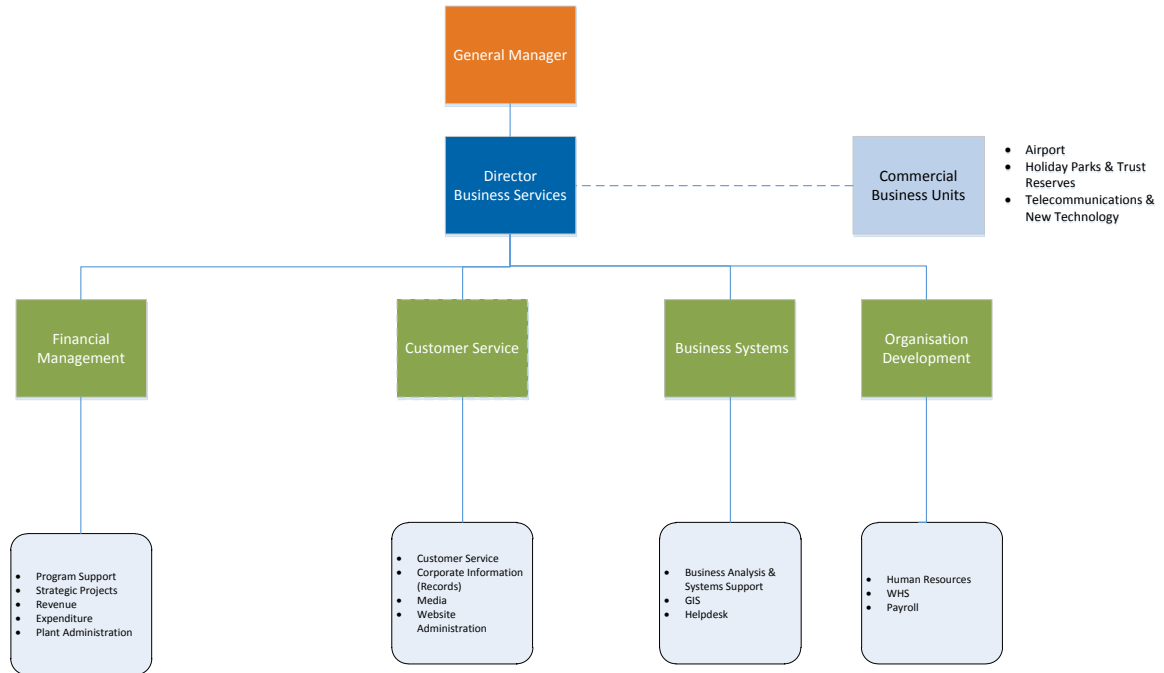
Coffs Harbour City Council Work Environment



Council delivers services to the community through three directorates and the General Manager's Office.

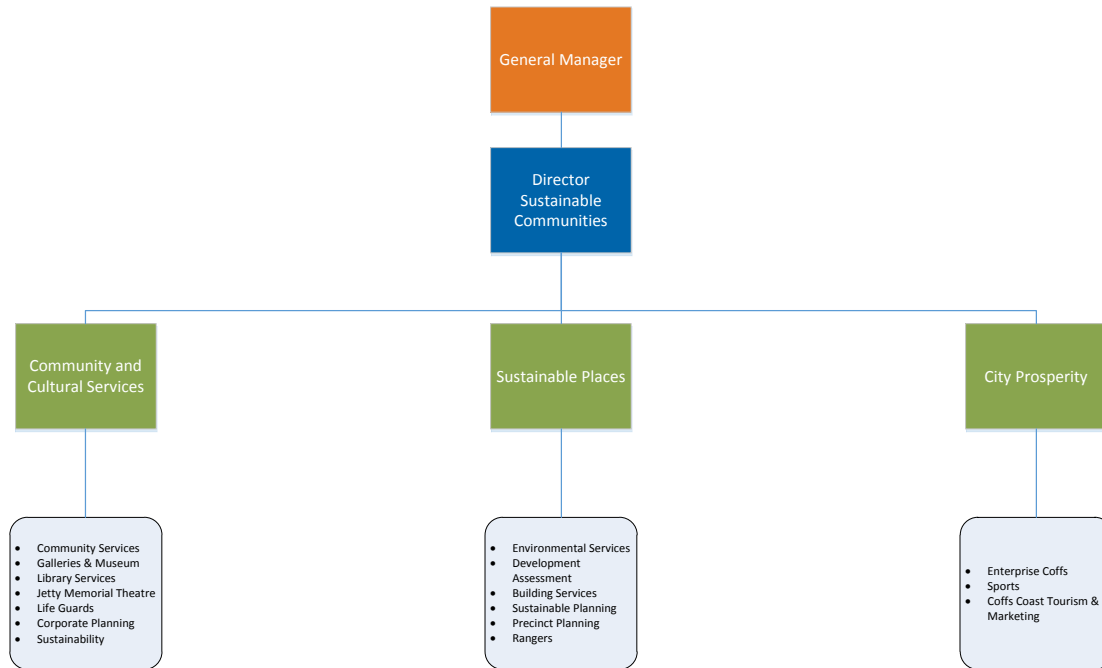
The General Manager's Office facilitates cohesion between the three directorates, it oversees the Governance Services and the Transformation 2 Sustainability Program; it also provides support for the Mayoral function.

Business Services



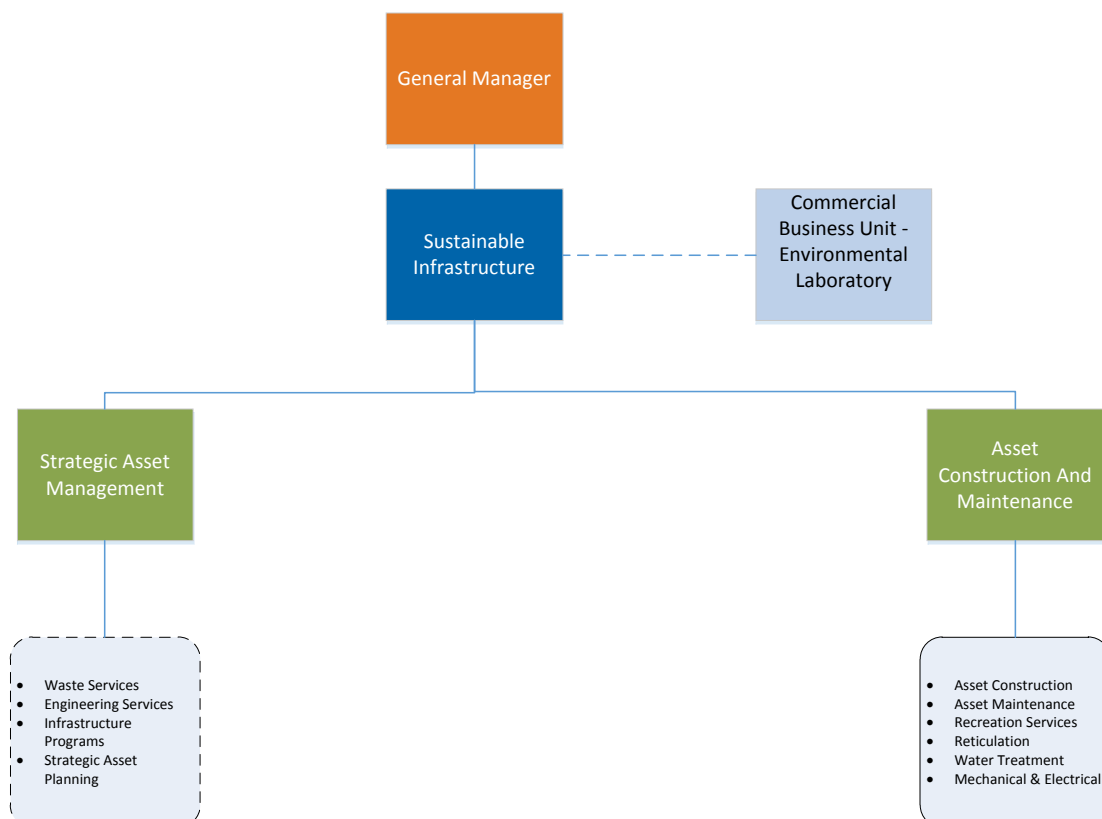
Business Services is responsible for Financial Management, Business Systems, Organisational Development, Customer Service, Coffs Harbour Airport, Holiday Parks & Reserves and Telecommunications & New Technology.

Sustainable Communities



Sustainable Communities is responsible for Environmental services, development assessment, building services, sustainable and precinct planning and Rangers. Sustainable communities also includes community services, the Jetty Memorial Theatre, Library Services, Cultural Facilities, Sustainability, Lifeguards, Corporate Planning, Enterprise Coffs, Sports Unit and Coffs Coast Tourism and Marketing.

Sustainable Infrastructure



Sustainable Infrastructure is responsible for strategic asset management including waste services, engineering services, infrastructure programs and asset planning. It also provides asset construction and maintenance services in relation to roads, footpaths stormwater reserves and various physical assets. This directorate is also responsible for providing water and sewerage services.

Coffs Harbour City Council Corporate Goals

- Corporate Sustainability
- Respect for the individual, whether customer or employee
- The pursuit of excellence
- Outstanding customer service



Coffs Harbour City Council Staff Core Values

Team Work

- working cooperatively
- having a one Council approach
- avoiding duplication of effort
- looking out for the well being of each other

Effective Communication

- having open and honest two way communication
- recognising the diversity of people
- communicating in a sensitive manner and respecting confidentiality

Professionalism

- appropriate application of knowledge
- pride in work
- focussed on positive sustainable outcomes
- high quality of service to each other and the community
- commitment to improving skills
- demonstrated leadership

Innovation

- encouraging new ideas and better ways
- using experiences positively
- flexibility
- a can do approach

Integrity

- honesty
- being ethical
- respect for people
- giving our best
- being loyal

Achievement

- positive self motivation
- encouragement to succeed
- recognition of work well done
- celebrating success



Workforce and the Future

Strategic Human Resource Management recognises the economic, social and political factors that create the external context in which Council operates. Factors with significant implications for effective human resources management and organisational development relate to the changing composition of the Australian workforce in terms of age, gender, ethnic distribution and the push to have people with disabilities, to gain meaningful employment. Skills Australia, has stated in their Australian Workforce Futures paper, that Australia faces a significant participation challenge and needs to increase participation rates to avoid future labour and skills shortages. Targeting specific groups in the community who have relatively low participation rates is critical; these include men of prime working age (25 to 64) Women (25 to 34) and older workers (55 to 64).

Council strives to have its workforce, to the greatest possible extent, reflect the demographics of the Coffs Harbour community. There are also significant challenges in maintaining high level productivity in an ageing workforce and ensuring Council is successful in recruiting and retaining high quality staff across all working age groups.

The ageing workforce trend is currently reflected in Councils staff demographics. As at 30.1.14, Council employed 527 staff (excluding casuals) of which 33% are 55 and over, this is in part due to Coffs Harbour's location and Coffs Harbour's status as one of the largest employers in Coffs Harbour, many people at Coffs Harbour City Council have sought a sea change and have relocated from urban metropolitan areas and are here to stay.

Keeping talented mature aged workers is a challenge, but one that is made easier by Councils low staff turnover, which was 9.22% in 2011/2012(571 employees). In Australia, the trend is for people to work longer, government policy in relation to the age pension entitlement age, and life style expectation of baby boomers, plays a role in this.



Councils Financial Position

In relation to Councils financial situation, details can be found in the Delivery Program and the Operational Plan and Long Term Financial Plan. A Service Review Program is scheduled for the second half of 2011, to review all Councils services.

Strategic Directions for Human Resources & Organisational Development

Recruit, develop and retaining high quality staff

Recruitment, development and retention of high quality staff in a competitive labour market are of vital importance to the Council. As demographic change increases turnover, competition for the best will accelerate. Progressive human resources management requires effective recruitment and retention strategies, more flexible remuneration packages, and career development within a healthy and safe work environment, strategies to maintain organisational knowledge in a time of change are also essential.



Flexible employment

Rapidly changing demands on Council requires flexible work arrangements, while at the same time protecting the interests of staff, the extent to which employee's access flexible employment options will, in some measure, depend on the understanding and support they receive from management and co-workers.

Performance Management

One of the most important reasons for managing performance is to encourage desired behaviours in the workplace. Good performance management often results in staff having a sense of value, purpose and motivation to excel in their work. Council's focus on performance management will also work towards developing our staff to be good managers and leaders who can drive strong performance and a positive culture. In 2011 Council has introduced 360 degree assessments of Directors, Executive Managers and Managers as the starting point of a new program of performance management. Progressively, the performance management program for all staff will be reviewed and implemented. Achieving best practice standards requires that all staff perform at a high level, using performance and risk assessment frameworks. Effective performance management will incorporate benchmarking of expectations and encourage performance based rewards. Into the future, risk management will incorporate business continuity and succession planning.

Continual Learning

A rapidly changing knowledge base in the work of Councils, developing technologies, the need for a sustainable financial environment, and a greater level of communication with the community, requires a commitment to lifelong learning by each member of staff, as well as access to staff development opportunities. The need to develop transformational leadership in our supervisors, managers and directors offers a challenge that must be fulfilled.

Equity and Diversity

Diversity among the staff that reflects the broader Coffs Harbour Community, has the benefit of building a broad base of community support, as well as meeting important social, moral and human rights and commitments to equity and diversity. A diverse staff will improve the decision making in Council and greater age diversity will also assist in addressing the need to maintain staff levels.

Supportive Culture

To maintain Council as an employer who can attract and retain quality staff, requires a supportive, inclusive and high performance culture marked by cooperation and respect and where the work environment promotes work / life balance for staff, the important element here is promoting emotional intelligence amongst all staff.

Ongoing Efficient Workplace

Councils are service based industries and as such do not have the same operating environment and opportunities for economies of scale other industries such as manufacturing have. But Councils can, through ongoing continuous improvement programs and through resource sharing and enterprise bargaining, achieve significant results in relation to efficiencies and effectiveness.

Organisational Development

Continuous improvement requires us to put in place relevant measures in key areas to support development and change. In addition, the changing needs of the community and financial pressures demand that we continually review and seek efficiencies in our work practices. In 2011, Council conducted a Service Review, this had not had significant impacts on service levels or on which services Council provides today.

It is envisaged that a program of continuous improvement will be carried on to monitor and evaluate our practices. As part of the wider organisational development agenda, Council has conducted an employee survey in the second half of 2012 and another in 2014.

As part of the ongoing monitoring, a reporting profile will be implemented, that will regularly report on demographics, turnover, gender balance, sick leave, employment status, age profile, staff survey results, non confidential results of 360 degree processes, and results of service reviews and continuous improvement programs.

Safe and Healthy Workplaces

Council continually reviews its safe work practices, and works toward reducing the cost of workers compensation, both in relation to premiums and lost time. Concentration on areas where trends occur, has resulted in significant improvements, an intensive approach to return to work and rehabilitation has improved the overall outcomes in relation to workers compensation.

Council also continues to use its Health and Well Being program to endeavour to improve the health of its staff and to assist with developing healthy lifestyle choices. Council also provides access to the Employee Assistance Program, which allows access to a confidential service in relation to professional counselling.



Workforce Demographic Data

In preparing the Workforce Plan, Council reviewed the demographic data of Councils workforce and the Coffs Harbour Local Government Area.

	Council ^	CHLGA *
Males	353	33,204 (total all age groups)
Females	180	35,214 (total all age groups)
Disability	7	1,719 (total all age groups)
Aboriginal	6	2,310 (total all age groups) - correct
CALD	4	3,135 (total all age groups)

2011 ^ (Includes all staff on payroll January 2015)

Australian Workforce Demographics

ABS data * – states that almost one third of the local government industry workforce is aged over 50 year. In the Australian workforce, generally two out of every five workers is 45 years or older, the median age in 2006 was 40 years with 41.6% of workers in local government aged 45 years or older. In the last 20 years the number females in the labour force has increased by 54.2%. The number of females in government administration and defence was 43.4% by 2001. By 2006 the number of females employed in local government administration was 43.7%

Over the past 20 years the number of part time workers has almost doubled. Part time workers constitute 28.6% of the total population; Females make up 71.2% of part time workers.

(*ABS 2006 census of Population & Housing) (ABS 2001 Census P&H) (ABS Labour Force Australia Jan 2009)

In relation to the demographic data of the LGA, this needs to be put in the context of Council's location on the Mid North Coast and Councils status as a "Sea Change" and retirement destination. Much of Councils "outdoor" work is still physically demanding and this leads to it being more attractive to males rather than females. The ratio of 30% females to 70% males has been reasonably consistent for the past several years, varying only by 1 or 2%. Gender varies across directorates as the "hard infrastructure" services, which attract more males, are largely in one directorate.

Age Profile

Based on the latest figures of a total of 527 staff, 33.00 % are 55 and over, and 66% of staff are 45 years of age or older. This is not surprising given that recruitment of professional, technical and other staff, attracts candidates wishing to move from major metropolitan centres, once they move here, they stay here. With government policy encouraging the population to work longer, the old “artificial” retirement age of 65 can no longer be used as a benchmark.

Turnover

Council’s turnover is a very low 9.22% for 2011/2012. This reflects our geographic location and our attracting people to the area, who wish to relocate and stay here.



Salary and Rewards

Council is embarking on many organisational development initiatives, in relation to staff management and a salary and rewards review will be scheduled into a program of related reviews.

Current and Ongoing Initiatives for Workforce Sustainability

Council currently has a range of initiatives in place to address workforce demand and supply issues. The strategies have three broad aims, concentrating on attracting suitable professional, administrative, technical and operational staff, retaining staff and exploring areas for potential employees which have not been sufficiently utilised in the past, e.g. people with disabilities and Aboriginal and Torres Strait Islanders.



These initiatives include but are not limited to

- Employment of trainees
- Use of existing workers trainee funding to up skill existing staff
- Accessing federal funding for over 50 age groups to obtain qualifications
- Encouraging staff to consider career changes into known areas of skills shortages
- The development of staff in para professional roles
- Increasing the level of participation in the workplace by Aboriginal people
- Flexible work practices to encourage the continued participation of women with young children, and staff with elder carer responsibilities
- Flexible employment practices for staff transitioning to retirement.
- Use of project management methodology and internal teams to deliver projects
- Continuing professional development opportunities for staff.
- Increasing the opportunities for employment of people with disabilities, including as far as practicable making flexible changes for exciting staff who acquire disabilities so as to keep them in the workplace.
- A health and well being program to encourage improved health and fitness of staff, so they can work longer in good health and to assist with reducing sick leave taken, through lifestyle issues.

Project Management Methodology

Council uses project management methodologies which utilises project teams across multi disciplinary lines to focus on the achievement of the outcomes, without resorting to external consultants. This method develops existing staff and keeps knowledge within Council while giving greater job satisfaction and variety, which is a key factor in retaining talented staff.

Support for Staff in training & development and continuing professional development activities

This is a factor in both attracting and retaining good staff. Generous support for staff development opportunities are given to staff wishing to enhance their professional qualifications or personal development. Support is also given, by allowing secondments to other organisations to gain different but valuable experience. Council reimburses fees paid to professional bodies, thus encouraging staff to maintain their up to date knowledge within their field of expertise and stay connected to colleagues in the industry. Council has been very successful in gaining access to federal and state funding for training and development, and will continue to avail itself of funding sources that come up in the future, to maximise the gain for staff while offsetting costs to the community.



Employment of people with recognised disabilities

Council is encouraging the employment of people with recognised disabilities; this has been achieved by employing new staff with recognised disabilities, where these can be accommodated, within the requirements of the position. In addition, making accommodations within the workplace for existing staff, wherever practicable, who find themselves with a disability, through accident or illness; this may include flexible work hours or days, or reasonable workplace adjustments.

Support through Health & Well Being Program

Council continues to support activities through the health and well being program, this support is designed to increase the overall fitness and health of staff, making them more resilient to workplace injuries and more resilient to seasonal ailments. In addition, healthy lifestyle choices can assist with mental health issues, and stress related illnesses. This support is again an important factor in attracting and retaining good staff. The program includes support for events such as Ride 2 Work day, Australia's Biggest Morning Tea, Diabetes awareness and other related activities.



Employment of Trainees

Council has supported the employment of trainees, and assisting existing workers to complete traineeships. The support for traineeships both satisfies Council needs to have trainees and up skill staff, but is also a contribution to the well being of the community as whole, providing opportunities for local people. Council is growing their own skilled trade's people, technical and professional people. Council currently has 68 trainees, some existing workers, some new staff, some through group training companies and three school based trainees. They are in areas including civil construction, civil engineering, business administration, front line management, library and information services, water industry operations, management, civil construction plant, environmental health, financial services, horticulture, information technology, outdoor recreation, human resources, and conservation and land management.



Apprentices

Council currently has seven apprentices in design, carpentry construction electrical and fitting.



Engineering Scholarships

Council currently has four engineering students completing their degrees over a six year period with Newcastle University. A condition of their scholarship with Council is that they do industrial experience placements with Council in five out of the six years of their study. On completion of their studies, if a position is available, they may be offered a graduate engineer position. In this way Council is growing our own engineers, a profession which has been identified as being in short supply. It is also a profession which has been subject to the impact of the mining boom, with many graduate engineers being attracted to that sector.

Aboriginal Employment

Employment of staff of Aboriginal and Torres Strait Islander descent, has been reasonably successful over the past few years, but some staff that identified, have left Council's employ due to ill health and family reasons. Council continues to support those Aboriginal staff in the workplace. Trainees are encouraged to apply for permanent positions as they arise, and support in relation to recruitment processes, such as interview skills training is provided. Council currently has aboriginal trainees in the areas of outdoor recreation (lifeguards), conservation and land management, and business studies. Council currently has one aboriginal staff member completing an apprenticeship in bridge carpentry.



Flexible employment

Over the past several years Council has accommodated some 100 or so, requests for flexible employment in relation to female staff returning from maternity leave, male staff members for parenting related issues, as well as increasing transition to retirement requests. Flexible employment is one of the most important factors in dealing with any potential skills shortages, as reduced hours and days, is an incentive to keep working for both younger staff with carers responsibilities, older staff with carers responsibilities and also transitioning employees. Flexible employment options work well in relation to succession planning. Keeping the knowledge in the organisation so that older staff can pass on their knowledge to younger staff, is vitally important. In conducting the analysis of critical positions, most often the "skills gaps" identified, were experience and corporate knowledge, rather than basic technical skills.

Succession Planning

Succession planning is a strategic, systematic and deliberate activity to assist an organisations future capability to fill vacancies, consistent with the merit principle. It specifically focuses on assisting to provide availability and sustainability of a supply of capable staff that are ready to assume key or critical roles, as they may become available. Succession planning involves a planned and systematic effort geared towards responding to leadership requirements and technical specialist positions, now and in the future.

In 2011, all Directors and Managers we asked to identify the critical positions in their areas of responsibility; this data has been valuable in adding demand data to the equation of skills required and possible shortages.

One issue for us in Local Government in relation to succession planning, is the need to adhere to the requirements of the Local Government Act in relation to selection and promotion on merit. Local Government does not have the flexibility to just choose which staff member will be the next for promotion. Therefore, any succession plans must be seen as broad plans of which positions are critical and a set of strategies to try to equip prospective applicants with skills, knowledge and experience to be successful at an interview, whilst still being compliant with the legislation.

Critical Position Analysis and follow up plans

Subsequent to the critical position analysis, Managers identified training and development needs and have been requested to translate these into detailed personal and professional development plans for staff identified, the development of these plans plays a crucial role in succession planning. The process identified some technical skills training that were required, but overall experience and corporate knowledge outweighed any major technical skills issues identified. Any structural changes may have an impact on the number of critical positions, and any plans must therefore be fluid to accommodate changes emanating from structural change, and other unexpected staff changes.

Succession planning forms part of Workforce Planning, which seeks to ensure in general, that the right people, are in the right place, at the right time, to achieve the business outcomes in the delivery program linked to the elements that Council is responsible for in Community Strategic Plan,.

Emerging Leaders Program

In 2011, Council also embarked on developing an Emerging Leaders Program, which will form part of the succession planning processes at Council. Development activities and opportunities for staff nominating, will be coordinated to allow professional and personal development, as well as targeting Council needs. But it is recognised that the merit principle applies to all staff appointments and promotions, so any programs that are put in place to satisfy succession planning requirements, can only, at best, ‘groom’ potential applicants, and staff are still free to leave Councils employ, so any plans for particular staff must be viewed in this light.



Staff Numbers, Structure, Links to Delivery Program and Operational Plan

Directorates

Staff Numbers as at Jan 2015

Executive & General	
Managers Office	16
Business Services	116
Sustainable Communities	121
Sustainable Infrastructure	280

* Includes all staff on payroll including long term leave, maternity leave etc.

Staff Links to Delivery Program and Operational Plan

Service Code	Service Name	Responsible Officer	Directorate	Strategy from reviewed Coffs Harbour 2030 Plan (2013)	Critical positions identified. Many can be filled now, but skills, experience gaps, identified. Plans by managers developed
S01	Arts and Culture	Group Leader Community & Cultural Services	Sustainable Communities	LC1.1, LC1.6, LC4.1, LC4.2, LC4.3, LC4.4, LP5.1, LP5.2	X
S02	City Image - Cleaning	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LC1.1, LE4.2, PL2.2	X
S03	Community Services	Group Leader Community & Cultural Services	Sustainable Communities	LC1.1, LC1.3, LC1.4, LC1.5, LC1.6, LC3.2, LC4.2, LC4.3, LC4.4, LP5.2, PL2.2	X
S04	Regulatory Compliance Enforcement	Group Leader Sustainable Places	Sustainable Communities	LC1.3	X
S05	Customer Service	Group Leader Customer Service	Business Services	LC3.1	X
S06	Development Assessment	Group Leader Sustainable Places	Sustainable Communities	LC3.1, LC3.1, PL1.2	X
S07	Economic Development	Group Leader City Prosperity	Sustainable Communities	LC1.1, LC2.2, LC3.2, LP3.2, LP1.1, LP1.2, LP1.3, LP2.1, LP2.2, LP2.3, LP6.1, LP6.2, LP2.3, MA3.1, MA3.2, LP6.3, MA3.1, MA3.2, MA3.3, PL1.4, PL1.6	X
S08	Emergency Management	Director Sustainable Infrastructure	Sustainable Infrastructure	LC1.2	X
S09	Environmental Management	Group Leader Sustainable Places	Sustainable Communities	LC3.2, LE1.2, LE1.3, LE2.1, LE2.2, LE3.1, LE3.2, LE3.3, LE3.4, LE4.2, LE4.3, LE4.4, LE4.5, LE4.6, LP4.1	X
S10	Event Management	Group Leader City Prosperity	Sustainable Communities	LC1.1, LC3.2, LC4.4, LP1.3	X
S11	Flooding and Coastal Management	Group Leader Strategic Asset Management	Sustainable Infrastructure	LC3.2, LE2.1, LE3.2, LE4.1, PL1.2	X

Service Code	Service Name	Responsible Officer	Directorate	Strategy from reviewed Coffs Harbour 2030 Plan (2013)	Critical positions identified. Many can be filled now, but skills, experience gaps, identified. Plans by managers developed
S12	Footpaths and Cycleways	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LE3.5, MA1.2, MA1.4, MA2.1	X
S13	Environmental Services	Group Leader Sustainable Places	Sustainable Communities	LC1.3, LE4.2, LE4.4	X
S14	Building Services	Group Leader Sustainable Places	Sustainable Communities	LC3.2, LE2.1, LE3.1, LP3.1, MA1.4, PL1.1, PL1.3, PL1.5, PL1.6, PL2.2	X
S15	Library	Group Leader Community & Cultural Services	Sustainable Communities	LC4.2, LP5.1	X
S16	Lifeguards	Group Leader Community & Cultural Services	Sustainable Communities	LC1.3	X
S17	Parks and Facilities	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LC1.1, LC1.2, LC1.4, LC1.5, LC1.6, LC3.1, LE1.2, LE1.3, LE3.4, LP5.2, PL2.2, PL2.3	X
S18	Property	Group Leader Strategic Asset Management	Sustainable Infrastructure	LC3.2, MA3.3, PL1.2, PL2.2	X
S19	Roads and Bridges	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LC1.2, MA1.2, MA2.1	X
S20	Sewer	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LC1.2, LC2.1, LC3.2, LE4.1, LE4.2, PL1.2	X
S21	Sport	Group Leader City Prosperity	Sustainable Communities	LC1.6, LC3.2, LC4.4	X
S22	Stormwater	Group Leader Strategic Asset Management	Sustainable Infrastructure	LE3.2, LE4.1, LE4.2, PL1.2	X
S23	Tourism	Group Leader City Prosperity	Sustainable Communities	LE1.1, LP1.1, LP1.2, LP1.3, LP2.1	X
S24	Waste Management	Group Leader Strategic Asset Management	Sustainable Infrastructure	LC3.2, LE4.2, LE4.4	X
S25	Water	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LC1.2, LC2.1, LC3.2, LE1.2, LE2.1, LE4.1, LE4.3, LE4.6, LP6.1, PL1.2	X
S26	Airport	Manager - Airport	Business Services	LC3.1, MA1.2	X
S27	Civil Contracting	Group Leader Asset Construction & Maintenance	Sustainable Infrastructure	LC3.1	X
S28	Corporate Information	Group Leader Business Systems	Business Services	LC1.2, LC3.1	X
S29	Corporate Planning	Group Leader Community & Cultural Services	Sustainable Communities	LC3.1, LC3.2	X
S30	Design	Group Leader Strategic Asset Management	Sustainable Infrastructure	LC3.1, LE2.1, LP3.2, MA1.1, MA1.2, MA1.3, MA1.4, MA2.2, MA2.3, PL1.2, PL1.6, PL2.1, PL2.2, PL2.3	X
S31	Digital e-Leadership	Group Leader Business Systems	Business Services	LC1.4, LC3.1	X
S32	Environmental Laboratory	Manager - Environmental Laboratory	Sustainable Infrastructure	LC3.1, LE4.1	X
S33	Finance	Group Leader Financial Management	Business Services	LC3.1, LC3.2, LC3.4, LE3.5	X
S34	Governance	Group Leader Governance Services	General Managers Office	LC3.1, LC3.2	X
S35	Holiday Parks	Manager - Holiday Parks & Reserves	Business Services	LC3.1, LC3.2, LE3.4, PL1.2, PL2.2	X

Service Code	Service Name	Responsible Officer	Directorate	Strategy from reviewed Coffs Harbour 2030 Plan (2013)	Critical positions identified. Many can be filled now, but skills, experience gaps, identified. Plans by managers developed
S36	Human Resources	Group Leader Organisational Development	Business Services	LC3.1	X
S37	Media	Group Leader Customer Service	Business Services	LC3.1, LC3.2	X
S38	Plant and Fleet Management	Group Leader Financial Management	Business Services	LC3.1	X
S39	Procurement	Group Leader Financial Management	Business Services	LC3.1	X
S40	Strategic Asset Planning	Group Leader Strategic Asset Management	Sustainable Infrastructure	LC3.1, MA1.1, MA2.1, PL1.2	X
S41	Telemetry and Optic Fibre	Telecommunications & New Technology Manager	Business Services	LC3.1	X

The above table has all the links to the Delivery Program and Operational Plan, which are derived from Council's direct responsibilities in addressing the Coffs Harbour 2030 Community Strategic Plan. It should be noted that there are objectives and strategies in the 2030 Plan, for which Council has a facilitative or advocacy role, rather than a direct role as a provider.

Conclusion

Taking into account the current delivery program and operational plan commitments, the current level and make up of Coffs Harbour City Councils staff, as shown in the staff numbers, organisational charts and links to programs above, is adequate to provide the necessary human resources to fulfil the demands. As mentioned earlier, in 2011, Council is conducting a Service Review, if this has major impacts on service delivery or levels of service which in turn impact staff numbers, then this will be taken into consideration in again reviewing the Workforce Management Plan to reflect those changes.

The Workforce Management Plan is a dynamic document, one that will need to be modified as changes described above, or any other potential changes occur. The succession planning aspects of this document, must also be reviewed on a regular basis, as staff leave, some planned and some unexpectedly, often due to external factors which Council has no control over. As direct changes are made to the delivery program and operational plan, the staff links will be modified as necessary.

Summary of Ongoing Human Resources & Organisational Development Initiatives to support Workforce Plan, Succession Planning & General HR Initiatives

Strategies	Action	Timeframe	Responsible Person/s	
Ensure Councils workforce is sustainable to achieve outcomes in the delivery program				
	Develop and monitor succession planning initiatives	Development by end March monitoring is ongoing	Directors, GLs and GLOD	Report to GLT quarterly
	Critical position analysis is undertaken	Completed July 2011	GLT & GLOD and Directors	
	Development Plans associated with critical positions are developed and implemented	In process of completion	Directors and GLT	
	Conduct a survey of retirement options and alternative strategies	To be completed in the first quarter of 2012	GLOD and OD Staff	
	Continue to support flexible working arrangements wherever possible to maximise all staff participation in the CHCC workforce	Ongoing	GLOD and GLT	Record all arrangements, monitor and report to GLT
	Continue to support transition to retirement arrangements to maximise all staff participation in CHCC workforce.	Ongoing	GLOD and GLT	Record all arrangements, monitor and report to GLT
	Develop Emerging Leaders program	By end of January 2012	GLOD and project team members	
	Seek nominations for Emerging Leaders program	By end of January 2012	GLOD	
	Facilitate conduct of initial Emerging Leaders program	Throughout 2012	GLOD and project team members	
	Facilitate ongoing Emerging Leaders program	Ongoing	GLOD	

Strategies	Action	Timeframe	Responsible Person/s	
Attract and retain quality employees	Continue review of Position Descriptions	Ongoing 2 year cycle.	GLOD, OD staff and GLT	
	Continue Online recruitment, monitor and review system and suggest changes	Ongoing	GLOD and OD Staff	
	Coordinate the review of the Staff Core Values	By end of March 2012	GLOD and review team	
	Review, reward and recognition programs		GLOD	
	Ensure staff are aware of access to Employee Assistance Program	Ongoing	GLT and OD Staff	
	Monitor effectiveness of the EAP providers	Ongoing	GLOD and OD Staff	
	Monitor new induction program and amend as required	Ongoing	GLOD and OD staff	
Attract and retain a staff from diverse backgrounds	Review Equal Employment Opportunities related policies	By end June 2012	GLOD and OD Staff	
	EEO strategies are used to maximize the diversity of Councils workforce.	Ongoing	GLOD and GLT	
	Review EEO (2010) Management Plan	By end of June 2012	GLOD and OD staff	
	Continue work of the Women's Development team	Ongoing	WDT members, GLT.	
	Survey focus groups to gather information on gender issues at Council	Completed November 2011	WDT members	
	Produce action plans based on gender survey data.		WDT members	
	Work towards achieving 50 / 50 Bronze accreditation	Ongoing until achieved	WDT members, GLT & GLOD	
	Continue programs for youth employment, through work experience, apprenticeships and traineeships.	Ongoing	GLOD, OD staff , Directors and GLT	
	Continue program of engineering cadetships	Ongoing	GLOD, OD staff Director of Sustainable Infrastructure	
Strategies	Action	Timeframe	Responsible Person/s	
Attract and retain a staff from diverse backgrounds – cont'd	Continue support to increase for ASTI employment in Council	Ongoing	GLOD, GLCCS, Aboriginal Development Officer, OD staff	
	Continue support for employment of people from culturally and linguistically	Ongoing	GLOD, Directors and GLT.	

	diverse backgrounds.			
Value and provide training and development opportunities for staff	Continue Development of Learning Management System	Report back by end June 2012	Project Team	
	Skill gaps are identified and plans implemented to close the gaps	Ongoing as new staff start		
	Professional, personal and skills development is available to all staff.	Ongoing		
	Coordinate LGMA Management Challenge 2012	2012, application sent, follow up with candidates in early 2012. Then ongoing	Through 2012 GLOD LGMA Mgt Challenge Mentor	
	Coordinate Supervisors Workshop 2011 and 2012	November 2011 and early 2012	GLOD and OD staff	
	Coordinate Leadership Team Workshop 2012	Early 2012	GLOD and OD Staff	
	Coordinate 360 degree assessment process and follow up in 2011 and 2012	August 2011 onwards and into 2012 for follow up	GLOD and GLT	
Provide best practice human resources framework	Monitor initiatives in HR Strategic Plan	Ongoing	GLOD & OD Staff	
	Continue project for HR Platform conversion / transition	Ongoing	Project Team	
	Continue Review of Performance Management Framework	2012	GLOD	
	Implement new Performance Management Framework	Throughout 2012	GLOD and OD Staff	
	Evaluate and report on new Performance Management Framework	2012	GLOD	
	Conduct employee surveys	2012 and ongoing	GLOD and OD Staff	
	Conduct HR Metrics Reporting	See table. Ongoing	GLOD and OD Staff	
Strategies	Action	Timeframe	Responsible Person/s	
Provide best practice human resources framework - cont'd	Conduct Health & Safety Metrics Reporting	See table. Ongoing	GLOD	
	Continue policy review	Through 2012	GLOD and OD Staff	
High awareness and value is placed on Workplace Health & Safety	WHS Committee is convened and actively used to support initiatives	Ongoing.	GLOD and WHS Committee	
	Training is provided where necessary		GLOD, L&D Coordinator	
	Continue program of Health & well being	Ongoing	GLOD and OD Staff	

Summary of HR / OD / HS Metrics - Reports on an ongoing basis

Item	Frequency / Responsible Officer
Employment status	Yearly / GLOD
Demographics, age profile	Yearly / GLOD
Gender profile	Yearly / GLOD
ATSI profile	Yearly / GLOD
CALD profile	Yearly / GLOD
Disabilities profile	Yearly / GLOD
Gross Salaries	Yearly / GLOD
Overtime	Quarterly / GLOD
Average Salary	Yearly / GLOD
Terminations	Yearly / GLOD
Turnover	Yearly / GLOD
Recruitment results	Yearly / GLOD
Workers Compensation	Quarterly / GLOD
Training	Yearly / GLOD
Sick leave	Quarterly / GLOD
Leave liability	Quarterly / GLOD
LTIFR	Quarterly / GLOD
Comparative WC statistics	Quarterly / GLOD