

**From:** [Gary Murphy](#)  
**To:** [Craig Norman](#)  
**Subject:** RE: Cash flow  
**Date:** Wednesday, 1 April 2020 3:31:18 PM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
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Hi Craig,


Are you able to provide any further update on the scenario planning?

I am concerned that we are unlikely to get any of our usual revenue for the next 6+ months, our investment income will be negligible and unless we can force staff to take leave we will be holding expenses pretty much the same.

What strategies should we be considering to preserve our financial position as much as possible while still delivering essential services?

Thanks

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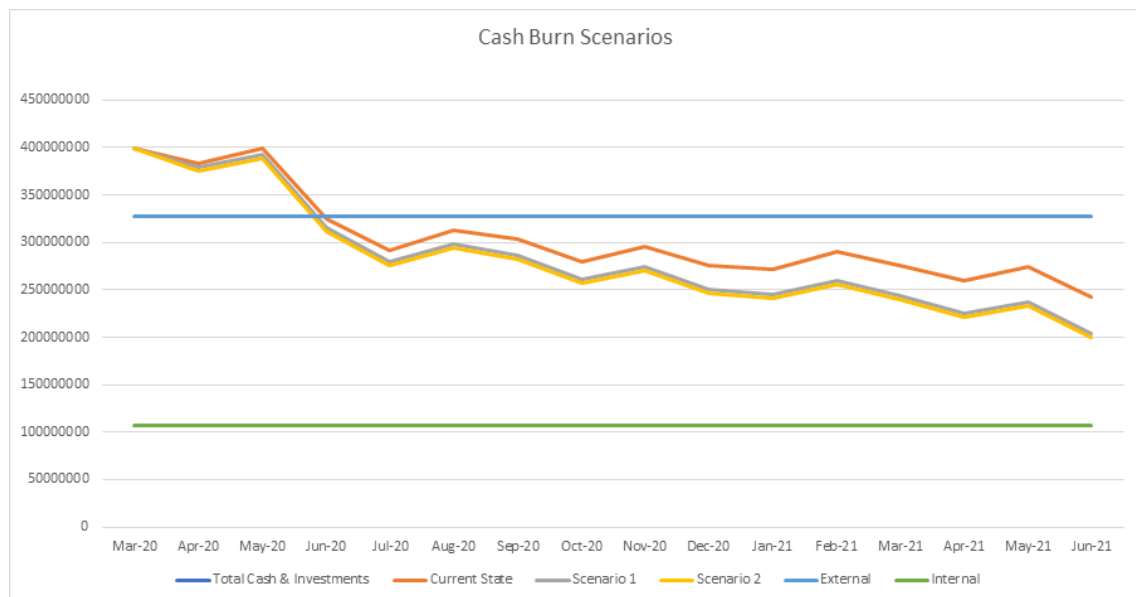
**From:** Craig Norman <[Craig.Norman@centralcoast.nsw.gov.au](mailto:Craig.Norman@centralcoast.nsw.gov.au)>  
**Sent:** Friday, 20 March 2020 12:57 PM  
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**Subject:** Cash flow

Gary

There are numerous scenarios that may impact our cash flow. The below 2 scenarios may be considered worse case, we just don't know at this stage and we will continue to refine as impacts are realised but we were preparing a paper for Council regardless to borrow. What is also unclear is any stimulus \$ / debt/interest deferrals that we may be able to access at this stage. I will continue refining this and advise

1. Cash burn scenarios – all options include no borrowings at this stage. Remedial action is to borrow \$30m (based on 2020 LTFP) and borrow further funds in 2021FY.

Current State – based on current transactional inflows/outflows  
Scenario 1 – 10% drop in cash inflow in April and 5% thereafter. No change to cash outflow  
Scenario 2 – 20% drop in cash inflow in April and 5% thereafter. No change to cash outflow



Both scenarios result in having to access restricted funds and also putting our current ratio below the OLG Benchmark so there would be a need to advise OLG/Minister -

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