



Etheridge
Shire Council

2020-21

ANNUAL BUDGET

... "Getting back to basics"...

2020|2021 Budget

“....getting back to basics....”

Councillors
Etheridge Shire Council



L-R Cr Gallagher, Cr Barns, Cr Royes (Deputy Mayor), Cr Hughes (Mayor) & Cr Haase

Executive Management
Etheridge Shire Council



David Munro

Chief Executive Officer



Ian Kuhn

*Director Corporate &
Community Services*



Les Morgan

*Director of Engineering
Services*

Executive Summary

Welcome to Etheridge Shire Council's 2020|2021 Annual Budget. The Budget Document for the 2020|2021 financial year has been prepared in accordance with legislation and with the Budget priorities from the Councillor's, Executive Management Team and the Corporate Plan Objectives (2018 – 2023).

Each year the budget process is the most important part of the Corporate Calendar.

Changes to legislation in 2009 and 2012 now require local governments to consider the longer term when managing their finances.

Etheridge Shire Council has taken this responsibility seriously and has been working to ensure that while this is a legislative requirement it is also good governance and management practice to ensure that the Council remains financially viable and planning becomes part of the way that we regularly do business.

Legislation changes in 2009 saw a move from a very prescriptive *Local Government Act 1993* to legislation that gave Council more autonomy. However, with autonomy come's accountability and the Government provided for a set of five local government principles.

To ensure the system of local government is accountable, effective, efficient and sustainable, Parliament requires—

- (a) anyone who is performing a responsibility under this Act to do so in accordance with the local government principles; and
- (b) any action that is taken under this Act to be taken in a way that—
 - (i) is consistent with the local government principles; and
 - (ii) provides results that are consistent with the local government principles, in as far as the results are within the control of the person who is taking the action.

The local government principles are—

- a) transparent and effective processes, and decision-making in the public interest; and
- b) sustainable development and management of assets and infrastructure, and delivery of effective services; and
- c) democratic representation, social inclusion and meaningful community engagement; and
- d) good governance of, and by, local government; and
- e) ethical and legal behaviour of councillors and local government employees.



Corporate and Operational Plan Objectives

The Corporate Plan is the key strategic business plan for the Council. It provides a focused framework for Council to plan and undertake its business and service delivery over the period of the plan, having regard to various issues, which may have been identified during the planning process, including community engagement.

The Annual Operation Plan and Budget then provide the detail of what will be done each year towards achieving these outcomes and strategies and how they will be resourced

The 2020|2021 Operational Plan is a strategic planning document which supports the 2018-2023 Corporate Plan in delivering the vision for the Etheridge Shire.

The Operational Plan identifies projects, initiatives and services that Council will deliver during this financial year toward achieving the long term objectives of the 2018-2023 Corporate Plan. It also provides direction to Council in setting the annual budget.

The Budget for the 2020|2021 financial year is derived from the key strategies defined in our 5 Year Corporate Plan, and our Annual Operational Plan.

our Mission

...Developing the Shire to create a better lifestyle, economy and employment opportunities...



our Vision

...Unearthing Etheridge's future to create a future beyond Rates, Roads and Rubbish...

our Guiding Principles

- Safe** - We focus on creating a safe workplace to ensure the wellbeing of our staff and the community;
- Teamwork** - We work together as one council towards shared goals and for the greater good of the community;
- Respect** - We will be inclusive, treat people with courtesy and fairness, and ensure each individual is valued and heard;
- Integrity** - We will behave in a way that is honest, open, and transparent. We will take responsibility for our actions and strive for excellence;
- Value** - We aim to deliver services efficiently, effectively and in an environmentally and financially sustainable manner; and
- Engagement** - We engage with our staff and community to inform our decision making, and create awareness of our activities.

Budget Contents

In accordance with the *Local Government Regulation 2012, S.169* the following documents are to be included in the budget presented to Council.

- a) Financial Position;
- b) Cashflow;
- c) Income and expenditure;
- d) Changes in equity;

The statement of income and expenditure must state each of the following:-

- a) Rates and utility charges excluding discounts and rebates;
- b) Contributions from developers;
- c) Fees and charges;
- d) Interest;
- e) Grants and subsidies;
- f) Depreciation;
- g) Finance costs;
- h) Net result;
- i) The estimated costs of:-
 - I. The local government's significant business activities carried on using full cost pricing basis; and
 - II. The activities of the local government's commercial business units; and
 - III. The local government's significant business activities.

The budget must include each of the following (the relevant measures of financial sustainability) for the financial year for which it is prepared and the next 9 financial years -

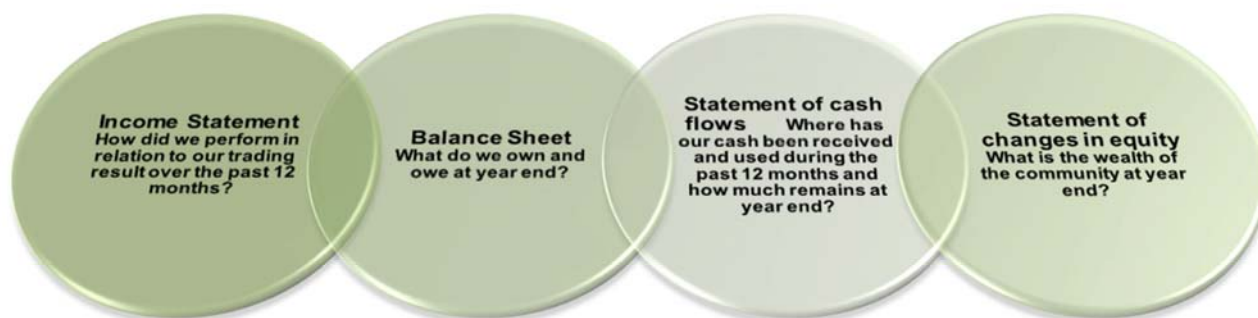
- a) asset sustainability ratio;
- b) net financial liabilities ratio;
- c) operating surplus ratio

The budget must include the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.

For calculating the rates and utility charges levied for a financial year, any discounts and rebates must be excluded.

The budget must be consistent with the following documents of the local government—

- (a) its 5-year corporate plan;
- (b) its annual operational plan.



Financial Sustainability and Accountability

In accordance with the *Local Government Act 2009* section 102, to ensure it is financially sustainable, a local government must implement systems to meet the following sustainability criteria;

- (a) Manage financial risk prudently;
- (b) Financial policies are to be formulated:
 - I. To ensure a reasonable degree of equity, stability and predictability.
 - II. So that current services, facilities and activities are financed by the current users of the services, facilities and activities.
 - III. Having regard to the effect of the policies on the future users of services, facilities and activities.
- (c) Full, accurate and timely information about the local government's finances and infrastructure is to be made available to the public on the local government's website.

*A local government is **financially sustainable** if the local government is able to maintain its financial capital and infrastructure capital over the long term. In accordance with the Local Government Act 2009 section 103, each local government must establish a system of financial management that complies with the requirements prescribed under a regulation and must regularly review the performance of its system of financial management.*

Financial Management, Planning and Accountability

In accordance with the *Local Government Act 2009* section 104 the system of financial management established by a local government must include -

- (1) To ensure it is financially sustainable, a local government must establish a system of financial management that -
 - (a) Ensures regard is had to the sound contracting principles when entering into a contract for -
 - I. the supply of goods or services; or
 - II. the disposal of assets; and
- (2) A local government is **financially sustainable** if the local government is able to maintain its financial capital and infrastructure capital over the long term.
- (3) The **sound contracting principles** are -
 - (a) value for money; and
 - (b) open and effective competition; and
 - (c) the development of competitive local business and industry; and
 - (d) environmental protection; and
 - (e) ethical behaviour and fair dealing.
- (4) A **contract for the supply of goods or services** includes a contract about carrying out work.
- (5) The system of financial management established by a local government must include -
 - (a) the following financial planning documents prepared for the local government -
 - a 5-year corporate plan that incorporates community engagement;
 - a long-term asset management plan;
 - a long-term financial forecast;
 - an annual budget including revenue statement;
 - an annual operational plan; and
 - (b) the following financial accountability documents prepared for the local government -
 - general purpose financial statements;
 - asset registers;
 - an annual report;

- a report on the results of an annual review of the implementation of the annual operational plan; and

(c) the following financial policies of the local government -

- investment policy;
- debt policy;
- revenue policy.

(6) A local government must ensure the financial policies of the local government are regularly reviewed and updated as necessary.

(7) A local government must carry out a review of the implementation of the annual operational plan annually.

Budget Summary

Sources of Revenue

(Where does the money come from?)

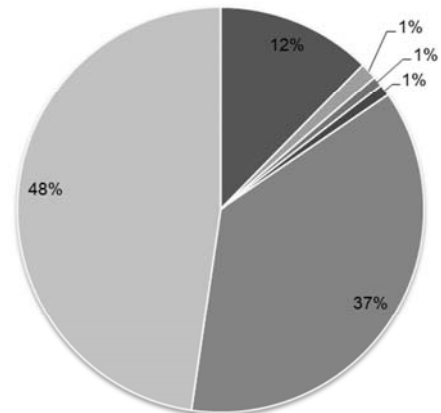
Statement of Comprehensive Income for the year ended 30 June 2021



\$'s	Budget 2020 2021	Percentage 2020 2021
Revenue		
Net Rates, Levies and Charges	\$ 2,223,335	12.32%
Fees and Charges	\$ 243,640	1.35%
Rental Income	\$ 147,800	0.82%
Interest & Investment Revenue Received	\$ 165,893	0.92%
Sales - contract and recoverable works	\$ 6,655,546	36.89%
Operating Grants, Subsidies & Contributions	\$ 8,603,809	47.69%
Total Recurrent Revenue	\$ 18,040,023	100.00%

Operating Revenue 2020/21

- Net Rates, Levies and Charges
- Fees and Charges
- Rental Income
- Interest & Investment Revenue Received
- Sales - contract and recoverable works



Council budgets are funded through a number of different sources. Rates form a portion of the budget, however council raises money through other means to help fund our community infrastructure and services.

The reduction in State & Federal Grants and Subsidies has created additional pressure on generating income from the general rate fund.

Council is also conscious of the impact that COVID-19 has had on the local, regional, states & federal economy and has factored in a slight decrease in its 2020/21 Rates income to assist the local community.

For the 2020|2021 financial year, rates and utility charges will contribute 12.32 per cent of the total budget revenue; with operating grants contributing 47.69 per cent along with Sales & Recoverable Works will contribute 36.89 per cent. Over 80 per cent of Council's operating revenue for the 2020|2021 financial year is reliant on grant funding and third party contracts.

Sources of Expenses
(Where does our money go?)

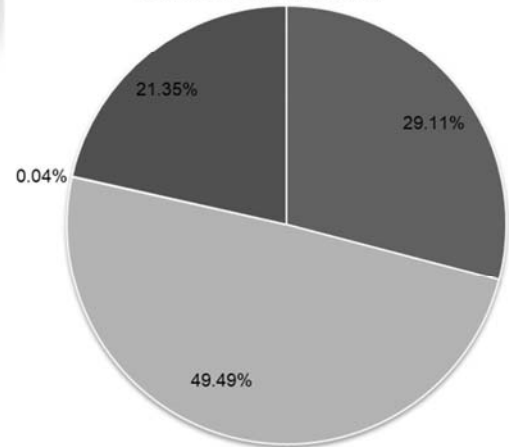
Statement of Comprehensive Income
for the year ended 30 June 2021



\$'s	Budget		Percentage	
	2020	2021	2020	2021
Expenses				
Employee Benefits	\$	6,292,727	29.08%	29.11%
Materials and Services	\$	10,690,327	49.41%	49.49%
Finance Costs	\$	8,137	0.04%	0.04%
Depreciation and Amortisation	\$	4,644,599	21.47%	21.35%
Total Recurrent Expenses	\$	21,635,790	100.00%	100.00%
Total Expenses	\$	21,635,790	100.00%	100.00%

Operating Expenses 2020/21

- Employee Benefits
- Materials and Services
- Finance Costs
- Depreciation and Amortisation



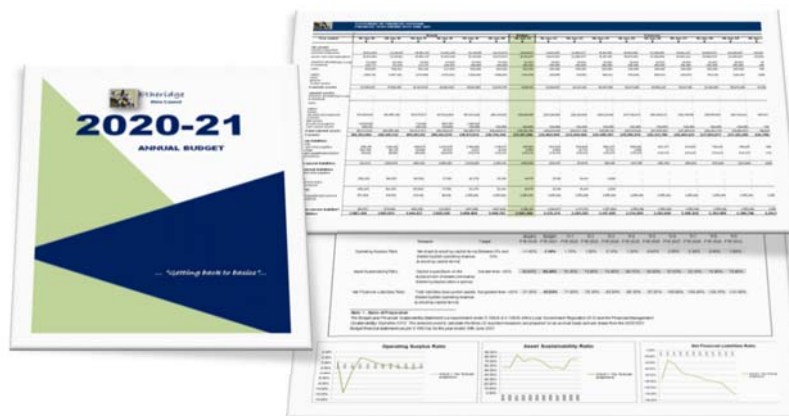
The Operating Budget relates to what is required for the day to day running of all services, facilities and requirements of the shire. This includes maintenance and operation of facilities such as the pool, community halls, public amenities, libraries, mowing of parks, road maintenance, town streets, waste, environmental health, electricity, communication, information technology (IT), insurances, staff costs and service provision.

For the 2020|2021 financial year, employee benefits will cost 29 percent of the total operating budget, with materials & services amounting to 49 percent and depreciation of Councils assets totaling 21 per cent.

The Depreciation expense is an accounting measure which records the consumption of the Council's assets due to wear and tear or becoming out of date technically. This includes roads & drainage infrastructure, water infrastructure, buildings and plant and equipment.

It is vital that Council keeps the funded depreciation issue in perspective. Insufficient funding of infrastructure replacement will inevitably lead to asset degradation and higher costs for future generations, as occurs in many countries. However, putting aside depreciation funds which are not likely to be used in the foreseeable future is an unnecessary impost on current ratepayers. Therefore a balance is required, so that assets are maintained in good condition, but unnecessarily large cash balances are not accumulated.

(Note: Depreciation is a non-cash item and has no effect on Councils cash position; however Council is required to cover its depreciation expense from its Operating Revenue)



Capital Budget

Council's capital budget for the 2020|2021 financial year totals \$10,495,545, with the majority of capital works falling within Infrastructure Services area.

Further analysis and break down of the capital works budget is shown on the next page.

Council has also provisioned \$1.209 million in plant replacement for the 2020|2021 financial year.

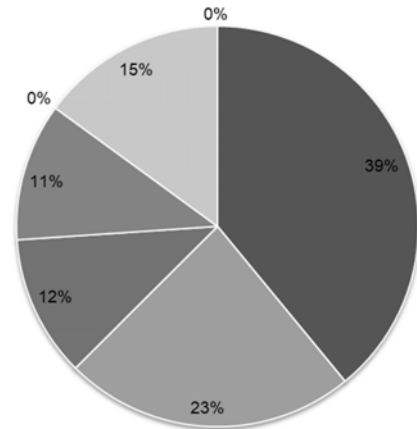
Capital Expenditure by Corporate Function Budget 2020|2021



\$'s Actuals	Budget	% of
	2020 2021	Sub Total
Corporate Function		
Resilient Transport Infrastructure & Connectivity	\$ 4,100,434	39.07%
Developing Reliable Potable & Irrigation Water Supply	\$ 2,458,686	23.43%
Managing the Natural Assets & Environment for Tourism & Economic Development	\$ 1,200,000	11.43%
Developing Equitable Social Infrastructure	\$ 1,167,750	11.13%
Improving Communication Infrastructure & Mechanisms within the Shire	\$ -	0.00%
Commercial Services	\$ 1,568,675	14.95%
Organisational Excellence & Governance	\$ -	0.00%
Total Capital Expenditure by Function	\$ 10,495,545	100.00%

Capex by Corporate Function 2020/21

- Resilient Transport Infrastructure & Connectivity
- Developing Reliable Potable & Irrigation Water Supply
- Managing the Natural Assets & Environment for Tourism
- Developing Equitable Social Infrastructure
- Improving Communication Infrastructure & Mechanisms
- Commercial Services



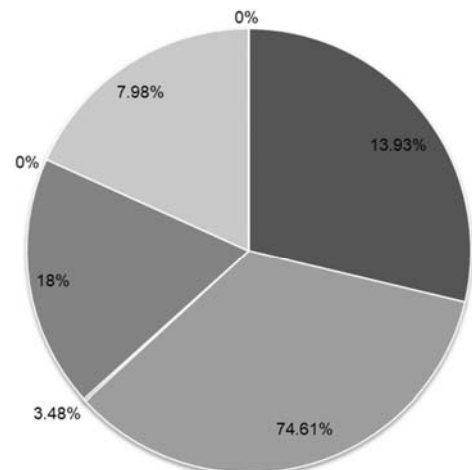
Capital Revenue by Corporate Function Budget 2020|2021



\$'s Actuals	Budget	% of
	2020 2021	Sub Total
Corporate Function		
Resilient Transport Infrastructure & Connectivity	\$ 1,669,165	28.73%
Developing Reliable Potable & Irrigation Water Supply	\$ 2,000,000	34.43%
Managing the Natural Assets & Environment for Tourism & Economic Development	\$ 10,000	0.17%
Developing Equitable Social Infrastructure	\$ 1,070,000	18.42%
Improving Communication Infrastructure & Mechanisms within the Shire	\$ -	0.00%
Commercial Services	\$ 1,060,000	18.25%
Organisational Excellence & Governance	\$ -	0.00%
Total Capital Revenue by Function	\$ 5,809,165	100.00%

Capital Revenue by Corporate Function 2020/21

- Resilient Transport Infrastructure & Connectivity
- Developing Reliable Potable & Irrigation Water Supply
- Managing the Natural Assets & Environment for Tourism
- Developing Equitable Social Infrastructure
- Improving Communication Infrastructure & Mechanisms
- Commercial Services



Summary of Capital Works 2020|2021

- *Further upgrade to the Strathmore Road (Ch 4.8 to Ch 2.8)*
- *Various Re-Seals to the Shire Road Network (North Head Road, O'Briens Creek Road)*
- *Dust Seals to Bagstowe Road and Oak Park Road*
- *Re-Seal of Georgetown Airstrip*
- *Completion of the Charleston Dam (Dam Wall, Reticulation to Reservoir(s))*
- *Upgrade of the Terrestrial Centre*
- *Recreational Area – Charleston Dam*
- *Minor Capital Improvements to the Swimming Pool (Telemetry & Chemical Dosing System)*
- *Minor reticulation upgrades within the Georgetown Township*
- *Beautification of the Carpark Area at Einasleigh*



Etheridge Shire Council Budget 2020|2021

In accordance with Section 170 of the Local Government Regulation 2012 and pursuant with Section 107A of the Local Government Act 2009 the 2020|2021 Budget reveals:

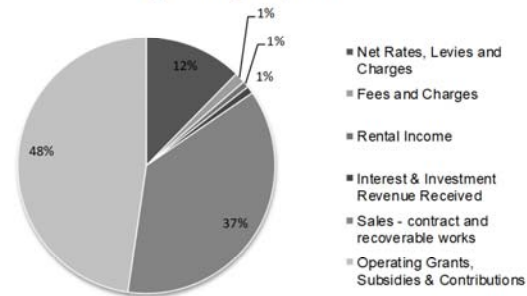
Total revenue from ordinary activities amounting to \$8,040,023, total expenses from ordinary activities (including depreciation) amounting to \$21,635,790 and capital funding operations amounting to \$10,495,545.

Statement of Comprehensive Income for the year ended 30 June 2021

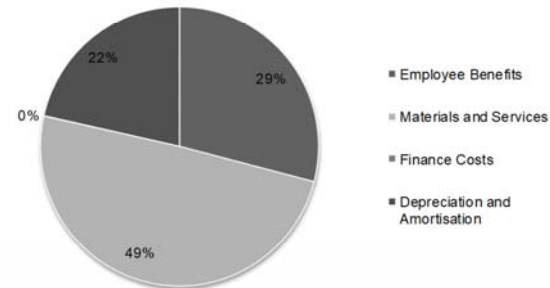


\$'s	Budget 2020 2021	Percentage 2020 2021
Revenue		
Net Rates, Levies and Charges	\$ 2,223,335	12.32%
Fees and Charges	\$ 243,640	1.35%
Rental Income	\$ 147,800	0.82%
Interest & Investment Revenue Received	\$ 165,893	0.92%
Sales - contract and recoverable works	\$ 6,655,546	36.89%
Operating Grants, Subsidies & Contributions	\$ 8,603,809	47.69%
Total Recurrent Revenue	\$ 18,040,023	100.00%
Capital Revenue		
Capital Grants, Subsidies & Contributions	\$ 5,809,165	24.33%
Total Capital Revenue	\$ 5,809,165	
Capital (Expenses) / Income		
Capital Income	\$ 32,073	0.13%
Total Income	\$ 23,881,261	100.00%
Expenses		
Employee Benefits	\$ 6,292,727	29.08%
Materials and Services	\$ 10,690,327	49.41%
Finance Costs	\$ 8,137	0.04%
Depreciation and Amortisation	\$ 4,644,599	21.47%
Total Recurrent Expenses	\$ 21,635,790	100.00%
Total Expenses	\$ 21,635,790	100.00%
Increase / (decrease) in asset revaluation surplus	\$ -	
Total comprehensive income for the year	\$ 2,245,471	

Operating Expenses



Operating Expenses



Statement of Financial Position

for the year ended 30 June 2021



	Budget	
\$'s	2020	2021
Current Assets		
Cash & Cash Equivalents	\$	10,600,355
Trade & Other Receivables	\$	979,404
Inventories	\$	409,998
Other Financial Assets		
Total Current Assets	\$	11,989,757
Non-Current Assets		
Other Assets	\$	726,850
Property, Plant & Equipment	\$	210,714,841
Capital Works in Progress (WIP)	\$	-
Total Non-Current Assets	\$	211,441,691
Total Assets	\$	223,431,448
Current Liabilities		
Trade & Other Payables	\$	878,986
Borrowings	\$	11,059
Provisions	\$	279,379
Total Current Liabilities	\$	1,169,424
Non-Current Liabilities		
Trade & Other Payables	\$	-
Borrowings	\$	41,075
Provisions	\$	1,355,286
Total Non-Current Liabilities	\$	1,396,361
Total Liabilities	\$	2,565,785
Net Community Assets	\$	220,865,663
Community Equity		
Asset Revaluation Reserve	\$	133,415,807
Retained / (deficiency)	\$	87,449,856
Total Community Equity	\$	220,865,663

Statement of Cashflows

for the year ended 30 June 2021



	Budget	
\$'s	2020	2021
Cash Flows from Operating Activities		
Receipts from customers	\$	18,490,813
Payment to suppliers and employees	-\$	17,899,739
	\$	591,074
Interest received	\$	165,893
Borrowing Costs	-\$	4,137
Net Cash Inflow (Outflow) From Operating Activities	\$	752,830
Cash Flow from Investing Activities :		
Payments for property, plant and equipment	-\$	10,495,545
Proceeds From sale of property, plant and equipment	\$	510,000
Grants, Subsidies, Contributions and Donations	\$	5,809,165
Other	\$	-
Net Cash Inflow (Outflow) From Investing Activities	-\$	4,176,380
Cash Flow from Financing Activities :		
Proceeds from borrowings	\$	-
Repayment of borrowings	-\$	10,291
Net cash provided by financing activities	-\$	10,291
Net Increase (Decrease) in Cash Held	-\$	3,433,841
Cash at beginning of reporting period	\$	14,034,196
Cash at end of Reporting Period	\$	10,600,355

// 2020-2021 result

\$14,034,196	opening balance
+ \$24,975,871	cash received
- (\$28,409,712)	cash spent
\$10,600,355	cash available at year end

Note: Statement of
Comprehensive Income
FYE2021

The following statement reveals an adjusted Comprehensive Income Statement for the financial year ending 30th June 2021. The Statement shows the movement from Constrained Reserves for the FYE 2021 which directly relates to an operating revenue source for the 2019 NDRRA works which were approved in the 2019/20 financial year and subsequently Council received an initial upfront cash payment of 30% of the total approved claim. In addition the Federal Government has also prepaid 50% of the 2020/21 FAGs Grant in the 2019/20 financial year which totaled \$2.866M

Council is holding \$4,001,879 within its Cash & Investment with these funds being constrained. This revenue source relates to operating expenditure that will occur within the 2020/21 financial year.

Therefore the adjusted Operating Surplus / (Deficit) reveals an Operating Surplus of \$406,112 compared to an Operating Deficit of (\$3,595,767)



Simplified Income Statement	Adjusted	Budget
	2020 2021	2020 2021
Operating Revenue		
Net Rates, Levies and Charges	\$ 2,223,335	\$ 2,223,335
Fees and Charges	\$ 243,640	\$ 243,640
Rental Income	\$ 147,800	\$ 147,800
Interest & Investment Revenue Received	\$ 165,893	\$ 165,893
Sales - contract and recoverable works	\$ 6,655,546	\$ 6,655,546
Operating Grants, Subsidies & Contributions	\$ 8,603,809	\$ 8,603,809
Total Recurrent Revenue	\$ 18,040,023	\$18,040,023
Transfer from Constrained Reserve	\$ 4,001,879	\$ -
Transfer to Constrained Reserve	\$ -	\$ -
Transfer from Capital Reserves	\$ -	\$ -
Transfer to Capital Reserves	\$ -	\$ -
Total Transfer to & from Reserves	\$ 4,001,879	\$ -
Total Operating Revenue	\$ 22,041,902	\$ 18,040,023
Operating Expenses		
Employee Benefits	\$ 6,292,727	\$ 6,292,727
Materials and Services	\$ 10,690,327	\$ 10,690,327
Finance Costs	\$ 8,137	\$ 8,137
Depreciation and Amortisation	\$ 4,644,599	\$ 4,644,599
Total Recurrent Expenses	\$ 21,635,790	\$21,635,790
Operating Profit / (Loss)	\$ 406,112	-\$ 3,595,767



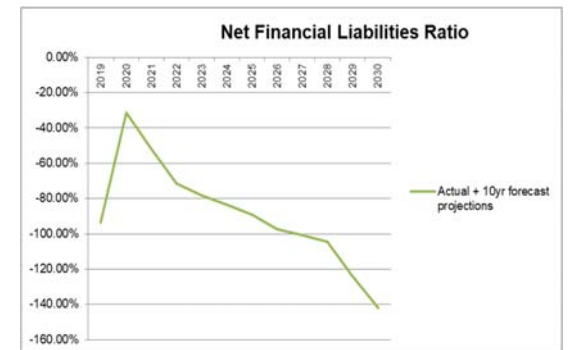
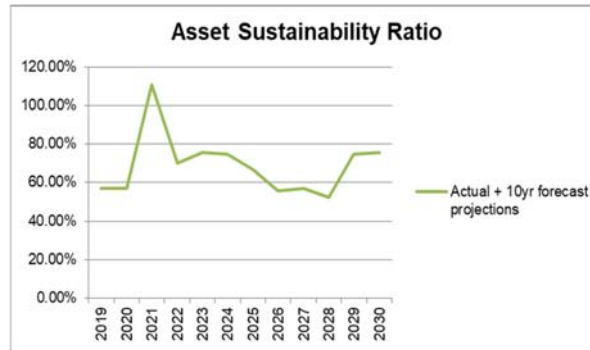
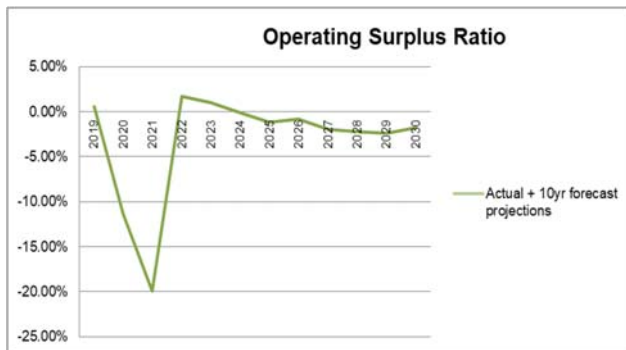
Etheridge Shire Council
Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2021

Measures of Financial Sustainability

Measure	Target	Actuals	Budget	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9
		FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Operating Surplus Ratio Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	-11.40%	-19.90%	1.70%	1.00%	-0.10%	-1.20%	-0.80%	-2.00%	-2.20%	-2.40%	-1.80%
Asset Sustainability Ratio Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	Greater than >90%	56.86%	110.70%	70.30%	75.80%	74.80%	66.70%	55.50%	57.00%	52.10%	74.80%	75.80%
Net Financial Liabilities Ratio Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than <60%	-31.30%	-52.20%	-71.60%	-78.30%	-83.50%	-89.30%	-97.50%	-100.80%	-104.60%	-124.10%	-141.90%

Note: 1 - Basis of Preparation

The Budget year Financial Sustainability Statement is a requirement under S.169(4) & S.169(5) of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three (3) reported measures are prepared on an accrual basis and are drawn from the 2020/2021 Budget financial statements as per S.169(1)(a) for the year ended 30th June 2021



Relevant Measures of Financial Sustainability - S.169 (4) & S.169 (5) of the Local Government Regulation 2012

Council is committed to maintaining financial sustainability in the long term which allows us to meet our future obligations and the demands of our community for the foreseeable future.

// operating surplus ratio

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes. A positive ratio indicates that funds are available for capital expenditure and the suggested target range is between 0% and 10%. Council's long term commitment to funding future capital growth is reflected in these results. The result for 2019/20 has been hampered by Council receiving payments in advance for flood damage works and the prepayment by the Federal & State Governments to issue a part payment of Councils FAG's Grant in the prior financial year. This has meant that Council has received the revenue in the prior financial year with Council undertaking the associated works within the current financial year.

This is also the case in the Budgeted Financial Statements with a number of prepayments of Operating Revenue in the 2019/20 financial year, which has had an impact on Councils Operating Surplus

// net financial liabilities ratio

This is an indicator of the extent to which the net financial liabilities of council can be serviced by its operating revenues. The benchmark established for the Local Government sector is a maximum of 60 per cent and results higher than this indicate that the flexibility to use debt to fund future projects may be restricted. Council is currently within this target range, and council's long term financial forecast indicates that council will continue to fall within this benchmark, which means that council would have the capacity to increase its debt levels if required to assist in any future growth in the shire / region and to utilise borrowings as a source of funds.

// asset sustainability ratio

This ratio indicates whether council is renewing or replacing its existing assets at the same time that its overall stock of assets is wearing out, expressed as a percentage. The benchmark established for the Local Government sector is to have a ratio greater than 90 per cent. Council is currently below this target range, and Council's long term financial forecast indicates that Council will continue to be below the recommended benchmark into the future.

Note: Sustainability Ratio

Council's "Sustainability Ratio" shows a declining trend in the inability of Council to provision sufficient funds each year to maintain its current assets.

..."A Local Government is financially sustainable if the Local Government is able to maintain its financial capital and infrastructure capital over the long-term"...

Financial sustainability is about the Shire being able to maintain its infrastructure capital and financial capital over the long-term. Debt when used sensibly and prudently to fund important infrastructure can help the Shire achieve the financial sustainability objectives and continue to provide a reliable level of service to the community.

The long-term financial forecasts rely on a clear perspective of the long-term infrastructure funding needs of the local government, including maintenance, operations and infrastructure renewals. Without this, a long-term financial forecast for the shire is indicative at best.

Over the FYE17, FYE18 & FYE19 Council has a focus on diverting the majority of councils Capital Income (Grants + Council funds) towards upgrading State Government infrastructure (i.e Georgetown/Forsayth Rd) with the combined funding over the two financial years equating to around \$3.2M. In the past, Council has utilized these funds to upgrade Councils existing assets (culverts, re-seals, re-sheeting etc).

While the current strategy of Council does have merit, it does reduce the ongoing maintenance and capital renewal programs that would need to be accounted for in future years as the asset is consumed, however this current strategy, may place Council in financial stress in future financial years to maintain its current asset base.

Another point that needs to be made, is a decision of Council (via a policy) to expense Flood Damage Works, where in the past, this has been capitalized and treated as Capital Renewal to Councils road network, which had a positive effect on Councils sustainability ratio. However, Council cannot rely on being declared for REPA under a Flood Damage event each year, and cannot rely on this funding as a solution to Councils declining sustainability ratio.

Council provisions approximately \$250k - \$350k per annum to maintain its current Building Structures which has an annual depreciation expense of approximately \$340k. Due to accounting standards the building maintenance is expensed due to the nature of the work and it is not captured as capital renewal. Based on this quick analogy,

it would be fair to say that Council is meeting its obligation to maintain one of its classes of assets however this is not captured when calculating the sustainability ratio.

The bench mark for this particular ratio needs to be looked at and reviewed. It is difficult for small councils (like Etheridge) to generate additional revenue through normal revenue channels (i.e. Rates & Charges) which is needed to maintain services & maintain infrastructure. In addition, the amounts of Capital Grants that are becoming available via (State & Federal Governments) need to be adaptable and flexible to allow Councils to apply the funding for capital renewal basis as well. Councils will end up with a multitude of new assets and the inability to fund the whole of life costs.

At present, Council has core revenue from Rates & Charges of approximately \$2.3M, FAGs funds of around \$5.6M and approximately \$0.250M in fees & charges which equates to around \$8.15M in core revenue with a capital renewal program of around \$2.5-3.5M per annum. This does not leave a lot of surplus to pay for Council overheads, insurance obligations and the ever increasing demand to meet community expectations.

Council is constantly looking at ways to become more efficient within its operations and has achieved some good outcomes when procuring goods to reduce Council's ongoing discretionary costs when implementing new projects or undertaking the salt & pepper maintenance of certain assets classes.

The Department of Infrastructure, Local Government & Planning along with QAO have been discussing the review of the Sustainability Ratio over the past 12-16 months which is long overdue and as mentioned above, it is difficult for small Councils to achieve the minimum benchmark imposed on local governments from the Department and Audit. It would be more prudent for the individual Councils to set its own benchmarking ratio as it is best placed to understand its local conditions rather than a "one fit" approach across the industry.

Council is working hard to rectify its ongoing "Sustainability" and is looking at innovative initiatives to assist Council with additional revenue streams, and is keen to keep driving the local economy through the responsible delivery of capital projects and a focused approach to the long term planning and sustainability of our communities while maintaining the Shire's liveability.

The Local Government Regulation 2012 states that the Annual Budget must include each of the relevant measures of financial sustainability for the financial year for which it is prepared and the next nine (9) financial years.

The relevant measures of financial sustainability are the following measures as described in the financial management (sustainability) guideline –

- (a) Asset sustainability ratio;
- (b) Net financial liabilities ratio;
- (c) Operating surplus ratio

Etheridge Shire Council
Current - year Financial Sustainability Statement
For the year ended 30th June 2021

Measures of Financial Sustainability

How the measure is calculated Actual - Council Target

Council's performance as 30th June 2021 against key financial ratios and targets:

Operating Surplus Ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-19.90%	Between 0% and 10%
Asset Sustainability Ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	110.70%	Greater than >90%
Net Financial Liabilities Ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-52.20%	Not greater than <60%

Note: 1 - Basis of Preparation

The Budget year Financial Sustainability Statement is a requirement under S.169(4) & S.169(5) of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three (3) reported measures are prepared on an accrual basis and are drawn from the 2020/2021 Budget financial statements as per S.169(1(a)) for the year ended 30th June 2021

Land valuations - how do they impact on rates?

Rates are based on the unimproved value of your land. You receive a valuation approximately every two years from the Department of Natural Resources & Mines.

Etheridge Shire Council has been revalued to take effect from 1 July 2019. The valuation changes have not been consistent within and between land use types. This is however fairly typical in revaluations across the State.

This is not an uncommon situation for a council to face following a revaluation, and while most councils seek to minimise the fluctuations in increases, it is technically not possible (lawfully) to achieve an even change in rate levies.

In 2011 the Queensland Government moved to a 'site valuation' methodology for non-rural land, because site value was a closer reflection of the land's current value. Most residential land, except land with extensive site works, is unlikely to be significantly affected, other than through normal market movement and in some cases valuations have dropped.

While council uses land valuations as a base to calculate rates, changes to land valuation don't automatically coincide with changes to council rates.

What are my costs this year?

Just as Federal and State Governments collect taxes to pay for services, programs and initiatives, council collects rates to fund the extensive services it provides to the community.

Water Charges - Georgetown

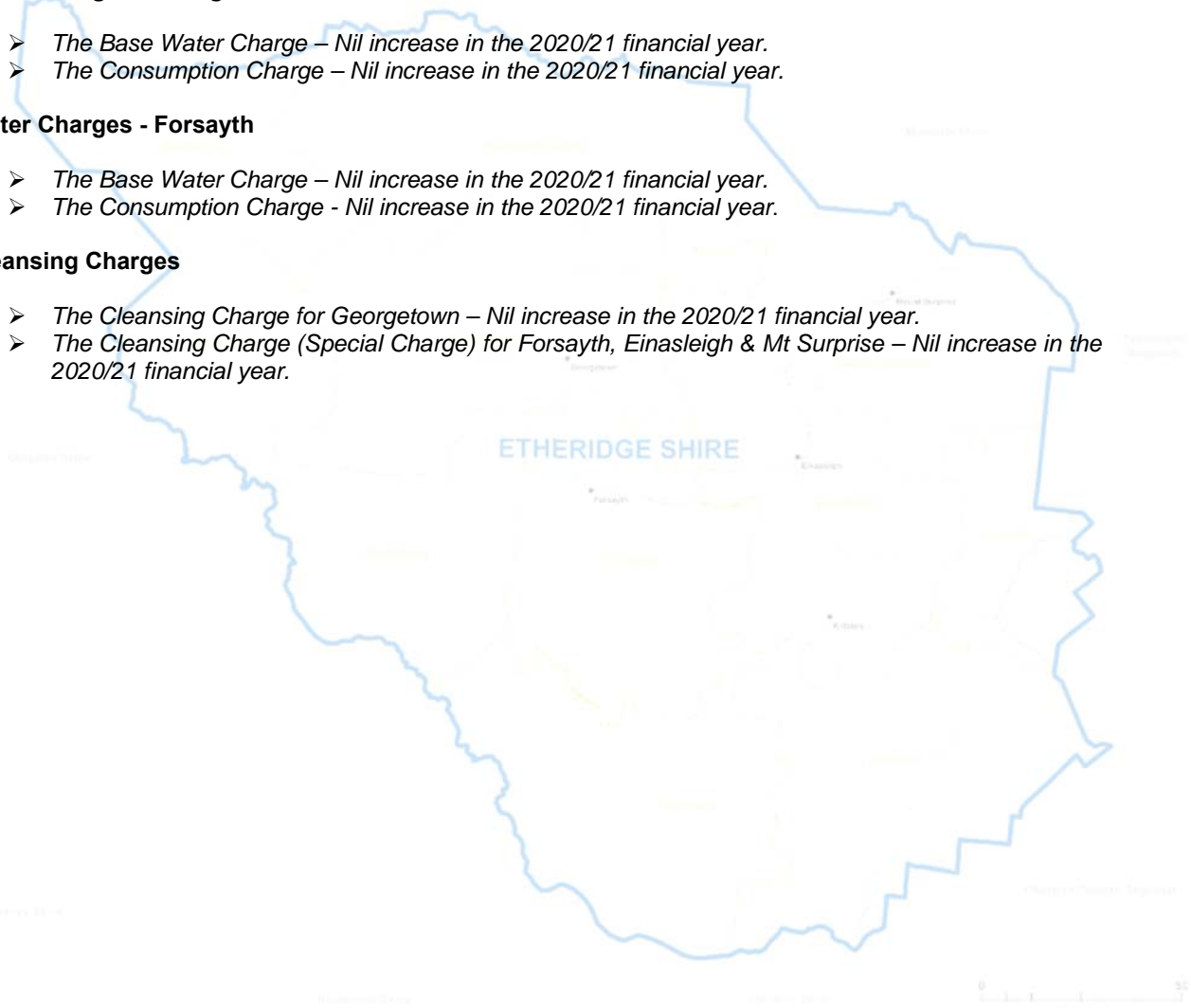
- *The Base Water Charge – Nil increase in the 2020/21 financial year.*
- *The Consumption Charge – Nil increase in the 2020/21 financial year.*

Water Charges - Forsayth

- *The Base Water Charge – Nil increase in the 2020/21 financial year.*
- *The Consumption Charge - Nil increase in the 2020/21 financial year.*

Cleansing Charges

- *The Cleansing Charge for Georgetown – Nil increase in the 2020/21 financial year.*
- *The Cleansing Charge (Special Charge) for Forsayth, Einasleigh & Mt Surprise – Nil increase in the 2020/21 financial year.*



Comparative Rates & Charges for an Occupied Residence at Georgetown, Forsayth, Einasleigh & Mt Surprise which has an “unimproved valuation” less than \$17,500.

		2019/2020 Gross Rates & Charges	2020/2021 Gross Rates & Charges
Georgetown	UV \$12,000	\$ 623.00	\$ 595.00
	Cleansing	\$ 488.99	\$ 488.99
	Water Base Charge	\$ 636.00	\$ 636.00
	Water Consumption Charge (based on 500 kilolitres / half year)	<u>\$ 510.00</u>	<u>\$ 510.00</u>
	Total	<u>\$ 2,257.99</u>	<u>\$ 2,229.99</u>
Forsayth	UV \$12,000	\$ 623.00	\$ 595.00
	Waste Management Levy	\$ 179.98	\$ 179.98
	Water Base Charge	\$ 636.00	\$ 636.00
	Water Consumption Charge (based on 500 kilolitres / half year)	<u>\$ 816.00</u>	<u>\$ 816.00</u>
	Total	<u>\$2,254.98</u>	<u>\$2,226.98</u>
Einasleigh	UV \$12,000	\$ 623.00	\$ 595.00
	Waste Management Levy	<u>\$ 179.98</u>	<u>\$ 179.98</u>
	Total	<u>\$ 802.98</u>	<u>\$ 774.98</u>
Mt Surprise	UV \$12,000	\$ 623.00	\$ 595.00
	Waste Management Levy	<u>\$ 179.98</u>	<u>\$ 179.98</u>
	Total	<u>\$ 802.98</u>	<u>\$ 774.98</u>

Rating Comparisons

Georgetown

A residential ratepayer residing in Georgetown with a valuation of \$12,000 will have an annual bill decrease by \$28.00 for the 2020|2021 year. This equates to \$0.53 per week decrease. This calculation includes the general rate, cleansing, and water base access charge and the water consumption charge based on 1000 kilolitres for the year.

Forsayth

A residential ratepayer residing in Forsayth with a valuation of \$12,000 will have an annual bill decrease by \$28.00 for the 2020|2021 year. This equates to \$0.53 per week decrease. This calculation includes the general rate, cleansing, and water base access charge and the water consumption charge based on 1000 kilolitres.

Einasleigh & Mt Surprise

A residential ratepayer residing in Einasleigh or Mt Surprise with a valuation of \$12,000 will have an annual bill decrease by \$28.00 for the 2020|2021 year. This equates to \$0.53 per week decrease. This calculation includes the general rate and waste management levy.

Comparative Rates & Charges for a Commercial / Industrial Premises at Georgetown, Forsayth, Einasleigh & Mt Surprise which has an “unimproved valuation” of \$21,500

		2019/2020 Gross Rates & Charges	2020/2021 Gross Rates & Charges
Georgetown	UV \$21,500	\$ 1,112.00	\$ 871.40
	Cleansing	\$ 488.99	\$ 488.99
	Water Base Charge	\$ 636.00	\$ 636.00
	Water Consumption Charge (based on 500 kilolitres / half year)	<u>\$ 510.00</u>	<u>\$ 510.00</u>
	Total	<u>\$ 2,746.99</u>	<u>\$ 2,506.39</u>
Forsayth	UV \$21,500	\$ 1,112.00	\$ 871.40
	Waste Management Levy	\$ 179.98	\$ 179.98
	Water Base Charge	\$ 636.00	\$ 636.00
	Water Consumption Charge (based on 500 kilolitres / half year)	<u>\$ 816.00</u>	<u>\$ 816.00</u>
	Total	<u>\$2,743.98</u>	<u>\$2,503.38</u>
Einasleigh / Mt Surprise	UV \$21,500	\$ 1,112.00	\$ 871.40
	Waste Management Levy	<u>\$ 179.98</u>	<u>\$ 179.98</u>
	Total	<u>\$1,291.98</u>	<u>\$1,051.38</u>

Rating Comparisons

Georgetown

A commercial / industrial ratepayer conducting a commercial / industrial business in Georgetown with a valuation of \$21,500 will have an annual bill decrease by \$240.60 for the 2020|2021 year. This equates to \$4.62 per week decrease. This calculation includes the general rate, cleansing, and water base access charge and the water consumption charge based on 1000 kilolitres for the year.

Forsayth

A commercial / industrial ratepayer conducting a commercial / industrial business in Forsayth with a valuation of \$21,500 will have an annual bill decrease by \$240.60 for the 2020|2021 year. This equates to \$4.62 per week decrease. This calculation includes the general rate, waste management levy, water base access charge and the water consumption charge based on 1000 kilolitres.

Einasleigh & Mt Surprise

A commercial / industrial ratepayer conducting a commercial / industrial business in Einasleigh or Mt Surprise with a valuation of \$21,500 will have an annual bill decrease by \$240.60 for the 2020|2021 year. This equates to \$4.62 per week decrease. This calculation includes the general rate and waste management levy.



Etheridge
Shire Council

2020-21

REVENUE POLICY



REVENUE POLICY 2020/2021

The purpose of this revenue policy is to set out: -

1. The principles intended to be used by Council for:

- Levying rates and charges; and
- Granting concessions for rates and charges; and
- Recovering overdue rates and charges; and
- Cost recovery fees; and.

2. The purposes for concessions; and

3. The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development; and

4. The amount of each reserve to be kept in the operating fund and the way in which Council intends to ensure funding is available to support the purpose of each reserve.

The period covered by this policy applies to the financial year **2020/2021**.

INTRODUCTION

Etheridge Shire Council can be recognised as a Category 1 Local Government that is well known for its diverse range of rural and mining bases.

For many years, the Council's budget has been revenue driven rather than expenditure orientated. This approach has meant that Council provides for the necessary administrative, maintenance and operational expenses through revenue. An amount of revenue will be set aside for capital expenditures in the current budget and another amount set apart for future capital expenditure. It is acknowledged that Council must "maintain" and "control" expenses and be prepared to allocate necessary resources over an extended period of time in order to purchase discretionary capital items. Council must also seek out and await the allocation of special grants. Borrowing is not a preferred budget option; however it may be contemplated in special circumstances.

The revenue based budget approach reverses the textbook approach to rating. The usual budget model will see rates calculated so as to deliver the difference between budget expenditure and other income. Although the budget expenditures contemplated under the usual model may have been subject to trimming to fit economic circumstances, the underlying approach differs considerably both in theory and in practice to that used by Etheridge Shire Council along with many other Regional and Shire councils.

Council has made a decision to trim expenditure so as to permit it to live within its usual income. This may see some expenditure deferred and some temporary acceptance of lower standards for roads or other infrastructure than is ordinarily desirable. However, Council considers that containing rate increases and providing greater certainty about rate levels from year to year is a better option for its community than raising more revenue to fund more or better services that cannot be sustained in the long term.

The rate increases in some differential categories may be higher than those in others. However, such adjustments will be directed at achieving greater rating equity within Council's broader strategy of containing, through conservative budgeting, the increase in aggregate general rate revenue.

The overall rating strategy will continue to see differential rating, minimum rates and concessions used to gather necessary revenue equitably and to acknowledge different patterns for the use of Council's services.



A Principles used for the levying of rates & charges

In general Council will be guided by the principle of user pays in the making and levying of rates and charges so as to minimise the impact of rating on the efficiency of the local economy.

Council will also have regard to the principles of:

- transparency in the making of rates and charges
- having in place a rating regime that is simple and inexpensive to administer
- flexibility to take account of changes in the local economy.

In levying rates Council will apply the principles of:

- making clear what is the Council's and each ratepayers responsibility to the rating system
- making the levying system simple and inexpensive to administer
- timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy

In accordance with section 94 of the Local Government Act 2009 Council: -

1. must make and levy general rates (which includes determining differential general rates and minimum general rates); and
2. may also levy separate rates and charges. special rates and charges and utility charges

to assist in funding the operation and maintenance of Council services and facilities.

Where possible, Council will endeavour to base all rates and charges on a full cost recovery basis.

In making its decisions regarding the quantum of rates and charges, Council will endeavour to avoid undertaking borrowings. It is understood however, that in order for Council to undertake certain specific projects, borrowing may be a necessary requirement.

GENERAL RATES

Council recognises that different categories of land use will generate different needs and requirements for Council services and facilities. Council also recognises that it will incur a different level of resource expenditure to provide the necessary services and facilities.

Although a single general rate would provide simplicity, its adoption would necessitate Council setting a high minimum rate to deal with the fact that land values in towns and villages are very low in relation to rural land but those who live in towns and villages have greater access to council services.

Council believes that the existing distribution of the general rate burden through its differential rates regime is generally equitable as it reflects incremental changes over many years.

Council proposes therefore to continue to levy differential general rates to ensure that the rate burden is distributed in similar fashion to the pattern in recent years. Council will continue to gather data and to consider this information so as to further refine this process.

To ensure that owners of land across all differential categories contribute equitably to the cost of common services, Council applies a minimum rate to each differential rating category.

SPECIAL RATES AND CHARGES

Council may make and levy a special rate or charge on rateable land, to help defray the cost of providing a service, facility and or an activity where:

- the land, or the occupier of the land, has or will especially benefit from the provision of the service, facility or activity; or



- the occupier of the land, or the use made or to be made of the land, has, or will, especially contribute to the need for the service, facility or activity.

Examples of services that may necessitate a special rate or charge are:

- improvements to road construction standards and maintenance procedures necessitated by mining operations; and
- rural fire prevention and firefighting services.

UTILITY CHARGES

Council may make and levy a utility charge on any land, whether vacant or occupied, and whether or not it is rateable land; or a structure; to recover costs in relation to the provision of services and/or facilities. Examples may include cleansing, sewerage and water charges.

Generally, utility charges will be calculated on a full cost recovery basis.

INTEREST

Council may impose interest on rates and charges that remain unpaid after the appointed date for payment (ie: the date on which the discount period closes) and includes assessments that are making payments of outstanding rates by instalment.

LEVYING OF RATES AND CHARGES

In accordance with section 104 of the Local Government Regulation 2012, Council will issue a rates notice to the owner of the land on which a rate or charge has been applied. Rates notices shall include the date the notice was issued, the date by which time the rate must be paid and any discounts, rebates or concessions applied.

Council will issue notices on a yearly basis during the period 01 July to 30 June in the respective financial year.

Council will responsibly ensure that the rates and charges applied are correct and are generally issued within the month of August to better take into account the financial cycle of the local economy.

PAYMENT OF RATES AND CHARGES

Owner Liability

Section 127 of the Local Government Regulation 2012 details the liability of the 'owner' to pay rates and charges levied against land held in their name. It also describes the liability of persons' at whose request a service is supplied to a structure or land that is not rateable land.

Where joint ownership of a property exists or other persons are liable to pay a rate, all owners or other persons are jointly and severally liable.

Rates and charges will exist with the land ie. Where a change in ownership occurs and a rate or charge exists against the land the 'owner' of the land will become liable for payment.

Where land ceases to be rateable land under section 110 of the Local Government Regulation 2012 the owner of the said land immediately before it ceased to be rateable land is taken to continue as the owner of the land, and the land is taken to continue to be rateable land for the levy, collection or refund of a rate on the land for any period before it ceased to be rateable land.

Methods of Payment

Council may accept the payment of rates and charges by differing methods. These may include cheque, cash, direct debit and or electronic means.

Payments in Advance

Payments in advance by way of lump sum or instalments may be accepted, however interest will not be payable on any credit balances held.

Payment by Instalments

Council may allow payments by instalment where it will benefit both the individual and the collection of overdue rates and charges.



B Principles used for granting concessions for rates and charges

In considering the application of concessions, Council will be guided by the principles of:

- the same treatment for ratepayers with similar circumstances
- transparency by making clear the requirements necessary to receive concessions
- flexibility to allow Council to respond to local economic issues.

Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the State Government.

Discount

In accordance with section 130 of the Local Government Regulation 2012, Council may allow a discount on all General Rates, if payment is made within 45 clear days from the date of issue of the notice.

If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person's control, from paying the rate in time to benefit from a discount under section 130 of the Local Government Regulation 2012, then Council under section 130(10) of the Local Government Regulation 2012, may still allow the discount following written application by the ratepayer.

General Rate Caps

Because general rates are made and levied upon the unimproved value of land determined by the Department of Natural Resources & Mines, Council recognizes that the statutory valuation process may result in unusually high valuation increases for at least some classes of land, if not for all land. Where it considers that applying the differential general rate to affected lands or classes of land will produce inequities between ratepayers or classes of ratepayer, Council may cap general rate increases for the lands or classes of land concerned.

Other Rebates and Concessions

Council may, at its discretion allow other concessions or remissions. These may include pensioner rebates, natural hardship and or social and economic incentives.

C Principles used for the recovery of overdue rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
- equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- flexibility by responding where necessary to changes in the local economy.

Section 132 of the Local Government Regulation 2012 describes an 'overdue rate' as "an amount of a rate payable to a local government that remains unpaid at the end of the period specified in the rate notice as the period within which the amount of the rate is payable, (including any amount of interest on the rate under section 133 of the Regulation)".

With due regard for financial hardship, Council shall actively pursue the collection of outstanding rates and charges.

Council may use the following as a referral guide for the recovery of rates and charges:

Standard Performance:

- Council may refer overdue rates to a mercantile agent or a solicitor for recovery.



- Generally an account will not be referred for external recovery action unless it is \$500.00 or greater in value.
- Council may negotiate payment plans for any debt that may be referred to an external recovery agent.

D Principles used for determining cost-recovery fees

Section 97 of the Local Government Act 2009 allows Council to set cost-recovery fees.

The Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social, economic, environmental and other corporate goals. This is considered to be the most equitable and effective revenue approach, and is founded on the basis that the Shire's rating base cannot subsidise the specific users or clients of Council's regulatory products and services.

However, in setting its cost-recovery fees, Council will be cognizant of the requirement that such a fee must not be more than the cost to Council of providing the service or taking the action to which the fee applies.

OTHER MATTERS

Purpose of concessions

Refer to section B of this policy.

Physical and social infrastructure costs for new development

Council requires developers to pay reasonable and relevant contributions towards the cost of infrastructure required to support the development. Specific charges are detailed in the policies and other material supporting Councils' town planning schemes. These policies are based on normal anticipated growth rates. Where a new development is of sufficient magnitude to accelerate the growth rate of a specific community within the Shire, it may be necessary to bring forward social infrastructure projects.

Where this occurs, Council expects developers to meet sufficient costs so that the availability of facilities is not adversely affected and so that existing ratepayers are not burdened with the cost of providing the additional infrastructure."

Operating fund reserves

Council will maintain classes of reserves within its operating fund. These are:

Plant Replacement Reserve
Road Improvement Reserve
Future Capital Reserve
Georgetown Town Improvement Reserve
Forsyth Town Improvement Reserve
Einasleigh Town Improvement Reserve
Mt Surprise Town Improvement Reserve
Shire Community Improvement Reserve
Bridges & Culverts Reserve
Disaster Management Reserve

Council during its budget deliberations will examine the purposes of its reserves to ensure that the reserves are used for that purpose. Those reserves that are intended to be ongoing will be supported by transfers from operations and these transfers will be included in Council's adopted budget.



Etheridge
Shire Council

2020-21

REVENUE STATEMENT



REVENUE STATEMENT 2020/2021

The purpose of this document is to explain the revenue measures adopted in the budget concerning:

- the making of rates and charges
- the levying of rates
- the recovery of rates and charges
- concessions for rates and charges

The period covered by this statement applies to the financial year 2020|2021.

INTRODUCTION

The Etheridge Shire Council can be recognized as a Category 1 local government which is well known for its diverse range of rural and mining bases.

For many years, the Council's budget has been revenue driven rather than expenditure orientated. This approach has meant that Council provides for the necessary administrative, maintenance and operational expenses through revenue. An amount of revenue will be set aside for capital expenditures in the current budget and another amount set apart for future capital expenditure. It is acknowledged that Council must '**maintain**' and '**control**' expenses and be prepared to allocate necessary resources over an extended period of time in order to purchase discretionary capital items. Council must also seek out and await the allocation of special grants. Borrowing is not a preferred budget option; however it may be contemplated in special circumstances.

The rate increases in some differential categories may be higher than those in others. However, such adjustments will be directed at achieving greater rating equity within Council's broader strategy of containing, through conservative budgeting, the increase in aggregate general rate revenue.

The overall rating strategy will continue to see differential rating, minimum rates and concessions used to gather necessary revenue equitably and to acknowledge different patterns for the use of Council's services.



LEGISLATIVE REQUIREMENTS

Council has noted the requirements of the following legislation which require that certain matters are included in the revenue statement, viz

Local Government Regulation 2012

S.172 Revenue statement

- (1) The revenue statement for a local government must state—
 - (a) if the local government levies differential general rates—
 - (i) the rating categories for rateable land in the local government area; and
 - (ii) a description of each rating category; and
 - (b) if the local government levies special rates or charges for a joint government activity—a summary of the terms of the joint government activity; and
 - (c) if the local government fixes a cost-recovery fee—the criteria used to decide the amount of the cost-Recovery fee; and
 - (d) if the local government conducts a business activity on a commercial basis—the criteria used to decide the amount of the charges for the activity's goods and services.
- (2) Also, the revenue statement for a financial year must include the following information for the financial year—
 - (a) an outline and explanation of the measures that the local government has adopted for raising revenue, including an outline and explanation of—
 - (i) the rates and charges to be levied in the financial year; and
 - (ii) the concessions for rates and charges to be granted in the financial year;
 - (b) whether the local government has made a resolution limiting an increase of rates and charges.



A Principles used for the making of rates & charges

In general Council will be guided by the principle of user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy.

Council will also have regard to the principles of:

- transparency in the making of rates and charges
- having in place a rating regime that is simple and inexpensive to administer
- flexibility to take account of changes in the local economy.

- a) In accordance with section 92 of the Local Government Act 2009 and section 77 of the Local Government Regulation 2012, Council may, for a financial year, make and levy: a general rate or differential general rate; and
 - b) minimum general rate; and
 - c) separate rate/charge; and
 - d) special rate/charge; and
 - e) utility charge,
- To fund the operation and maintenance of Council services and facilities.

Where possible, Council will endeavor to base all rates and charges on a full cost recovery basis.

In making its decisions regarding the quantum rates and charges, Council will endeavor to avoid undertaking borrowings. It is understood however, that in order for Council to undertake certain specific projects, borrowing may be a necessary requirement.

DIFFERENTIAL GENERAL RATES

In accordance with the Local Government Regulation 2012, Chapter 4 Rates and Charges Part 5 Differential Rates, Etheridge Shire Council will make and levy a differential general rate for the financial year ending 30th June 2021, taking into consideration the following aspects:

- Council recognises that different categories of land use will generate different needs and requirements for Council services and facilities. Council also recognises that it will incur a different level of resource expenditure to provide the necessary services and facilities.
- Council has considered the consequences of adopting 'one' general rate and acknowledges that to do so would seriously disturb the relative distribution of the rate burden.
- Although a 'single general rate' would provide simplicity, its adoption would necessitate Council setting a high minimum rate to deal with the fact that land values in towns and villages are very low in relation to rural land but those who live in towns and villages have greater access to council services.
- Council proposes therefore to continue to levy differential general rates to ensure that the rate burden is distributed in a similar fashion to the pattern in recent years. Council will continue to gather data and to consider this information so as to further refine this process.
- To ensure that owners of land across all differential categories contribute equitably to the cost of common services, Council applies a minimum rate to each differential rating category.
- Historically Council has maintained its minimum rates at very low levels, given the standards of services it provides; but Council cannot continue to do this without compromising or reducing those standards. Council therefore proposes to increase the minimum rates over a period of years, beginning with 2010-11, to enable it at least to maintain the current standards of services it provides.



Etheridge Shire Council – Revenue Statement 2020/2021

In accordance with Section 81 of the Local Government Regulation 2012, Chapter 4 Rates and Charges, Part 5 Differential General Rates, Council will identify the category in which each parcel of rateable land is to be included and describe each of those categories.

For the purposes of the proceeding table, and this document generally, the term “town plan” means the Town Planning Scheme for the Shire of Etheridge gazetted on 31 January 2020 incorporating all the amendments up to and including 30 June 2021. For avoidance of doubt, and for the purposes of interpreting and applying this statement, the term “town plan” will continue to mean the said town planning scheme.

Pursuant to section 81 of the Local Government Regulation 2012, Chapter 4 Rates and Charges, Part 5 Differential General Rates, the categories into which rateable land is categorised, and a description of those categories, is as follows:

Category 1 • Rural Land – Grazing & Agriculture

Description: Rural Land, that is not within any other rural category, predominantly used for cattle grazing or other conventional agricultural.

Category 2 • Rural Land – Other

Description: Rural land that does not fall within any other rural category.

Category 3 • Urban Land Etheridge Towns – (UV < \$17,500)

Description: Land used for urban purposes not included in any other category located in the town areas of Etheridge Shire Council as described in the town plan and having a UV less than \$17,500.

Category 4 • Urban Land Etheridge Towns – (UV > \$17,500)

Description: Land used for urban purposes not included in any other category located in the town areas of Etheridge Shire Council as described in the town plan and having a UV greater than \$17,500.

Category 5 • Urban Land Commercial / Industrial

Description: Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for a commercial or industrial purpose.

Category 6 • Rural – Large Scale Mixed Intensive Agriculture

Description: Rural land, that is not within any other rural category that is being utilised or has the potential to be utilised, in whole or in part, by virtue of improvements or activities conducted upon the property for a system of large scale intensive cultivation using large amounts of labour and/or high efficiency machinery for planting, cultivating and harvesting.

Category 7 • Rural – Large Scale Renewable Energy Farms

Description: Rural Land that is not within any other rural category that is being utilised or has the potential to be utilised in whole or in part by virtue of improvements or activities conducted upon the property for the production of electricity from renewable energy sources such as biomass, solar, wind, tidal, wave and water (i.e. hydro-electric).

Category 11 • Mining Claim

Description: Land upon which an approved Mining Tenement and or Mining Claim exists.

Category 12 • Commercial – Utility Service Providers

Description: Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for a Utility Service Provider (i.e. Telstra, Optus, Ergon, Energex).

Category 13 • Other Land

Description: Land not included in any other category.



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Category 14 • Mining (UV \$1-\$2,500)

Description: Land that is a mine and has an Unimproved Value of \$1 to \$2,500.

Definition(s)

Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 15 • Mining (UV \$2,501 - \$6,500)

Description: Land that is a mine and has an Unimproved Value of \$2,501 to \$6,500.

Definition(s)

Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 16 • Mining (UV \$6,501 - \$15,000)

Description: Land that is a mine and has an Unimproved Value of \$6,501 to \$15,000.

Definition(s)

Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.



Category 17 • Mining (UV \$15,001 - \$35,000)

Description: Land that is a mine and has an Unimproved Value of \$15,001 to \$35,000.

Definition(s)

Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 18 • Mining (UV \$35,001 - \$70,000)

Description: Land that is a mine and has an Unimproved Value of \$35,001 to \$70,000.

Definition(s)

Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 19 • Mining (UV >\$70,000)

Description: Land that is a mine and has an Unimproved Value greater than \$70,000.

Definition(s)

Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.



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The following Differential Rates have been made for 2020|2021



DIFFERENTIAL RATING CATEGORIES 2020|2021

CATEGORY		Cents in Dollar of Unimproved Valuation 2020 2021
1	Rural Land - Grazing & Agriculture	0.8660
2	Rural Land - Other	0.7386
3	Urban Etheridge Towns (U.V. < \$17,500)	4.0000
4	Urban Etheridge Towns (U.V. > \$17,500)	4.5000
5	Urban Land Commercial / Industrial	4.0530
6	Rural - Large Scale Mixed Intensive Agriculture	0.8735
7	Rural – Large Scale Renewable Energy Farms	20.7124
11	Mining Claim	56.6661
12	Commercial - Utility Service Providers	775.0000
13	Other	0.7386
14	Mining - (U.V. \$1 - \$2,500)	20.7393
15	Mining - (U.V. \$2,501 - \$6,500)	40.0146
16	Mining - (U.V. \$6,501 - \$15,000)	40.5000
17	Mining - (U.V. \$15,001 - \$35,000)	36.6211
18	Mining - (U.V. \$35,001 - \$70,000)	54.0156
19	Mining - (U.V. > \$70,000)	57.0606

MINIMUM GENERAL RATE LEVY 2020|2021

In accordance with Local Government Regulation 2012, Chapter 4 Rates and Charges, Part 4 Minimum General Rates, the following Minimum General Rate Levies for the various categories of land, shall apply for 2020|2021:



MINIMUM GENERAL RATES 2020|2021

CATEGORY		Minimum General Rate 2020 2021
1	Rural Land - Grazing & Agriculture	\$ 896.00
2	Rural Land - Other	\$ 780.00
3	Urban Etheridge Towns (U.V. < \$17,500)	\$ 595.00
4	Urban Etheridge Towns (U.V. > \$17,500)	\$ 635.00
5	Urban Land Commercial / Industrial	\$ 741.00
6	Rural - Large Scale Mixed Intensive Agriculture	\$ 1,740.00
7	Rural – Large Scale Renewable Energy Farms	\$ 10,000.00
11	Mining Claim	\$ 178.00
12	Commercial - Utility Service Providers	\$ 1,000.00
13	Other	\$ 700.00
14	Mining - (U.V. \$1 - \$2,500)	\$ 614.00
15	Mining - (U.V. \$2,501 - \$6,500)	\$ 657.00
16	Mining - (U.V. \$6,501 - \$15,000)	\$ 1,568.00
17	Mining - (U.V. \$15,001 - \$35,000)	\$ 3,075.00
18	Mining - (U.V. \$35,001 - \$70,000)	\$ 6,000.00
19	Mining - (U.V. > \$70,000)	\$ 12,000.00




SPECIAL RATES AND CHARGES

Special Charge – Waste Management Charge (Einasteigh, Mt Surprise & Forsayth)

In accordance with Section 94(1)(b)(i) of the Local Government Act 2009, Council will make and levy a special charge for the provision of waste management services in the urban areas (as defined within Etheridge Shire Council’s Planning Scheme).

The overall plan for the services, facilities and activities in respect of which the special charge is made and levied shall be identified as follows:

- The rateable land to which the special charge applies is land within each of the benefited areas described in the town area maps ‘Planning Maps – Einasteigh, Mt Surprise and Forsayth. Where a parcel of rateable land includes two or more lots, the charge will be levied on each lot.
- The service facility or activity for which the special charge is made is for the provision of maintenance and operations of all waste management facilities for the towns of Einasteigh, Mt Surprise and Forsayth. The Special Charge will substantially fund the activity, however Council may determine to subsidise the service in view of the high costs of this service provision and the undue hardship that may result if full cost recovery was sought from the special charge.
- Council considers that land contained within the defined areas receives an equal special benefit from access to the waste management facilities. Council also considers that the benefit is shared equally by all parcels of land regardless of the value of such land.
- The service facility or activity for which the special charge is made is for the provision of waste management facilities as set out in the expenditure item in the budget document for the Shire of Etheridge for 2020|2021.
- The time for implementing the overall plan is one (1) year ending 30 June 2021. However, provision of waste management facilities is an ongoing activity, and further special charges are expected to be made in future years.
- The works and services specified in the overall plan will be carried out or provided during the year ending on 30 June 2021.
- The estimated cost of implementing the overall plan (being the cost of the planned works and replacement of capital items for 2020|2021 is \$ 41,500.00.
- The special charge is intended to raise all funds necessary to carry out the overall plan.

 <p><i>The amount of Special Charge (Waste) for Forsayth, Einasteigh & Mt Surprise</i></p>	
	Special Waste Charge
	2020 2021
Parcel Vacant & or Occupied Dwelling	\$179.98
Parcel - Vacant	\$179.98



UTILITY CHARGES

Council will make and levy a utility charge on any land, whether vacant or occupied, and whether or not it is rateable land; or a structure; to recover costs in relation to the provision of services and or facilities.

The following utility charges will be implemented by Council during 2020|2021:

Cleansing – Georgetown

In accordance with Section 94(1)(b)(ii) of the Local Government Act 2009, Council will make and levy a cleansing charge on the owner of the land within the area of the Town of Georgetown and on such other lands outside of the Town of Georgetown where a collection service is supplied by Council.

Annual charges for the collection of each 240 litre bin will be based on the frequency of collection of such bin and the number of such bins collected in the normal course of rubbish collection.


Annual charges for the collection of each commercial bin (900 litre) will be based on the frequency of such bin and the number of such bins collected in the normal course of rubbish collection. Commercial operators may avail of the larger bin via an application to Council.

Rubbish collection frequency for bins shall be once per week.

The costs incurred in the operation and maintenance of all of the waste management functions of the Town of Georgetown (including rubbish collection activities) will be substantially funded by these cleansing charges however Council may determine to subsidise the service in view of the high costs of this service provision and the undue hardship that may result if full cost recovery was sought from the service charges.

The urban areas in question are defined in the Town Plan and comprise the township of Georgetown.

Cleansing utility charges for occupied land where Council deems that a service will be supplied are to be levied on the following basis:

 CLEANSING CHARGE - GEORGETOWN	
Type of Improvement	Charge
For each house / dwelling unit / improved property	The amount of the charge to be levied is \$488.98 per annum for a 240 litre mobile bin to be used for the removal of domestic refuse on a normal weekly collection day.
Commercial, Industrial or Community Facility	The amount of the charge to be levied is \$488.98 per annum for a 240 litre mobile bin to be used for the removal of commercial refuse on a normal weekly collection day.
	Additional bins will be charged at \$416.16 per annum
Commercial, Industrial or Community Facility	The amount of the charge to be levied is \$663.00 per annum for a 900 litre mobile bin to be used for the removal of commercial refuse on a normal weekly collection day.
	Additional bins will be charged at \$571.20 per annum

- In respect of improvements erected during the year, cleansing charges shall be levied proportionally for the unexpired part of the year from the date the improvement is ready for occupation.



Water Charges – Georgetown & Forsayth

In accordance with Section 94(1)(b)(ii) of the Local Government Act 2009, Council will make and levy a water charge in the manner described hereafter to be levied on all land within the shire whether vacant or occupied to which Council is prepared to supply water, together with any land already connected to Council's various water supply systems.

The charges are also made in respect of any land or other structure, building or place on land to which water is supplied that is not rateable under Section 93 of the Local Government Act 2009.

All such charges levied shall be used to defray the cost of constructing water supply facilities, including the payment of interest, depreciation and the costs associated with the operation, maintenance and management of the water supply system.

The basis of the water charge is:

A utility charge will be applied for the supply of water services to the townships of Georgetown and Forsayth and any surrounding properties in the Rural Rate which are connected to the town water supply system.

Water Charges shall be applied on a user pays basis utilising a Two Part Tariff System comprising a Water Base Access Charge plus a Water Consumption Charge for each kilolitre (1000 litres) of water used. Whilst the aim of the charges will generally be to achieve full cost recovery, Council may decide not to set charges to achieve full cost recovery due to the following factors.

1. The poor economies of scale associated with small water supply systems and the resultant costs to consumers should full costing be applied.

It is the view of Council that it is equitable for all properties within the water areas to contribute to the fixed costs of the water supply operation by way of the Access Charge, while the Consumption Charge for all water consumed conforms to user pays principles.

The Access Charge for each separately connected parcel of land within the water area (including Council owned or controlled land) shall be based upon the size of the service connection to such land. Such charges will be based on a base charge per unit with a standard 20mm service connection equating to 20 units. The Schedule of units applicable to different size meters shall be, unless exempted or reduced by Council resolution.

Because of the generally reduced level of use of water facilities by Religious, Charitable and Community Organisations, such Organisations shall be levied 50% of the Annual Access Charge applicable. Water Consumption Charges however will not attract any subsidy.

The approved Religious, Charitable and Community Organisations in Georgetown are The Roman Catholic Diocese of Cairns, The Corporation of the Synod of the Carpentaria Diocese, The Queensland Country Women's Association and the William Wallace Lodge No 64 of the Ancient Free and Accepted Masons of Queensland.

The approved Religious, Charitable and Community Organisations in Forsayth are The Roman Catholic Diocese of Cairns, The Corporation of the Synod of the Carpentaria Diocese and The Queensland Country Women's Association.

Properties with more than one service connection shall be required to pay the applicable Access Charge for each such connection.

Where, in the opinion of the Director of Engineering Services, a larger than normally required water meter is fitted in order to allow for adequate pressure at a premises because of the substandard nature of the mains at that location, then the Chief Executive Officer may reduce the base access charges applicable for the connection down to the base access charge applicable to the next lowest category meter. (for example; a 50mm connection could be reduced to a 40mm connection).

An Unconnected Water Base Access Charge shall apply to each unconnected parcel of land within the water area not currently connected to the reticulation system where Council is able to provide a connection. As the ongoing



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costs of providing the capacity for connection to each unconnected site is not considered to be the same as for a connected site (as there is no meter maintenance involved) the Unconnected Access Charge shall be equivalent to one half the Access Charge for a 20mm Service Connection.

In setting the charges at the time of establishing a Council budget each year the following principles shall be used:-

- Access Charge to be based on the anticipated ongoing costs of providing, maintaining and improving the reservoir and reticulation system.
- Consumption Charge is to be based on anticipated recurrent short term costs incurred in the maintenance and operations of pumping and treatment systems (including water quality testing).

For the Township of Georgetown, Council may determine to charge a lesser charge for the first 700 kilolitres per 6 month billing cycle and fund any resultant shortfall from a mix of General Revenue and Grants in recognition of the poor economies of scale applicable to providing water to townships in the region and the hardship that would result in seeking full cost recovery for these services. Water use of more than 700 kilolitres per 6 months will be charged at a higher rate per kilolitre to ensure that fuller cost recovery is achieved for amounts considered as excessive.



*The amount of Water Base Access Charge - Georgetown
(1 unit = \$31.80)*

Georgetown	Units	Charge per Annum
Unconnected Lots	10 units	\$ 318.00
All Charitable & Religious Uses	10 units	\$ 318.00
20mm Service Connection	20 units	\$ 636.00
25mm Service Connection	30 units	\$ 954.00
32mm Service Connection	50 units	\$ 1,590.00
40mm Service Connection	80 units	\$ 2,544.00
50mm Service Connection	125 units	\$ 3,975.00
75mm Service Connection	280 units	\$ 8,904.00
80mm Service Connection	320 units	\$10,176.00
100mm Service Connection	500 units	\$15,900.00



The amount of Water Consumption Charge - Georgetown

Georgetown	Charge per Annum
Per Kilolitre of Use	51.00 cents up to 700 kilolitres per half year
Per Kilolitre of Use	102.00 cents over 700 kilolitres pr half year

For the Township of Forsyth, Council may determine to charge a lesser charge for the first 500 kilolitres per 6 month billing cycle and fund any resultant shortfall from a mix of General Revenue and Grants in recognition of the poor economies of scale applicable to providing water to townships in the region and the hardship that would result in seeking full cost recovery for these services. Water use of more than 500 kilolitres per 6 months will be charged at a higher rate per kilolitre to ensure that fuller cost recovery is achieved for amounts considered as excessive.



*The amount of Water Base Access Charge - Forsyth
(1 unit = \$31.80)*

Forsyth	Units	Charge per Annum
Unconnected Lots	10 units	\$ 318.00
All Charitable & Religious Uses	10 units	\$ 318.00
20mm Service Connection	20 units	\$ 636.00
25mm Service Connection	30 units	\$ 954.00
32mm Service Connection	50 units	\$ 1,590.00
40mm Service Connection	80 units	\$ 2,544.00
50mm Service Connection	125 units	\$ 3,975.00
75mm Service Connection	280 units	\$ 8,904.00
80mm Service Connection	320 units	\$10,176.00
100mm Service Connection	500 units	\$15,900.00



The amount of Water Consumption Charge - Forsyth

Forsyth	Charge per Annum
Per Kilolitre of Use	81.60 cents up to 500 kilolitres per half year
Per Kilolitre of Use	178.50 cents over 500 kilolitres pr half year



INTEREST

Council will impose interest on rates and charges that remain unpaid after the appointed date for payment (ie the date on which the discount period closes) and includes assessments which are making payments of outstanding rates by installment for the financial year 2020/21.

Forty-five days following the close of discount, interest will be calculated on daily balances of amounts outstanding and charged at the end of the month on a compounding daily interest. Where the amount of interest charged is less than \$20.00 and the rates have been paid in full in the period between the close of discount and the end of the month, the interest may be written off following approval from the Chief Executive Officer.

Interest on arrears will be calculated in accordance with section 133 of the Local Government Regulation 2012 and will be set at the rate of 8.53% per annum.¹

B Principles used for the levying of rates

In levying rates Council will apply the principles of:

- making clear what is the Council's and each ratepayers responsibility to the rating system
- making the levying system simple and inexpensive to administer
- timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy
- equity through flexible payment arrangements for ratepayers with a lower capacity to pay.

LEVYING OF RATES AND CHARGES

In accordance with section 104 of the Local Government Regulation 2012, Council will issue a rates notice to the owner of the land on which a rate or charge has been applied. Rates notices shall include the date the notice was issued, the date by which time the rate must be paid and any discounts, rebates or concessions applied.

Council will issue notices on a yearly basis during the periods 01 July to 30 June in the respective financial year.

Council will responsibly ensure that the rates and charges applied are correct and are generally issued within the month of August to better take into account the financial cycle of the local economy.

Methods of Payment

Council will accept the payment of rates by the following methods.



Payments can be made via accepted Credit Card Accounts.

¹ Section 133 of the Local Government Regulation 2012 (LGR) has been amended to change the way that the maximum interest rate on overdue rates and charges is calculated. The new method is based on the calculation used for the interest charged on unpaid State taxes under the Taxation Administration Act 2001 (TAA) and the Taxation Administration Regulation 2012 (TAR) (i.e. the Reserve Bank of Australia (RBA) 'bank bill yield rate' plus a margin of 8 per cent). For overdue rates and charges, the bank bill yield rate (3-month bank accepted bills monthly average) as at March of each year will be used to calculate the maximum rate of interest to apply for the following financial year.

Local governments will also be required to formally set the actual interest rate to be charged on overdue rates each year (up to the maximum interest rate set by the LGR and CBR). This is to be done by resolution as part of the annual budget process. In deciding the interest rate to be applied, local governments should ensure that they have documented evidence that they have given reasonable consideration to the interest rate, and this will include reasons for the interest rate chosen. This will allow ratepayers to understand the basis for the local government's decision. The bank bill yield rate as at March 2019 published by the RBA was 0.53 per cent, so the maximum interest rate for the 2020–21 financial year will be 8.53 per cent.



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Payment can be made via Eftpos



Available through participating
financial institutions
Biller Code: 120519



Payment by mail



IN PERSON:

Payment can be made personally by Cash, Cheque or Money Order at any of the following Locations:
Georgetown Office – St George Street, GEORGETOWN QLD

Acceptance of a cheque and issue of a receipt are conditional on collection of the proceeds and until collection, no credit is given or implied. Property owners will be liable for any dishonor fees and discount will be lost where cheques are dishonored and not rectified prior to the discount date.

Payments in Advance

Payments in advance by way of lump sum or installments may be accepted, however interest will not be payable on any credit balances held.

Payment by Installments

Council will allow payments by installment where it will benefit both the individual and assist with the collection of overdue rates and charges.

Installment plans shall be based on ability to pay and if possible full recovery within a specified period.

The acceptance of a request to pay by installment shall not be considered a 'Formal Payment Arrangement' and interest will continue to accrue at the rate determined in the policy statement. Council shall also retain the right to take legal action to recover outstanding rates (arrears) if deemed necessary.

TIME IN WHICH RATES MUST BE PAID:

In accordance with the provisions of Section 118 of the Local Government Regulation 2012, the rates and charges levied by council must be paid within **forty-five (45) clear days** after the notice is issued.



C Principles used for the recovery of rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations
- making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective
- equity by having regard to providing the same treatment for ratepayers with similar circumstances
- flexibility by responding where necessary to changes in the local economy.

With regard to financial hardship, Council shall actively pursue the collection of outstanding rates and charges.

Council shall use the following as a referral guide for the recovery of rates and charges:

Standard Performance:

- 1st Notice issued within 21 days of end of discount period;
- (Clients will be given 21 days from post date of 1st notice to contact Council and either pay the outstanding amount in full or initiate an installment plan.)
- Where there has been no movement on an account or an installment plan has defaulted, Council may refer the debt to a debt recovery agent, (elected through quotation or tender).
- Generally an account will not be referred to the collection agent, unless it is \$500.00 or greater in value.
- All debts referred to a recovery agent, shall be subject to their terms and conditions of payment.
- Payment plans will be considered even though Council has referred the debt to a collection agent.
- Where the collection agent is unable to trace the interested parties, the account shall be referred back to Council and standard reminder notices will be forwarded periodically.

Further Action:

- Where the collection agent has returned no result, Council may make a resolution, to proceed with legal action against the interested parties.

Properties in default of payment for three (3) or more years may initiate action under Section 140 of the Local Government Regulation 2012 – Notice of intention to sell land for overdue rates or charges.

Exceptional Circumstances - Drought Relief or Natural Disaster

Council may at its discretion grant some relief to rural ratepayers who are financially stressed by drought or have been affected by a natural disaster.

The relief may be in the form of an extension to the period during which Council will permit discount to be deducted from rates. This period shall be extended to the end of the period covered by the rate levy. This concession may be available only to primary producers who can provide objective evidence of financial difficulty arising from drought or natural disaster.

The Department of Primary Industries shall be the determining body for the process of declaration of drought.



D Concessions for rates and charges

In considering the application of concessions, Council will be guided by the principles of:

- the same treatment for ratepayers with similar circumstances
- transparency by making clear the requirements necessary to receive concessions
- flexibility to allow Council to respond to local economic issues.

Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the State Government.

REBATES AND CONCESSIONS

Discount

In accordance with section 130 of the Local Government Regulation 2012, Council will allow a 15% discount on all General Rates and Utility Charges, if payment is made within 45 clear days from the date of issue of the notice.

If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person's control, from paying the rate in time to benefit from a discount under section 130 of the Local Government Regulation 2012, then Council under section 130(10) of the Local Government Regulation 2012, may still allow the discount following written application by the ratepayer.

Pensioner Concessions

Council will allow a remission of 50% of the total of General Rates, Cleansing Utility Charges, Water Utility Annual Access Charges, Special Charges Waste Management and Special Charges to qualifying pensioners only subject to a maximum remission of two and one quarter times the maximum State Government Pensioner Rate Subsidy allowable in the year.

Currently the maximum State Government Pensioner Rate Subsidy is 20% of rates up to \$200 per annum so the comparative maximum Council Pensioner Remission is 50% of rates up to \$450 per annum.

Persons holding a Department of Veterans Affairs or a Queensland Repatriation Health Card issued by the Department of Veterans Affairs will receive the maximum discount allowable.

The concession shall be available to eligible pensioners in addition to the settlement discount.

To be eligible for Council subsidy pensioners must meet the following criteria:

- Concessions are only available to approved pensioners who are in receipt of a pension from the Commonwealth Government.
- An approved pensioner is one who is and remains an eligible holder of a Queensland 'Pensioner Concession Card' issued by the Department of Social Security or the Department of Veterans' Affairs, or a Queensland 'Repatriation Health Card – For all or specific conditions' issued by the Department of Veterans' Affairs.
- The approved pensioner must be the owner / joint owner or life tenant of the property that is his/her principal place of residence. In the cases of co-ownership, the Council subsidy will apply to the full share of the gross rates and charges regardless if only one of the owners are entitled to an approved pension.
- The claimant must be a resident of the shire on the first day in July in the financial year in which the benefit is being claimed. Pensioners taking residence after that date will be eligible for a pro-rata concession based on the number of day's resident.
- The concession is only available to claimant's who reside in a structure which has been approved by Council to be a habitable dwelling, and/or are in receipt of Council services.



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- Pensioner concession is not available on income producing properties and applies to urban or rural residential lands. The Chief Executive Officer may, at his discretion, extend this concession to rural land in exceptional circumstances and/or where the primary land use code is 02 (Single Unit Dwelling), or 05 (Large Homesite – Dwelling) as determined by the Department of Natural Resources.
- A pensioner's eligibility shall be confirmed through the Centrelink Customer Confirmation eService in all circumstances.
- Application for the above pensioner concessions is required only on initial application.

Natural Hardship

Council may, at its discretion allow other concessions or remissions if it is of the opinion that some unusual and serious circumstances exist which may prevent payment within the appointed time or otherwise delay the payment of rates and charges as they fall due.

Applications for concession or remission should be able to demonstrate unusual and severe difficulty rather than the usual frustration and trial to which everyone is subjected from time to time.

General Rate Caps

Because general rates are made and levied upon the unimproved value of the land determined by the Department of Natural Resources and Mines, Council recognizes that the statutory valuation process may result in unusually high valuation increases for at least some classes of land, if not for all land. Where it considers that applying the differential general rate to affected lands or classes of land will produce inequities between ratepayers or classes of ratepayers, Council will cap general rate increases for the lands or classes of land concerned.

For 2020|2021 financial year **Differential rate category 1, 4, & 5 will be capped at 1.0%;**
Differential rate category 15 will be capped at 2.0%;
Differential rate category 16 will be capped at 5.0%; and
Differential rate category 12 will be capped at 25.00%

Economic or Social Incentives

Council may allow rating concessions as an incentive to attract business to the Shire in an industrial estate development or in a project with similar economic benefit to the Shire.

At Council's discretion, it may remit some or all of the rates and charges that would otherwise be payable.

At Council's discretion, it may remit some or all of the rates and charges that would otherwise be payable by certain clubs or organisations that, in the opinion of the Chief Executive Officer, fulfill useful social and or charitable community needs, as identified in Council's Corporate Plan.

The following clubs and or associations shall fall into this category and will be granted concessions as listed below for the 2020|2021 financial year:

Concessions to Community & Sporting Groups 2020 2021				
Club / Association	General Rate Concession 2020 2021	Water Access Charge	Water Consumption Charge	Cleansing Charge
Georgetown Golf Club	100%	N/A	N/A	N/A
William Wallace Lodge - Georgetown	100%	N/A	N/A	N/A
Forsyth Tennis Club	100%	N/A	N/A	N/A
Forsyth All Sports Club	100%	N/A	N/A	N/A
Forsyth Sporting Shooters Association	100%	N/A	N/A	N/A
Einasteigh Race Club	100%	N/A	N/A	N/A
Georgetown Turf Club	100%	N/A	N/A	N/A
Oak Park Race Club	100%	N/A	N/A	N/A
Mt Surprise Campdraft	100%	N/A	N/A	N/A
Roman Catholic Diocese of Cairns	100%	50%	N/A	N/A
The Corporation of the Synod of the Carpentaria Diocese	100%	50%	N/A	N/A
QCWA	100%	50%	N/A	N/A
Roman Catholic Diocese of Cairns	100%	50%	N/A	N/A
The Corporation of the Synod of the Carpentaria Diocese	100%	50%	N/A	N/A



OPERATING CAPABILITIES, BORROWINGS, DEPRECIATION AND PROVISIONS:

▪ **Operating Capability**

The change in operating capability of the local government is disclosed as the bottom line of the Operating Statement. It reflects the change in total wealth of the Council.

The Shire's development and economic circumstances are not expected to alter by any significant amount in the foreseeable future.

▪ **Borrowing Policy**

It is considered that it is not necessary to borrow funds during the current financial year, or to do so in future years except in response to a need or opportunity which will see revenue generation capacity come on line from the same proposal that requires to be funded. However, Council does retain the right to borrow funds for infrastructure development if an emergent situation arises.

▪ **Depreciation and Non-Cash Expenses**

Depreciation and other non-cash expenses will be funded to the extent that they are recognised in Council's Accounts. Such funding will be a component of the accumulated surplus in the Appropriation Statement.

Council has now recognised a value for its roads and other infrastructure assets in its financial statements in accordance with the various sections of the Local Government Act 2009 and the Local Government Regulation 2012. Council notes that the quantum of accumulated depreciation on such classes of assets may be beyond its capacity to fund fully and accordingly may identify assets that it will not replace when their useful life has expired.

▪ **Provisions**

Council's accounts show due provision for leave and employment entitlements. The funds necessary to satisfy future need are held as part of investments.

REGULATORY CHARGES

Regulatory charges shall be measured on the basis of the estimated cost of providing the goods or service.



Etheridge
Shire Council

2020-21

INVESTMENT POLICY



STATUTORY POLICY

Investment Policy

Policy No.	ESC-004
Department	Corporate & Community Services
Program	Finance / Budget

Approved by Council		Meeting number and date	
GMCCS4 17 th May 2017 Resolution No: 2017/GM GMCCS3 7 th June 2018 Resolution No: 2018/GM2323 GMCCS2 19 th June 2019 Resolution No. 2019/GM2638		GMCCS 17 th June 2020	
		Resolution number	
Approval by CEO		David Munro	
Effective date		Review date	
1 st July 2020		30 th June 2021	
Policy Author			
Chief Executive Officer			
Current incumbent			
David Munro			
Implementation Officer			
Director Corporate & Community Services			
Current incumbent		Contact number	Official file no.
Ian Kuhn		07 4079 9007	ESC-006

Etheridge Shire Council

Investment Policy 2020|2021

POLICY DETAIL:

1. PURPOSE

To provide Council with a contemporary investment policy based on an assessment of counterparty, market and liquidity risk within the legislative framework of the Statutory Bodies Financial Arrangements Act and Regulations.

2. SCOPE

This Policy applies to the investment of surplus funds in accordance with investment powers under Part 6 of the Statutory Bodies Financial Arrangement Act 1982 (SBFAA).

3. DEFINITIONS

For the purpose of these guidelines the following definitions shall apply:

CEO	Shall mean the person appointed to the position of Chief Executive Officer under the Act and anyone acting in that position.
Director Corporate & Community Services	Shall mean the person appointed to the position of Director Corporate & Community Services under the Act and anyone acting in that position.
Finance Manager / Investment Officer	Shall mean the person appointed to the position of Finance Manager under the Act and anyone acting in that position.
Council	Shall mean the Etheridge Shire Council
The Act	Shall mean the Local Government Act 2009 (as amended).
SBFAA	Shall mean the Statutory Bodies Financial Arrangements Act 1982 (as amended)

4. BACKGROUND

Investment of Council's funds is to be in accordance with Council's power of investment as set out in the following flow of legislative Authority:

Section 101 (1) of the Local Government Act 2009 under Part 3 – Financial sustainability and accountability refers to Local Government as a *Statutory Body* under the Statutory Bodies Financial Arrangements Act 1982.

Section 101 (2) points to the Statutory Bodies Financial Arrangements Act 1982 to determine Council's power of Investment.

Section 42 of the Statutory Bodies Financial Arrangement Act 1982 refers to three different categories of Investment power.

Schedule 2, 3 4 and 5 of the Statutory Bodies Financial Arrangements Regulations 2007 list the statutory bodies' categories and investment power.

Section 44 of the Statutory Bodies Financial Arrangement Act 1982 dictates the types of Investments that Council may use.

Section 8 of the Statutory Bodies Financial Arrangements Regulations 2007 prescribes the rating of the Investment arrangements as prescribed under Section 44 (1)(e) of the Statutory Bodies Financial Arrangements Act 1982.

4.1 Investment Objectives

Etheridge Shire Council's overall objective is to invest funds at the most advantageous rate of interest available to it at the time, for that investment type, and in a way that it considers the most appropriate given the circumstances.

Finance Manager is to manage the investment portfolios not for speculation, but for investment and in accordance with the spirit of this Investment Policy. Council's Finance Manager is to avoid any transaction that might harm confidence in Etheridge Shire Council.

In priority, the order of investment activities shall be preservation of capital, liquidity and return.

4.1.1 Preservation of Capital

Preservation of capital shall be the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security of principal of the overall portfolio. This would include managing credit and interest rate risk within given risk management parameters and avoiding any transactions that would prejudice confidence in Council or its associated entities.

a) Credit Risk

Etheridge Shire Council will evaluate and assess credit risk prior to investment. Credit risk is the risk of loss due to the failure of an investment issue or guarantor. The investment officer will minimise credit risk in the investment portfolio by pre-qualifying all transactions including the brokers/securities dealers with which they do business, diversifying the portfolio and limiting transactions to secure investments.

b) Interest Rate Risk

The investment officers shall seek to minimise the risk of a change in the market value of the portfolio because of a change in interest rates. This would be achieved by considering the cash flow requirements of Council and structuring the portfolio accordingly. This will avoid having to sell securities prior to maturity in the open market. Secondly, interest rate risk can be limited by investing in shorter term securities.

4.1.2 Maintenance of Liquidity

The investment portfolio will maintain sufficient liquidity to meet all reasonably anticipated operating cash flow requirements of Council, as and when they fall due, without incurring significant transaction costs due to being required to sell an investment.

4.1.3 Return on Investments

The portfolio is expected to achieve a market average rate of return and take into account Etheridge Shire Council's risk tolerance and current interest rates, budget considerations, and the economic cycle. Any additional return target set by Council will also consider the risk limitations, prudent investment principles and cash flow characteristics identified within this Investment Policy.

4.2 Ethics & Conflicts of Interest

Finance Manager / Investment officers shall refrain from personal activities that would conflict with the proper execution and management of Etheridge Shire Council's investment portfolio. This includes activities that would impair the investment officers' ability to make impartial decisions.

This policy requires that the Finance Manager and investment officers disclose to the Chief Executive Officer any conflict of interest or any investment positions that could be related to the investment portfolio.

5. REQUIREMENTS

In accordance with Schedule 3 of the Statutory Bodies Financial Arrangements Regulation 2007, Etheridge Shire Council has been allocated a Category 1 investment power.

5.1 Portfolio Investment Parameters

Section 44(1) of SBFAA details the investment powers allocated to Category 1 authorities:

- deposits with a financial institution;
- investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- other investment arrangements secured by investment arrangements
- accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- investment arrangements, managed or operated by QIC or QTC, prescribed under a regulation for this paragraph;
- an investment arrangement with a rating prescribed under a regulation for this paragraph;
- other investment arrangements prescribed under a regulation for this paragraph.

Section 44(2) states that the investment must be:

- at call; or
- for a fixed time of not more than 1 year.

5.2 Prohibited Investments

This investment policy prohibits any investment carried out for speculative purposes. The following investments are prohibited by this investment policy.

- Derivative based instruments (excluding floating rate notices)
- Principal only investments or securities that provide potentially nil or negative cash flow
- Stand-alone securities that have the underlying futures, options, forward contracts and sways of any kind, and
- Securities issued in non-Australian dollars

5.3 Placement of Investment Funds

Overall the amount invested with institutions should not exceed the following percentage ranges of overall annual funds invested and appropriate documentation must be maintained. Also when placing investments, consideration should be given to the relationship between credit rating and interest rate.

Investments with Financial Institutions and Investment Arrangements Offered by QTC

<i>Long Term Rating (Standard & Poor's)</i>	<i>Short Term Rating (Standard & Poor's)</i>	<i>Individual Counterparty Limit</i>	<i>Total Portfolio Limit</i>
AA+	A-1+	No Limit	No Limit
A+ to A	A1	No Limit	No Limit
A- to BBB+	A2	Maximum 40%	Maximum 40%
Unrated or below BBB+	Unrated or below A2	Maximum 5%	Maximum 5%
<i>QTC Cash Management Fund</i>		No Limit	No Limit

Council approves dealings with all financial institutions ('Financial Institution' is defined as an authorised deposit-taking institution within the meaning of the Banking Act 1959 (Cwlth), Section 5).

5.4 Maturity

The maturity structure of the portfolio will reflect a maximum term to maturity of one year.

5.5 Liquidity Requirement

Given the nature of the funds invested, no more than 20% of the investment portfolio will be in illiquid securities and at least 10% of the portfolio can be called at no cost or will mature within a maximum of seven (7) days.

6. IMPLEMENTATION

6.1 Internal Controls

The Finance Manager shall establish internal controls and processes that will ensure investment objectives are met and that the investment portfolios are protected from loss, theft or inappropriate use.

The Chief Executive Officer shall issue a letter to any approved counterparty advising that funds transferred from investments to Council must only be deposited into Council's General Account or Trust Account. This instruction cannot be varied unless a written request is made in writing signed in accordance with Council's account signing authority.

6.2 Delegation of Authority

Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer in accordance with the Local Government Act 2009, Section 257 (1).

Authority for the day to day management of Council's Investment Portfolio is to be delegated by the Chief Executive Officer to the Director Corporate & Community Services and/or the Finance Manager.

6.3 Breaches

Any breach of this Investment Policy is to be reported to Chief Executive Officer rectified within seven (7) days of the breach occurring.

Where Council holds an investment that is downgraded below the minimum acceptable rating level, as prescribed under regulation for the investment arrangement, Council shall, within 28 days after the change becomes known to Council, either obtain Treasurer approval for continuing with the investment arrangement or sell the investment arrangement.



Etheridge
Shire Council

2020-21

BORROWING POLICY



STATUTORY POLICY

Debt / Borrowing Policy

Policy No. ESC-003
 Department Corporate & Community Services
 Program Finance / Budget

Approved by Council		Meeting number and date	
15 th June 2016 Resolution No: 2016/GM1735 GMCCS3 – 21 st June 2017 Resolution No: 2017/GM GMCCS2 7 th June 2018 Resolution No: 2018/GM2322 GMCCS6 19 th June 2019 Resolution No: 2019/GM2642		GMCCS 17 th June 2020	
		Resolution number	
		2020/GM	
Approval by CEO		David Munro	
Effective date		Review date	
1 st July 2020		30 th June 2021	
Policy Author			
Chief Executive Officer			
Current incumbent			
David Munro			
Implementation Officer			
Director Corporate & Community Services			
Current incumbent		Contact number	Official file no.
Ian Kuhn		07 4079 9007	ESC-003

Etheridge Shire Council

Debt / Borrowing Policy 2020|2021

1. BACKGROUND AND CONTEXT

To adopt a policy on borrowings that provides for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties. This policy is in accordance with Section 192 of the Local Government Regulation 2012.

2. POLICY PROVISIONS

As a general principle, Council recognises that loan borrowings for capital works are an important funding source for Local Government and that the full cost of infrastructure should not be borne entirely by present day ratepayers but be contributed to by future ratepayers who will also benefit. Whilst recognising the importance of loan borrowings, Council should not place undue reliance upon loans as a source of income.

Council restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority, and which cannot be funded from revenue, as identified by the adopted budget. In no circumstances should council borrow funds for recurrent expenditure.

The basis for determination of the utilisation of loan funds will be as follows:

- Analysis of existing debt levels with a loan servicing cost target of less than 25% in any one year;
- Where capital project for a service that is funded by utility or user charges eg. Water, Waste, is determined to be funded by way of loans, the user charge should reflect the cost of providing the service including the loan servicing costs;
- Other specific capital projects, not funded by user charges, should only be considered for loan funding where the project is considered by Council to be beneficial to the majority of ratepayers;
- The term of any loan should not exceed the expected life of the asset being funded.

Five Year Loan Programme Forecast

Council utilises loan borrowing to fund major capital and infrastructure works so that repayments are spread over the years to which the Capital Works will be utilised by ratepayers. The Borrowing Policy deals with the following areas:

1. Five Year Loan Programme Forecast;
2. Repayment Schedule

At this stage Council has no future borrowings proposed, although allocations in future years are revised on an annual basis in conjunction with the review of the Capital/Works Loan Program.

Repayment Schedule

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation. The Queensland Treasury Corporation maintains Council debt as the Book Debt plus a market provision, to market value the total liability outstanding. The provision is principally a result of past movements in the Market Value of the liabilities within each Debt Pool.

If the Council was to liquidate this debt it would be required to pay the Market Value of the loan portfolio. The portfolio has been dissected so that loan borrowings in relation to Water Infrastructure are maintained in separate accounts to more accurately reflect the cost of the provision of this

infrastructure. This approach is needed otherwise the loan term is amalgamated and the average term for repayments lengthens.

It is proposed that Council consider maintaining a repayment schedule consistent with an interest and principal repayment calculation so that the exposure to interest rate fluctuations is minimised. This basis of repayment will continue to be assessed even though separate accounts have been established for Water Supply Infrastructure. The Budgeted Loan Portfolio of Council for 2019|2020 is as follows:

Table No. 1



Etheridge Shire Council
Budget Interest & Redemption by Fund & Function
For the Year Ending 30 June 2021

FUNCTION DESCRIPTION	A	B	C	D	C(1)	D (A-D+C(1))
	EST BOOK DEBT BALANCE 30/06/2020	QTC INTEREST	QTC ADMIN	QTC REDEMPTION	NEW ADVANCES	EST BOOK DEBT BALANCE 30/06/2021
WATER FUNCTIONS	\$ 62,378.63	\$ 4,242.73	\$ 67.44	\$ 14,429.07	\$ -	\$ 52,259.73
TOTAL ALL FUNDS	\$ 62,378.63	\$ 4,242.73	\$ 67.44	\$ 14,429.07	\$ -	\$ 52,259.73

The current repayment terms to the individual loan accounts are as follows:



Current Repayment Terms (Individual Loan Accounts)

	DEBT POOL	APPROXIMATE REMAINING TERM
WATER FUNCTION	7.350%	3 years 10 months

The existing term of the Portfolio varies between separate accounts and will fluctuate in proportion to the Market Value provision applied.

New borrowings will lengthen the term of each Debt Pool unless taken as a separate loan account.

This will allow the term of the loan to better match the repayment structure of the asset being funded. The estimated total repayment amounts for the 2020|2021 financial year are indicated in Table (1).

This policy will be reviewed each year with the adoption of the Budget.



Etheridge
Shire Council

2020-21

BUDGET POLICY



“ETHERIDGE SHIRE COUNCIL BUDGET POLICY”

1. BACKGROUND AND CONTEXT

Council is a very large business providing many diverse and significant services to the community. It is important that guidelines are established to assist in providing financial rigor to activities. This includes guidelines to:

- Clarify limitations on the release of budgetary information prior to the formal adoption of the budget;
- Ensure that Council reports are presented in a fiscally responsible manner;
- Provide guidance in the preparation of the budget reviews;
- Ensure that required amendments to the budget are made in a timely manner;
- Ensure consistency with Council's Long Term Financial Forecast.

2. PURPOSE AND SCOPE

This policy provides a framework for the administration of Etheridge Shire Council (“ESC”)’s budget and establishes guidelines to ensure that known variations to the budget are addressed in a timely manner.

This policy applies to all Council Staff who prepare and contribute to ESC’s annual budget and furthermore this policy also applies to Elected Members.

This policy also applies to all officers who prepare reports to Council, as it provides a guide for the presentation of financial information in those reports.

This policy also sets out the Budget review process.

3. DEFINITIONS

For the purpose of this policy:

Council shall mean Etheridge Shire Council.

Adopted Budget shall mean the original budget for Etheridge Shire Council for the financial year including any amendments to the budget adopted by the local government under section 170 of the Regulation.

The Act shall mean the *Local Government Act 2009*.

The Regulation shall mean the *Local Government Regulation 2012*.

Long-Term Financial Forecast shall mean a document that –

- (a) Contains a forecast of income and expenditure and the value of assets, liabilities and equity for each year during the period of the forecast;
- (b) Includes a statement of financial position, a statement of cash flow, a statement of income and expenditure and a statement of changes in equity for each year during the period of the forecast;
- (c) States the relevant measures of financial sustainability for the period of the forecast;
- (d) Covers a period of a least 10 years and is reviewed annually.

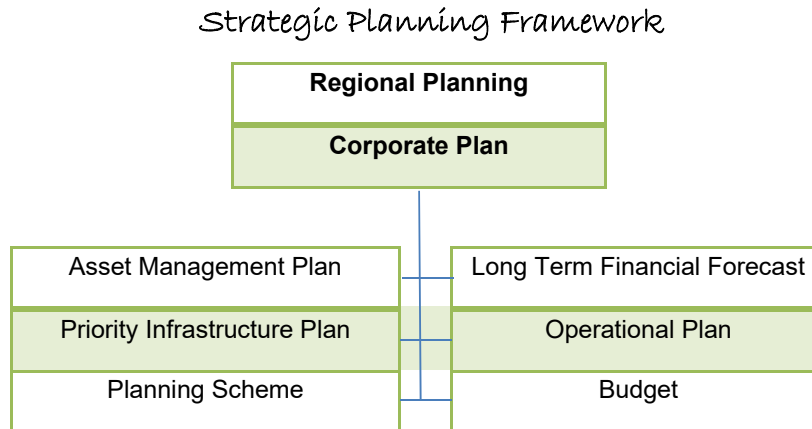
Corporate Plan shall mean a document that outlines the local government’s objectives and the nature and scope of the activities proposed to be carried out.

4. POLICY PROVISIONS

Etheridge Shire Council’s budget cycle is aimed at addressing the need for:

- Long term financial planning;
- Detailed annual budgets supporting Council’s operating plans and revenue decision;
- Reviews to address progress against the annual operating plan; and
- Reviews to align the budget with actual results.

This is illustrated as follows:



4.1 Council Reports

The following principles are to be applied when compiling official Council meeting reports:

- (a) Recommendations that are presented to Council that have the effect of increasing expenditure or reducing income (if adopted) **MUST** indicate where alternative funding is to be sourced from.
- (b) No report is to include a recommendation that “funds are to be identified at the next review” or that “the project be included in next year’s budget” (although the item may be **listed for consideration** in either the next review or the following year’s budget). Note: These two statements have the effect of committing Council to works that it may not be able to fund.
- (c) Where a recommendation states that the funds are to be allocated from various Reserve pools the report **MUST** include the current balance of the relevant account. This will enable Councillors to be fully informed prior to approving the allocation.
- (d) Only emergent projects/expenditure items should generally be incorporated into Budget Reviews. *Note: The overall intention for the Budget Reviews is to review performance and assess financial position.*
- (e) Where an item that has financial implication is raised in the General Business section at a Council Meeting, a report is to be presented to a future meeting so that possible funding can be identified before the recommendation is adopted.
- (f) The budget is a “project” budget. Where projects are completed under Budget, the funds are to be retained in consolidated revenue for those projects that may be over expended.

4.2 Annual Budget Consideration

Throughout the financial year Council considers matters, which may result in a referral to future budget considerations. Where this occurs in an open Council meeting it becomes a matter of public knowledge. These matters must be consistent with Council's Long Term Financial Forecast, when adopted.

During the lead up to the adoption of the original budget for a particular financial year, detailed presentations and working papers are provided to Councillors. The presentations and working papers may include potential expenditure, pricing and rating considerations and various scenarios on options to be considered before the adoption of the budget.

As a matter of policy, all budget working papers including material presented on possible pricing, rating and expenditure is to be treated as "strictly confidential".

In some instance portions of the above information may normally (outside of the budget process) be used to answer inquiries or comments from members of the public. In recognition of the operational need to continue to respond to public inquiries/comment during the budget preparation, the Mayor and CEO (or CEO delegate) are authorised to exercise discretion in releasing information, which would otherwise be considered confidential under this policy.

4.3 Budget Reviews

It is recognised that (following the finalisation of the June financial statements) the actual opening balance may be either more favourable or less favourable than the estimate in the original budget. In the case that it is more favourable, priority will be given to transferring any surplus to appropriate reserves or to reduce the level of borrowings.

Budget review(s) are to be undertaken at the following periods:

- First review immediately following close of accruals for the previous financial year;
- Six monthly review following the close of accounts in December;
- Nine monthly following the close of accounts in March

4.4 Amendments to the Budget

There are a number of budget amendments that may be required during the year. The process for handling various types of amendments is as follows:

Type of Amendment	Process
Increased / decreased expectation of revenue	Adjust at next review. Report to Council is required in relation to impacts on the Original Budget
Increase or reduction in the scope of a Council approved project (operating or capital)	Adjust at next review. Report to be prepared for Council at the next General Meeting for decision/endorsement, outlining if there is any financial/budget impact and adjusted at next review if required.
Incorrect classification of projects as either operational or capital nature or incorrect allocation which is for accounting purposes only (May have an effect on depreciation expenses)	Report to be prepared for Council at the next General Meeting for Council resolution
Information regarding additional grant funded projects and associated revenue and expenditure not allocated within the original budget	Report to be prepared for Council at the next General Meeting for endorsement and discussion around additional funding sources if required if the grant is not 100% funded. Adjust at next review

4.5 Variations

Etheridge Shire Council reserves the right to vary, replace or terminate this policy from time to time.

5. RELATED DOCUMENTATION

In accordance with the *Local Government Regulation 2012* section 169 the following documents are to be included in the budget or amended budget presented to Council.

S.169 Preparation and content of budget

- (1) A local government's budget for each financial year must—
 - (a) be prepared on an accrual basis; and
 - (b) include statements of the following for the financial year for which it is prepared and the next 2 financial years—
 - (i) financial position;
 - (ii) cash flow;
 - (iii) income and expenditure;
 - (iv) changes in equity.
- (2) The budget must also include—
 - (a) a long-term financial forecast; and
 - (b) a revenue statement; and
 - (c) a revenue policy.
- (3) The statement of income and expenditure must state each of the following—
 - (a) rates and utility charges excluding discounts and rebates;
 - (b) contributions from developers;
 - (c) fees and charges;
 - (d) interest;
 - (e) grants and subsidies;
 - (f) depreciation;
 - (g) finance costs;
 - (h) net result;
 - (i) the estimated costs of—
 - (i) the local government's significant business activities carried on using a full cost pricing basis; and
 - (ii) the activities of the local government's commercial business units; and
 - (iii) the local government's significant business activities.
- (4) The budget must include each of the relevant measures of financial sustainability for the financial year for which it is prepared and the next 9 financial years.
- (5) The **relevant measures of financial sustainability** are the following measures as described in the financial management (sustainability) guideline—
 - (a) asset sustainability ratio;
 - (b) net financial liabilities ratio;
 - (c) operating surplus ratio.
- (6) The budget must include the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.
- (7) For calculating the rates and utility charges levied for a financial year, any discounts and rebates must be excluded.
- (8) The budget must be consistent with the following documents of the local government—
 - (a) its 5-year corporate plan;
 - (b) its annual operational plan.
- (9) In this section—

financial management (sustainability) guideline means the document called 'Financial Management (Sustainability) Guideline 2011', made by the department and dated March 2011.

6. APPROVAL TABLE

Approved by Council		Meeting number and date	
GMCCS5 -15 th June 2016 Resolution No: 2016 / GM1736 GMCCS5 – 17 th May 2017 Resolution No: 2017/GM GMCCS4 – 7 th June 2018 Resolution No: 2018/GM2324 GMCCS3 19 th June 2019 Resolution No: 2019/GM2639		GMCCS 17 th June 2020	
		Resolution number	
Approval by CEO		David Munro	
Effective date		Review date	
1 st June 2020		30 th June 2021	
Policy Author			
Chief Executive Officer			
Current incumbent			
David Munro			
Implementation Officer			
Director Corporate & Community Services			
Current incumbent		Contact number	Official file no.
Ian Kuhn		4079 9007	ESC – C005



Etheridge
Shire Council

2020-21

DEBT RECOVERY POLICY



DEBT RECOVERY POLICY

1. BACKGROUND AND CONTEXT

The Etheridge Shire Council (ESC) is committed to the collection of overdue sundry debts and rates and charges in a fair, equitable and timely manner, but with due consideration to financial hardship faced by ratepayers and customers.

ESC will show due diligence in the application of administrative processes relating to payment arrangements and the selection of various actions for the effective recovery of overdue debts. The management and recovery of outstanding debts is an important aspect of ESC's financial management function.

OBJECTIVES & MEASURES

Objectives	The objective of this policy is to ensure a fair, consistent, timely and accountable approach to ESC's debt management and collection decisions, processes and practices.
Performance Measures	Rate arrears ratio Aged Debtor Statement Level of payment arrangement compliance
Risk Assessment	Low

2. PURPOSE AND SCOPE

This policy applies to all ratepayers of Etheridge Shire Council and debts recorded in the ESC's Accounts Receivable system

3. DEFINITIONS

ESC – Etheridge Shire Council

Sundry Debtor - Debts owed to ESC and recorded in ESC's Accounts Receivable system excluding rates and charges:

- for the supply of goods and services provided on a credit basis
- for charges raised as a result of legislative requirements provided on a credit basis
- for damage to Council infrastructure.

Rates and Charges - Rates and water levies and charges raised in accordance with Revenue Statement and Resolution of Rates and Charges adopted by ESC each year.

Irrecoverable Sundry Debts - A debt that meets any two of the following criteria:

- All reasonable collection action has been taken and was unsuccessful
- No possibility for collection exists now or in the future
- The debtor cannot be located
- Legal proceedings are statute barred or the debt is legally unenforceable
- The debtor is an inoperative corporation and without assets, or
- The debtor is a natural person who is an undischarged bankrupt.

Irrecoverable Rates and Charges - A debt on an account where the property description of the land no longer exists and meets any two the following criteria:

- All reasonable collection action has been taken and was unsuccessful
- No possibility for collection exists now or in the future
- The debtor cannot be located
- Legal proceedings are statute barred or the debt is legally unenforceable
- The debtor is an inoperative corporation and without assets
- The debtor is a natural person who is an undischarged bankrupt.

4. POLICY PROVISIONS

ESC will show due diligence in the application of administrative processes relating to payment arrangements and the selection of various actions for the effective recovery of overdue debts. The management and recovery of outstanding debts is an important aspect of ESC's financial management function.

The principles that apply to the management and recovery of unpaid debts are as follows:

- Effectiveness/Efficiency – meeting the financial, social, economic and environmental, and other corporate objectives stated in ESC's Corporate Plan and other related policies.
- Equity – ensuring the fair and consistent application of lawful recovery principles, without bias, taking account of all relevant considerations.
- Simplicity – endeavour to ensure widespread community or stakeholder understanding of ESC's debtor management activities.
- Sustainability – revenue decisions support the financial strategies for the delivery of infrastructure and services identified in ESC's long term planning.

To achieve these principles consideration is given to the following:

- ESC has a responsibility to recover monies owing to it in a timely and efficient manner to finance its operations and ensure effective cash flow management.
- ESC must operate effective debt collection processes.
- ESC aims to minimise the amount of outstanding monies that it is owed.
- Debtors are expected to take responsibility for their debt obligations and to organise their affairs in such a way as to be able to discharge these obligations when required.
- Where financial hardship has been determined, all reasonable steps will be taken to establish a payment arrangement or negotiate settlement of the outstanding debt with the debtor concerned.

5. AUTHORITIES AND ACCOUNTABILITIES

- Local Government Act 2009 Chapter 4 Part 1
- Section 132 Local Government Regulation 2012 Chapter 4 Part 12
- Information Privacy Act 2009 Chapter 2 Part 2
- Corporations Act 2001 Chapter 5 Part 5.4B
- Property Agents and Motor Dealers Act 2000
- Uniform Civil Procedure (Fees) Regulation 2009
- Trade Practices Act 1965
- Planning Act 2016

6. RELATED DOCUMENTATION

- Revenue Policy
- Revenue Statement

7. APPROVAL TABLE

Approved by Council		Meeting number and date	
GMCCS7 19 th June 2019 Resolution No: 2019/GM2643		GMCCS 17 th June 2020	
		Resolution number	
		GM/2020	
Approval by CEO		David Munro	
Effective date		Review date	
1 st July 2020		30 th June 2021	
Policy Author			
Chief Executive Officer			
Current incumbent			
David Munro			
Implementation Officer			
Finance Manager			
Current incumbent		Contact number	Official file no.
Murray Cooper		0740 799 090	ESC

Debt Recovery Policy Attachment A – Standards for Debt Recovery of Outstanding Accounts



Debt recovery for outstanding accounts within the scope of this policy will consist of the following components:

- Initial Recovery
- Intermediate Recovery
- Advanced Recovery
- Concessions
 - Payment Arrangements
 - Deferrals
- Hardship
- Minor Debts
- Financial Management
- Delegations

1 INITIAL RECOVERY

Once a debt becomes overdue, Initial Recovery will commence with at least one notification to the debtor of the nature and amount of the debt in a form approved by the Director Corporate & Community Services. This notification may use any of the following channels:

- Mail
- Electronic (Email, SMS)
- Telephone

Multiple communication options may be utilised.

2 INTERMEDIATE RECOVERY

If Initial Recovery has been exhausted and all or a substantial part the debt remains unsatisfied, Intermediate Recovery will be commenced. The purpose of Intermediate Recovery is to engage the debtor in a dialog to address any issues relating to the debt, confirm contact details, identify potential financial hardship and facilitate payment. The following methods of communication may be utilised separately or in conjunction with each other:

- Mail
- Electronic (Email, SMS)
- Telephone

Telephone and electronic methods will be the preferred options, resorting to notification by mail if other methods are unsuccessful.

A minimum of two attempts are to be undertaken to contact the debtor before the debt is progressed to Advanced Recovery.

3 ADVANCED RECOVERY

All accounts referred to Advanced Recovery must be considered on the basis:

- The security afforded the debt
- Prospects of successfully recovering the debt
- The cost effectiveness of the method employed.

After consideration of the above on either the class of debt or an individual basis, the following solutions may be employed: • Legal action • Write off the debt • Sale of Land (rates and water accounts only).

3.1 Legal Action

Legal action may be undertaken in the relevant Court jurisdiction and may be undertaken under instruction by a duly delegated officer by solicitors or mercantile agents acting on ESC's behalf.

Before legal action is implemented, a third party Letter of Demand will be issued by the solicitor or mercantile agent assigned the case.

Once Judgment is obtained, the application to execute and the method of execution will be approved by the appropriately delegated officer.

Legal action will not be taken in respect of outstanding rates and water charges where the property owner is receiving concessions on their rate or water charges from ESC.

3.2 Debt Write-off

Where it is determined, to the satisfaction of the Director Corporate & Community Services that a debt is irrecoverable or uneconomical to recover, the debt will be written-off. Any debts will be written-off in accordance with the delegated authority determined by Council. Debts written-off under delegated authority will be reported to Council on a quarterly basis.

3.3 Sale of Land

At least once in every financial year the rates and charges Debtors Ledgers will be analysed to identify properties eligible for sale of land for rate arrears under the provisions of the Local Government Regulation 2012.

Properties identified for sale under these provisions, including those owned by ratepayers receiving rate concessions from ESC on their rates and charges who have decided not to enter into a deferral arrangement for their overdue rates and charges, will be presented to Council to consider a recommendation to sell the properties to recover the rate arrears.

Once Council has resolved to sell land for arrears of rates, payment arrangements will not be considered.

4 CONCESSIONS

4.1 Payment Arrangements

– Rates and Charges Concessions may be granted to ratepayers in the form of a deferral for payment of rates through a payment arrangement facility.

- i. In the first instance, an arrangement for the current billing period will be considered and, if required, an arrangement for the current and subsequent year may be considered. All arrangements will be calculated to include estimates of further charges that are expected to be raised during the term of the arrangement. No premium shall apply to this facility.
- ii. Payment frequency shall be no longer than fortnightly to allow quicker identification of defaulted payments. Only in special circumstances, will longer frequencies be considered by an appropriately delegated officer.
- iii. Where Council has resolved to sell land for arrears of rates, no payment arrangement shall be granted.

Payment arrangements will not be considered in cases where the debtor has demonstrated a history of delinquency.

4.2 Payment Arrangements

Sundry Debtors Limited arrangements will be considered for this class of debtor. Arrangements will only be negotiated for outstanding balances at the time of granting the arrangement with subsequent invoices payable on the due date.

The maximum term for an arrangement will be six months.

Payment frequency shall be no longer than monthly to allow quicker identification of defaulted payments. Only in special circumstances, will longer frequencies be considered by an appropriately delegated officer.

5 HARDSHIP

For non-water rates and charges, this section will apply to properties used as the owner's principal place of residence only.

Identification of ratepayers experiencing financial hardship is an intrinsic component of the Advanced Recovery step in the Debt Recovery process.

Where a ratepayer has the intention - but not the capacity - to make a payment within the timeframe required, consideration will be given to special consideration under hardship.

A failure to have a capacity to pay can be identified by any of the following:

- the ratepayer themselves
- a delegated Debtor Management officer
- an independent accredited financial counsellor
- a not-for-profit organisation providing assistance to people experiencing financial difficulties.

An application for consideration under this section must be completed on an approved form. A request to renegotiate an arrangement by the ratepayer requires an amended form to be lodged.

Any payment arrangement negotiated under this section must take into account the ratepayer's capacity to pay and allow the arrangement to be re-negotiated at the request of the ratepayer if there is a demonstrable change in their circumstances.

Arrangements negotiated under this section will generally be based on weekly or fortnightly instalments but irregular arrangements will be considered based on the ratepayer's individual circumstances.

To facilitate ratepayers who are unable to enter into any form of arrangement to pay, the Debtor Management teams will provide an outline of options on a range of programs that the ratepayer may use and information about appropriate government concession programs and financial counselling services. Details of these programs and services will be contained in a reference document within the Debtor Management Team. The reference document will be regularly reviewed to ensure currency of the information.

6 MINOR DEBTS

When a balance on an account within the scope of this policy is identified as less than the threshold established as a minor debt, the amount will be either written off or paid by Council with the corresponding expense recorded against a budget established for the purpose.

The threshold is to be set at an amount not more than the cost to ESC of handling a customer enquiry in relation to the account balance. The Director Corporate & Community Services will review the threshold annually and modify accordingly with any corresponding budget adjustment being placed before Council for consideration.

7 FINANCIAL MANAGEMENT

Nearing the end of the financial year, all accounts within the scope of this policy will be analysed to identify doubtful debts. A listing of the identified amounts will be provided to the Finance Manager for inclusion in the Financial Statements.

As part of the budget process an analysis to establish doubtful debts will be undertaken and Corporate Finance will be notified to allow for provision to be made in the forthcoming budget.

8 DELEGATIONS

To achieve maximum flexibility and proactively respond to changing economic conditions, the following criteria will be determined by delegation in regard to debts within the scope of this policy:

- approval of payment arrangements
- approval of rate deferral agreements
- commencement of legal actions



Etheridge
Shire Council

2020-21

OPERATIONAL PLAN



Etheridge
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OPERATIONAL PLAN



ETHERIDGE SHIRE COUNCIL OPERATIONAL PLAN 2020|2021

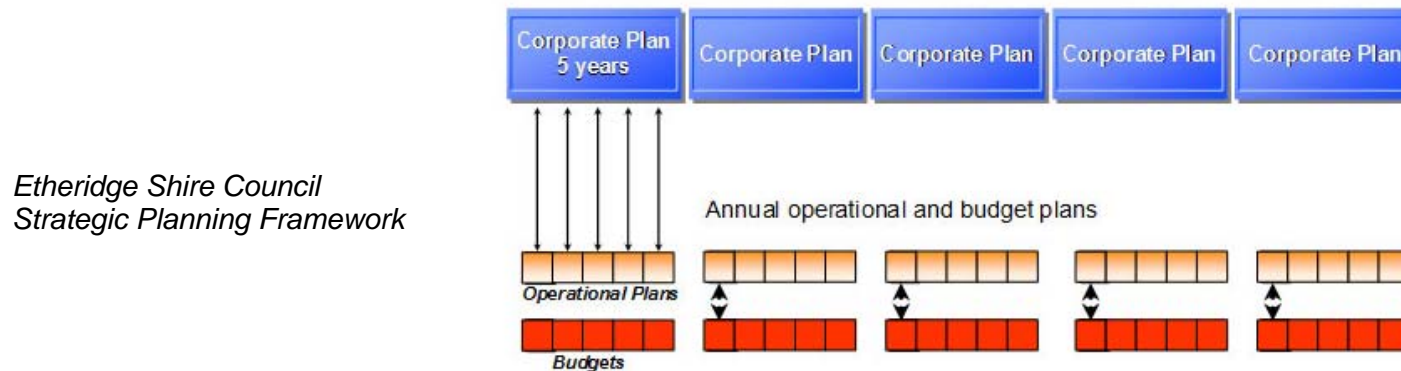
The 2020|2021 Operational Plan is a “Strategic Planning Document” which supports Council’s 2018 - 2023 Corporate Plan in delivering the *Vision* for the Etheridge Shire Council.

The Local Government Regulation 2012¹ requires Council to adopt an Operational Plan each financial year which needs to be consistent with the Annual Budget and state how Council will:

- a) *Progress the implementation of the 5 year Corporate Plan during the period of the Annual Operation Plan; and*
- b) *How Council will manage its Operational Risks*

The 2018|2019 Operational Plan identifies projects, initiatives and services that Council will deliver during the 2018|2019 financial year in achieving the long term objectives of the 2018-2023 Corporate Plan. It also provides direction to Council in setting the Annual Budget.

The Operational Plan is required by legislation² to be reviewed quarterly by Council and is also used as a vehicle for Council and Senior Management to evaluate Corporate performance and strategic direction.



Councils Corporate Plan 2018-2023 articulates a range of Strategic Priorities, Objectives, Strategies, Outcomes and Measures all grouped within seven (7) Key Strategic Priorities.

¹ S.174 (1) of the Local Government Regulation 2012

² S.174 (3) of the Local Government Regulation 2012

The Strategic Priorities from the Corporate Plan as listed below are mirrored across the structure of the Operational Plan.

- 1. Resilient Transport Infrastructure and Connectivity**
- 2. Developing Reliable Potable and Irrigation Water Supply**
- 3. Managing the Natural Assets and Environment for Tourism and Economic Development**
- 4. Developing Equitable Social Infrastructure:**
- 5. Improving Communication Infrastructure and Mechanisms within the Shire**
- 6. Commercial Services**
- 7. Organisational Excellence and Governance**

our *Vision*

*...Unearthing Etheridge's
future to create a future beyond
Rates, Roads and Rubbish...*

In accordance with S.175 of the Local Government Regulation 2012, the Operational Plan is required to state how Council will progress the implementation of its 5 year Corporate Plan during the financial year. The Corporate Plan identifies 96 specific actions / strategies which Council plans to undertake across the 5 year period to help achieve its "Vision" for the Etheridge Shire. The 2020|2021 Operational Plan lists a range of activities tied directly back to those 96 actions / strategies which are scheduled to be undertaken within the 2020|2021 financial year.

Each activity has an associated measure / outcome which will be used to assist in providing informed quarterly and annual status reporting of the overall implementation of the Operational Plan. The focus of the Operational Plan is centered on planning, actioning and delivering upon the relevant activities to be undertaken across the financial year that will deliver on the strategies and actions as stated within the 2018-2023 Corporate Plan.

This Plan is not about tracking the myriad of day-to-day "business as usual" activities associated with running an organisation as complex as Council. A vast majority of Operational matters are actioned and monitored on a regular basis via a range of business plans and other management and reporting mechanisms.

Managing Operational Risks

The Operational Plan must state and demonstrate how Council will manage its Operational Risks. Council manages its Operational Risk in accordance with its Enterprise Risk Management Framework which incorporates the following:

1. Risk Management Policy
2. Councils Risk Appetite & Tolerance Statement
3. Enterprise Risk Management Plan & Guidelines
4. Corporate & Operational Risk Registers

Councils internal Audit & Risk Management Committee has been established to assist in the assessment and evaluating the Risk Control Measures that Council has established to manage any identified risks to which its operations are exposed.

Councils Enterprise Risk Management Framework details a range of measures Council has formalized which are aimed at mitigating identified risks.

A comprehensive Risk Review was completed in 2017 on the ability to deliver services outlined in the Corporate Plan. Actions are in place to minimize these risks to ensure Council continues delivering quality service to the community through its Operational Plan. Councils Enterprise Risk Management Framework is in line with the Australian and New Zealand Standards (AS/NZS: ISO31000:2009)

The Corporate Plan Strategies and Budget reference links creates a clear line of sight between the strategies in Councils Corporate Plan, the activities associated with advancing those actions in the Annual Operation Plan and the funding of those activities as provided for in Councils Annual Budget.

The inclusion of these reference links confirms the legislative requirements that Council's Operational Plan must be consistent with its Annual Budget.

How to read the Operational Plan

The format of the Operational Plan has been structured to meet the requirements of the *Local Government Regulation 2012*.

Output / Activity	Individual strategies identified in Councils Corporate Plan and the activity/project that will be done to achieve a particular objective from the Corporate Plan
Responsibility	Responsibility is assigned to a manager (identified by organizational structure) to provide direct accountability for achieving targets and / or milestones
Outcomes / Milestones	To report on the outcomes that have been achieved against each Output / Activity as identified within the Operational Plan

Responsible Officer Definitions:

Abbreviations	Definition
CEO	Chief Executive Officer
DCCS	Director Corporate & Community Services
DES	Director Engineering Services
W/Mgr	Works Manager
FM	Finance Manager

Budget alignment with 2020|2021 Operational Plan

The Operational Plan is strongly aligned with the budget through Council's Departments and Programs. This alignment is achieved by ensuring that all income and expenditure in the 2020|2021 budget are allocated to the relevant programs.

Council maintains appropriate financial management systems to enable reporting at various levels of detail from transaction level to strategic priority level. The Operational Plan is reporting income and expenditure at the strategic priority level.



OPERATIONAL PLAN PROGRAM 2020|2021



Corporate Objective No. 1 **Resilient Transport Infrastructure and Connectivity**

Resilient transport infrastructure that maximises connectivity across the Shire and links us to the major commercial centres is essential if the Shire is to have sustainable economic growth and development. A resilient transport infrastructure would be expected to support a diversity of road users from agriculture (cattle and crops), resource industry and a growing tourism industry. The condition of the state controlled roads is considered a major deterrent for tourists travelling along the Hann Highway, Gulf Developmental Road and the Gregory Developmental Road.

It has been estimated that world food production will need to increase by 70% by 2050 to keep pace with population growth. The Etheridge Shire has untapped potential for an array of irrigated agricultural outputs. Properly constructed, all weather, north-south and east-west road linkages are essential for growth of the Shire and linkages to markets.

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Develop a comprehensive, sustainable and funded, 10-year Capital Works Program for roads and drainage. • Review and update the comprehensive asset management strategy to support the maintenance, replacement and enhancement of council's road and air services assets. • Upgrade major road infrastructure and prioritise road train access on appropriate roads. • Continue to link our communities with sealed roads along Local Roads of Regional Significance. • Manage the region's road network to enable the movement of people and goods in a safe and efficient manner. 	1.1.1 1.1.2 1.1.3 1.1.4 1.1.5	CEO DES	
Link to Budget: 4020/2231; 4010/2221; 4010/2224; 4011/2211; 4012/2211; 4013/2211; 4014/2211; 4020/4500; 4030/4505; 4061/4500; 4062/4500; 4063/4500; 4064/4500			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> Maintain a fleet of Council owned plant and contractor hire arrangements. Develop a Plant Replacement and upgrade schedule and maintain the operational capacity of plant. 	1.1.6 1.1.7	DES	
Link to Budget: 4150/4500; 4150/1502			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> Maintain relationship with the Department of Transport and Main Roads and capacity to undertake road construction and maintenance. Continue to lobby to raise the national profile of the Kennedy Development Road (Hann Highway) and for additional funding for high priority widening and sealing. Lobby to raise the profile of the: <ul style="list-style-type: none"> Gulf Development Road; Gregory Development Road; and Georgetown-Forsayth Road. for additional funding for high priority widening and sealing. 	1.2.1 1.2.2 1.2.3	CEO DES	
Link to Budget: 4160/2237; 4198/2243; 4198/2244			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> Advocate for improved airfield infrastructure and services. Maintain airfields and airports throughout the Shire. Strengthen and extend the runway at the Georgetown airfield to 1,500m 	1.3.1 1.3.2 1.3.3	DES Town Supervisor	
Link to Budget: 4091/2221; 4092/2221; 4093/2221; 4094/2221; 4095/2221			



OPERATIONAL PLAN PROGRAM 2020|2021



Corporate Objective No. 2 Developing Reliable Potable and Irrigation Water Supply

To provide service delivery and infrastructure roll out, maintenance and improvement underpins a healthy and growing economy and comfortable lifestyle in the Shire.

Reliable and affordable water and energy is essential for the Shire if it is to have sustainable economic growth and development. COAG policies including Northern Australia White Paper, Regionalisation, Asian Market Access and Indigenous Advancement have identified the strategic importance of water and energy to economic and social development.

The Shire has seasonal over and under water supply. Bulk storage and control via new dams is a key solution and offers the collateral potential benefits of hydroelectric power, tourism and lifestyle opportunities. There are potential opportunities with the Gilbert offering the possibility of irrigation developments exceeding the scale of the current Ord River irrigation area. Investment in new infrastructure to support agricultural growth in this area is required.

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Construct the Charleston Dam and reticulate water to Georgetown and Forsayth for domestic and irrigation purposes (dual supply). • Upgrade domestic water treatment and storage facilities. • Review and update the comprehensive asset management strategy to support the maintenance, replacement and enhancement of council's water assets. • Provide consistent high quality water supply to serviced communities where both practical and viable. 	2.1.1 2.1.2 2.1.3 2.1.4 2.1.5	DES Town Supervisor CEO	
Link to Budget: 4500/2221; 4500/4501; 4500/4502; 4500/4503; 4500/4504; 4320/2101;4320/2811; 4320/2822; 4320/4505; 4340/2101; 4340/2811; 4340/2822; 4340/4502;			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Advocate for expansion of sustainable agriculture developments. • Develop the Gilbert River irrigation area, Greenhill dam. • Continue to strengthen cross regional partnerships and networks across Northern Australia to manage and maximize opportunity for nation building initiatives and reduce cumulative impacts. 	2.2.1 2.3.1 2.3.2 2.3.3 2.3.4	CEO	
Link to Budget: 4510/2221; 4520/4501; 4520/4502; 4530/2221			



OPERATIONAL PLAN PROGRAM 2020|2021



Corporate Objective No. 3

Managing the Natural Assets and Environment for Tourism and Economic Development

Our Shire's natural assets, natural resources and environment are key factors in the development of a sustainable economic growth of the Shire. The potential economic success of our natural assets can be driven by the growth in tourism and agriculture. This is in addition to the contributions from the region's growing global reputation in primary and mining industries.

Respecting our natural assets and upholding the integrity of the area's unique bioregions is important for the sustainable economic growth and development of the Shire. The Etheridge Shire faces a range of pressures including invasive species, changes in climate, land-clearing and increased areas dedicated to National Parks. Council recognises that healthy, resilient ecosystems are essential for sustainable economic growth and healthy communities. A collaborative approach between local government, the State and Federal governments and industry is essential in ensuring the value of our natural assets and environment is retained now and into the future to support ongoing economic growth.

The Shire is well positioned to supply local and global markets with innovative emerging industries which harness the region's natural assets, knowledge and partnerships including renewable energy, environmental management and Indigenous knowledge. Respecting and managing the region's natural assets and the environment will assist sustainable economic growth and development in the region.

By deploying a combination of strategies to protect natural assets the region will be able to prosper and grow. Strategies such as geo tourism and investment in renewable energy will stimulate employment, innovation and offer a sustainable energy source for future generations.

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Manage growth and change through local area planning initiatives • Actively participate in the regional organisations and statutory supported planning instruments 	3.1.1 3.1.2 3.1.3	CEO	
Link to Budget: 5110/2221			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Review and update the comprehensive asset management strategy to support the maintenance, replacement and enhancement of council's Tourism, Parks and Recreation assets. • Advocating release of State Land for future development across the shire • Promote residential and rural residential subdivisions throughout shire as land become available and demand increases. • Progress industrial subdivisions throughout shire as land become available and demand increases. • Advocate for the development of renewable energy projects. • Support the rural industries through infrastructure, skills development, income diversification and advocacy • Improve business and policy outcomes by encouraging local businesses to: <ul style="list-style-type: none"> • participate in Council business activities; • apply a 'local preference' for purchases. • Enhance and improve the aesthetics of the entrances to the Shire Towns. 	3.1.4 3.1.5 3.1.6 3.1.7 3.1.8 3.1.9 3.2.1 3.2.2 3.2.3 3.2.4 3.2.5	Town Supervisor DES DCCS CEO	
Link to Budget: 5130/2101; 5151/2431; 5151/2432; 5151/2433; 5151/4501; 5152/2431; 5152/2432; 5152/4502; 5152/4503; 5153/2431; 5153/2432; 5153/2433; 5154/2431; 5154/2432; 5140/4500; 5140/4501			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Promote growth of the tourism market in partnership with stakeholders • In partnership with regional stakeholders, facilitate economic development opportunities relating to creative and cultural industries 	3.3.1 3.3.2 3.3.3 3.4.1	CEO Tourism Officers	
Link to Budget: 5170/2002; 5170/2221; 5170/2222			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Construct recreation facilities at Charleston Dam (e.g. swimming, skiing, boating (sail), canoeing, fishing, picnicking camping, bird watching, bush trails (walking, push bike, motorbike)) to encourage activity based tourism. • Recognise and promote the value of community gardens, streetscape and properties. • Maintain the Shire's Cemeteries. 	3.4.2 3.5.1 3.6.1 3.6.2 3.6.3	CEO DES Town Supervisor	
Link to Budget: 5152/4502; 5151/2432; 5153/2433; 5161/2221; 5162/2221; 5163/2221; 5164/2221; 5165/2221			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Maintain disaster management capabilities. • Develop Council's Biosecurity Plan in consultation with landowners and other stakeholders to reduce the impact of existing and potential pests. • In partnership with the community and external agencies, promote and support best practice management of the natural environment. • Work in partnership with stakeholders (including NGRMG) to promote attitudinal and practice change that maintains healthy ecosystem services • Work in partnership with stakeholders (including NGRMG) to implement research and technology developments that support sustainable planning and decision making. • Maintain waste management facilities throughout shire • Maintain the environment to minimise disease outbreaks through implementation of an integrated mosquito management program. 	3.7.2 3.8.1 3.8.2 3.8.3 3.8.4 3.8.5 3.8.6 3.8.7 3.8.8	CEO DES Town Supervisor	
Link to Budget: 5030/2221; 5030/2222; 5030/2224; 5030/2229; 5030/2230; 5070/2231; 5080/2231; 5090/2231; 5100/2231			



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Corporate Objective No. 4 Developing Equitable Social Infrastructure:

There is universal agreement that strong, resilient and healthy individuals, families and community play a vital role in building the ongoing prosperity, wellbeing and economic development of a region. It has been demonstrated that long term economic growth in the regions occurs through investment in human capital development.

The population of Etheridge Shire is currently 819 persons and little growth is expected over the next few years. The region covers a large area of 39,039 square kilometres, encompassing over 2.0% of the state. The Shire is defined as being rural and remote with minor centres of population at Georgetown (250), Forsayth (140), Mt Surprise (140) and Einasleigh (80).

The connection between disadvantage, demography and geography are well established. The Socio-economic Indicators for Areas (SEIFA) –an overall measure of disadvantage – shows that Etheridge Shire has a comparatively large proportion of its population in the most disadvantaged quintile.

A number of factors influence welfare spending including population growth: the cost of providing services; rates of service use; and the capacity to pay, which in the Etheridge Shire is limited (CSSA 2014) are reflected by the relatively small private sector in human service delivery. It is well established that investments in people yield multiple returns to society in both social and economic terms. As noted by the Minerals Council of Australia, in its submission to a Parliamentary Inquiry into Northern Australia “research suggests that communities that do not have sufficient infrastructure, social amenity and economic diversity will not attract new residents and this will in turn constrain the industry’s recruitment capacity”.

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
Engage with and support local indigenous groups. <ul style="list-style-type: none"> • Partner with state government agencies to improve social conditions and liveability. • Acknowledge and support local indigenous cultural heritage, practices and protocols, to build economic social and cultural capital. • Encourage local historians to preserve and promote local history and heritage. 	4.1.1 4.1.2 4.2.1 4.2.2 4.2.3	CEO DCCS	

<ul style="list-style-type: none"> Advocate to State and Federal Governments to address social inequity and disadvantage. 			
Link to Budget: 1030/2001; 1020/2400			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> Enhance the life of seniors within the region through transport, encouraging a doctor to the region, aged care and respite and palliative care support. Advocate and facilitate the provision and improvement of central and remote health services. Build a variety of social infrastructure and service delivery, in partnership with the State Government and Community. Provide assistance to the community with respect to child care, youth hostel and aged care services. Provide libraries, as learning and information centres Provide support to volunteers, community groups and events Encourage the establishment of strong networks across the region where people can interact socially and safely through sport, recreation, cultural life and the arts. 	4.2.4 4.2.5 4.2.6 4.2.7 4.2.8 4.2.9 4.2.10 4.2.11 4.2.12 4.2.13 4.3.1 4.3.2 4.3.3	CEO DCCS	
Link to Budget: 1030/2001; 1020/2400; 3100/2001; 3100/2221;			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Build and strengthen the Shire's identity through the support and provision of a variety of events and branding our corporate image. • Ensure a preparedness to respond to natural disasters and other emergencies and engage in planning activities aimed at minimising the impact of such disasters on the community. • Maintain public buildings to meet resident's expectations. 	4.3.4 4.3.5 4.3.6 4.3.7 4.3.8		
Link to Budget: 3140/4501;3100/2221; 3130/2222; 3130/2223; 3290/2221; 3300/2221; 3310/2221; 3280/2221; 3320/2221; 3330/2221; 3340/2221; 3350/2221; 3360/2221; 3370/2221; 3360/2221; 3370/2221; 3380/2221			



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Corporate Objective No. 5

Improving Communication Infrastructure and Mechanisms within the Shire

An equitable communication network for the Shire is essential if the community is to have sustainable growth and development. The size and remoteness of Etheridge Shire means we are reliant on our communication networks whether this is mobile, broadband, fixed, Wi-Fi or satellite.

To be competitive in current marketplaces (national and international) and drive increased productivity and access to greater economic opportunities through a global marketplace our communication network is essential. Etheridge has vast untapped potential for the development of an array of 'Agri-Business' and tourism products which can be exported from the region. An equitable communication network will also support social networking and infrastructure (education, health, workplace health and safety and social wellbeing) and commercial services.

There is also considerable concern that, while satellite services will deliver broadband to many areas that currently don't have it, and that it should improve speeds significantly, the network will remain far inferior to that covered by the fibre footprint.

Infrastructure Australia's Infrastructure Plan identifies that in terms of mobile coverage, services in regional Australia are not as accessible as in our capital cities. Without better mobile services, regional Australia will not fully benefit from new technologies and the associated business opportunities and better service delivery. For example, mobiles (and other technology) enable remote control of agricultural tasks including monitoring soil moisture, supplying water to drinking troughs for cattle and opening and closing gates. Mobile coverage also means a quicker response to motor vehicle accidents and greatly assists in fighting bushfires, floods and other natural disasters.

Mobile access is also important for regional tourism because visitors expect to have mobile services wherever they go. More people are choosing to forego fixed voice services and rely on mobile services alone. Only 16 per cent of people have a preference for fixed-line telephone.

As Infrastructure Australia aptly puts it, technological improvements and innovation can transform industries and open up opportunities for regional business. Providing equitable communication networks will create innovations that will help overcome geographic challenges and are particularly relevant to Etheridge Shire. This will also greatly assist in closing the gap on access to health, education, training and employment opportunities for many socially disadvantaged groups, including people in indigenous communities and people with disabilities.

Council's key focus areas will be to advocate to State and Federal Governments to provide sustainable communication networks for mobile telecommunications, broadband internet options, together with radio and television services to support existing and future industry and social infrastructure.

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Improve co-operation and communication with relevant stakeholders and all levels of government in the strategic planning of future community infrastructure. • Advocate and facilitate the provision of telecommunication services, telemetry and media. • Review and update the comprehensive asset management strategy to support the maintenance, replacement and enhancement of council's communication assets. • Maintain radio re-transmission services for Mt Surprise, Forsayth and Einasleigh. • Maintain Council's internet and internal technology capabilities. • Using appropriate social media, promote civil and respectful discussion and participation in relevant issues. • Actively participate in the membership of regional development and other organisations in order to achieve mutual regional priorities. 	5.1.1 5.1.2 5.1.3 5.1.4 5.1.5 5.2.1 5.2.2 5.3.1	CEO DCCS IT Manager	
Link to Budget: 2030/2221; 2040/2221; 2050/2221; 2050/2222; 2050/4500; 2060/2221			



OPERATIONAL PLAN PROGRAM 2020|2021



Corporate Objective No. 6 Commercial Services

It is a feature that Local Government is often put in a position to take-on commercial services that are not in a profit making environment (otherwise private enterprise would have invested in the service delivery) as a result of a lack of scale, insufficient customer base or remoteness, despite changing demographics, the services not being core business of local government and the risk that it may impact of the Council's financial viability.

Services that communities need but may not be economically viable for alternate providers, leading to Council to undertake unprofitable commercial services.

Such services include:

- *Student Hostels;*
- *Child Care Services;*
- *Tourist Information services;*
- *Aged care services and programs;*
- *Entertainment infrastructure;*
- *Airports; and*
- *Cemeteries.*

These services tend to run at a loss and are generally subsidised by the council and community. Although this impacts on the capacity of the council to provide core services, without this support the community would be-come less and less viable.

Council will:

- *Identify local service and infrastructure priorities through consultation with the community;*
- *Balance community expectations with available resources;*
- *Work closely with Commonwealth, State and regional agencies to deliver services to the community; and*
- *Lobby for services to address unmet needs.*

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Maintain Swimming Pool as a safe and attractive venue. • Review the Refuse collection and disposal activities. • Continue to promote and provide hostel services for primary aged school children with support from grant funding. • Review operation of childcare to improve viability. • Develop a strategy to encourage a more effective use of 'Georgetown Hostel'. 	<p>6.1.1 6.1.2 6.1.3 6.1.4 6.1.5 6.1.6</p>	<p style="text-align: center;">CEO DCCS Town Supervisor</p>	
<p>Link to Budget: 6010/2221; 6020/2231; 6030/2231; 6050/2221; 6050/2222; 6050/2223; 6050/2224</p>			



OPERATIONAL PLAN PROGRAM 2020|2021



Corporate Objective No. 7 **Organisational Excellence and Governance**

To deliver excellence as an organisation, embracing exceptional customer service, valuing staff and promoting ethical standards of practice supported by clear policies and strategies.

Service delivery. *Council is responsible for managing and delivering a range of services to its communities, such as road construction and maintenance, public health and recreational facilities, advocacy and public libraries.*

Good governance *is about the appropriate processes for making and implementing decisions. Having good processes generally leads to better outcomes for local governments and their communities and has the following characteristics:*

- **Accountability** *is a fundamental requirement of good governance. Local government has an obligation to report, explain and be answerable for the consequences of decisions it has made on behalf of the community it represents.*
- **Transparency.** *People should be able to follow and understand the decision-making process. This means that they will be able to clearly see how and why a decision was made – what information, advice and consultation council considered and which legislative requirements (when relevant) council followed.*
- **Follows the rule of law.** *This means that decisions are consistent with relevant legislation or common law and are within the powers of council. Relevant legislation includes the Local Government Act 2009 and other legislation such as the Public Health Act 2005, and the Planning Act 2016.*
- **Responsiveness.** *Council should always try to serve the needs of the entire community while balancing competing interests in a timely, appropriate and responsive manner.*
- **Equitable and inclusive.** *A community's wellbeing results from all of its members feeling their interests have been considered by council in the decision-making process. This means that all groups, particularly the most vulnerable, should have opportunities to participate in the process.*
- **Effective and efficient.** *Council should implement decisions and follow processes that make the best use of the available people, resources and time to ensure the best possible results for their community.*

- **Participatory.** Anyone affected by or interested in a decision should have the opportunity to participate in the process for making that decision. This can happen in several ways – community members may be provided with information, asked for their opinion, given the opportunity to make recommendations or, in some cases, be part of the actual decision-making process.
- **Informed by good information and data,** by stakeholder views, and by open and honest debate will generally reflect the broad interests of the community. This does not assume that everyone will think each decision is the right one. But members of the community are more likely to accept the outcomes if the process has been good, even if they don't agree with the decision. They will also be less tempted to continue fighting or attempting to overturn the decision. So even the most difficult and controversial decisions are more likely to stick.
- **Long-term focus.** Examples include council plans, financial plans, strategic statements and other strategic plans. Setting the vision, and then ensuring that it is achieved, is one of the most important roles of local government.
- **Advocacy.** Local governments have a role in advocating on behalf of their constituencies to state and federal levels of government, statutory authorities and other sectors. An important good governance issue relating to advocacy is that the responsibility and accountability for advocacy needs to be clear. In its formal decision-making role, council can officially advocate to external bodies or levels of government on behalf of the community and municipality. Public statements are usually made by the mayor.

One of the roles of individual councillors as representatives is to advocate to council on behalf of their constituents. This is legitimate, as long as it's done within the framework of good governance in terms of language, using appropriate forums and focusing on issues rather than personalities.

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Provide professional, responsible, timely and accessible services to external and internal customers that reflect the values of the organization. • Maximise grants and external income. • Disseminate accurate and relevant information within the organization, the community and other relevant audiences. • Ensure the administration of the region is governed through open and transparent decision-making and reporting processes. 	7.1.1 7.1.2 7.1.3 7.2.1 7.2.2	CEO DCCS	
Link to Budget: 1020/2160; 1020/2400; 1030/2001; 1030/2290			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Ensure the transparency of council's financial operations and performance and promote awareness within the community of council's financial management and other strategies. • Promote and support a safe and healthy work environment in which the importance of family and work/life balance is recognised. • Promote a drug free environment. • Maintain compliance with legislation. • Adopt appropriate governance structures and make appropriate delegations. 	7.2.3 7.3.1 7.3.2 7.3.3 7.3.4 7.4.1	DCCS WHSA CEO	
Link to Budget: 1030/2001; 1030/2120; 1030/2005			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> • Implement effective reward and recognition programs to promote innovative thinking. • Support innovation by implementing technologies that improve the way council conducts its business and manages its information and data. • Effective works program to better utilize alignments between all funding. 	7.5.1 7.6.1 7.6.2 7.6.3 7.6.4	DCCS CEO	
Link to Budget: 1030/2241; 1030/2001			

Operational Plan Action / Outputs	Link to Strategy	Responsible Officer	Accomplished Outcome(s)
<ul style="list-style-type: none"> Review the current practice of holding consultation meetings throughout the Shire and distribution of 'Inform' to maximise effective community engagement. Develop and implement proactive risk management strategies to reduce risk to the council and the community. Ensure councillors and staff are provided with relevant learning and personal development opportunities to achieve stated strategic priorities and corporate objectives. 	7.7.1 7.8.1 7.8.2	DCCS CEO	
Link to Budget: 1020/2160; 1020/2400; 1030/2231; 1030/2241			

Financial Capability to implement this Operational Plan

Financing the infrastructure and services required to support the strategies and objectives outlined within the Corporate Plan, while improving services and public facilities remains a significant challenge.

The limited revenue base of the Council continues to result in high reliance on State and Federal Government funding for major projects. The implementation of a number of strategies identified within the plan is therefore subject to obtaining this funding.

Etheridge Shire Council maintains a 10 - year Strategic Financial Plan and is in the process of developing a 10 - year Asset Management Plan that will cover the life of the Corporate Plan and beyond. In simple terms, these plans identify planned expenditure and management of assets on council's activities and facilities over the 10 - years from where the funds have come and what the cumulative financial impacts of this will be on the shire as a whole. It is council's financial blueprint for the future and a living document that is required to be regularly reviewed.

The Corporate Plan encapsulates significant infrastructure improvements necessary to facilitate desired growth over the forthcoming five to ten years. The financial plan identifies the use of significant own - source revenue raised through rates and charges as well as external grants and borrowings as being necessary to implement these requirements.

The extension of the timeframe for the Financial Plan beyond that of the Corporate Plan ensures that council is aware of the ongoing impact of maintenance and debt servicing relating to new and improved facilities. Care is taken to ensure that debt relating to specific assets is extinguished well in advance of the end of the useful life of the asset.

Councillors and the Executive Management Team will ensure that council remains in a sustainable financial position.

The *Local Government Act 2009* requires all local governments to prepare and adopt a Corporate Plan covering a period of at least five years. Under the terms of the Act, the Corporate Plan is to be the basis for council's operational plans and budgets in each year.

Council discussed the development of this Corporate Plan at its regular community consultation meetings through-out the Shire, through articles in the 'Inform' newsletter and through its social media sites.

Council is required to make assessments of progress towards implementing its corporate and operational plans. Those assessments are contained in formal written reports and must be presented to a meeting of council at regular intervals of not more than three months.

The key threat to the sustainability of the Shire is the economic decline of its community. Council will continue to lobby for grants and subsidies to fund its operations, but will also seek to exploit opportunities and innovative ways to create jobs, economic growth and prosperity and address social and economic disadvantage.



Etheridge
Shire Council

2020-21

BUDGET

Note: Statement of
Comprehensive Income
FYE2021

The following statement reveals an adjusted Comprehensive Income Statement for the financial year ending 30th June 2021. The Statement shows the movement from Constrained Reserves for the FYE 2021 which directly relates to an operating revenue source for the 2019 NDRRA works which were approved in the 2019/20 financial year and subsequently Council received an initial upfront cash payment of 30% of the total approved claim. In addition the Federal Government has also prepaid 50% of the 2020/21 FAGs Grant in the 2019/20 financial year which totaled \$2.866M

Council is holding \$4,001,879 within its Cash & Investment with these funds being constrained. This revenue source relates to operating expenditure that will occur within the 2020/21 financial year.

Therefore the adjusted Operating Surplus / (Deficit) reveals an Operating Surplus of \$406,112 compared to an Operating Deficit of (\$3,595,767)



Simplified Income Statement	Adjusted		Budget	
	2020	2021	2020	2021
Operating Revenue				
Net Rates, Levies and Charges	\$ 2,223,335	\$ 2,223,335	\$ 2,223,335	\$ 2,223,335
Fees and Charges	\$ 243,640	\$ 243,640	\$ 243,640	\$ 243,640
Rental Income	\$ 147,800	\$ 147,800	\$ 147,800	\$ 147,800
Interest & Investment Revenue Received	\$ 165,893	\$ 165,893	\$ 165,893	\$ 165,893
Sales - contract and recoverable works	\$ 6,655,546	\$ 6,655,546	\$ 6,655,546	\$ 6,655,546
Operating Grants, Subsidies & Contributions	\$ 8,603,809	\$ 8,603,809	\$ 8,603,809	\$ 8,603,809
Total Recurrent Revenue	\$ 18,040,023	\$ 18,040,023	\$ 18,040,023	\$ 18,040,023
Transfer from Constrained Reserve	\$ 4,001,879	\$ -	\$ -	\$ -
Transfer to Constrained Reserve	\$ -	\$ -	\$ -	\$ -
Transfer from Capital Reserves	\$ -	\$ -	\$ -	\$ -
Transfer to Capital Reserves	\$ -	\$ -	\$ -	\$ -
Total Transfer to & from Reserves	\$ 4,001,879	\$ -	\$ -	\$ -
Total Operating Revenue	\$ 22,041,902	\$ 18,040,023	\$ 18,040,023	\$ 18,040,023
Operating Expenses				
Employee Benefits	\$ 6,292,727	\$ 6,292,727	\$ 6,292,727	\$ 6,292,727
Materials and Services	\$ 10,690,327	\$ 10,690,327	\$ 10,690,327	\$ 10,690,327
Finance Costs	\$ 8,137	\$ 8,137	\$ 8,137	\$ 8,137
Depreciation and Amortisation	\$ 4,644,599	\$ 4,644,599	\$ 4,644,599	\$ 4,644,599
Total Recurrent Expenses	\$ 21,635,790	\$ 21,635,790	\$ 21,635,790	\$ 21,635,790
Operating Profit / (Loss)	\$ 406,112	-\$ 3,595,767	-\$ 3,595,767	-\$ 3,595,767



ETHERIDGE SHIRE COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

Ungroup	Level 2	Level 3	Export to New Workbook	Actual						Budget	Forecast								
				30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30
Year ended				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Revenue																			
Recurrent revenue:																			
General rates				2,425,660	2,035,576	2,228,310	1,878,303	2,068,476	2,170,222	2,068,600	2,083,269	2,135,351	2,210,088	2,287,441	2,367,501	2,450,364	2,548,378	2,612,088	2,677,390
Separate rates				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Levies				-	-	-	-	-	-	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900	96,900
Water				361,503	380,808	392,332	393,711	404,477	401,526	401,526	380,168	387,771	395,527	403,437	411,506	419,736	428,131	436,693	445,427
Sewerage				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management				126,008	125,539	133,649	133,249	134,044	141,527	141,527	139,997	142,796	145,652	148,565	151,537	154,568	157,659	160,812	164,028
Other rates and utilities revenue				92,349	101,712	-	101,656	-	96,900	-	-	-	-	-	-	-	-	-	-
Total rates and utility charge revenue				3,005,520	2,643,635	2,754,291	2,506,919	2,606,997	2,810,175	2,708,553	2,700,334	2,762,818	2,848,167	2,936,343	3,027,444	3,121,568	3,231,068	3,306,493	3,383,745
less: Discounts				(319,895)	(280,010)	(284,879)	(318,392)	(338,776)	(344,296)	(362,586)	(364,144)	(373,248)	(382,579)	(392,143)	(401,947)	(411,996)	(422,296)	(432,853)	(443,674)
less: Pensioner remissions				(22,211)	(19,896)	(26,602)	(103,513)	(72,699)	(122,632)	(122,632)	(122,958)	(125,418)	(127,926)	(130,484)	(133,094)	(135,756)	(138,471)	(141,240)	(144,065)
Net rates and utility charges				2,663,414	2,343,729	2,442,810	2,085,014	2,195,522	2,343,247	2,223,335	2,213,232	2,264,152	2,337,662	2,413,716	2,492,403	2,573,816	2,670,301	2,732,400	2,796,006
Building and property related fees				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infringements				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking meters				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private works				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Refuse tipping fees				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General service fees				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other fees and charges				343,122	318,104	276,961	281,779	304,683	250,390	243,640	239,375	239,375	244,162	249,045	249,045	254,025	254,025	259,106	259,106
Fees and charges				343,122	318,104	276,961	281,779	304,683	250,390	243,640	239,375	239,375	244,162	249,045	249,045	254,025	254,025	259,106	259,106
Sales - contract and recoverable works				7,389,575	2,568,839	3,671,673	6,235,078	9,435,399	8,369,604	6,655,546	3,200,000	3,230,000	3,261,000	3,293,000	3,325,000	3,358,000	3,392,000	3,427,000	3,463,000
Gain on sale of land held as inventory				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General purpose grants				4,507,875	4,618,408	8,234,509	4,364,573	5,771,836	2,693,210	2,953,717	5,495,606	5,715,430	6,115,510	6,543,595	7,001,647	7,491,762	8,016,186	8,577,319	9,177,731
State government grants and subsidies				264,004	3,751,638	2,044,143	6,342,618	7,602,561	15,332,132	5,650,092	3,666,844	3,566,844	3,416,844	3,316,844	3,316,844	3,316,844	3,416,844	3,316,844	3,316,844
Other non-government subsidies				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations				-	-	-	35,000	4,107	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies, contributions and donations				4,771,879	8,370,046	10,278,652	10,742,191	13,378,504	18,025,342	8,603,809	9,162,450	9,282,274	9,532,354	9,860,439	10,318,491	10,808,606	11,433,030	11,894,163	12,494,575
Interest from overdue rates and utility charges				79,787	134,429	207,901	164,349	53,551	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700	12,700
Interest received from investments				362,028	354,204	345,748	317,466	457,564	193,642	153,193	140,170	154,789	168,580	183,151	202,433	221,151	237,339	271,894	324,060
Other sources				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received				441,815	488,633	553,649	481,815	511,115	206,342	165,893	152,870	167,489	181,280	195,851	215,133	233,851	250,039	284,594	336,760
Profit/(loss) from investments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental income				177,212	157,555	144,405	154,041	145,648	140,000	147,800	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Commissions				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other operating revenue				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other recurrent income				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total recurrent revenue				15,787,017	14,246,906	17,368,150	19,979,918	25,970,871	29,334,925	18,040,023	15,127,927	15,343,290	15,716,458	16,172,051	16,760,072	17,388,298	18,159,395	18,757,263	19,509,447
Capital revenue:																			
Grants, subsidies, contributions and donations				5,932,563	8,569,444	989,761	1,252,972	1,791,434	11,491,444	5,809,165	1,100,807	1,100,807	1,100,807	1,100,807	1,100,807	1,098,807	1,098,807	-	-
Other capital contributions				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total capital revenue				5,932,563	8,569,444	989,761	1,252,972	1,791,434	11,491,444	5,809,165	1,100,807	1,100,807	1,100,807	1,100,807	1,100,807	1,098,807	1,098,807	-	-
Capital income:																			
Gain on sale of property, plant and equipment				10,083	-	-	-	-	-	32,073	-	-	-	-	-	-	-	-	-
Profit from investments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other capital income				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation up of PPE (reversing previous down revaluations)				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total capital income				10,083	-	-	-	-	-	32,073	-	-	-	-	-	-	-	-	-
Total capital revenue and capital income				5,942,646	8,569,444	989,761	1,252,972	1,791,434	11,491,444	5,841,238	1,100,807	1,100,807	1,100,807	1,100,807	1,100,807	1,098,807	1,098,807	-	-
Total income				21,729,663	22,816,350	18,357,911	21,232,890	27,762,305	40,826,369	23,881,261	16,228,734	16,444,097	16,817,265	17,272,858	17,860,879	18,487,105	19,258,202	18,757,263	19,509,447
Expenses																			



ETHERIDGE SHIRE COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

Ungroup	Level 2	Level 3	Export to New Workbook	Actual						Budget	Forecast								
				Year ended	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Recurrent expenses:																			
Total staff wages and salaries				4,750,202	4,134,439	5,074,676	5,958,189	5,706,532	5,783,149	5,927,727	4,647,000	4,745,000	4,744,000	4,810,000	4,746,000	4,842,000	4,874,000	4,969,000	4,969,000
Councillors remuneration				195,219	293,392	309,671	315,976	321,143	346,500	365,000	346,000	352,000	358,000	364,000	370,000	376,000	382,000	390,000	396,000
Other employee costs				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee benefits				4,945,421	4,427,831	5,384,347	6,274,165	6,027,675	6,129,649	6,292,727	4,993,000	5,097,000	5,102,000	5,174,000	5,116,000	5,218,000	5,256,000	5,359,000	5,365,000
Materials and services - Sales, contract and recoverable works				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials and services - Council maintenance				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials and services				7,680,665	5,355,439	9,690,749	12,693,536	13,125,786	21,794,660	10,690,327	6,536,000	6,559,000	6,886,950	7,231,297	7,629,018	8,163,050	8,734,463	9,171,186	9,813,169
Audit services				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations paid				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials and services				7,680,665	5,355,439	9,690,749	12,693,536	13,125,786	21,794,660	10,690,327	6,536,000	6,559,000	6,886,950	7,231,297	7,629,018	8,163,050	8,734,463	9,171,186	9,813,169
Loss on sale of land held as inventory				-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	-
Depreciation on Buildings				183,321	335,453	340,659	430,688	702,748	394,237	411,250	209,718	215,718	221,718	227,718	233,718	241,718	251,718	256,718	256,718
Depreciation on Plant & Equipment				795,868	396,330	326,093	380,955	473,543	393,278	402,534	256,957	328,624	415,291	498,625	566,958	645,292	741,959	788,625	788,625
Depreciation on Furniture and Fittings				2,481	10,151	11,716	11,464	12,755	11,534	11,534	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067
Depreciation on Roads, Drainage & Bridge Network				2,731,484	3,044,872	3,375,868	3,014,258	2,007,199	3,266,228	3,289,054	2,628,421	2,716,656	2,804,891	2,893,126	2,981,361	3,066,854	3,149,604	3,190,978	3,190,978
Depreciation on Water				123,692	112,162	114,346	134,947	193,211	221,121	141,033	141,750	173,561	205,640	239,819	272,498	301,684	326,877	339,474	339,474
Depreciation on Sewerage				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on Other				349,932	376,385	378,241	392,182	428,249	389,194	389,194	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Depreciation on asset revaluations				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on WIP				-	-	-	-	-	71,934	-	-	-	-	-	-	-	-	-	-
Depreciation on finance leases				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortisation of intangible assets				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation				4,186,778	4,275,353	4,546,923	4,364,494	3,817,705	4,747,526	4,644,599	3,388,913	3,586,626	3,799,607	4,011,355	4,206,602	4,407,615	4,622,225	4,727,862	4,727,862
Bad and doubtful debts				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rentals - operating leases				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other miscellaneous movements				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance costs charged by Queensland Treasury Corporation				70,641	50,484	14,342	10,741	6,845	4,851	4,137	3,369	2,544	1,658	705	104	-	-	-	-
Interest paid on overdraft				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank fees				3,434	3,274	3,634	4,376	3,687	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Other finance costs (non interest related)				-	-	1,403,385	-	1,191,832	-	-	-	-	-	-	-	-	-	-	-
Finance lease costs				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance costs				74,075	53,758	1,421,361	15,117	1,202,364	8,851	8,137	7,369	6,544	5,658	4,705	4,104	4,000	4,000	4,000	4,000
Community service obligation payments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Competitive neutrality fees				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal service provider payments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other payments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total recurrent expenses				16,886,939	14,112,381	21,043,380	23,347,312	24,173,530	32,680,686	21,635,790	14,930,282	15,249,170	15,794,215	16,421,357	16,955,724	17,792,665	18,616,688	19,262,048	19,910,031
Capital expenses:																			
Loss on sale of property, plant and equipment				-	430,617	57,638	22,166	29,563	104,772	-	46,386	46,386	46,386	46,386	46,386	46,386	46,386	46,386	46,386
Loss on investments				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other capital expenses				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment losses				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation decrements				-	41,392	-	-	377,776	-	-	-	-	-	-	-	-	-	-	-
Total capital expenses				-	472,009	57,638	22,166	407,339	104,772	-	46,386	46,386	46,386	46,386	46,386	46,386	46,386	46,386	46,386
Total expenses				16,886,939	14,584,390	21,101,018	23,369,478	24,580,869	32,785,458	21,635,790	14,976,668	15,295,556	15,840,601	16,467,743	17,002,110	17,839,051	18,663,074	19,308,434	19,956,417
Result from ordinary activities				4,842,724	8,231,960	(2,743,107)	(2,136,588)	3,181,436	8,040,911	2,245,471	1,252,066	1,148,541	976,664	805,115	858,769	648,054	595,128	(551,171)	(446,970)
Other non-recurrent items				-	-	-	7,915,825	-	-	-	-	-	-	-	-	-	-	-	-
Net result attributable to Council				4,842,724	8,231,960	(2,743,107)	5,779,237	3,181,436	8,040,911	2,245,471	1,252,066	1,148,541	976,664	805,115	858,769	648,054	595,128	(551,171)	(446,970)
OPERATING RESULT																			
Operating revenue				15,787,017	14,246,906	17,368,150	19,979,918	25,970,871	29,334,925	18,040,023	15,127,927	15,343,290	15,716,458	16,172,051	16,760,072	17,388,298	18,159,395	18,757,263	19,509,447
Operating expense				16,886,939	14,112,381	21,043,380	23,347,312	24,173,530	32,680,686	21,635,790	14,930,282	15,249,170	15,794,215	16,421,357	16,955,724	17,792,665	18,616,688	19,262,048	19,910,031
Operating result				(1,099,922)	134,525	(3,675,230)	(3,367,394)	1,797,341	(3,345,761)	(3,595,767)	197,645	94,120	(77,757)	(249,306)	(195,652)	(404,367)	(457,293)	(504,785)	(400,584)



ETHERIDGE SHIRE COUNCIL
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDING 30 JUNE 2021

Year ended	Actual						Budget	Forecast								
	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Current assets																
Restricted component	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted component	10,613,842	13,218,102	15,144,334	12,483,384	16,319,149	14,034,196	10,600,355	11,855,462	13,027,422	14,132,971	15,434,642	17,328,626	18,534,576	19,997,316	24,298,822	28,713,909
Cash assets and cash equivalents	10,613,842	13,218,102	15,144,334	12,483,384	16,319,149	14,034,196	10,600,355	11,855,462	13,027,422	14,132,971	15,434,642	17,328,626	18,534,576	19,997,316	24,298,822	28,713,909
Land held for development or sale	133,868	122,993	111,003	53,093	53,093	53,093	53,093	38,093	38,093	38,093	38,093	38,093	38,093	38,093	38,093	38,093
Other inventory	335,777	317,939	237,317	284,497	356,905	356,905	356,905	356,905	356,905	356,905	356,905	356,905	356,905	356,905	356,905	356,905
Inventories	469,645	440,932	348,320	337,590	409,998	409,998	409,998	394,998	394,998	394,998	394,998	394,998	394,998	394,998	394,998	394,998
Receivables	1,992,138	3,867,382	1,270,985	3,872,928	2,882,912	1,596,087	979,404	820,551	831,551	851,243	875,408	906,572	939,970	981,335	1,012,201	1,050,558
Tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current assets	13,075,625	17,526,416	16,763,639	16,693,902	19,612,059	16,040,281	11,989,757	13,071,011	14,253,971	15,379,212	16,705,048	18,630,196	19,869,544	21,373,649	25,706,021	30,159,465
Non-current assets																
Land held for development or sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	176,420,642	184,955,306	181,075,537	187,532,069	187,072,486	205,341,822	210,714,841	210,533,142	210,488,730	210,354,337	209,848,196	208,811,808	208,264,407	207,402,396	202,554,748	197,707,100
Leased assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital works in progress	4,209,099	-	713,898	509,755	3,160,438	-	-	-	-	-	-	-	-	-	-	-
Other non-current assets	648,138	-	648,138	726,850	726,850	726,850	726,850	726,850	726,850	726,850	726,850	726,850	726,850	726,850	726,850	726,850
Total non-current assets	181,277,879	184,955,306	182,437,573	188,768,674	190,959,774	206,068,672	211,441,691	211,259,992	211,215,580	211,081,187	210,575,046	209,538,658	208,991,257	208,129,246	203,281,598	198,433,950
Total assets	194,353,504	202,481,722	199,201,212	205,462,576	210,571,833	222,108,953	223,431,448	224,331,003	225,469,551	226,460,399	227,280,094	228,168,854	228,860,801	229,502,895	228,987,619	228,593,415
Current liabilities																
Overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	845,315	1,261,342	800,470	1,370,874	2,149,402	1,791,671	878,986	537,534	539,425	566,379	594,682	627,371	671,264	718,230	754,125	806,891
Borrowings	542,704	46,235	60,694	42,497	9,623	10,291	11,059	11,884	12,770	13,723	2,698	-	-	-	-	-
Employee payables/provisions	85,092	96,002	104,600	282,075	279,379	279,379	279,379	279,379	279,379	279,379	279,379	279,379	279,379	279,379	279,379	279,379
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	1,473,111	1,403,579	965,764	1,695,446	2,438,404	2,081,341	1,169,424	828,797	831,574	859,481	876,759	906,750	950,643	997,609	1,033,504	1,086,270
Non-current liabilities																
Trade and other payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	256,249	164,353	103,542	71,786	62,379	52,134	41,075	29,191	16,421	2,698	-	-	-	-	-	-
Interest free loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	256,249	164,353	103,542	71,786	62,379	52,134	41,075	29,191	16,421	2,698	-	-	-	-	-	-
Employee payables/provisions	357,904	415,591	376,816	161,016	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	614,153	579,944	480,358	232,802	1,417,665	1,407,420	1,396,361	1,384,477	1,371,707	1,357,984	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286	1,355,286
Total liabilities	2,087,264	1,983,523	1,446,122	1,928,248	3,856,069	3,488,761	2,565,785	2,213,274	2,203,281	2,217,465	2,232,045	2,262,036	2,305,929	2,352,895	2,388,790	2,441,556
Net community assets	192,266,240	200,498,199	197,755,090	203,534,328	206,715,764	218,620,192	220,865,663	222,117,729	223,266,270	224,242,934	225,048,049	225,906,818	226,554,872	227,150,000	226,598,829	226,151,859
Community equity																
Asset revaluation reserve	125,541,374	125,499,982	125,499,982	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807	133,415,807
Other reserves	8,136,742	8,707,059	9,270,217	9,060,118	9,439,415	7,260,607	10,362,372	10,912,372	11,462,372	12,012,372	12,553,891	13,053,891	13,553,891	14,053,891	14,553,891	15,053,891
Retained surplus (deficiency)	58,588,124	66,291,158	62,984,891	61,058,403	63,860,542	77,943,778	77,087,484	77,789,550	78,388,091	78,814,755	79,078,351	79,437,120	79,585,174	79,680,302	78,629,131	77,682,161
Total community equity	192,266,240	200,498,199	197,755,090	203,534,328	206,715,764	218,620,192	220,865,663	222,117,729	223,266,270	224,242,934	225,048,049	225,906,818	226,554,872	227,150,000	226,598,829	226,151,859



ETHERIDGE SHIRE COUNCIL
STATEMENT OF CASHFLOWS
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

Year ended	Actual						Budget	Forecast								
	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities:																
Receipts from customers	18,260,615	12,549,762	17,985,546	18,808,668	26,799,834	30,415,408	18,490,813	15,133,910	15,164,801	15,515,486	15,952,035	16,513,775	17,121,049	17,867,991	18,441,803	19,134,330
Payment to suppliers and employees	(14,122,290)	(9,939,942)	(16,041,678)	(19,755,296)	(18,792,803)	(28,286,040)	(17,899,739)	(11,874,452)	(11,658,109)	(11,965,996)	(12,380,994)	(12,716,329)	(13,341,157)	(13,947,497)	(14,498,291)	(15,129,403)
Payments for land held as inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of land held as inventory	-	-	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-
Interest received	441,815	488,633	553,648	481,815	502,571	206,342	165,893	152,870	167,489	181,280	195,851	215,133	233,851	250,039	284,594	336,760
Interest on loans	(70,641)	(50,484)	(14,342)	(10,741)	(6,846)	(4,851)	(4,137)	(3,369)	(2,544)	(1,658)	(705)	(104)	-	-	-	-
Interest on overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on finance lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance costs	(70,641)	(50,484)	(14,342)	(10,741)	(6,846)	(4,851)	(4,137)	(3,369)	(2,544)	(1,658)	(705)	(104)	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income from investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution from joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from operating activities	4,509,499	3,047,969	2,483,174	(475,554)	8,502,756	2,330,859	752,830	3,418,959	3,671,637	3,729,112	3,766,187	4,012,475	4,013,743	4,170,533	4,228,106	4,341,687
Cash flows from investing activities:																
Payments for property, plant and equipment	(8,255,851)	(9,676,097)	(1,611,679)	(3,452,587)	(6,440,280)	(16,272,360)	(10,495,545)	(3,327,000)	(3,662,000)	(3,785,000)	(3,625,000)	(3,290,000)	(3,980,000)	(3,880,000)	-	-
Subsidies, donations and contributions for new capital expenditure	5,932,563	8,569,444	989,761	1,252,972	1,791,434	11,491,444	5,809,165	1,100,807	1,100,807	1,100,807	1,100,807	1,100,807	1,098,807	1,098,807	-	-
Proceeds from sale of property, plant and equipment	189,136	1,251,309	111,328	64,172	24,137	174,681	510,000	73,400	73,400	73,400	73,400	73,400	73,400	73,400	73,400	73,400
Payments for intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net transfer (to) from cash investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net movement in loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from investing activities	(2,134,152)	144,656	(510,590)	(2,135,443)	(4,624,709)	(4,606,235)	(4,176,380)	(2,152,793)	(2,487,793)	(2,610,793)	(2,450,793)	(2,115,793)	(2,807,793)	(2,707,793)	73,400	73,400
Cash flows from financing activities:																
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(527,455)	(588,365)	(46,352)	(49,953)	(42,282)	(9,577)	(10,291)	(11,059)	(11,884)	(12,770)	(13,723)	(2,698)	-	-	-	-
Repayments made on finance leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from financing activities	(527,455)	(588,365)	(46,352)	(49,953)	(42,282)	(9,577)	(10,291)	(11,059)	(11,884)	(12,770)	(13,723)	(2,698)	-	-	-	-
Net increase (decrease) in cash held	1,847,892	2,604,260	1,926,232	(2,660,950)	3,835,765	(2,284,953)	(3,433,841)	1,255,107	1,171,960	1,105,549	1,301,671	1,893,984	1,205,950	1,462,740	4,301,506	4,415,087
Cash at beginning of reporting period	8,765,950	10,613,842	13,218,102	15,144,334	12,483,384	16,319,149	14,034,196	10,600,355	11,855,462	13,027,422	14,132,971	15,434,642	17,328,626	18,534,576	19,997,316	24,298,822
Cash at end of reporting period	10,613,842	13,218,102	15,144,334	12,483,384	16,319,149	14,034,196	10,600,355	11,855,462	13,027,422	14,132,971	15,434,642	17,328,626	18,534,576	19,997,316	24,298,822	28,713,909
Restricted and unrestricted components:																
Restricted component of cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted component	10,613,842	13,218,102	15,144,334	12,483,384	16,319,149	14,034,196	10,600,355	11,855,462	13,027,422	14,132,971	15,434,642	17,328,626	18,534,576	19,997,316	24,298,822	28,713,909



ETHERIDGE SHIRE COUNCIL
STATEMENT OF CHANGES OF EQUITY
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

	Total \$	Retained surplus \$	Asset revaluation reserve \$	Other reserves \$
Balance at 30 Jun 2016	200,498,199	66,291,158	125,499,982	8,707,059
Net result for the period	(2,743,107)	(2,743,107)		
Transfers to reserves	(2)	(563,160)	-	563,158
Transfers from reserves	-	-	-	-
Asset revaluation adjustment	-	-	-	-
Asset recognition	-	-	-	-
Balance at 30 Jun 2017	197,755,090	62,984,891	125,499,982	9,270,217
Net result for the period	5,779,237	5,779,237		
Transfers to reserves	(7,705,725)	(7,705,725)	-	-
Transfers from reserves	(210,099)	-	-	(210,099)
Asset revaluation adjustment	7,915,825	-	7,915,825	
Asset recognition	-	-	-	-
Balance at 30 Jun 2018	203,534,328	61,058,403	133,415,807	9,060,118
Net result for the period	3,181,436	3,181,436		
Transfers to reserves	-	(379,297)	-	379,297
Transfers from reserves	-	-	-	-
Asset revaluation adjustment	-	-	-	-
Asset recognition	-	-	-	-
Balance at 30 Jun 2019	206,715,764	63,860,542	133,415,807	9,439,415
Net result for the period	8,040,911	8,040,911		
Transfers to reserves	-	-	-	-
Transfers from reserves	3,863,517	6,042,325	-	(2,178,808)
Asset revaluation adjustment	-	-	-	-
Asset recognition	-	-	-	-
Balance at 30 Jun 2020	218,620,192	77,943,778	133,415,807	7,260,607
Net result for the period	2,245,471	2,245,471		
Transfers to reserves	-	(3,101,765)		3,101,765
Transfers from reserves	-	-		-
Asset revaluation adjustment	-	-	-	-
Balance at 30 Jun 2021	220,865,663	77,087,484	133,415,807	10,362,372
Net result for the period	1,252,066	1,252,066		
Transfers to reserves	-	(550,000)		550,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-	-	-	-
Balance at 30 Jun 2022	222,117,729	77,789,550	133,415,807	10,912,372
Net result for the period	1,148,541	1,148,541		
Transfers to reserves	-	(550,000)		550,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-	-	-	-
Balance at 30 Jun 2023	223,266,270	78,388,091	133,415,807	11,462,372
Net result for the period	976,664	976,664		
Transfers to reserves	-	(550,000)		550,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-	-	-	-
Balance at 30 Jun 2024	224,242,934	78,814,755	133,415,807	12,012,372
Net result for the period	805,115	805,115		
Transfers to reserves	-	(541,519)		541,519
Transfers from reserves	-	-		-
Asset revaluation adjustment	-	-	-	-
Balance at 30 Jun 2025	225,048,049	79,078,351	133,415,807	12,553,891
Net result for the period	858,769	858,769		
Transfers to reserves	-	(500,000)		500,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-	-	-	-



ETHERIDGE SHIRE COUNCIL
STATEMENT OF CHANGES OF EQUITY
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

	Total \$	Retained surplus \$	Asset revaluation reserve \$	Other reserves \$
Balance at 30 Jun 2026	<u>225,906,818</u>	<u>79,437,120</u>	<u>133,415,807</u>	<u>13,053,891</u>
Net result for the period	648,054	648,054		
Transfers to reserves	-	(500,000)		500,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
Balance at 30 Jun 2027	<u>226,554,872</u>	<u>79,585,174</u>	<u>133,415,807</u>	<u>13,553,891</u>
Net result for the period	595,128	595,128		
Transfers to reserves	-	(500,000)		500,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
Balance at 30 Jun 2028	<u>227,150,000</u>	<u>79,680,302</u>	<u>133,415,807</u>	<u>14,053,891</u>
Net result for the period	(551,171)	(551,171)		
Transfers to reserves	-	(500,000)		500,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
Balance at 30 Jun 2029	<u>226,598,829</u>	<u>78,629,131</u>	<u>133,415,807</u>	<u>14,553,891</u>
Net result for the period	(446,970)	(446,970)		
Transfers to reserves	-	(500,000)		500,000
Transfers from reserves	-	-		-
Asset revaluation adjustment	-		-	
Balance at 30 Jun 2030	<u>226,151,859</u>	<u>77,682,161</u>	<u>133,415,807</u>	<u>15,053,891</u>



ETHERIDGE SHIRE COUNCIL
CAPITAL FUNDING STATEMENT
FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021

Year ended	Budget		Forecast							
	30-Jun-21 \$	30-Jun-22 \$	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$	30-Jun-26 \$	30-Jun-27 \$	30-Jun-28 \$	30-Jun-29 \$	30-Jun-30 \$
Sources of capital funding										
General revenue used for capital purposes	(457,928)	(1,235,061)	(1,086,949)	(1,176,044)	(1,546,839)	(2,088,111)	(1,599,822)	(1,914,432)	(4,801,262)	(4,801,262)
Capital reserves utilised in the year										
Constrained works reserve	-	-	-	-	-	-	-	-	-	-
Future Capital Reserve	-	-	-	-	-	-	-	-	-	-
Plant Replacement Reserve	-	-	-	-	-	-	-	-	-	-
Road Improvement Reserve	-	-	-	-	-	-	-	-	-	-
Town Improvements Reserve	-	-	-	-	-	-	-	-	-	-
Other Reserve	-	-	-	-	-	-	-	-	-	-
Bridge & Culvert Reserve	-	-	-	-	-	-	-	-	-	-
Disaster Management Reserve	-	-	-	-	-	-	-	-	-	-
Depreciation charges funded	4,644,599	3,388,913	3,586,626	3,799,607	4,011,355	4,206,602	4,407,615	4,622,225	4,727,862	4,727,862
Loan borrowings used:										
New capex	-	-	-	-	-	-	-	-	-	-
Replacement capex	-	-	-	-	-	-	-	-	-	-
Donated and contributed physical assets:										
New capex	-	-	-	-	-	-	-	-	-	-
Replacement capex	-	-	-	-	-	-	-	-	-	-
Cash capital grants, subsidies and contributions:										
New capex	3,364,609	583,300	583,300	583,300	583,300	583,300	1,098,807	1,098,807	-	-
Replacement capex	2,444,556	517,507	517,507	517,507	517,507	517,507	-	-	-	-
Proceeds from the sale of capital assets:										
New capex	-	-	-	-	-	-	-	-	-	-
Replacement capex	-	-	-	-	-	-	-	-	-	-
Existing assets	510,000	83,400	73,400	73,400	73,400	73,400	73,400	73,400	73,400	73,400
Total sources of capital funding	10,505,836	3,338,059	3,673,884	3,797,770	3,638,723	3,292,698	3,980,000	3,880,000	-	-
Application of capital funding										
Non current capital assets New Capex:										
Land	-	-	-	-	-	-	-	-	-	-
Buildings	2,353,150	300,000	300,000	300,000	300,000	300,000	300,000	300,000	-	-
Plant and equipment	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	-	-	-	-	-	-	-	-	-	-
Road, drainage and bridge Network	569,218	686,600	686,600	686,600	686,600	686,600	1,202,107	1,202,107	-	-
Water	2,430,186	-	-	-	-	-	-	-	-	-
Sewerage	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
	5,352,554	986,600	986,600	986,600	986,600	986,600	1,502,107	1,502,107	-	-
Non current capital assets Replacement Capex:										
Land	-	-	-	-	-	-	-	-	-	-
Buildings	1,583,275	-	-	-	-	-	-	-	-	-
Plant and equipment	1,209,000	850,000	1,300,000	1,300,000	1,200,000	850,000	1,500,000	1,400,000	-	-
Furniture & Fittings	-	-	-	-	-	-	-	-	-	-
Road, drainage and bridge Network	2,322,216	955,719	955,719	955,719	955,719	955,719	600,000	600,000	-	-
Water	28,500	534,681	419,681	542,681	482,681	497,681	377,893	377,893	-	-
Sewerage	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
	5,142,991	2,340,400	2,675,400	2,798,400	2,638,400	2,303,400	2,477,893	2,377,893	-	-
Increase in capital work in progress	-	-	-	-	-	-	-	-	-	-
Principal loan redemptions:										
Existing loans	10,291	11,059	11,884	12,770	13,723	2,698	-	-	-	-
Loans for new capex	-	-	-	-	-	-	-	-	-	-
Loans for replacement capex	-	-	-	-	-	-	-	-	-	-
	10,291	11,059	11,884	12,770	13,723	2,698	-	-	-	-
Total applications of capital funding	10,505,836	3,338,059	3,673,884	3,797,770	3,638,723	3,292,698	3,980,000	3,880,000	-	-



Etheridge
Shire Council

2020-21

FINANCIAL SUSTAINABILITY RATIOS

Relevant Measures of Financial Sustainability - S.169 (4) & S.169 (5) of the Local Government Regulation 2012

The Local Government Regulation 2012 states that the Annual Budget must include each of the relevant measures of financial sustainability for the financial year for which it is prepared and the next nine (9) financial years.

The relevant measures of financial sustainability are the following measures as described in the financial management (sustainability) guideline –

- (a) Asset sustainability ratio;
- (b) Net financial liabilities ratio;
- (c) Operating surplus ratio

Etheridge Shire Council
 Current - year Financial Sustainability Statement
 For the year ended 30th June 2021

Measures of Financial Sustainability

How the measure is calculated Actual - Council Target

Council's performance as 30th June 2021 against key financial ratios and targets:

Operating Surplus Ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-19.90%	Between 0% and 10%
Asset Sustainability Ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	110.70%	Greater than >90%
Net Financial Liabilities Ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-52.20%	Not greater than <60%

Note: 1 - Basis of Preparation

The Budget year Financial Sustainability Statement is a requirement under S.169(4) & S.169(5) of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three (3) reported measures are prepared on an accrual basis and are drawn from the 2020/2021 Budget financial statements as per S.169(1(a) for the year ended 30th June 2021

Relevant Measures of Financial Sustainability - S.169 (4) & S.169 (5) of the Local Government Regulation 2012



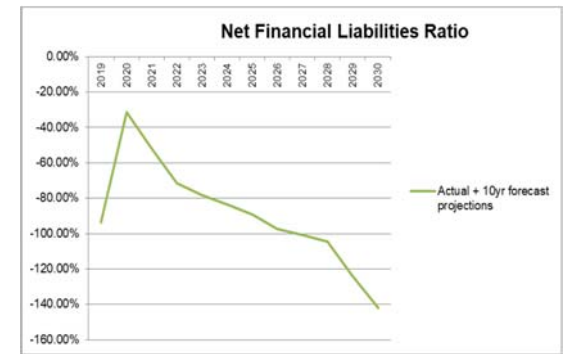
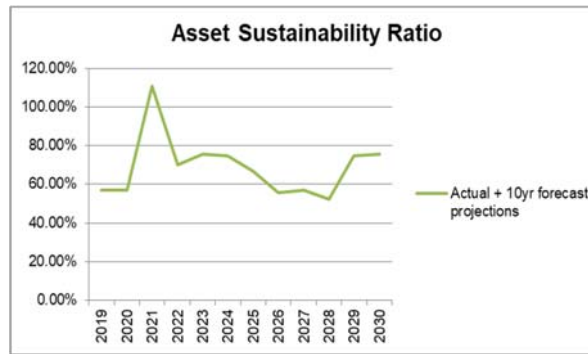
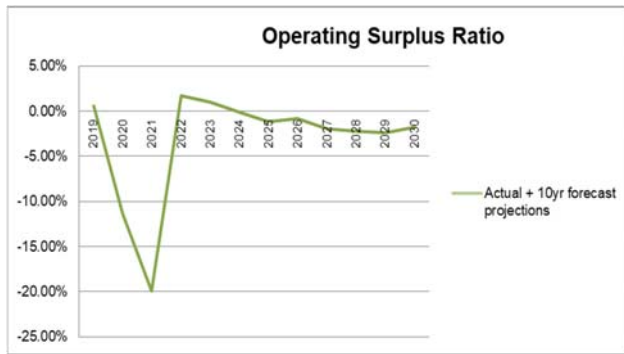
Etheridge Shire Council
Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2021

Measures of Financial Sustainability

Measure	Target	Actuals FYE 2020	Budget FYE 2021	Yr 1 FYE 2022	Yr 2 FYE 2023	Yr 3 FYE 2024	Yr 4 FYE 2025	Yr 5 FYE 2026	Yr 6 FYE 2027	Yr 7 FYE 2028	Yr 8 FYE 2029	Yr 9 FYE 2030
Operating Surplus Ratio Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	-11.40%	-19.90%	1.70%	1.00%	-0.10%	-1.20%	-0.80%	-2.00%	-2.20%	-2.40%	-1.80%
Asset Sustainability Ratio Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	Greater than >90%	56.86%	110.70%	70.30%	75.80%	74.80%	66.70%	55.50%	57.00%	52.10%	74.80%	75.80%
Net Financial Liabilities Ratio Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than <60%	-31.30%	-52.20%	-71.60%	-78.30%	-83.50%	-89.30%	-97.50%	-100.80%	-104.60%	-124.10%	-141.90%

Note: 1 - Basis of Preparation

The Budget year Financial Sustainability Statement is a requirement under S.169(4) & S.169(5) of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three (3) reported measures are prepared on an accrual basis and are drawn from the 2020/2021 Budget financial statements as per S.169(1a) for the year ended 30th June 2021



Relevant Measures of Financial Sustainability - S.169 (4) & S.169 (5) of the Local Government Regulation 2012

Council is committed to maintaining financial sustainability in the long term which allows us to meet our future obligations and the demands of our community for the foreseeable future.

// operating surplus ratio

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes. A positive ratio indicates that funds are available for capital expenditure and the suggested target range is between 0% and 10%. Council's long term commitment to funding future capital growth is reflected in these results. The result for 2019/20 has been hampered by Council receiving payments in advance for flood damage works and the prepayment by the Federal & State Governments to issue a part payment of Councils FAG's Grant in the prior financial year. This has meant that Council has received the revenue in the prior financial year with Council undertaking the associated works within the current financial year. *This is also the case in the Budgeted Financial Statements with a number of prepayments of Operating Revenue in the 2019/20 financial year, which has had an impact on Councils Operating Surplus*

// net financial liabilities ratio

This is an indicator of the extent to which the net financial liabilities of council can be serviced by its operating revenues. The benchmark established for the Local Government sector is a maximum of 60 per cent and results higher than this indicate that the flexibility to use debt to fund future projects may be restricted. Council is currently within this target range, and council's long term financial forecast indicates that council will continue to fall within this benchmark, which means that council would have the capacity to increase its debt levels if required to assist in any future growth in the shire / region and to utilise borrowings as a source of funds.

// asset sustainability ratio

This ratio indicates whether council is renewing or replacing its existing assets at the same time that its overall stock of assets is wearing out, expressed as a percentage. The benchmark established for the Local Government sector is to have a ratio greater than 90 per cent. Council is currently below this target range, and Council's long term financial forecast indicates that Council will continue to be below the recommended benchmark into the future.

Note: Sustainability Ratio

Council's "Sustainability Ratio" shows a declining trend in the inability of Council to provision sufficient funds each year to maintain its current assets.

..."A Local Government is financially sustainable if the Local Government is able to maintain its financial capital and infrastructure capital over the long-term"...

Financial sustainability is about the Shire being able to maintain its infrastructure capital and financial capital over the long-term. Debt when used sensibly and prudently to fund important infrastructure can help the Shire achieve the financial sustainability objectives and continue to provide a reliable level of service to the community.

The long-term financial forecasts rely on a clear perspective of the long-term infrastructure funding needs of the local government, including maintenance, operations and infrastructure renewals. Without this, a long-term financial forecast for the shire is indicative at best.

Over the FYE17, FYE18 & FYE19 Council has a focus on diverting the majority of councils Capital Income (Grants + Council funds) towards upgrading State Government infrastructure (i.e Georgetown/Forsyth Rd) with the combined funding over the two financial years equating to around \$3.2M. In the past, Council has utilized these funds to upgrade Councils existing assets (culverts, re-seals, re-sheeting etc).

While the current strategy of Council does have merit, it does reduce the ongoing maintenance and capital renewal programs that would need to be accounted for in future years as the asset is consumed, however this current strategy, may place Council in financial stress in future financial years to maintain its current asset base.

Another point that needs to be made, is a decision of Council (via a policy) to expense Flood Damage Works, where in the past, this has been capitalized and treated as Capital Renewal to Councils road network, which had a positive effect on Councils sustainability ratio. However, Council cannot rely on being declared for REPA under a Flood Damage event each year, and cannot rely on this funding as a solution to Councils declining sustainability ratio.

Council provisions approximately \$250k - \$350k per annum to maintain its current Building Structures which has an annual depreciation expense of approximately \$340k. Due to accounting standards the building maintenance is expensed due to the nature of the work and it is not captured as capital renewal. Based on this quick analogy,

it would be fair to say that Council is meeting its obligation to maintain one of its classes of assets however this is not captured when calculating the sustainability ratio.

The bench mark for this particular ratio needs to be looked at and reviewed. It is difficult for small councils (like Etheridge) to generate additional revenue through normal revenue channels (i.e. Rates & Charges) which is needed to maintain services & maintain infrastructure. In addition, the amounts of Capital Grants that are becoming available via (State & Federal Governments) need to be adaptable and flexible to allow Councils to apply the funding for capital renewal basis as well. Councils will end up with a multitude of new assets and the inability to fund the whole of life costs.

At present, Council has core revenue from Rates & Charges of approximately \$2.3M, FAGs funds of around \$5.6M and approximately \$0.250M in fees & charges which equates to around \$8.15M in core revenue with a capital renewal program of around \$2.5-3.5M per annum. This does not leave a lot of surplus to pay for Council overheads, insurance obligations and the ever increasing demand to meet community expectations.

Council is constantly looking at ways to become more efficient within its operations and has achieved some good outcomes when procuring goods to reduce Council's ongoing discretionary costs when implementing new projects or undertaking the salt & pepper maintenance of certain assets classes.

The Department of Infrastructure, Local Government & Planning along with QAO have been discussing the review of the Sustainability Ratio over the past 12-16 months which is long overdue and as mentioned above, it is difficult for small Councils to achieve the minimum benchmark imposed on local governments from the Department and Audit. It would be more prudent for the individual Councils to set its own benchmarking ratio as it is best placed to understand its local conditions rather than a "one fit" approach across the industry.

Council is working hard to rectify its ongoing "Sustainability" and is looking at innovative initiatives to assist Council with additional revenue streams, and is keen to keep driving the local economy through the responsible delivery of capital projects and a focused approach to the long term planning and sustainability of our communities while maintaining the Shire's liveability.



Etheridge
Shire Council

2020-21

CASH RESERVES BUDGET

CASH CAPITAL RESERVES

2020/2021 Reserve Balances

In the 2020|2021 Budget, Council has set aside a cash component of **\$10,362,372** to represent its future planning and non-current liabilities. The make-up of the amount is as follows:

Plant Replacement - \$872,351

Council has a plant replacement schedule, and is of the opinion that the first year implementation of the schedule can be funded from the Operating Fund. However, Council is of the opinion that future year's commitment to the replacement schedule may require a financial contribution from Plant Replacement Capital Reserve and therefore Council will maintain this Capital Reserve as a source of funding.

Road Improvement Reserve - \$715,053

This reserve will exist to contribute to the future replacement of road infrastructure assets. It is intended that this reserve will reduce the eventual burden of asset replacement on ratepayers and further assist the introduction of better business practices for management of infrastructure assets.

Future Capital Reserve - \$8,358,334

Council is of the opinion that this Capital Reserve is required for augmentation of the Operating Fund to provide a financial resource to alleviate asset depreciation. This reserve will be utilised in the future to fund infrastructure asset replacement.

Georgetown Town Improvement Reserve - \$11,690

Council has resolved that this capital reserve be established to contribute to the future town improvements of infrastructure assets in the townships of Georgetown. It is intended that the monies in this reserve will reduce the eventual burden of asset replacement on the ratepayers of Georgetown.

Forsyth Town Improvement Reserve - \$26,315

Council has resolved that this capital reserve be established to contribute to the future town improvements of infrastructure assets in the township of Forsyth. It is intended that the monies in this reserve will reduce the eventual burden of asset replacement on the ratepayers of Forsyth.

Einasleigh Town Improvement Reserve - \$11,129

Council has resolved that this capital reserve be established to contribute to the future town improvements of infrastructure assets in the township of Einasleigh. It is intended that the monies in this reserve will reduce the eventual burden of asset replacement on the ratepayers of Einasleigh.

Mt Surprise Town Improvement Reserve - \$40,000

Council has resolved that this capital reserve be established to contribute to the future town improvements of infrastructure assets in the township of Mt Surprise. It is intended that the monies in this reserve will reduce the eventual burden of asset replacement on the ratepayers of Mt Surprise.

Shire Community Improvement Reserve - \$40,000

Council has resolved that this capital reserve be established to contribute to the future community improvements of infrastructure assets for communities outside of the four townships. It is intended that the monies in this reserve will reduce the eventual burden of asset replacement on the ratepayers of Etheridge Shire Council.

Bridge & Culvert Reserve - \$267,500

This reserve will exist to contribute to the future replacement of bridges and culvert infrastructure assets. It is intended that this reserve will reduce the eventual burden of asset replacement on ratepayers and further assist the introduction of better business practices for management of infrastructure assets. Council has resolved that this capital reserve be established to contribute to the future construction works as identified by Council and the Community of Etheridge Shire.

Disaster Management Reserve - \$20,000

This reserve will exist to assist Council cover any expenditure during a Declared Disaster Event.



2020/2021 RESERVES BUDGET

1. OTHER RESERVES:

Particulars	2016/17 Budget			2017/18 Budget			2018/19 Budget			2019/20 Budget			2020/21 Budget		
	Transfers (from)	Transfers to	Balance 30-Jun-17	Transfers (from)	Transfers to	Balance 30-Jun-18	Transfers (from)	Transfers to	Balance 30-Jun-19	Transfers (from)	Transfers to	Balance 30-Jun-20	Transfers (from)	Transfers to	Balance 30-Jun-21
	2016/17	2016/17	30-Jun-17	2017/18	2017/18	30-Jun-18	2018/19	2018/19	30-Jun-19	2019/20	2019/20	30-Jun-20	2020/21	2020/21	30-Jun-21
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Future Capital Reserve		366,094	7,128,193			7,128,193	0	320,682	7,448,875	(2,169,806)	0	5,279,069	0	3,079,265	8,358,334
Plant Replacement Reserve	(39,561)	0	822,351			822,351	0	50,000	872,351	0	0	872,351	0	0	872,351
Road Improvement Reserve		221,500	902,852	(187,799)		715,053			715,053			715,053			715,053
Georgetown Town Improvement Reserve	(4,646)	10,000	11,690	(10,000)	7,500	9,190	(10,000)	7,500	6,690	(10,000)	7,500	4,190	0	7,500	11,690
Forsyth Town Improvement Reserve	(4,646)	3,244	40,000	(24,800)	0	15,200	(11,385)	7,500	11,315	0	7,500	18,815	0	7,500	26,315
Enasleigh Town Improvement Reserve	(4,646)	10,000	9,129		7,500	16,629		7,500	24,129	(28,000)	7,500	3,629		7,500	11,129
Mt Surprise Town Improvement Reserve	(7,532)	7,532	40,000		0	40,000		0	40,000		0	40,000		0	40,000
Shire Community Infrastructure Reserve	(4,646)	10,000	28,502	(10,000)	7,500	26,002	0	7,500	33,502	0	6,498	40,000	0	0	40,000
Sports Stadium Reserve			0			0			0			0			0
Disaster Management Reserve			20,000			20,000			20,000			20,000			20,000
Bridge & Culvert Reserve		0	267,500		0	267,500		0	267,500		0	267,500		0	267,500
Total Other Reserves	(65,677)	628,370	9,270,217	(232,599)	22,500	9,060,118	(21,385)	400,682	9,439,415	(2,207,806)	28,998	7,260,607	0	3,101,765	10,362,372
			9,270,217			9,060,118			9,439,415			7,260,607			10,362,372

2. CONSTRAINED WORKS AND RECURRENT RESERVES:

Particulars	2016/17 Budget			2017/18 Budget			2018/19 Budget			2019/20 Budget			2020/21 Budget		
	Transfers (from)	Transfers to	Balance 30-Jun-17	Transfers (from)	Transfers to	Balance 30-Jun-18	Transfers (from)	Transfers to	Balance 30-Jun-19	Transfers (from)	Transfers to	Balance 30-Jun-20	Transfers (from)	Transfers to	Balance 30-Jun-21
	2016/17	2016/17	30-Jun-17	2017/18	2017/18	30-Jun-18	2018/19	2018/19	30-Jun-19	2019/20	2019/20	30-Jun-20	2020/21	2020/21	30-Jun-21
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
NDRRA (Flood Damage) - Claim 2		332,270	332,270	(332,270)		0	0		0						
Work for Queensland (W4Q)		642,000	642,000	(642,000)	535,000	535,000	(535,000)		0	(119,500)	585,000	465,500	(465,500)		
Community Drought Resilience Fund		60,000	60,000	(60,000)		0	0		0						
TIDs (Councils Contribution 16/17)		343,300	343,300	(343,300)		0	0		0						
B.O.R - Round 1 (Reservoir)		150,000	150,000	(150,000)		0	0		0						
B.O.R - Round 2 (WTP Forsyth)		100,000	100,000	(100,000)	254,581	254,581	(254,581)		0						
RLCIP - Enasleigh Bridge			0			0			0						
FAGS Prepayment		2,443,066	2,443,066	(2,443,066)		0	0		0		2,866,952	2,866,952	(2,866,952)		
Auslink Interest			0			0			0						
Flood Damage 2009			0			0			0						
Auslink Funds C/Forward			0			0			0						
Plant Funds			0			0			0						
Flood Damage 2010			0			0			0						
Flood Damage 2011			0			0			0						
R2R		1,062,245	1,062,245	(1,062,245)		0	0		0						
RLCIP-SP - Copperfield Bridge			0			0			0						
Landfill Grant			0			0			0						
RADF			0			0			0		31,232	31,232	(31,232)		0
Wild Dog Grant			0			0			0						
Flood Damage 2012 (Re-Damaged)			0			0			0						
Flood Damage 2012 (New)			0			0			0						
Drought Management Funds 14/15			0			0			0						
Community Drought Funds 14/15			0			0			0						
Flood Damage 2014 - Claim 1			0			0			0						
Flood Damage 2014 - Claim 2			0			0			0						
IT Fund (Server)			0			0			0						
Constrained Funds (Various)			0			0			0						
Charleston Dam					380,000	380,000	(380,000)				1,771,210	1,771,210	(1,771,210)		0
LGGSP 17-19 - Recreational Area					382,672	382,672	(382,672)								
Building Better Regions Grant (Solar / Indust)					323,950	323,950	(323,950)								
GDR Land (Industrial)					201,400	201,400	(201,400)								
Air Services Land					35,000	35,000	(35,000)								
NDRRA (Flood Damage) - 2019											1,103,695	1,103,695	(1,103,695)		
Gulf Cattlemans Association					35,000	35,000	0		35,000			35,000	(35,000)		0
Childcare Training Grant			0			0			0						
Total Constrained & Recurrent	0	5,132,881	5,132,881	(5,132,881)	1,358,022	2,147,603	(2,112,603)	0	35,000	(119,500)	5,773,089	6,273,589	(6,273,589)	0	0
TOTAL ALL RESERVES	(65,677)	5,761,251	14,403,098	(5,365,480)	1,380,522	11,207,721	(2,133,988)	400,682	9,474,415	(2,327,306)	5,802,087	13,534,196	(6,273,589)	3,101,765	10,362,372



Etheridge
Shire Council

2020-21

PLANT BUDGET



2020/2021 PLANT REPLACEMENT BUDGET

Plant No.	Item	Rego No	Purchase Date	End Date	Age of Plant	Original Purchase Price (Net of GST)	Km's	Date of Km Reading	Hours	Date of Hour Reading	Internal Revenue (WOL)	Expenses on Plant (WOL)	Percentage %	YTD Revenue	YTD Expenses	Percentage %	Expected Trade	Actual(s)	W.D.V. as at 30/06/19	Budget Gain / Loss of Sale	Actual Gain / Loss on Sale	2020/21 Budget	Actual Purchase Price	Replacement / New Details	2020/21 Budget	Net Change
2158	Truck Mitsubishi Fuso Fighter GVM 16.00	912KOW	01-Oct-08	30-Jun-20	12yrs 3mths	\$ 114,660	222,085	28-Mar-18			\$ 275,285	\$ 264,035	96%	\$ 6,978	\$ 5,746	82%	\$ 35,000		\$ 28,665	\$ 6,335		\$ -		Dispose of Plant Only	\$ -	
2146	Truck 12.14 Tonne Mitsubishi Twin Steer Fuso FS52JS	757JYU	27-Jun-07	30-Jun-20	13yrs	\$ 199,800	224,374	08-Dec-19			\$ 749,424	\$ 263,910	35%	\$ 25,702	\$ 14,833	58%	\$ 65,000		\$ 75,000	-\$ 10,000		\$ 125,000		Replace with similar style truck with tipper body	\$ 125,000	
2199	Truck Mitsubishi Fuso Fighter	064LWB	01-Oct-09	30-Jun-20	10yrs 8mths	\$ 108,619	163,968	02-Apr-20			\$ 396,314	\$ 258,341	65%	\$ 24,841	\$ 13,186	53%	\$ 30,000		\$ 32,585	-\$ 2,585		\$ 140,000		Replace with truck 7-8m body with Hiab & builder rack	\$ 140,000	
4058	Roller Multi-Tyre Cat PS300C 23 Tonne	C23544	11-Sep-08	30-Jun-20	11yrs 9mths	\$ 80,433			5,955	26-Oct-19	\$ 504,754	\$ 351,886	70%	\$ 14,588	\$ 16,653	114%	\$ 25,000		\$ 24,129	\$ 871		\$ -		Dispose of Plant Only	\$ -	
4068	Roller Multi Tyre Cat PF-300C	C64349	19-Jun-09	30-Jun-20	11yrs	\$ 135,000			7,862	23-Feb-20	\$ 491,914	\$ 357,196	73%	\$ 41,652	\$ 15,935	38%	\$ 30,000		\$ 40,500	-\$ 10,500		\$ 200,000		Replace with similar style roller & specs	\$ 200,000	
4078	Roller Multi Tyre Cat PS-300C	C58204	19-Jun-09	30-Jun-20	11 yrs	\$ 140,000			6,622	8-Apr-20	\$ 336,299	\$ 278,546	83%	\$ 27,800	\$ 13,706	49%	\$ 35,000		\$ 42,000	-\$ 7,000		\$ -		Dispose of Plant Only	\$ -	
4088	Roller Padfoot 18 Tonne Cat CS-663E2	C01586	23-Jun-09	30-Jun-20	11 yrs	\$ 146,000					\$ 202,664	\$ 270,766	134%	\$ 16,126	\$ 28,441	176%	\$ 55,000		\$ 43,800	\$ 11,200		\$ -		Dispose of Plant Only	\$ -	
4098	Roller Padfoot 18 Tonne Cat CS-663E2	C47543	19-Jun-09	30-Jun-20	11yrs	\$ 154,000			3,789	27-Nov-19	\$ 140,430	\$ 237,457	169%	\$ 11,908	\$ 8,603	72%	\$ 60,000		\$ 46,200	\$ 13,800		\$ 220,000		Replace with similar style roller & specs	\$ 220,000	
4108	Roller Vib Drum 15 T Model CS-663E2	C55939	19-Jun-09	30-Jun-20	11yrs	\$ 180,000			1,346	24-Feb-20	\$ 216,419	\$ 266,419	123%	\$ 45,281	\$ 24,998	55%	\$ 55,000		\$ 54,000	\$ 1,000		\$ -		Trade Only (Surplus)	\$ -	
5058	Loader 950H Cat	C64289	20-Mar-09	30-Jun-20	10yrs 9mths	\$ 234,000			12,229	19-Dec-19	\$ 1,069,652	\$ 760,115	71%	\$ 90,444	\$ 55,192	61%	\$ 70,000		\$ 70,200	-\$ 200		\$ 450,000		Replace with similar style loader & specs	\$ 450,000	
6025	Grader CAT 140H	C44252	22-May-06	30-Jun-20	13yrs 11mths	\$ 387,800			12,766	20-Mar-20	\$ 925,091	\$ 796,518	86%	\$ 45,545	\$ 28,919	63%						\$ -		Replace with similar style grader & specs	\$ -	
2371	Trailer Dog Tri Axle With Tipper Body	725QSR	14-Sep-11	30-Jun-20	8yrs 9mths	\$ 85,219	92,975	13-Oct-15			\$ 148,363	\$ 64,581	44%	\$ -	\$ 3,070	0%	\$ 50,000		\$ 49,513	\$ 487		\$ -		Trade Only (Surplus)	\$ -	
New	Self Bunded Diesel Tanks mounted on trailer																				\$ 17,000		Purchase Self Bunded Diesel Tanks	\$ 17,000		
New	Self Bunded Diesel Tanks mounted on trailer																				\$ 17,000		Purchase Self Bunded Diesel Tanks	\$ 17,000		
Existing	Upgrade Caravans & Ablution Blocks																				\$ 40,000		Upgrade Caravans & Ablution Blocks	\$ 40,000		
	Sub Total										\$ 5,456,609	\$ 4,169,770	76%	\$ 350,865	\$ 229,282	65%	\$ 510,000		\$ 506,592	\$ 3,408		\$ 1,209,000			\$ 1,209,000	\$ 699,000



Etheridge
Shire Council

2020-21

RATES % CHANGE BETWEEN
FYE 20 & BUDGET FYE 21

Rates - % change between FYE 2020 and Budget FYE 2021

The Local Government Regulation 2012 states that the Annual Budget must include the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget. (S.169 (6) of the LGR¹)

Rates & Charges Comparison between FYE 2020 (Actuals) v FYE 2020 (Budget)

Note: 1 Revenue Analysis
For the year ended 30th June 2020

(a) Rates and charges	Actuals 2019/2020	Budget 2019/2020	\$ Difference 2019/2020	Percentage 2019/2020
General Rates	\$ 2,174,534	\$2,170,232	\$ 4,302	0.20%
Water Charges	\$ 401,352	\$ 401,526	-\$ 174	-0.04%
Waste Management Charges	\$ 141,627	\$ 141,527	\$ 100	0.07%
	<u>\$ 2,717,513</u>	<u>\$2,713,285</u>	<u>\$ 4,228</u>	<u>0.16%</u>
Less: Discounts	-\$ 343,470	-\$ 344,296	\$ 826	
Less: Pensioner Remissions	-\$ 25,189	-\$ 25,732	\$ 543	
Net Rates & Utilities Charges Revenue	<u>\$ 2,348,854</u>	<u>\$2,343,257</u>	<u>\$ 5,597</u>	<u>0.24%</u>

Rates & Charges Comparison between FYE 2020 (Actuals) v FYE 2021 Budget

Note: 2 Revenue Analysis
For the year ended 30th June 2020

(a) Rates and charges	Actuals 2019/2020	Budget 2020/2021	\$ Difference 2020/2021	Percentage 2020/2021
General Rates	\$ 2,174,534	\$2,068,600	-\$ 105,934	-5.12%
Water Charges	\$ 401,352	\$ 401,526	\$ 174	0.04%
Waste Management Charges	\$ 141,627	\$ 141,527	-\$ 100	-0.07%
	<u>\$ 2,717,513</u>	<u>\$2,611,653</u>	<u>-\$ 105,860</u>	<u>-4.05%</u>
Less: Discounts	-\$ 343,470	-\$ 362,586	-\$ 19,116	
Less: Pensioner Remissions	-\$ 25,189	-\$ 25,732	-\$ 543	
Net Rates & Utilities Charges Revenue	<u>\$ 2,348,854</u>	<u>\$2,223,335</u>	<u>-\$ 125,519</u>	<u>-5.65%</u>

¹ LGR – Local Government Regulation 2012 (the Regulation)



Etheridge
Shire Council

2020-21

ACTUAL v BUDGET 2019-20

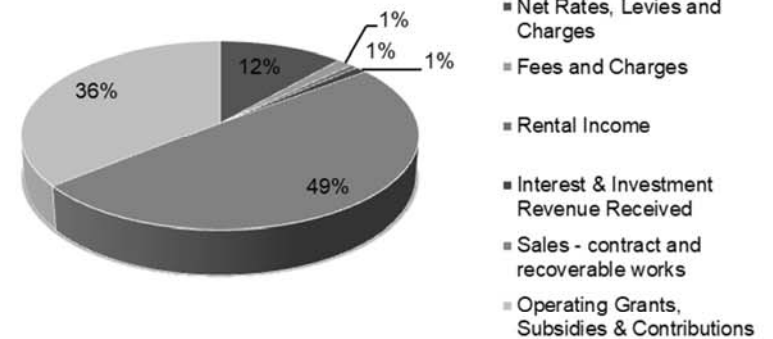
Statement of Comprehensive Income

for the year ended 30 June 2020

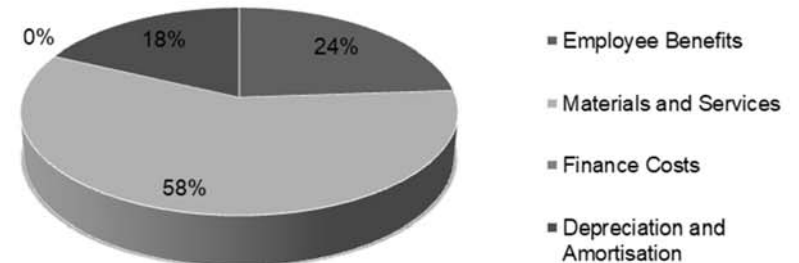


\$'s	Actuals 2019 2020	Amended Budget 2019 2020	Percentage 2019 2020
Revenue			
Net Rates, Levies and Charges	\$ 2,318,689	\$ 2,343,247	98.95%
Fees and Charges	\$ 289,959	\$ 250,300	115.84%
Rental Income	\$ 138,583	\$ 140,000	98.99%
Interest & Investment Revenue Received	\$ 208,169	\$ 206,342	100.89%
Sales - contract and recoverable works	\$ 9,969,014	\$ 8,369,604	119.11%
Operating Grants, Subsidies & Contributions	\$ 7,215,690	\$ 18,025,342	40.03%
Total Recurrent Revenue	\$ 20,140,104	\$ 29,334,835	68.66%
Capital Revenue			
Capital Grants, Subsidies & Contributions	\$ 9,343,556	\$ 16,361,500	57.11%
Total Capital Revenue	\$ 9,343,556	\$ 16,361,500	
Capital (Expenses) / Income			
Capital Income	-\$ 5,818	-\$ 104,772	5.55%
Total Income	\$ 29,477,842	\$ 45,591,563	
Expenses			
Employee Benefits	\$ 6,128,649	\$ 6,129,649	99.98%
Materials and Services	\$ 14,873,118	\$ 21,794,660	68.24%
Finance Costs	\$ 8,851	\$ 8,851	100.00%
Depreciation and Amortisation	\$ 4,615,568	\$ 4,747,526	97.22%
Total Recurrent Expenses	\$ 25,626,186	\$ 32,680,686	78.41%
Total Capital Expenses	\$ -	\$ -	
Total Expenses	\$ 25,626,186	\$ 32,680,686	78.41%
Other Comprehensive Income			
Net Operating Result	\$ 3,851,656	\$ 12,910,877	29.83%
Total comprehensive income for the year	\$ 3,851,656	\$ 12,910,877	

Operating Revenue 2019|2020



Operating Expenses 2019|2020

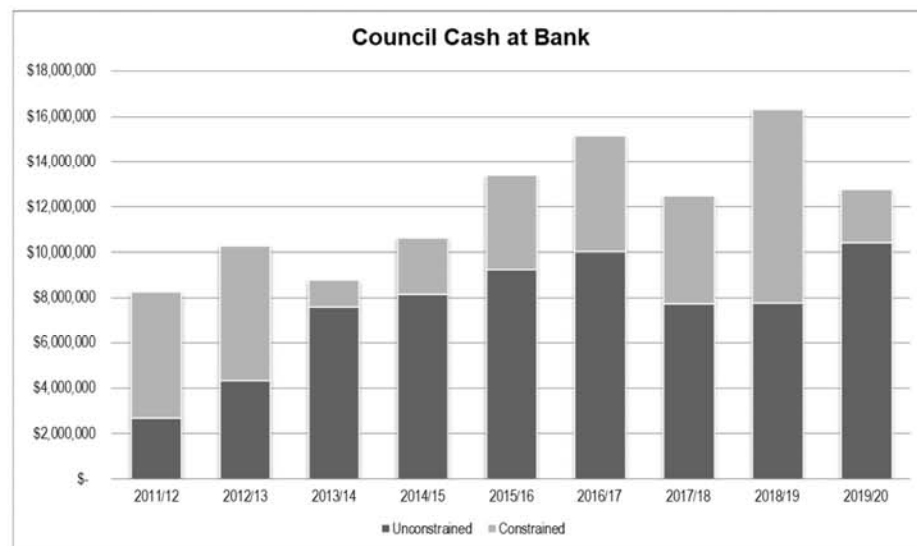


Statement of Financial Position

for the year ended 30 June 2020



\$'s	Actuals 2019 2020	Amended Budget 2019 2020	
Current Assets			
Cash & Cash Equivalents	\$ 12,756,522	\$ 15,040,735	84.81%
Trade & Other Receivables	\$ 1,596,087	\$ 1,596,087	100.00%
Inventories	\$ 430,731	\$ 409,998	105.06%
Other Financial Assets	\$ -	\$ -	
Total Current Assets	\$ 14,783,340	\$ 17,046,820	86.72%
Non-Current Assets			
Other Assets	\$ 726,850	\$ 726,850	100.00%
Property, Plant & Equipment	\$ 202,387,850	\$ 205,341,822	98.56%
Capital Works in Progress (WIP)	\$ -	\$ -	
Total Non-Current Assets	\$ 203,114,700	\$ 206,068,672	98.57%
Total Assets	\$ 217,898,040	\$ 223,115,492	97.66%
Current Liabilities			
Trade & Other Payables	\$ 1,106,604	\$ 1,791,671	61.76%
Borrowings	\$ 2,624	\$ 10,291	25.50%
Provisions	\$ 243,897	\$ 279,379	87.30%
Total Current Liabilities	\$ 1,353,125	\$ 2,081,341	65.01%
Non-Current Liabilities			
Trade & Other Payables		\$ -	
Borrowings	\$ 62,379	\$ 52,134	119.65%
Provisions	\$ 1,386,416	\$ 1,355,286	102.30%
Total Non-Current Liabilities	\$ 1,448,795	\$ 1,407,420	102.94%
Total Liabilities	\$ 2,801,920	\$ 3,488,761	80.31%
Net Community Assets	\$ 215,096,120	\$ 219,626,731	97.94%
Community Equity			
Asset Revaluation Reserve	\$ 133,038,030	\$ 133,415,807	99.72%
Other Reserves (Capital)	\$ 7,260,607	\$ 11,958,205	60.72%
Retained / (deficiency)	\$ 74,797,483	\$ 74,252,719	100.73%
Total Community Equity	\$ 215,096,120	\$ 219,626,731	97.94%



Statement of Cashflows

for the year ended 30 June 2020



\$'s	Actuals		Amended Budget		
	2019	2020	2019	2020	
Cash Flows from Operating Activities					
Receipts from customers	\$	13,568,182	\$	12,700,066	106.84%
Payment to suppliers and employees	-\$	21,521,471	-\$	28,286,040	76.09%
	-\$	7,953,289	-\$	15,585,974	51.03%
Interest received	\$	208,169	\$	206,342	100.89%
Rental Income	\$	138,583	\$	140,000	98.99%
Non-capital grants and contributions	\$	7,215,690	\$	18,025,342	40.03%
Borrowing Costs	-\$	4,851	-\$	4,851	100.00%
Net Cash Inflow (Outflow) From Operating Activities	-\$	395,698	\$	2,780,859	-14.23%
Cash Flow from Investing Activities :					
Payments for property, plant and equipment	-\$	12,548,168	-\$	20,135,877	62.32%
Proceeds From sale of property, plant and equipment	\$	44,682	\$	174,681	25.58%
Grants, Subsidies, Contributions and Donations	\$	9,343,556	\$	16,361,500	57.11%
Other	\$	-	\$	-	
Net Cash Inflow (Outflow) From Investing Activities	-\$	3,159,930	-\$	3,599,696	87.78%
Cash Flow from Financing Activities :					
Proceeds from borrowings			\$	-	
Repayment of borrowings	-\$	6,999	-\$	9,577	73.08%
Net cash provided by financing activities	-\$	6,999	-\$	9,577	73.08%
Net Increase (Decrease) in Cash Held	-\$	3,562,627	-\$	828,414	430.05%
Cash at beginning of reporting period	\$	16,319,149	\$	16,319,149	100.00%
Cash at end of Reporting Period	\$	12,756,522	\$	15,490,735	82.35%



Heritage

Shire Council | 2020|21 BUDGET