



**Cherbourg Aboriginal Shire Council**  
**Annual Budget**  
**2019-2020**

# **Cherbourg ABORIGINAL SHIRE COUNCIL**

## **BUDGET DOCUMENTS 2019/2020**

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## **CHERBOURG ABORIGINAL SHIRE COUNCIL**

### **BUDGET HIGHLIGHTS 2019/2020**

Cherbourg Aboriginal Shire Council formally adopted its budget for 2019/20 on 04/07/2019.

The following is a snapshot of some of the programs and operational areas that will be funded.

#### **Council's Capital Works for 2019/2020:**

- DILGP Rehabilitation of Ponds: \$100,000
- Cherbourg Material Recovery Facility Upgrade Stage 4: \$999,297
- Department of Industry, Innovation and Science Safer Communities Fund Round-3: \$987,000
- Department of Prime Minister and Cabinet Murgon to Cherbourg Footpath: \$1,500,000
- Cherbourg Rising Main: \$1,037,500
- Cherbourg Solid Waste: \$1,082,000
- Cherbourg Waste Water: \$ 465,000
- W4Q3 Projects
  - Historical Precinct Upgrade: \$95,000
  - Cherbourg Town Pathway Extension: \$75,00
  - Sports Centre Upgrade: \$150,00
  - Roads and Kerbing : \$249,000
  - Cherbourg Memorial Park Upgrade: \$18,000
  - Cherbourg Radio Station Upgrade : \$80,000
  - Security Fencing and Public Waste Bins: \$95,000
  - Job Active Hub Structural Upgrade : \$35,000
  - Demolition Project : \$85,000
  - Lighting Replacement : \$ 28,000
  - Large Shed Ventilation and Insulation Projects : \$50,000
  - Converting Small Park to Sports Field : \$25,000
  - Roadway Fencing : \$ 100,000
  - Cherbourg Town Entrance Beautification : \$35,000
  - Sewerage Pump Well Infrastructure \$ 80,000

#### **Building and Construction**

During the coming 12 months, Council will be contracting to the Department of Housing and Public works for

- New Housing Builds: \$2.35M
- Existing Houses Major Upgrades: \$1.35M
- Responsive maintenance to Houses: \$3.5M

#### **Roads and Civil Construction**

Council has allocated \$199,243 under the Roads to Recovery Program and \$ 43,543 under the TIDS program.

## **Operational Areas**

### ***Community services:***

Council will receive operating grant of \$1.27 M from Commonwealth and State Governments for the following:

Indigenous Knowledge Centre: \$21,000

Sports and Recreation: \$215,000

Cherbourg Radio Station: \$309,000

Community Inclusion Capacity Development Program: \$390,000

ATSI Public Health: \$167,000

Community Support Grant: \$80,000

Indigenous Economic Development Grant: \$80,000

School Based Traineeship and Get Ready QLD: \$11,980:

### ***Enterprise:***

Council has budgeted operating revenue of \$1.32M from the following Council enterprises:

Joinery: \$365,000

Materials Recycling Facility: \$745,000

Cattle and Produce farm: \$210,000

### ***Rental Houses, Building and Fees & Charges:***

Council has budgeted recurrent revenue of \$2.45M for Rental houses, building and Fees & Charges.

### ***Essential Services Programs:***

An amount of \$660,985 has been allocated for the areas of water supply, sewerage and parks and gardens to ensure that essential services are maintained to a standard to ensure that Cherbourg Residents receive a service equal to any other town in Queensland.

### ***Councillors, Management and Administration:***

Operating revenue for Councillors, Management and Administration across all operations of council will receive an allocation of \$1.74 M.

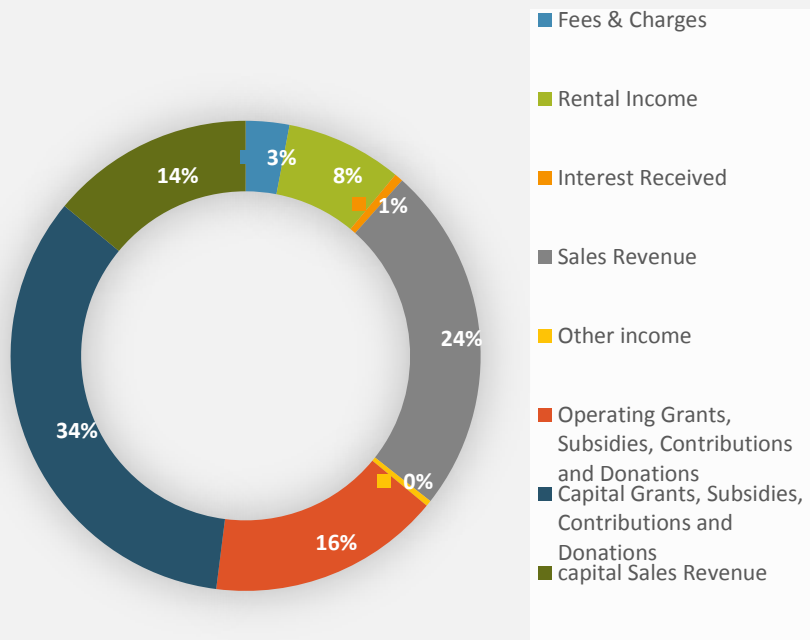
### General Overview

The budget overall reflects the operating revenue of \$ 22.64 M and expenditure of \$ 22.64 M .Our budgeted key financial metrics such as assets Sustainability Ratio and Net Financial Liabilities are within or better than the targets recommended by the State Government .

Operating Surplus Ratio -21%

Assets Sustainability Ratio 124 %

Net Financial Liabilities Ratio -65 %





# Council's Budgeted Statement of Financial Position

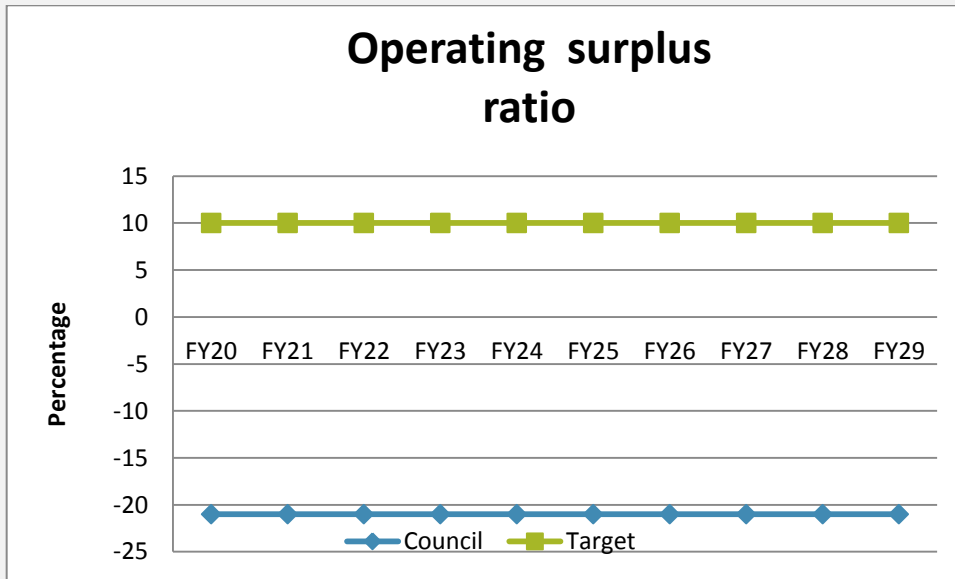
Cherbourg Aboriginal Shire Council  
Long Term Financial Plan 2019/20 - 2028/29  
Statement of Projected Financial Position

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Current assets</b>											
Cash and cash equivalents	8,034,863.76	10,034,863.76	12,034,863.76	14,034,863.76	16,034,863.76	18,034,863.76	20,034,863.76	22,034,863.76	24,034,863.76	26,034,863.76	28,034,863.76
Trade and other receivables	1,033,278.00	1,038,444.39	1,043,636.61	1,048,854.00	1,054,099.07	1,059,369.56	1,064,666.41	1,069,989.74	1,075,339.69	1,080,716.39	1,086,119.97
Inventories	150,974.00	152,483.74	154,008.58	155,548.66	157,104.15	158,675.19	160,261.94	161,864.56	163,483.21	165,118.04	166,769.22
Biological assets	255,816.00	258,374.16	260,957.90	263,567.48	266,203.16	268,865.19	271,553.84	274,269.38	277,012.07	279,782.19	282,580.01
<b>Total current assets</b>	<b>9,474,937.76</b>	<b>11,484,166.05</b>	<b>13,493,466.85</b>	<b>15,502,834.70</b>	<b>17,512,270.13</b>	<b>19,521,773.70</b>	<b>21,531,345.95</b>	<b>23,540,987.44</b>	<b>25,550,686.73</b>	<b>27,560,490.38</b>	<b>29,570,332.97</b>
<b>Non-current assets</b>											
Property, plant and equipment	122,466,287.00	124,466,287.00	126,466,287.00	128,466,287.00	130,466,287.00	132,466,287.00	134,466,287.00	136,466,287.00	138,466,287.00	140,466,287.00	142,466,287.00
Biological assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total non-current assets</b>	<b>122,466,287.00</b>	<b>124,466,287.00</b>	<b>126,466,287.00</b>	<b>128,466,287.00</b>	<b>130,466,287.00</b>	<b>132,466,287.00</b>	<b>134,466,287.00</b>	<b>136,466,287.00</b>	<b>138,466,287.00</b>	<b>140,466,287.00</b>	<b>142,466,287.00</b>
<b>Total assets</b>	<b>131,941,218.76</b>	<b>135,950,453.05</b>	<b>139,959,753.85</b>	<b>143,969,121.70</b>	<b>147,978,557.13</b>	<b>151,988,060.70</b>	<b>155,997,632.95</b>	<b>160,007,274.44</b>	<b>164,016,983.73</b>	<b>168,026,767.38</b>	<b>172,036,619.97</b>
<b>Current liabilities</b>											
Trade and other payables	895,048.00	912,948.96	931,308.98	950,125.10	969,391.28	989,107.73	1,009,274.36	1,029,792.29	1,050,661.50	1,071,882.41	1,093,355.37
Provisions	131,181.00	135,116.43	139,189.92	143,345.02	147,645.37	152,074.73	156,636.97	161,336.08	166,176.17	171,161.45	176,296.29
<b>Total current liabilities</b>	<b>1,026,229.00</b>	<b>1,048,065.39</b>	<b>1,070,498.90</b>	<b>1,093,470.12</b>	<b>1,117,036.65</b>	<b>1,141,182.46</b>	<b>1,165,911.33</b>	<b>1,191,128.37</b>	<b>1,216,837.67</b>	<b>1,242,043.86</b>	<b>1,267,651.66</b>
<b>Non-current liabilities</b>											
Trade and other payables	578,182.00	556,364.00	534,546.00	512,728.00	490,910.00	469,092.00	447,274.00	425,456.00	403,638.00	381,820.00	360,002.00
Provisions	141,106.00	142,517.06	143,942.23	145,381.65	146,835.47	148,303.82	149,786.96	151,284.73	152,797.58	154,325.55	155,868.81
<b>Total non-current liabilities</b>	<b>719,288.00</b>	<b>698,881.06</b>	<b>678,488.23</b>	<b>658,109.65</b>	<b>637,745.47</b>	<b>617,395.82</b>	<b>597,060.96</b>	<b>576,740.73</b>	<b>556,435.58</b>	<b>536,145.55</b>	<b>515,870.81</b>
<b>Total liabilities</b>	<b>1,745,517.00</b>	<b>1,746,946.45</b>	<b>1,730,987.13</b>	<b>1,732,669.77</b>	<b>1,717,322.12</b>	<b>1,719,324.28</b>	<b>1,704,626.19</b>	<b>1,708,949.11</b>	<b>1,692,917.55</b>	<b>1,695,585.41</b>	<b>1,682,238.47</b>
<b>Net community assets</b>	<b>130,195,701.76</b>	<b>134,203,506.60</b>	<b>138,228,766.72</b>	<b>142,236,451.93</b>	<b>146,261,235.01</b>	<b>150,268,736.42</b>	<b>154,293,006.76</b>	<b>158,300,325.34</b>	<b>162,324,066.19</b>	<b>166,331,181.97</b>	<b>170,354,381.49</b>
Asset revaluation surplus	42,964,581.58	44,287,157.18	45,615,500.28	46,938,029.14	48,266,207.55	49,588,683.02	50,916,692.23	52,239,107.36	53,566,942.50	54,889,290.05	56,216,945.89
Retained surplus	87,231,120.18	89,916,349.42	92,613,266.44	95,298,422.79	97,995,027.46	100,680,053.40	103,376,314.53	106,061,217.98	108,757,125.68	111,441,891.92	114,137,435.60
<b>Total community equity</b>	<b>130,195,701.76</b>	<b>134,203,506.60</b>	<b>138,228,766.72</b>	<b>142,236,451.93</b>	<b>146,261,235.01</b>	<b>150,268,736.42</b>	<b>154,293,006.76</b>	<b>158,300,325.34</b>	<b>162,324,066.19</b>	<b>166,331,181.97</b>	<b>170,354,381.49</b>

**Financial Sustainability Measures:**

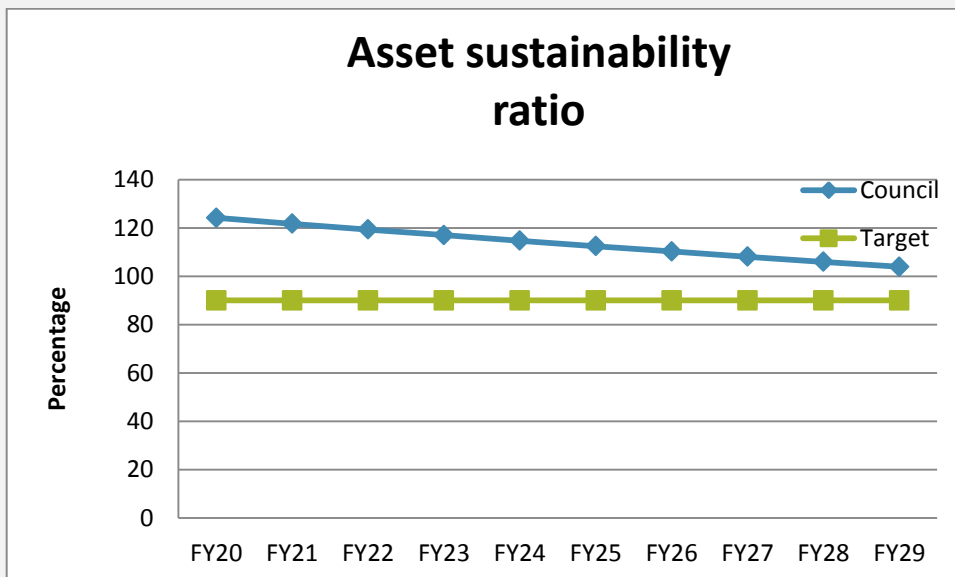
**Operating Surplus Ratio:**

The target for the operating surplus ratio is between 0 and 10%. Since Cherbourg Aboriginal Shire Council is highly dependent on external grant funding, operating Surplus ratio is budgeted at a deficit of 21.08%. In future years' forecasts indicate Council will operate below benchmark. Cherbourg Aboriginal shire council is aware of the need to generate its own revenues from its own operations and reduce its spending levels in the short-term.



**Asset Sustainability Ratio:**

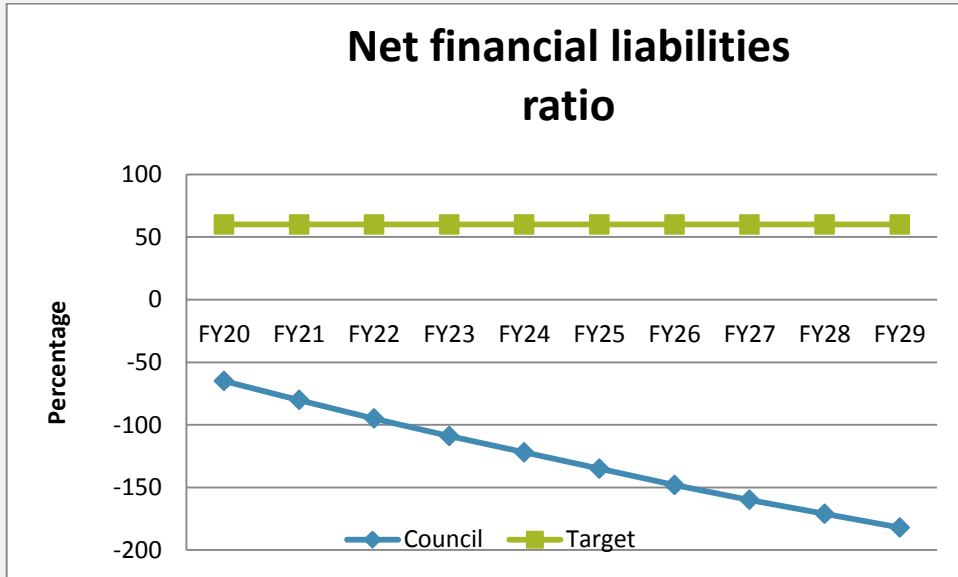
The target for this ratio is greater than 90%. Cherbourg Council will meet the benchmarks recommended in respect to Asset Sustainability Ratio. It is predicted that Council will meet the benchmarks in all of coming years.





**Net Financial Liabilities Ratio:**

The target for this ratio is less than 60%. Council expected no borrowings and low liabilities in 2019/20 and thus Net Financial Liabilities will be within the targets recommended by the State Government .It is predicted that Council will meet the benchmarks in all of coming years. The net financial liabilities ratio indicates that while Council’s capital structure appears adequate for its size. If council intends to obtain debt funding for future capital projects, its negative operating surplus ratio suggests council may experience difficulty in repaying this debt.



# CHERBOURG ABORIGINAL SHIRE COUNCIL

## Fees and Charges schedule 2019/2020

Section 94 of the Local Government Act 2009 and Section 106 of the Local Government (Finance, Plans and Reporting) Regulation 2010 require the Council to adopt a revenue Statement for each financial years and to include certain information therein.

The purpose of the revenue statement is to set out the revenue measures adopted by Council to frame the 2019/2020 Budget.

Cherbourg Aboriginal Shire Council will be guided by the principle of user pays in the making of rates and charges. Fees and charges are determined by resolution at Council's budget meeting each year and become effective from 1<sup>st</sup> July.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the shire as whole. Council will levy general rates based on the unimproved capital value of the land in conjunction with a minimum general rate.

Council expects to marginally increase the operating capability in 2019/2020 to maintain and deliver services to the reasonable expectation of the community. Apart from General rates and Utility charges Council has not levied any special or separate rate.

### **ANIMAL REGISTRATIONS**

Dogs - Entire	\$50.00
Speyed	\$15.00
Horses -	\$100.00
Cats - Entire	\$50.00
Speyed	\$10.00

### **CEMETERIES**

Excavate and internment -	\$1,495.00
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### **OFFICE COPYING/PRINTING COSTS**

Minutes of Council meeting (per copy)	\$20.00
Annual Report (per copy)	\$40.00

Photocopies (per page)	- A4 (black & white)	\$0.20
	- A3 (black & white)	\$0.25
	- A4 (Colour)	\$0.50
	- A3 (Colour)	\$0.60
Outgoing faxes (per page)		\$1.00

## **HIRE OF BUILDINGS**

Community Hall	\$500.00
Sports Complex	\$150.00
Training Room	\$150.00
Hall Hire – Gundoo Day Care (per day)	\$20.00
Bond per event (returned if building left clean/undamaged)	\$200.00
Key Security (returned if Key is returned back)	\$100.00

## **SERVICE CHARGES – (increase of 3% from 2018/2019 charges)**

Sewerage - 1 Pedestal	\$465.56
- Extra Pedestal	\$397.58
Water - per connection (residence)	\$458.35
- Per connection (organization)	\$908.46
Garbage - per bin	\$397.58
Churches - Service Fees (per year)	\$477.92
Internal Housing Charges – (per dwelling)	\$2,013.65

**Plant & Equipment Charge Out Rates**

**Including Operator**

<b>Plant</b>	<b>Rate per Hour</b>
HIAB Truck	\$ 85.00
Tip Truck	\$ 85.00
Bobcat	\$ 75.00
D6 Dozer	\$ 115.00
Backhoe	\$ 115.00
Excavator	\$85.00
Tractor	\$75.00
Roller	\$75.00
Zero Turn Mower	\$ 50.00
High Pressure Water Jetter	\$120.00

**Excluding Operator**

<b>Plant</b>	<b>Rate per Hour</b>
HIAB Truck	\$ 60.00
Tip Truck	\$ 60.00
Bobcat	\$ 50.00
D6 Dozer	\$ 90.00
Backhoe	\$ 90.00
Excavator	\$ 60.00
Tractor	\$ 50.00
Roller	\$ 50.00
Zero Turn Mower	\$ 25.00
Rock Hammer	\$ 30.00
Broom	\$ 30.00



# REVENUE POLICY

## **Origin / Authority**

**1. Local Government Act 2009**

**2. Local Government (Finance, Plans & Reporting) Regulation 2012**

**Policy**

**This Policy sets out the principles used by Council for:**

- **Levying rates (service charges);**
- **Granting rates (service charges) concessions; and**
- **Recovering overdue rates (service charges).**

## **Principles used in Making Rates and Service Charges:**

In general Council will be guided by the principle of user pays in the making of rates and charges. Council will also have regard to the principles of:

- Transparency in the making of rates and charge;
- Having in place a system of charges that is simple and inexpensive to administer;
- Equity by taking account of the different levels of capacity to pay within the local community; and
- Flexibility to take account of changes in the local economy.

## **Principles used in Levying Rates and Charges:**

In levying rates and charges Council will apply the principles of:

- Making clear what is the Council's and each payers' responsibility to the service charges system;
- Making the levying system simple and inexpensive to administer; and
- Timing the levy of service charges to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy;

### **Rebates and Concessions for Rates and Charges:**

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

- Equity by having regard to the different levels of capacity to pay within the local community;
- The same treatment for payers of charges with similar circumstances;
- Transparency by making clear the requirements necessary to receive concessions, rebates or exemptions; and
- Flexibility to allow Council to respond to local economic issues.

### **Principles used in the Recovery of Rates and Charges:**

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

- Ensuring there is transparency in the process used by Council to meet financial obligations;
- Payers of charges are clear on their obligations;
- Ensuring processes used to recover outstanding charges clear, simple to administer and cost effective;
- Ensuring capacity of payers of charges is considered in determining arrangements for payment;
- Ensuring there is equity in arrangements for payers of charges with similar circumstances; and
- Flexibility by responding where necessary to changes in the local economy.

From an operational perspective, monthly statements are sent to all debtors (including rental tenants). Trade debtors are invoiced for services provided. Payment is expected in 30 days. Aged debtor lists are reviewed on a monthly basis. Action proposed by Council will include:

- Letters to outstanding debtors;
- Persons invited to attend Council meetings to discuss options if required;
- Tenants to discuss rental repayment options in the first instance with the Housing Officer;
- Every tenant in arrears must have a repayment plan commensurate with their ability to pay;
- Eviction from houses if all other avenues fail; and
- Write off of debts for those people who cannot be located or are deceased.
- Possible referral to a debt collection agency.

DOCUMENT NAME : REVENUE POLICY  
Resolution Number :  
Date of Effect : 1 July 2019  
Update History : 30 June 209

