
2022 BUDGET & LONG-TERM FINANCIAL PLAN

2022 TO 2031



**CHERBOURG
ABORIGINAL
SHIRE COUNCIL**



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LONG-TERM FORECAST PARAMETERS

Key Growth Assumptions	
Revenue items	
Fees and Charges	Projected at CPI for each of the forecast years
Rent	Increases of 1.00% for each of the forecast years
Sales and Recoverable Works	Projected at CPI for each of the forecast years
Grants, subsidies, contributions and donations	Projected at CPI for each of the forecast years, with the assumption that the Financial Assistance Grant will be paid within the year it is due, and funding for other grants continue as per 2022
Interest Income	Projected at 0.96% for 2022 then 1.46% for 2023 and increasing by 0.05% each year to 3.00% in 2027 and 3.00% for the remaining forecast years
Expense items	
Staff Wages and Salaries	Projected at 2.0% for each of the forecast years. No allowance has been made for growth in employee numbers
Materials and Services	Projected at CCI over the period of the financial plan
Depreciation Expense	Projections are based on the current assets, and new capital works expenditure. No allowance has been made for the revaluation of infrastructure assets over the life of the plan
Other items	
CPI Rate Applied	1.80% for 2022 increasing 0.10% each year to 2029 then remaining at 2.50% (mid point of the Reserve Bank target range for inflation)
Council Cost Index (CCI) Rate Applied	0.15% less than CPI for the corresponding forecast year
Revaluation of Assets	No allowance has been made for increases in asset values over the life of the forecast
Capital Works	2022 based on capital budget bids, remaining forecast years assumes \$2.5M in new housing, \$2.6M in renewal of existing housing, \$1.2M in renewal of infrastructure, and \$0.2M in renewal of plant and equipment. All works from 2023 onwards are assumed to be grant funded.

Cherbourg Aboriginal Shire Council
2021/2022 Budget and Long Term Financial Forecast 2022 to 2031
Statement of Income and Expenditure

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue										
Recurrent revenue:										
Fees and charges	0.77M	0.78M	0.80M	0.81M	0.83M	0.85M	0.87M	0.89M	0.92M	0.94M
Sales, contract and recoverable works	3.55M	3.62M	3.69M	3.77M	3.85M	3.94M	4.04M	4.14M	4.24M	4.35M
Operational Grants & subsidies	3.81M	3.88M	3.96M	4.04M	4.13M	4.22M	4.33M	4.43M	4.54M	4.66M
Interest received	0.04M	0.07M	0.10M	0.12M	0.13M	0.13M	0.13M	0.12M	0.12M	0.12M
Other recurrent income	1.35M	1.36M	1.38M	1.39M	1.41M	1.42M	1.44M	1.46M	1.47M	1.49M
Total recurrent revenue	9.52M	9.72M	9.92M	10.13M	10.36M	10.57M	10.80M	11.05M	11.30M	11.55M
Capital revenue:										
Capital Grants	10.87M	3.90M	3.90M	3.90M	3.90M	3.90M	3.90M	3.90M	3.90M	3.90M
Capital Contributions	2.50M	2.40M	2.40M	2.40M	2.40M	2.40M	2.40M	2.40M	2.40M	2.40M
Total capital revenue	13.40M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M
Total income	22.91M	16.02M	16.22M	16.43M	16.66M	16.87M	17.10M	17.35M	17.60M	17.85M
Expenses										
Recurrent expenses:										
Employee costs	5.51M	5.62M	5.73M	5.84M	5.96M	6.08M	6.20M	6.32M	6.45M	6.58M
Materials and services	4.19M	4.26M	4.34M	4.42M	4.52M	4.61M	4.72M	4.83M	4.94M	5.06M
Depreciation and amortisation	2.51M	2.85M	2.94M	3.04M	3.13M	3.23M	3.33M	3.42M	3.52M	3.61M
Finance costs	0.08M	0.08M	0.08M	0.08M	0.08M	0.08M	0.08M	0.08M	0.08M	0.08M
Total recurrent expenses	12.28M	12.80M	13.09M	13.38M	13.69M	14.00M	14.32M	14.65M	14.99M	15.33M
Result from ordinary activities	10.63M	3.22M	3.13M	3.05M	2.97M	2.87M	2.78M	2.69M	2.61M	2.52M
Operating Result										
Adj for Capital Income	(2.77M)	(3.08M)	(3.17M)	(3.25M)	(3.33M)	(3.43M)	(3.52M)	(3.61M)	(3.69M)	(3.78M)

Cherbourg Aboriginal Shire Council										
2021/2022 Budget and Long Term Financial Forecast 2022 to 2031										
Statement of Financial Position										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Current assets										
Cash assets and cash equivalents	5.17M	5.00M	4.84M	4.69M	4.56M	4.43M	4.30M	4.17M	4.06M	3.96M
Other inventory	0.33M	0.33M	0.33M	0.33M	0.33M	0.33M	0.33M	0.33M	0.33M	0.33M
Receivables	0.78M	0.79M	0.81M	0.82M	0.84M	0.86M	0.87M	0.90M	0.92M	0.94M
Prepayments	0.07M	0.07M	0.07M	0.07M	0.07M	0.07M	0.07M	0.07M	0.07M	0.07M
Total current assets	6.35M	6.19M	6.04M	5.91M	5.80M	5.68M	5.57M	5.47M	5.38M	5.30M
Non-current assets										
Property, plant and equipment	156.17M	159.62M	162.98M	166.25M	169.41M	172.48M	175.46M	178.34M	181.12M	183.81M
Total non-current assets	156.17M	159.62M	162.98M	166.25M	169.41M	172.48M	175.46M	178.34M	181.12M	183.81M
Total assets	162.52M	165.81M	169.02M	172.16M	175.21M	178.17M	181.03M	183.81M	186.50M	189.10M
Current liabilities										
Trade and other payables	0.56M	0.57M	0.58M	0.59M	0.60M	0.61M	0.62M	0.64M	0.65M	0.67M
Other	1.77M	1.77M	1.77M	1.77M	1.77M	1.77M	1.77M	1.77M	1.77M	1.77M
Total current liabilities	2.32M	2.33M	2.34M	2.35M	2.37M	2.38M	2.39M	2.41M	2.42M	2.43M
Non-current liabilities										
Other liabilities	0.60M	0.60M	0.60M	0.60M	0.60M	0.60M	0.60M	0.60M	0.60M	0.60M
Employee payables/provisions	0.36M	0.36M	0.36M	0.36M	0.36M	0.36M	0.36M	0.36M	0.36M	0.36M
Total non-current liabilities	0.96M	0.96M	0.96M	0.96M	0.96M	0.96M	0.96M	0.96M	0.96M	0.96M
Total liabilities	3.28M	3.29M	3.30M	3.32M	3.33M	3.34M	3.35M	3.37M	3.38M	3.40M
Net community assets	159.23M	162.52M	165.72M	168.84M	171.88M	174.83M	177.68M	180.44M	183.12M	185.71M
Community equity										
Asset revaluation reserve	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M
Retained surplus (deficiency)	113.07M	116.29M	119.42M	122.47M	125.44M	128.31M	131.10M	133.79M	136.39M	138.91M
Total community equity	157.32M	160.54M	163.67M	166.72M	169.69M	172.57M	175.35M	178.04M	180.64M	183.17M

Cherbourg Aboriginal Shire Council

2021/2022 Budget and Long Term Financial Forecast 2022 to 2031

Statement of Cash Flows

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash flows from operating activities:										
Receipts from customers	9.47M	9.63M	9.81M	10.00M	10.21M	10.42M	10.66M	10.90M	11.15M	11.41M
Payment to suppliers and employees	(9.65M)	(9.88M)	(10.07M)	(10.26M)	(10.47M)	(10.69M)	(10.92M)	(11.15M)	(11.39M)	(11.63M)
Interest received	0.04M	0.07M	0.10M	0.12M	0.13M	0.13M	0.13M	0.12M	0.12M	0.12M
Net cash inflow (outflow) from operating activities	(0.14M)	(0.17M)	(0.16M)	(0.15M)	(0.13M)	(0.13M)	(0.13M)	(0.12M)	(0.11M)	(0.10M)
Cash flows from investing activities:										
Payments for property, plant and equipment	(14.11M)	(6.30M)	(6.30M)	(6.30M)	(6.30M)	(6.30M)	(6.30M)	(6.30M)	(6.30M)	(6.30M)
Subsidies, donations and contributions for new capital expenditure	10.15M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M	6.30M
Proceeds from sale of property, plant and equipment	0.03M	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from investing activities	(3.93M)	-	-	-	-	-	-	-	-	-
Cash flows from financing activities										
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from financing activities	-	-	-	-	-	-	-	-	-	-
Net increase (decrease) in cash held	(4.07M)	(0.17M)	(0.16M)	(0.15M)	(0.13M)	(0.13M)	(0.13M)	(0.12M)	(0.11M)	(0.10M)
Cash at beginning of reporting period	9.24M	5.17M	5.00M	4.84M	4.69M	4.56M	4.43M	4.30M	4.17M	4.06M
Cash Balance	5.17M	5.00M	4.84M	4.69M	4.56M	4.43M	4.30M	4.17M	4.06M	3.96M

Cherbourg Aboriginal Shire Council

2021/2022 Budget and Long Term Financial Forecast 2022 to 2031

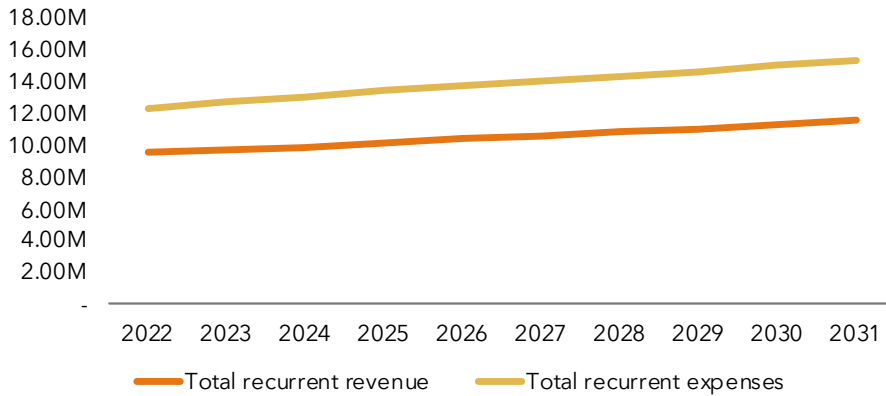
Statement of Changes in Equity

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Asset revaluation surplus										
Opening balance	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M
Increase in asset revaluation surplus	-	-	-	-	-	-	-	-	-	-
Closing balance	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M	44.25M
Retained surplus										
Opening balance	102.44M	113.07M	116.29M	119.42M	122.47M	125.44M	128.31M	131.10M	133.79M	136.39M
Net result	10.63M	3.22M	3.13M	3.05M	2.97M	2.87M	2.78M	2.69M	2.61M	2.52M
Closing balance	113.07M	116.29M	119.42M	122.47M	125.44M	128.31M	131.10M	133.79M	136.39M	138.91M
Total										
Opening balance	146.69M	157.32M	160.54M	163.67M	166.72M	169.69M	172.57M	175.35M	178.04M	180.64M
Net result	10.63M	3.22M	3.13M	3.05M	2.97M	2.87M	2.78M	2.69M	2.61M	2.52M
Increase in asset revaluation surplus	-	-	-	-	-	-	-	-	-	-
Closing balance	157.32M	160.54M	163.67M	166.72M	169.69M	172.57M	175.35M	178.04M	180.64M	183.17M

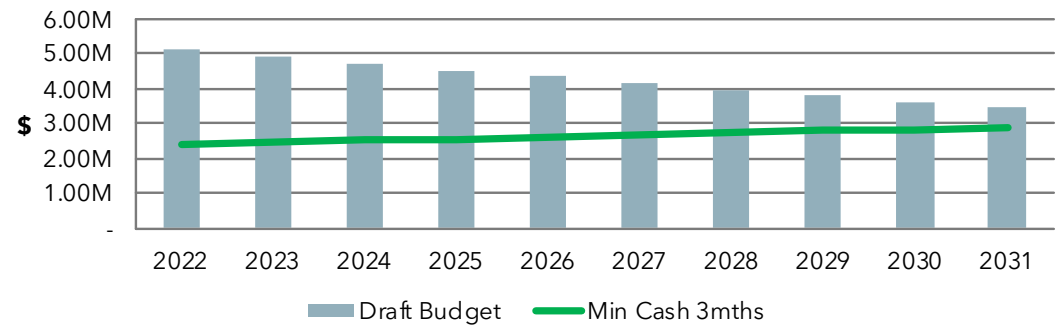
Cherbourg Aboriginal Shire Council													
2021/2022 Budget and Long Term Financial Forecast 2022 to 2031													
Relevant Measures of Financial Sustainability													
	Target	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		Average
Operating Surplus Ratio	Between 0% and 10%	(29.1)%	(31.7)%	(31.9)%	(32.1)%	(32.1)%	(32.4)%	(32.6)%	(32.7)%	(32.7)%	(32.7)%		(32.0)%
(Net Operating Surplus / Total Operating Revenue) (%)													
Net Financial Asset / Liability Ratio	<= 60%	(12.1)%	(9.4)%	(6.9)%	(4.7)%	(2.7)%	(0.8)%	1.1%	2.7%	4.2%	5.5%		(2.3)%
((Total Liabilities - Current Assets) / Total Operating Revenue)													
Asset Sustainability Ratio	>90%	358.6%	133.5%	129.2%	125.1%	121.3%	117.7%	114.3%	111.1%	108.0%	105.1%		142.4%
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)													

KEY POINTS - SUMMARY CHARTS

Operating Income & Expenditure



Cash Balances



	Target	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Average
Cash Expense Cover Ratio	>3	6.4	6.1	5.8	5.5	5.2	5.0	4.7	4.5	4.3	4.1	5.1
Number of months of operations supported by cash balance												

WHOLE OF COUNCIL OPERATIONAL BUDGET OVERVIEW

	2021 Budget	2022 Budget	% Change	\$ Difference
Income				
Grants & Subsidies	(4,137,874)	(3,807,638)	-7.98%	330,236
Fees & Charges	(833,616)	(767,335)	-7.95%	66,281
Interest Revenue	(103,300)	(59,100)	-42.79%	44,200
Other Income	(139,100)	(115,200)	-17.18%	23,900
Rent	(1,324,642)	(1,232,915)	-6.92%	91,727
Sales & Recoverable Works	(3,560,000)	(3,552,838)	-0.20%	7,162
Income Total	(10,098,532)	(9,535,027)	-5.58%	563,505
Expense				
Employee Costs	6,013,212	5,505,866	-8.44%	(507,346)
Materials & Services	3,949,212	4,227,608	7.05%	278,396
Depreciation	2,313,210	2,511,354	8.57%	198,144
Finance Costs	82,821	79,047	-4.56%	(3,774)
Expense Total	12,358,455	12,323,875	-0.28%	(34,580)
Net (Surplus) / Deficit	2,259,923	2,788,848	23.40%	528,925

COMMUNITY SERVICES - OPERATIONAL BUDGET OVERVIEW

	2021 Budget	2022 Budget	% Change	\$ Difference
Income				
Grants & Subsidies	(1,004,780)	(547,280)	-45.53%	457,500
Fees & Charges	(833,616)	(767,335)	-7.95%	66,281
Other Income	(51,000)	(68,000)	33.33%	(17,000)
Rent	(132,398)	(110,000)	-16.92%	22,398
Income Total	(2,021,794)	(1,492,615)	-26.17%	529,179
Expense				
Employee Costs	422,322	574,074	35.93%	151,752
Materials & Services	614,736	170,680	-72.24%	(444,056)
Expense Total	1,037,058	744,754	-28.19%	(292,304)
Net (Surplus) / Deficit	(984,736)	(747,861)	-24.05%	236,875

CORPORATE SERVICES - OPERATIONAL BUDGET OVERVIEW

	2021 Budget	2022 Budget	% Change	\$ Difference
Income				
Grants & Subsidies	(1,867,000)	(1,867,000)	0.00%	-
Fees & Charges	-	-	0.00%	-
Interest Revenue	(103,300)	(59,100)	-42.79%	44,200
Other Income	(78,100)	(47,200)	-39.56%	30,900
Sales & Recoverable Works	(10,000)	(2,000)	-80.00%	8,000
Income Total	(2,058,400)	(1,975,300)	-4.04%	83,100
Expense				
Employee Costs	1,976,290	1,720,458	-12.95%	(255,832)
Materials & Services	789,203	1,262,208	59.93%	473,005
Depreciation	181,540	221,138	21.81%	39,598
Finance Costs	82,821	79,047	-4.56%	(3,774)
Expense Total	3,029,854	3,282,851	8.35%	252,997
Net (Surplus) / Deficit	971,454	1,307,551	34.60%	336,097

ECONOMIC DEVELOPMENT - OPERATIONAL BUDGET OVERVIEW

	2021 Budget	2022 Budget	% Change	\$ Difference
Income				
Grants & Subsidies	(126,800)	(229,000)	80.60%	(102,200)
Other Income	(10,000)	-	-100.00%	10,000
Sales & Recoverable Works	(3,130,000)	(3,116,838)	-0.42%	13,162
Income Total	(3,266,800)	(3,345,838)	2.42%	(79,038)
Expense				
Employee Costs	2,338,253	2,056,214	-12.06%	(282,039)
Materials & Services	1,481,933	1,632,720	10.18%	150,787
Expense Total	3,820,186	3,688,934	-3.44%	(131,252)
Net (Surplus) / Deficit	553,386	343,096	-38.00%	(210,290)

HOUSING - OPERATIONAL BUDGET OVERVIEW

	2021 Budget	2022 Budget	% Change	\$ Difference
Income				
Other Income	-	-	0.00%	-
Rent	(1,192,244)	(1,122,915)	-5.82%	69,329
Income Total	(1,192,244)	(1,122,915)	-5.82%	69,329
Expense				
Employee Costs	204,340	188,742	-7.63%	(15,598)
Materials & Services	492,840	351,000	-28.78%	(141,840)
Depreciation	1,750,670	1,693,560	-3.26%	(57,110)
Expense Total	2,447,850	2,233,302	-8.76%	(214,548)
Net (Surplus) / Deficit	1,255,606	1,110,387	-11.57%	(145,219)

OPERATIONS - OPERATIONAL BUDGET OVERVIEW

	2021 Budget	2022 Budget	% Change	\$ Difference
Income				
Grants & Subsidies	(1,139,294)	(1,164,358)	2.20%	(25,064)
Other Income	-	-	0.00%	-
Sales & Recoverable Works	(420,000)	(434,000)	3.33%	(14,000)
Income Total	(1,559,294)	(1,598,358)	2.51%	(39,064)
Expense				
Employee Costs	1,072,007	966,378	-9.85%	(105,629)
Materials & Services	570,500	811,000	42.16%	240,500
Depreciation	381,000	596,656	56.60%	215,656
Expense Total	2,023,507	2,374,034	17.32%	350,527
Net (Surplus) / Deficit	464,213	775,675	67.09%	311,462

CAPITAL BUDGET LISTING

	External Funding	Estimated Cost	Net Cost To Council
▣ Darren Lonergan	\$ 4,100,000	\$ 4,525,000	\$ 425,000
Water Reservoir Project	\$ 4,100,000	\$ 4,100,000	\$ -
Plant & Equipment - Rubbish Truck		\$ 290,000	\$ 290,000
Plant & Equipment - Bobcat		\$ 135,000	\$ 135,000
▣ Sean Nicholson	\$ 9,296,016	\$ 9,581,016	\$ 285,000
New Houses	\$ 2,600,000	\$ 2,600,000	\$ -
W4Q	\$ 1,359,000	\$ 1,359,000	\$ -
Footpath	\$ 2,500,000	\$ 2,500,000	\$ -
Plant & Equipment - Forklift		\$ 35,000	\$ 35,000
Plant & Equipment - Conveyor	\$ 30,000	\$ 70,000	\$ 40,000
Roads to Recovery	\$ 90,318	\$ 90,318	\$ -
Upgrades - Housing	\$ 2,500,000	\$ 2,500,000	\$ -
Illegal Dumping Camera System	\$ 75,000	\$ 75,000	\$ -
LRCI Phase 2 & 3	\$ 141,698	\$ 141,698	\$ -
Plant & Equipment - Front End Loader		\$ 210,000	\$ 210,000
Grand Total	\$ 13,396,016	\$ 14,106,016	\$ 710,000



Revenue Statement 2021/2022

Section 104 (5)(a)(iv) of the *Local Government Act 2009* and Section 172 of the *Local Government Regulation 2012* requires the Council to adopt a Revenue Statement for each financial year 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 2021/2022 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 1st 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 2021/2022 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
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 2020/2021 charges)	
Sewerage - 1 Pedestal	\$488.64
- Extra Pedestal	\$417.28
Water - per connection (residence)	\$481.07
- Per connection (organization)	\$953.49
Garbage - per bin	\$417.28
Churches - Service Fees (per year)	\$501.61
Internal Housing Charges – (per dwelling)	\$2,113.47

Plant & Equipment Charge Out Rates -

Plant - Including Operator	Rate per Hour
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

Plant - Excluding Operator	Rate per Hour
HIAB Truck	\$ 60.00
Tip Truck	\$ 60.00
Bobcat	\$ 50.00
D6 Dozer	\$ 90.00
Backhoe	\$ 90.00

Plant - Excluding Operator	Rate per Hour
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 Regulation 2012*

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 2021



PROCUREMENT POLICY

(Adopted pursuant to s. 198 of the *Local Government Regulation 2012*)

1. LEGISLATIVE AUTHORITY

Local Government Act 2009
Local Government Regulation 2012

2. SCOPE AND OBJECTIVE

This Policy applies to the procurement of goods and services by Cherbourg Aboriginal Shire Council (“Council”).

The objective of this Policy is to ensure that Council’s procurement activities comply with the *Local Government Act 2009* (“LGA”) and *Local Government Regulation 2012* (“LGR”), including but not limited to the default contracting procedures, and include details of the principles, including the sound contracting principles set out in the LGA, that Council will apply for purchasing goods and services.

The sound contracting principles are:

- Value for money;
- Open and effective competition;
- The development of competitive local business and Industry;
- Environmental protection; and
- Ethical behavior and fair dealing.

This Policy is Council’s Procurement Policy pursuant to section 198 of the LGR.

3. POLICY STATEMENT

3.1. Application of Policy

All Council officers responsible for procurement of goods and services must comply with this policy. It is the responsibility of Council officers involved in the procurement process to understand the meaning and intent of this policy.

3.2. Responsibilities of Council officers

Council officers must comply with the LGA and the LGR at all times when carrying out procurement activities.

Council officers must apply the highest standards of probity and integrity in all procurement activities they undertake. This includes, but is not limited to, disclosing and appropriately managing any conflicts of interest.

A financial delegation of authority to undertake procurement activities is required before a Council officer may procure goods and services on behalf of Council.

Officers must not undertake order splitting to avoid the requirements of this Policy.

Officers must keep records of all quotation and tender information in accordance with Council's procedures.

Written quotes or tenders must be held on file or attached to official purchase documentation.

If a selected quotation is not the lowest priced quotation obtained, the Council officer procuring the goods or services will document the reasons for selecting the quotation.

3.3. Principles Council will apply for purchasing goods and services

Council officers must have regard to the sound contracting principles in all procurement activities.

The sound contracting principles, and this Policy's statement on the application of those principles, are set out below.

3.3.1. Value for money

Council must harness its procurement power to achieve the best value for money. The concept of value for money is not restricted to price alone. The value for money assessment must include consideration of:

- (i) contribution to the advancement of Council's priorities; and
- (ii) fitness for purpose, quality, services and support; and
- (iii) whole-of-life costs including costs of acquiring, using, maintaining and disposal; and
- (iv) internal administration costs; and
- (v) timeliness of supply; and
- (vi) technical compliance issues; and
- (vii) risk exposure; and,
- (viii) the value of any associated environmental benefits.

3.3.2. Open and effective competition

Procurement should be open and result in effective competition in the provision of goods and services. Council must give fair and equitable consideration to all prospective suppliers.

3.3.3. The development of competitive local business and Industry

Council encourages the development of competitive local businesses within the Cherbourg and South Burnett region first, and second within the Wide Bay region.

Endeavour to support local business by inviting local businesses to supply quotations and bids for tenders

Where price, performance, quality, suitability and other evaluation criteria are comparable, the following areas may be considered in evaluating offers:

- (i) creation of local employment opportunities;
- (ii) more readily available servicing support;
- (iii) more convenient communications for contract management;
- (iv) economic growth within the local area;
- (v) the benefit to Council of associated local commercial transaction.

3.3.4. Environmental protection

Council promotes environmental protection through its procurement procedures. In undertaking any procurement activities Council will:

- (i) promote the procurement of environmentally friendly goods and services that satisfy value for money criteria; and
- (ii) foster the development of products and processes of low environmental and climatic impact; and
- (iii) provide an example to business, industry and the community by promoting the use of climatically and environmentally friendly goods and services; and
- (iv) Encourage environmentally responsible activities.

3.3.5. Ethical behaviour and fair dealing

Council officers involved in procurement are to behave with impartiality, fairness, independence, openness, integrity, and professionalism in their discussions and negotiations with suppliers and their representatives.

Subject to any legislative requirements, Council officers will:

- Maintain confidentiality of quotations;
- Maintain appropriate records available for inspection at any time;
- When inviting quotations, invite quotations from suppliers that can meet Council's requirements at competitive prices.

3.4. Default Contracting Procedures

Council must comply with the default contracting procedures in Chapter 6, Part 3 of the LGR before entering into a contract.

In order to manage its risk, Council has adopted a higher standard of requirements which are set out in the following tables.

Table 1: Procurement outside of an Established Arrangement

\$ Value (excluding GST)	Minimum Quotation Requirement	Procurement Method	Minimum Documentation Requirement	Award/Contract Measure
\$0.00 to \$1,000	No quote required	Verbal or Written	Tax Invoice	Corporate Card or Purchase Order
\$1,001 to \$14,999	Invite minimum 2 written quotes	Request for quote	Written quotes	Purchase Order
\$15,000 to \$49,999	Invite minimum 3 written quotes	Request for quote	Procurement Plan (optional) Written quotes	Contract (optional) Purchase Order
\$50,000 to \$199,999	Invite minimum 3 written quotes	Request for quote or Public tender	Procurement Plan Written quotes Evaluation Report	Contract Purchase Order
Over \$200,000	Public tender	Public Tender (minimum 21 days)	Procurement Plan Evaluation Plan Probity Plan Conflict of Interest Declarations Written quotes Evaluation Report	Contract (to be authorised by Council)

Table 2: Procurement within an Established Arrangement (LGR s231, s232, s233, s234)

\$ Value (excluding GST)	Minimum Quotation Requirement	Procurement Method	Minimum Documentation Requirement	Award/Contract Measure
\$0.00 to \$1,000	No quote required	Verbal or Written	Tax Invoice	Corporate Card or Purchase Order
\$1,001 to \$5,000	Invite minimum 1 written quote	Request for quote	Written quote	Purchase Order
\$5,001 to \$14,999	Invite minimum 2 written quotes	Request for quote	Written quotes	Purchase Order

\$ Value (excluding GST)	Minimum Quotation Requirement	Procurement Method	Minimum Documentation Requirement	Award/Contract Measure
\$15,000 to \$49,999	Invite minimum 3 written quotes	Request for quote or Public tender	Procurement Plan (optional) Written quotes	Contract (optional) Purchase Order
\$50,000 to \$199,999	Invite minimum 3 written quotes	Request for quote	Procurement Plan Written quotes Evaluation Report	Contract Purchase Order
Over \$200,000	Invite minimum 3 written quotes	Request for Quote (21 days)	Procurement Plan Evaluation Plan Probity Plan Conflict of Interest Declarations Written quotes Evaluation Report	Contract (to be authorised by Council)

Table 3: Other Procurements (LGR s235)

Type of Procurement	\$ Value (excluding GST)	Minimum Quotation Requirement	Procurement Method	Minimum Documentation Requirement	Award/Contract Measure
Specialist Supply (1 supplier available or Special or confidential services)	Any Value	Written Quote	Exemption by Council Resolution	Procurement Plan Report to Council Council Resolution	Contract (to be authorised by Council)
Purchase at Auction	Any Value	No quote required	Exemption by Council Resolution	Procurement Plan Report to Council Council Resolution	Contract (to be authorised by CEO)
Purchase of Second-hand Goods	Any Value	Written Quote	Request for Quote	Procurement Plan Written Quote	Purchase Order (to be authorised by CEO)

Type of Procurement	\$ Value (excluding GST)	Minimum Quotation Requirement	Procurement Method	Minimum Documentation Requirement	Award/Contract Measure
With other Government Agency or Council	Any Value	No quote required	Written	Copy of MOU, letter, agreement, or other similar information	Direct payment

When seeking quotations, local suppliers are to be included wherever possible.

As most procurement will be in accordance with Table 1, a flow chart has been included at Schedule 1 for easy reference.

3.5. Publishing Details of Contractual Arrangements

Council will at all times comply with section 237 of the LGR, which requires Council to publish details of contractual arrangements worth \$200,000 or more.

3.6. Purchase Orders

Council will generally require a purchase order to be raised before purchasing goods and services.

Council may not require a purchase order prior to expenditure being incurred:

- if the expenditure is being occurred because of an emergency, in which case Council may require a purchase order to be raised as soon as practicable after the expenditure has been incurred;
- for the following purchases (but relevant authorizations are required on the invoice documentation):
 - Australia Post;
 - Payments required under Acts & Regulations to Government Departments;
 - Telephone / Communication Accounts;
 - Electricity Accounts;
 - Placing Investments with Banks, Credit Unions, or Queensland Treasury Corporation;
 - Freight;
 - Insurances;
 - Vehicle Registrations;
 - Membership Subscriptions;
 - Conference Registrations;
 - Items purchased from Petty Cash, but only where such items have a total value of less than \$100.00 (exc. GST). Examples of purchases that may fall within the scope of this exception include grocery purchases to stock water at Council's office;
 - Other purchases as approved by the CEO. (eg Travel, Accommodation).

However, nothing in this Policy limits Council's ability to require a purchase order at all times prior to incurring expenditure.

3.7. Delegations

Council will from time to time make financial delegations to the Chief Executive Officer pursuant to section 257 of the LGA, and the Chief Executive Officer may delegate their powers pursuant to section 259 of the LGA to other officers, subject to any limitations to the Chief Executive Officer's delegation.

Schedule 2 details Council's Procurement Delegations. Only the Council officers listed in the attached Schedule are entitled to sign requisitions, and then only in accordance with their financial delegation limits. By approving a requisition all officers are confirming that they have taken full notice of this policy and will comply with all of the requirements of this policy.

4. POLICY VERSION AND REVISION INFORMATION

Policy Authorised by: Chatur Zala
Title: Chief Executive Officer

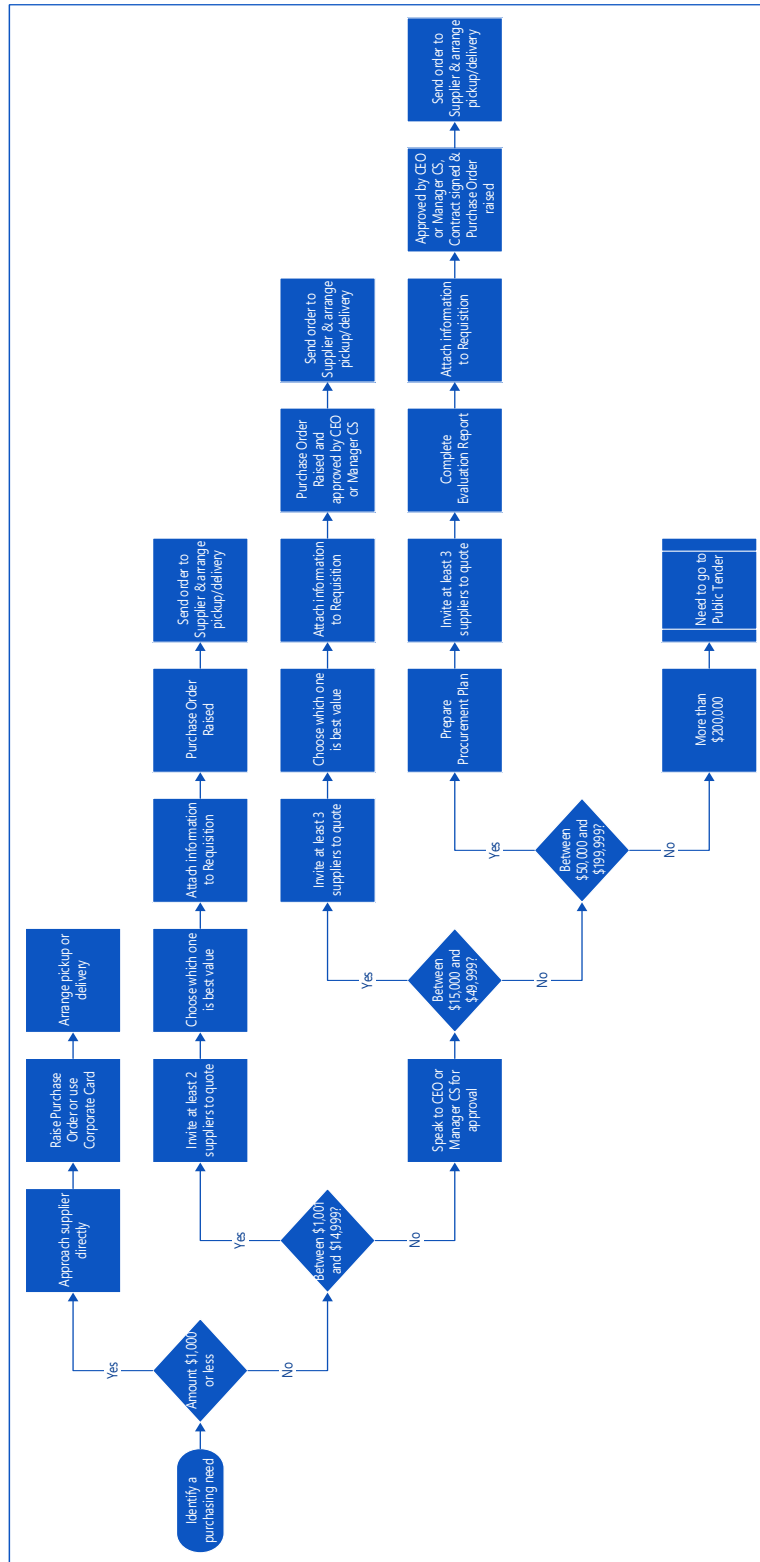
Original issue: February 2021

Policy Maintained by: Sam Murray
Title: Corporate Services Manager
Review date: February 2022

Current version: 1

Adopted by Council: February 2021
Resolution Number: _____

SCHEDULE 1 – FLOW CHART FOR PROCUREMENTS OUTSIDE OF AN APPROVED ARRANGEMENT



SCHEDULE 2 – PROCUREMENT DELEGATION TABLE

POSITION	\$0.00 to \$999.00	\$1,000.00 to \$4,999.00	\$5,000.00 to \$14,999.00	\$15,000.00 to \$199,999.00	\$200,000.00 +
Chief Executive Officer	X	X	X	X	X
Manager CS	X	X	X	X	
Manager Economic Development	X	X	X		
Manager Community Services	X	X	X		
Operations Manager	X	X			
Line Managers	X	X			
<p>All contracts for the acquisition of goods and services in the excess of \$200,000.00 are to be authorised by Council. Amounts are excluding GST</p>					



INVESTMENT POLICY

(Adopted pursuant to s.104 of *Local Government Act 2009* and s.191 of *Local Government Regulation 2012*)

Policy

To maximize earnings from authorized investments of surplus funds after accessing the market and minimizing risks.

Policy Statement

Council is committed to:

- Investing only in investments as authorized under current legislation.
- Ensuring investments are placed giving due consideration to the relationship between credit rating and interest rate.
- Identifying surplus cash and period of availability via analysis of the cash flow position for Council at any given time.
- Seeking the most advantageous interest rate taking consideration of what is most appropriate in all the circumstances.
- Keeping records to show that Council has invested in the most appropriate way in all the circumstances

Document Name		INVESTMENT POLICY
Resolution Number	:	611 dated 29 June 2010
Date of Effect	:	1 July 2021
Update History	:	30 May 2021



POLICY FOR BORROWINGS (DEBT)

Origin / Authority

1. *Local Government Act 2009 s 104*
2. *Local Government Regulation 2012 s 192 (1)*

Policy

This policy sets out the Cherbourg Aboriginal Shire Council's principles on borrowing and details the term and purpose of new borrowings for the current and the next 4 financial years.

Principles

For each borrowing, Council must ensure that the following general principles are observed.

Borrowings will only be undertaken if:

- All alternative options for undertaking the project without borrowing have been investigated and proved less advantageous to the Council;
- The benefit received from undertaking the borrowing is greater, over the life of the borrowing, than the costs of borrowing; and
- Repayments will be met from project income or other untied income of Council (not grant funding).
- Approvals in accordance with legislative requirements are met.

Existing Borrowings

Council currently has no borrowings.

New Borrowings

Council has no borrowings planned for the next 4 financial years.

Document Name	:	Policy for Borrowings (Debt)
Resolution Number	:	
Date of Effect	:	1 July 2021
Update History	:	30 June 2021