

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

2016 / 2017
BUDGET



PRESENTED TO COUNCIL MEETING ON THURSDAY 20 JULY 2016

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Significant Budget Assumptions

The Lockhart River Aboriginal Shire Council highly dependent on federal and state grant funding for operational and maintenance and capital expenditure to meet services requirement of community and visitors. As previously provided, this funding is certainly expected to continue to be available to the Council.

Those specific funding availability that cannot be predicted, have not been included in this budget except for those programs whose continuity is certain.

The Interest rates on money invested by the Council is assumed to earn interest income at about 2.86% annually when deposited with QTC. The Council rarely invests with other financial institutions.

There is no existing borrowing hence nil interest charges expected during the year. The existing liabilities are made up of normal business creditors and do not attract any charges.

Restoration and emergency works due to flood damage are funded 100% by QRA and have been budgeted to reflect the existing submissions. Any future flood damage is highly unpredictable hence not included into the future budgets. The Council has gained sufficient experience in preparing successful submissions and providing satisfactory acquittals and this is a testimony that budgeted works will be funded accordingly

The current TIDS projects including sealing sections of Portland road and constructing river crossings will be fully funded. This is significant capital injection into the Lockhart River Shire.

Lockhart River Runway rehabilitation will be undertaken during the year and has been fully funded by Department of State Development, Queensland Government through Royalty for Regions (R4R) program.

The Long term trend of inflation rate is at least 2.5% and this has been factored into the long term future forecast.

The Council revenue and fees were increased by 5% except for the plant hire, gas supply, accommodation revenue and trades services. The long term forecasts have been formulated on the same moderate growth rate 5% over 9 years period.

Council will treat depreciation according to the requirement of the relevant Australian Accounting Standards. The noncurrent assets have been comprehensively componentized and that has significantly improved the accuracy of the depreciation expense. During the year, the Council will fund renewals, replacements and upgrades to the maximum of depreciation expense and with limited use of general revenue when available.

The Council does not intend to fund depreciation on Community Housing as their renewals, replacements and new developments are 100% funded by the Department of Housing and Public Works.

The employment costs have been adjusted to accommodate the new Modern Awards pay rates and Councillors' remuneration increase. Wages are expected to increase by 2.0% and later by 3% into the long term and attendance is assumed to be 100% of total budgeted working hours.

Budget Principles

Employees' levels will be adequate to achieve the desired results and support for their initiatives will be highly valuable.

All the Council's Property, Plant and Equipment should be managed and used optimally to the benefits of Lockhart River Community

The capital programs in progress in 2015/16 will be continued to completion and as such included into this budget. The Council will seek authority from funding agencies to expend any unspent funds before scheduling the operations into this year.

This budget is continuation of all Council plans (Operational Plan, Corporate Plan, Long term Assets Management Plans and related 10 year financial forecast). The budget funding must concur with all the intentions of these strategic documents.

The operating sustainability is the ultimate goal of this budget and the Council spending must be consistent with affordability.

Regular review of Council's fees and charges should reflect the market trend and additional sources of revenue should be encouraged and supported. The 2016/17 Revenue Statement and Policy and Schedule of fees and charges will provide guidelines to this effect.

Lockhart River Aboriginal Shire recognise the importance of State and Federal funding and the effect on its financial sustainability and will continue to comply with all the funding terms and conditions to ensure timely availability of grants funding.

Mayor's message

I hereby present the 2016/17 budget as an operational tool to start off the newly elected Council. We all admit that there are many challenges to deliver affordable and reliable services to Lockhart River Community. In that regard the Council team has been working tirelessly to achieve financial sustainability that is essential for this undertaking.

The state and federal funding has been on the downward trend and this left our Council in a weak financial position as we previously relied on government funding. Therefore we have to focus on generating our own revenues.

Despite the fact that opportunities of generating own revenues are very limited, our Council team as shown determination in sourcing private works.

Management, leadership and supervision will play a major role in getting work team together under defined work ethics and with understanding of value for money motives. No more wastage of Council resources will be tolerated and every operational and capital undertaking must be implemented in accordance with plan and budget. No more expenditure surprises.

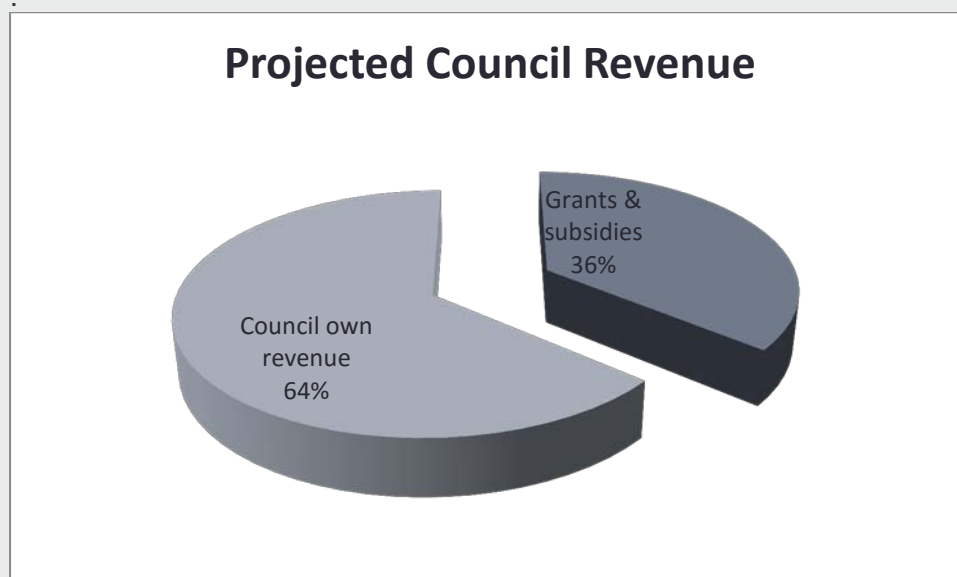
This year the Council will support the start and growth of local businesses so that they can undertake non-municipal services within the Community. Local businesses will get full support of the Council by making business opportunities available to them. This will ease Council's burden of owning and maintaining plant equipment.

Council policies have been reviewed and updated to guide all Council operations. More specifically, the provisions of the procurement policy must be complied with all the time. Value for money is the ultimate goal of our Council as we have very scarce resources to deliver endless list of services.

The following are the 2016/17 budget highlights:

Operational Revenue

The Operating Revenue budget for the Council is \$13.0m (Aerodrome included \$1.5m). The composition of grants and subsidies is 36% compared to 64% for Council's own revenue of the Total Operating Revenue. This is a very ambitious direction and you-me will work together to get there. General increase of 5% is expected and reasonable.

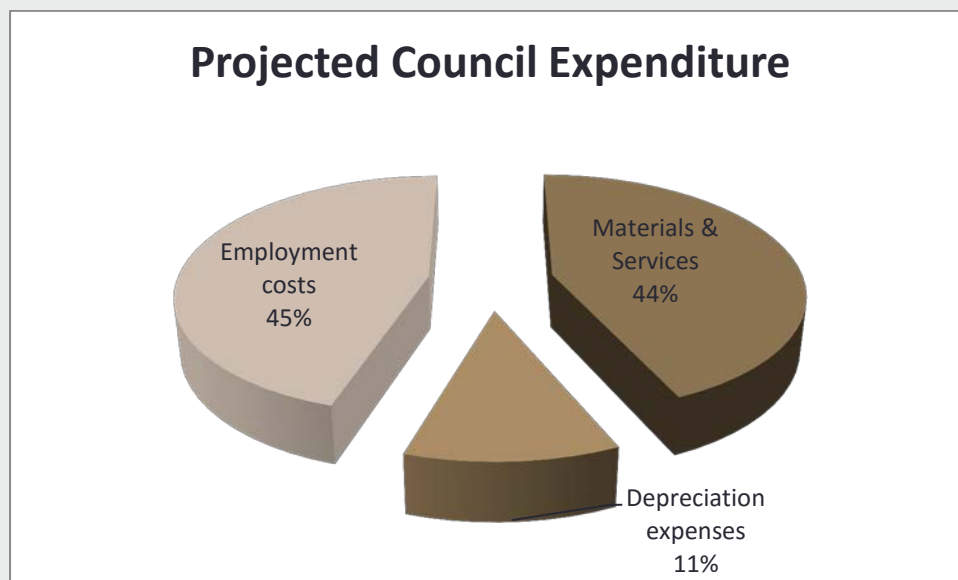


The main own revenue is \$5.8m anticipated to be delivered through our **Building Services Centre** responsible for sourcing and carrying out building construction and maintenance works. Also, Warehouse will stock up limited variety of building materials for sale to contractors undertaking works within the Community.

The Council expects to construct 5 new houses and complete 10 major renovations and other several repairs and maintenance works during the year.

Operational Expenditure

The Council's Expenditure budget is estimated at \$12.5m (Aerodrome included \$1.48m) made up of Employment costs – 45%, Materials & services – 44% and Depreciation/amortization - 11%.



The Council will continue to partner with experienced local contractors and builders to deliver major construction works without compromising the objective of financial sustainability and local capacity building.

NDRRA funding

In addition to the above operating and maintenance budget, the Council will continue to deliver on Restoration Works commenced in 2015/16 year.

The remaining works due for completion by 30 June 2017 will continue to be delivered by subcontracting model to release Council resources for other major construction projects within the Community. The Council has estimated to receive and expend \$12m during the year to deliver remaining approved restoration works. These works are fully funded.

Capital expenditure highlights

The 2016/17 Capital Budget is estimated at \$20.49m and the main capital works relate to the following projects:

- Renovation of Old Canteen building \$0.5m funded by Council
- Water Park and Public Toilet Block \$0.5m funded by Council and Queensland Government
- Runway Rehabilitation \$5.4m funded by Queensland Government
- Pascoe River Slab Crossing \$1.5m funded by Queensland Reconstruction Authority
- Portland Road Crossings \$4.4m funded by Council and Queensland Government (CRF)
- Gordon Bridge \$1.0m funded by Queensland Government
- Portland Road Seal and Crossings \$4.8m funded by Queensland Government.

Capital grants and subsidies expected to fund these works are estimated to be \$14.93m and \$3.6m already received in 2015/16.

The local skills and talents are being fully utilised in all these projects.

Conclusion

Once again, this is a 'Balanced Budget' that will achieve financial sustainability as depicted by projected ratios: *Operating Surplus Ratio of 0.4% (target = 0-10%), Net Financial Liability Ratio of -42.7% (target = 60%), and Assets Sustainability Ratio of 519.8% (target = 90%).*

This 2016/17 budget is commended to the Council.

Wayne Butcher

Mayor

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL
Budget Statement of Comprehensive Income Budget Variance

For the year ended 30 June	2015-2016 Actual	2015-2016 Budget	2016-2017 Budget*	Variance to budget	% Change
	\$	\$	\$	\$	
Operating Revenue					
Recurrent revenue					
Rates, levies and charges	121,790	121,000	121,000	-	0%
Rental income	385,815	390,000	290,160	(99,840)	-26%
Interest received	163,069	125,000	135,000	10,000	8%
Sales and recoverable works	6,364,459	4,617,600	7,480,106	2,862,506	62%
Other income	134,637	112,000	145,000	33,000	29%
Grants, subsidies, contributions and donations	14,259,283	29,214,412	16,678,570	(12,535,842)	-43%
	21,429,053	34,580,012	24,849,836	(9,730,176)	-28%
Capital revenue					
Grants, subsidies, contributions and donations	2,004,701	7,961,925	14,927,045	517,500	6%
Total revenue	23,433,754	42,541,937	39,776,881	(2,765,056)	-6%
				-	
Capital income	-	-	-	-	0%
				-	
Total income	23,433,754	42,541,937	39,776,881	(2,765,056)	-6%
Operating Expenses					
Recurrent expenses					
Employee benefits	(4,030,909)	(4,186,000)	(5,676,601)	(1,490,601)	36%
Materials and services	(12,231,180)	(24,602,007)	(17,633,472)	6,968,535	-28%
Finance costs	(8,410)	(6,000)	(12,500)	(6,500)	108%
Depreciation and amortisation	-	(1,123,000)	(1,426,331)	(303,331)	27%
Total expenses	(16,270,499)	(29,917,007)	(24,748,904)	5,168,103	-17%
Net Operating Result	7,163,255	12,624,930	15,027,977	2,403,047	19%

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL
Capital Expenditure Budget Variance

	Actual 2015/16	Budget 2015/16	Budget* 2016/17	Variance to budget	% Change
BUILDINGS (>\$5,000)	-	701,500	801,500	100,000	14%
HOUSING (>\$5,000)	495,814	450,000	300,000	(150,000)	-33%
OTHER STRUCTURES (>\$5,000)	511,857	6,695,600	6,553,027	(142,573)	-2%
OFFICE FURNITURE & EQUIPMENT	74,297	65,000	412,000	347,000	>100%
PLANT & EQUIPMENT (>\$1,000)	303,697	545,000	470,000	(75,000)	-14%
ROAD INFRASTRUCTURE (>\$5,000)	11,741	1,565,925	11,947,348	10,381,423	>100%
WATER INFRASTRUCTURE (>\$5,000)	-	-	40,000	40,000	>100%
SEWERAGE INFRASTRUCTURE (>\$5,000)	-	65,000	157,000	92,000	>100%
	2,766,483	10,088,025	20,680,875	10,592,850	>100%

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL
Budgeted and 2 Years Forecasted Statement of Comprehensive Income

Year ended	Budget	Forecast	
	30-Jun-17 \$	30-Jun-18 \$	30-Jun-19 \$
Revenue			
Recurrent revenue:			
General rates	121,000	127,050	133,403
Other rental income	290,160	304,668	319,901
Other interest received	135,000	141,750	148,838
Contract and recoverable works	7,480,106	7,874,109	8,289,812
State subsidies and grants—operating	15,795,570	16,190,459	16,595,221
Commonwealth subsidies and grants—operating	883,000	927,150	973,508
Other income	145,000	152,250	159,863
Total recurrent revenue	24,849,836	25,717,436	26,620,544
Capital revenue:			
Government subsidies and grants—capital	14,927,045	500,000	3,000,000
Total income	39,776,881	26,217,436	29,620,544
Expenses:			
Employee benefits	5,676,601	5,792,032	5,909,820
Materials and services	17,633,472	18,074,308	18,526,166
Depreciation and amortisation	1,426,331	1,702,144	1,878,794
Other expenses	12,500	12,813	13,133
Total expenses	24,748,903	25,581,297	26,327,913
Net result attributable to Council	15,027,978	636,140	3,292,632
OPERATING RESULT			
Operating revenue	24,849,836	25,717,436	26,620,544
Operating expense	24,748,903	25,581,297	26,327,913
Operating result	100,933	136,140	292,632

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

Budgeted and 2 Years Forecasted Statement of Financial Position

Year ended	Budget	Forecast	
	30-Jun-17 \$	30-Jun-18 \$	30-Jun-19 \$
Current assets			
Cash assets and cash equivalents	10,238,902	1,862,177	1,556,803
Inventories	252,661	252,661	252,661
Receivables	2,031,356	2,102,111	2,175,757
Total current assets	12,522,919	4,216,949	3,985,221
Non-current assets			
Investments	100	100	100
Property, plant and equipment	77,477,654	86,465,510	90,036,717
Other non-current assets	7,309,781	7,309,781	7,309,781
Total non-current assets	84,787,535	93,775,391	97,346,598
Total assets	97,310,454	97,992,340	101,331,819
Current liabilities			
Trade and other payables	1,450,354	1,486,613	1,523,778
Employee payables/provisions	279,942	285,634	291,444
Total current liabilities	1,730,296	1,772,247	1,815,222
Non-current liabilities			
Employee payables/provisions	186,628	190,423	194,295
Total non-current liabilities	186,628	190,423	194,295
Total liabilities	1,916,924	1,962,670	2,009,517
Net community assets	95,393,531	96,029,670	99,322,302
Community equity			
Asset revaluation reserve	32,576,656	32,576,656	32,576,656
Retained surplus (deficiency)	62,816,875	63,453,014	66,745,646
Total community equity	95,393,531	96,029,670	99,322,302

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL			
Budgeted and 2 Years Forecasted Statement of Cash Flows			
	Budget	Forecast	
Year ended	30-Jun-17	30-Jun-18	30-Jun-19
	\$	\$	\$
Cash flows from operating activities:			
Receipts from customers	7,976,784	8,119,932	8,547,762
Payment to suppliers and employees	(22,705,325)	(23,833,407)	(24,402,272)
Interest received	135,000	141,750	148,838
Rental income	294,720	303,476	318,649
Non-capital grants and contributions	16,940,705	17,081,524	17,531,650
Net cash inflow (outflow) from operating activities	2,641,884	1,813,275	2,144,627
Cash flows from investing activities:			
Payments for property, plant and equipment	(16,151,745)	(10,690,000)	(5,450,000)
Grants, subsidies, contributions and donations	14,927,045	500,000	3,000,000
Net cash inflow (outflow) from investing activities	(1,224,700)	(10,190,000)	(2,450,000)
Net increase (decrease) in cash held	1,417,184	(8,376,725)	(305,373)
Cash at beginning of reporting period	8,821,718	10,238,902	1,862,177
Cash at end of reporting period	10,238,902	1,862,177	1,556,803

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL			
Budgeted and 2 Years Forecasted Statement of Changes in Equity			
	Budget		
Year ended	30-Jun-17	30-Jun-18	30-Jun-19
	\$	\$	\$
Asset revaluation surplus			
Opening balance	32,576,656	32,576,656	32,576,656
Increase in asset revaluation surplus	-	-	-
Closing balance	32,576,656	32,576,656	32,576,656
Retained surplus			
Opening balance	47,788,897	62,816,875	63,453,014
Net result	15,027,978	636,140	3,292,632
Closing balance	62,816,875	63,453,014	66,745,646
Total			
Opening balance	80,365,553	95,393,531	96,029,670
Net result	15,027,978	636,140	3,292,632
Increase in asset revaluation surplus	-	-	-
Closing balance	95,393,531	96,029,670	99,322,302

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

Budgeted and 9 Years Forecasted Measures of Financial Sustainability (Ratios)

Year ended	Target Ratio	Budget	Forecast								
		30/06/2017	30/06/2018	30/06/2019	30/06/2020	30/06/2021	30/06/2022	30/06/2023	30/06/2024	30/06/2025	30/06/2026
1 Operating Surplus Ratio											
(Net Operating Surplus / Total Operating Revenue) (%)	0 - 10%	0.4%	0.5%	1.1%	2.2%	3.8%	4.3%	5.1%	5.7%	5.7%	5.7%
2 Net Financial Asset / Liability Ratio											
((Total Liabilities - Current Assets) / Total Operating Revenue)	60.0%	(42.7)%	(8.8)%	(7.4)%	(12.2)%	(14.7)%	(13.5)%	(23.6)%	(27.2)%	(30.8)%	(40.2)%
3 Asset Sustainability Ratio											
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	90.0%	519.8%	61.1%	69.2%	51.9%	104.8%	14.0%	0.0%	0.0%	0.0%	0.0%

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL										
Budgeted and 9 Years Forecasted Statement of Comprehensive Income										
Year ended	Budget	Forecast								
	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 \$
Revenue										
Recurrent revenue:										
General rates	121,000	127,050	133,403	140,073	147,076	154,430	162,152	170,259	178,772	187,711
Other rental income	290,160	304,668	319,901	335,896	352,691	370,326	388,842	408,284	428,698	450,133
Other interest received	135,000	141,750	148,838	156,279	164,093	172,298	180,913	189,959	199,456	209,429
Contract and recoverable works	7,480,106	7,874,109	8,289,812	8,728,500	9,191,542	9,680,398	10,196,625	10,741,884	11,317,948	11,926,713
State subsidies and grants—operating	15,795,570	16,190,459	16,595,221	17,010,101	17,435,354	17,871,238	18,318,019	18,775,969	19,245,368	19,726,502
Commonwealth subsidies and grants—operating	883,000	927,150	973,508	1,022,183	1,073,292	1,126,957	1,183,304	1,242,470	1,304,593	1,369,823
Other income	145,000	152,250	159,863	167,856	176,248	185,061	194,314	204,030	214,231	224,943
Total recurrent revenue	24,849,836	25,717,436	26,620,544	27,560,888	28,540,298	29,560,707	30,624,169	31,732,854	32,889,068	34,095,254
Capital revenue:										
Government subsidies and grants—capital	14,927,045	500,000	3,000,000	2,500,000	2,500,000	-	-	-	-	-
Total income	39,776,881	26,217,436	29,620,544	30,060,888	31,040,298	29,560,707	30,624,169	31,732,854	32,889,068	34,095,254
Expenses:										
Employee benefits	5,676,601	5,792,032	5,909,820	6,030,012	6,152,658	6,339,335	6,531,685	6,729,881	6,936,427	7,149,356
Materials and services	17,633,472	18,074,308	18,526,166	18,989,320	19,464,053	20,145,295	20,850,380	21,580,144	22,443,349	23,341,083
Depreciation and amortisation	1,426,331	1,702,144	1,878,794	1,925,710	1,832,811	1,781,128	1,675,104	1,603,104	1,616,437	1,629,771
Other expenses	12,500	12,813	13,133	13,461	13,798	14,281	14,780	15,298	15,910	16,546
Total expenses	24,748,903	25,581,297	26,327,913	26,958,504	27,463,320	28,280,038	29,071,949	29,928,427	31,012,124	32,136,756
Net result attributable to Council	15,027,978	636,140	3,292,632	3,102,385	3,576,977	1,280,669	1,552,219	1,804,427	1,876,944	1,958,498
OPERATING RESULT										
Operating revenue	24,849,836	25,717,436	26,620,544	27,560,888	28,540,298	29,560,707	30,624,169	31,732,854	32,889,068	34,095,254
Operating expense	24,748,903	25,581,297	26,327,913	26,958,504	27,463,320	28,280,038	29,071,949	29,928,427	31,012,124	32,136,756
Operating result	100,933	136,140	292,632	602,385	1,076,977	1,280,669	1,552,219	1,804,427	1,876,944	1,958,498

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL										
Budgeted and 9 Years Forecasted Statement of Financial Position										
Year ended	Budget	Forecast								
	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Current assets										
Cash assets and cash equivalents	10,238,902	1,862,177	1,556,803	2,906,727	3,715,254	3,515,231	6,729,658	8,123,843	9,610,226	13,191,516
Inventories	252,661	252,661	252,661	252,661	252,661	252,661	252,661	252,661	252,661	252,661
Receivables	2,031,356	2,102,111	2,175,757	2,246,279	2,332,291	2,415,486	2,502,185	2,585,483	2,686,817	2,785,136
Total current assets	12,522,919	4,216,949	3,985,221	5,405,668	6,300,205	6,183,378	9,484,504	10,961,987	12,549,705	16,229,313
Non-current assets										
Investments	100	100	100	100	100	100	100	100	100	100
Property, plant and equipment	77,477,654	86,465,510	90,036,717	91,761,006	94,498,195	95,967,066	94,291,963	94,688,859	95,072,422	93,442,651
Other non-current assets	7,309,781	7,309,781	7,309,781	7,309,781	7,309,781	7,309,781	7,309,781	7,309,781	7,309,781	7,309,781
Total non-current assets	84,787,535	93,775,391	97,346,598	99,070,887	101,808,076	103,276,947	101,601,844	101,998,740	102,382,303	100,752,532
Total assets	97,310,454	97,992,340	101,331,819	104,476,555	108,108,281	109,460,326	111,086,348	112,960,727	114,932,007	116,981,845
Current liabilities										
Trade and other payables	1,450,354	1,486,613	1,523,778	1,557,605	1,600,919	1,656,951	1,714,945	1,770,118	1,845,966	1,919,805
Employee payables/provisions	279,942	285,634	291,444	296,558	303,419	312,625	322,111	330,978	342,070	352,571
Total current liabilities	1,730,296	1,772,247	1,815,222	1,854,163	1,904,338	1,969,577	2,037,056	2,101,096	2,188,037	2,272,376
Non-current liabilities										
Employee payables/provisions	186,628	190,423	194,295	197,705	202,279	208,416	214,740	220,652	228,047	235,047
Total non-current liabilities	186,628	190,423	194,295	197,705	202,279	208,416	214,740	220,652	228,047	235,047
Total liabilities	1,916,924	1,962,670	2,009,517	2,051,869	2,106,617	2,177,993	2,251,796	2,321,748	2,416,084	2,507,424
Net community assets	95,393,531	96,029,670	99,322,302	102,424,686	106,001,664	107,282,333	108,834,552	110,638,980	112,515,923	114,474,421
Community equity										
Asset revaluation reserve	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656
Retained surplus (deficiency)	62,816,875	63,453,014	66,745,646	69,848,031	73,425,008	74,705,677	76,257,896	78,062,323	79,939,267	81,897,765
Total community equity	95,393,531	96,029,670	99,322,302	102,424,687	106,001,664	107,282,333	108,834,552	110,638,979	112,515,923	114,474,421

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL
Budgeted and 9 Years Forecasted Statement of Cash Flows

Year ended	Budget	Forecast								
	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities:										
Receipts from customers	7,976,784	8,119,932	8,547,762	9,001,196	9,473,514	9,978,381	10,509,266	11,072,388	11,659,569	12,287,715
Payment to suppliers and employees	(22,705,325)	(23,833,407)	(24,402,272)	(24,990,442)	(25,575,760)	(26,427,535)	(27,323,043)	(28,255,371)	(29,301,350)	(30,415,646)
Interest received	135,000	141,750	148,838	156,279	164,093	172,298	180,913	189,959	199,456	209,429
Rental income	294,720	303,476	318,649	334,657	351,235	368,876	387,320	406,778	426,929	448,372
Non-capital grants and contributions	16,940,705	17,081,524	17,531,650	17,998,233	18,465,443	18,957,957	19,459,970	19,980,432	20,501,779	21,051,419
Net cash inflow (outflow) from operating activities	2,641,884	1,813,275	2,144,627	2,499,924	2,878,526	3,049,978	3,214,426	3,394,186	3,486,383	3,581,289
Cash flows from investing activities:										
Payments for property, plant and equipment	(16,151,745)	(10,690,000)	(5,450,000)	(3,650,000)	(4,570,000)	(3,250,000)	-	(2,000,000)	(2,000,000)	-
Grants, subsidies, contributions and donations	14,927,045	500,000	3,000,000	2,500,000	2,500,000	-	-	-	-	-
Net cash inflow (outflow) from investing activities	(1,224,700)	(10,190,000)	(2,450,000)	(1,150,000)	(2,070,000)	(3,250,000)	-	(2,000,000)	(2,000,000)	-
Net increase (decrease) in cash held	1,417,184	(8,376,725)	(305,373)	1,349,924	808,526	(200,022)	3,214,426	1,394,186	1,486,383	3,581,289
Cash at beginning of reporting period	8,821,718	10,238,902	1,862,177	1,556,803	2,906,727	3,715,254	3,515,231	6,729,658	8,123,843	9,610,226
Cash at end of reporting period	10,238,902	1,862,177	1,556,803	2,906,727	3,715,254	3,515,231	6,729,658	8,123,843	9,610,226	13,191,516

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

Budgeted and 9 Years Forecasted Statement of Changes in Equity

Year ended	Budget	Forecast								
	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset revaluation surplus										
Opening balance	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656
Increase in asset revaluation surplus	-	-	-	-	-	-	-	-	-	-
Closing balance	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656	32,576,656
Retained surplus										
Opening balance	47,788,897	62,816,875	63,453,014	66,745,646	69,848,031	73,425,008	74,705,677	76,257,896	78,062,323	79,939,267
Net result	15,027,978	636,140	3,292,632	3,102,385	3,576,977	1,280,669	1,552,219	1,804,427	1,876,944	1,958,498
Closing balance	62,816,875	63,453,014	66,745,646	69,848,031	73,425,008	74,705,677	76,257,896	78,062,323	79,939,267	81,897,765
Total										
Opening balance	80,365,553	95,393,531	96,029,670	99,322,302	102,424,687	106,001,664	107,282,333	108,834,552	110,638,979	112,515,923
Net result	15,027,978	636,140	3,292,632	3,102,385	3,576,977	1,280,669	1,552,219	1,804,427	1,876,944	1,958,498
Increase in asset revaluation surplus	-	-	-	-	-	-	-	-	-	-
Closing balance	95,393,531	96,029,670	99,322,302	102,424,687	106,001,664	107,282,333	108,834,552	110,638,979	112,515,923	114,474,421



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REVENUE STATEMENT	
POLICY NO:	STAT008
ADOPTION DATE:	July 2016
REVISION DATE:	June 2017
DIVISION	Corporate Services
RESPONSIBLE OFFICER:	Chief Executive Officer Manager Finance and Admin
Note: P – Primary Author, S – Secondary Author	

POLICY OBJECTIVE:

To provide an outline and the measures the Council has adopted for raising revenue including the rates, charges and concessions for each.

RELEVANT LEGISLATION:

Local Government Regulation 2012 (s.172)

Local Government Act 2009 (s. 94)

PROCEDURES:

This Statement is adopted pursuant to Local Government Regulation 2012, Chapter 5 Financial Planning and Accountability, Part 3 Financial Accountability Documents, Division 1.

- a) Council's ability to raise a general rate or other rate is limited, as the Shire controls the land, which is predominantly Deed of Grant in Trust with Council as Trustee.

Council is reliant on continued government grant funding remaining at least at its current levels to maintain operating capability.

Details of budget grant funding revenue is disclosed as an attachment to the budget.

Council also raises revenue from various other sources including housing rent, sale of goods and services and miscellaneous fees and charges. Details of budget non-grant revenue are disclosed as an attachment to the budget. Concessions are granted only in accordance with the Revenue Policy.

Utility service charges will be levied in 2013/14 on each Government owned, leased, or occupied property in relation to:-

- Sewerage
- Waste collection
- Water supply

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These charges are set to recover the cost of provision of each service including on-going operations and maintenance and are set out in the schedule of fees and charges.

- b) No resolution has been made to limit increases in fees and charges.
- c) Physical and social infrastructure costs for new development are partly funded by charges for the development.
- d) The operational capability of the Council is to be maintained.
- e) Depreciation on community housing is not funded by Council.

BUDGETARY IMPLICATIONS:

Council is not in a position to self-fund major asset replacement and is solely reliant on government grants to do so.

New Developments: All new developments will be funded from Government Grants

Reserves: It is not intended to establish reserves to fund projects unless they have been specifically identified in the Corporate and Operational Plans.

IMPLEMENTATION:

To be implemented by the Chief Executive Officer

Commences immediately on adoption by Council

Applies to all employees of the Council.

DOCUMENT END

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SCHEDULE OF REGULATORY AND NON-REGULATORY FEES AND CHARGES	
POLICY NO:	ADM014
ADOPTION DATE:	July 2016
REVISION DATE:	June 2017
DIVISION:	Corporate
RESPONSIBLE OFFICER:	Chief Executive Officer

POLICY OBJECTIVE:

To set a consistent range of fees and charges payable to Council.

DEFINITIONS:

The following schedule of fees and charges will be reviewed annually prior to Council adopting the budget.

RELEVANT LEGISLATION:

Local Government (Finance, Plans and Reporting) Regulation 2012

Local Government Act 2009

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PLANT HIRE, TRADESMAN AND MISCELLANEOUS FEES AND CHARGES

PLANT HIRE (DRY)

DESCRIPTION	DAILY RATE (\$)	GST (\$)	TOTAL (\$)
- Trailer	87.00	8.70	95.70
- Station Wagon	130.00	13.00	143.00
- Ute	174.00	17.40	191.40
- Generator/Welder/Power pump	164.00	16.40	180.40

PLANT HIRE (WET)

NB: Hire of Plant and/or Plant Operator is set at minimum of 2 hours.

DESCRIPTION	HOURLY RATE (\$)	GST (\$)	TOTAL (\$)
- Ford Tractor	65.00	6.50	71.50
- Community Bus	61.00	6.10	67.10
- Isuzu/Crew Cabs/Hino 300 Dyna/Hino Garb Truck/	59.00	5.90	64.90
- Bobcat Loader/mini excavator/Bobcat Cat 226 Skid Steer	71.00	7.10	78.10
- Forklift/Hino Tip Truck	119.00	11.90	130.90
- End Loader Cat966	94.00	9.40	103.40
- Backhoe Loader Cat	130.00	13.00	143.00
- Grader	234.00	23.40	257.40
- Dozer	250.00	25.00	275.00

TRADESMAN AND ASSISTANT TRADESMAN

NB: 30% Discount on labour costs only applies to local community residents.

DESCRIPTION	DAILY RATE (\$)	GST (\$)	TOTAL (\$)
- Carpenter	124.00	12.40	136.40
- Plumber/Painter	124.00	12.40	136.40
- Mechanic	114.00	11.40	125.40
- Assistant Tradesman Carpenter	83.00	8.30	91.30
- Assistant Tradesman Plumber	83.00	8.30	91.30
- Assistant Tradesman Mechanic	83.00	8.30	91.30
- Plant Operator/Road Gang	52.00	5.20	57.20
- Call out fees (Min 2hrs)	143.00	14.30	157.30

MATERIALS

DESCRIPTION	AMOUNT (\$)	GST (\$)	TOTAL (\$)
- Bags of Cement (20kg)	59.85	5.99	65.84
- Bags of Concrete – Pre-mix 20kg	87.15	8.72	95.87
- Sand (M3)	71.40	7.14	78.54
- Top Soil (M3)	77.70	7.77	85.47

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WORKSHOP CONSUMABLES

DESCRIPTION	AMOUNT (\$)	GST (\$)	TOTAL (\$)
- 'A' Service + Oil + Parts	174.30	17.43	191.73
- 'B' Service + Oil + Parts	347.55	34.76	382.31
- 'C' Service + Oil + Parts	543.90	54.39	598.29
- Engine Oil (Litre)	10.50	1.05	11.55
- BD44 Diff Oil (Litre)	11.55	1.16	12.71
- Transmission Oil (Litre)	10.50	1.05	11.55
- Brake Fluid (Litre)	19.95	2.00	21.95
- Coolant (Litre)	8.40	0.84	9.24
- 'A' Tyre Change	54.60	5.46	60.06
- 'B' Tyre Change	97.65	9.77	107.42
- Wheel Balance	54.60	5.46	60.06
- Parts (cost + 35%)			
- Battery	184.80	18.48	203.28

GAS BOTTLES AND REFILL - LOCAL RESIDENTS

DESCRIPTION	AMOUNT (\$)	GST (\$)	TOTAL (\$)
- 45 KG	231.82	23.18	255.00
- 8.5 KG	67.00	6.70	73.70

GAS BOTTLES AND REFILL - OTHERS

DESCRIPTION	AMOUNT (\$)	GST (\$)	TOTAL (\$)
- 45 KG	255.00	25.50	280.50
- 8.5 KG	79.30	7.93	87.23

ACCOMMODATION / HIRE OF FACILITIES

DESCRIPTION	RATE (\$)	GST (\$)	TOTAL (\$)
- Guesthouse Accommodation per night	141.00	14.10	155.10
- Puuya Centre Accommodation per night	188.00	18.80	206.80
- Staff housing per week	54.00	0.00	54.00
- Hire of Hall per day - Community Hall	543.00	54.30	597.30
- Hire of Hall per day - Puuya Centre	326.00	32.60	358.60
- Hire of Hall half day - Community	326.00	32.60	358.60
- Hire of Hall half day - Puuya Centre	217.00	21.70	238.70
- Office Space per week - Puuya Centre	107.00	10.70	117.70
- Community Housing - Rental charged policy is pegged on 25% of assessable income + rent assistance (<i>maximum rent per week is determined by Department of Housing</i>)			

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GENERAL RATES AND SERVICE CHARGES (INCLUDES UNLIMITED WATER USAGE, GARBAGE / WASTE DISPOSAL, SEWERAGE AND OTHER SERVICES)

LOCKHART RIVER STATE SCHOOL

DESCRIPTION	TOTAL (\$)
- School	9,042.00

QUEENSLAND EDUCATION

DESCRIPTION	TOTAL (\$)
- 13A / 13B Blady Grass St	5,425.00
- 7 Blady Grass St	4,578.00

QUEENSLAND EMPLOYEE HOUSING DEPARTMENT

DESCRIPTION	TOTAL (\$)
- 3A / 3B Piiramo St	5,425.00
- 8A / 8B Blady Grass St	5,425.00
- 1 Paytham St	4,578.00
- 6 Piiramo St	4,578.00

QUEENSLAND HEALTH

DESCRIPTION	TOTAL (\$)
- Hospital	9,042.00
- Duplex x2	5,425.00
- Houses x2	4,578.00

QUEENSLAND POLICE SERVICE

DESCRIPTION	TOTAL (\$)
- Police Station / Watch House / Court	14,345.00
- Houses x 2	4,360.00
- Duplex x 1	5,425.00

DEPARTMENT OF COMMUNITIES (FORMER DATSIP)

DESCRIPTION	TOTAL (\$)
- Retail Store	9,042.00
- Multi-Tenancy Centre (new)	9,042.00
- Managers House – Retail Store/ Extension	6,792.00

ANGLICAN STORE

DESCRIPTION	TOTAL (\$)
- Jamie's Shop	4,578.00
- Lot 70 – Church	4,578.00

ERGON ENERGY

DESCRIPTION	TOTAL (\$)
- Power Station	5,978.00

PUUYA FOUNDATION

DESCRIPTION	TOTAL (\$)
- Kuunchi Kakana Centre	9,042.00
- Residential	5,425.00

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EMPTY BLOCK

DESCRIPTION	TOTAL (\$)
- Block of Land (10M ² per annum)	298.00

GRANTS / ADMINISTRATION CHARGES

ADMINISTRATION

DESCRIPTION	TOTAL (\$)
- Non- Capital grants & subsidies	15% - 20 %
- Capital grants & subsidies	12.5%
- General Administration recoveries (Stores oncosts included)	12.5%
- Permanent employees - oncosts	43.7%
- Casual employees - oncosts	18.6%
- Materials overhead recoveries	Cost + 40%
- Photocopying per page	
- colour A4	\$1.40
- colour A3	\$2.50
- black & white A4	\$0.60
- black & white A3	\$0.90

SERVICES - YARD CLEANING, WASTE DISPOSAL AND ANIMAL MANAGEMENT

DESCRIPTION	AMOUNT \$	GST (\$)	TOTAL (\$)
- Green Wheelie Bin (120L)	162.73	16.27	179.00
- Mowing/slashing (normal cut) / 800m ²	60.00	6.00	66.00
- Mowing/slashing (overgrown yard) 800m ²	120.00	12.00	132.00
- General waste/garbage per M3 (cubic mtr)	24.55	2.45	27.00
- Concrete waste per M3 (cubic mtr)	60.00	6.00	66.00
- Asbestos waste per M3 (cubic mtr)	239.09	23.91	263.00
- Sewerage waste per M3 (cubic mtr)	179.55	17.95	197.50
- Sewerage Pump Hire per day	119.55	11.95	131.50
- Green Waste - Ute load	6.36	0.64	7.00
- Oil/Grease Waste 100ltr drum	60.00	6.00	66.00

SERVICES - PLUMBING

DESCRIPTION	AMOUNT (\$)	GST (\$)	TOTAL (\$)
- Sewerage/Water connection <i>Subject to Council quotation</i>	2,390.85	239.09	2,629.94

others

DESCRIPTION	AMOUNT (\$)	GST (\$)	TOTAL (\$)
- Dog registration (per dog)	22.05	2.20	24.25
- Application for Development Fees	3260.25	326.03	3,586.28

DOCUMENT END

2015-2016 ADM014 Version 2: Last Updated 17-July-2015



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REVENUE POLICY	
POLICY NO:	STAT007
ADOPTION DATE:	July 2016
REVISION DATE:	June 2017
DIVISION	Corporate Services
RESPONSIBLE OFFICER:	Chief Executive Officer Director Finance & Administration
Note: P – Primary Author, S – Secondary Author	

POLICY OBJECTIVE:

To establish the principles for the raising of revenue and the application of development charges and reserve funds, explaining when they apply and to whom

RELEVANT LEGISLATION:

Local Government Regulation 2012 (s.193)

Local Government Act 2009 (s. 94)

POLICY STATEMENT:

This policy encompasses the following principles applied by the Council:-

- The making of rates and charges
- The levying of rates and charges
- The recovery of rates and charges, and
- Concessions for rates and charges
- The need to consider suitable operation of internal control;
- The need to consider equity between people presently living in the community government area and between different generations;
- The need to consider the interests of all people living in the community government area;
- The need to consider planning for the future.

"Charges" include cost-recovery fees



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3. RECOVERY OF RATES AND CHARGES:

In exercising its rate recovery powers and to reduce the overall burden on ratepayers, Council will be guided by the following principles:

- ensuring there is transparency in the processes used by council to meet financial obligations
- ensuring ratepayers are clear on their obligations
- ensuring processes used to recover outstanding rates and charges are clear, simple to administer, and cost effective
- ensuring capacity of ratepayers is considered in determining arrangements for payment
- ensuring there is equity in arrangements for ratepayers in similar circumstances
- ensuring flexibility to respond to local economic issues

The Council may use (but not be limited to) the following processes to collect outstanding rates and charges: -

- Issue notification letters to individuals/corporations
- Attempt to work out a schedule of repayment
- Initiate formal recovery procedures where debt settlement is not forthcoming
- Withdraw service until debt is recovered
- Other actions consistent with Council's debt recovery policies

4. REBATES AND CONCESSIONS:

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

- ensuring equity by having regard to the different levels of capacity to pay within the local community
- ensuring the same treatment for ratepayers with similar circumstances
- ensuring transparency by clearly setting out the requirements necessary to receive concessions; and
- ensuring flexibility to respond to local economic issues

5. REVIEW OF RATES AND CHARGES:

The Council will undertake an annual review of rates and charges with a view to adjusting charges based upon the cost of providing the service and CPI increases.

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BUDGETARY IMPLICATIONS:

Council is not in a position to self-fund major asset replacement and is solely reliant on government grants to do so.

New Developments: All new developments will be funded from Government Grants

Reserves: It is not intended to establish reserves to fund projects unless they have been specifically identified in the Corporate and Operational Plans.

IMPLEMENTATION:

Policy to be implemented by the Chief Executive Officer

Policy commences immediately on adoption by Council

Policy applies to all employees of the Council.

DOCUMENT END

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1. MAKING OF CHARGES:

In the making of rates and charges, Council will be guided by the principle of user pays, 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;
- a charging system 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 community

Council has the option to make and levy rates and charges (s.91-100).

Council may choose to subsidise charges due to financial hardship that may result from the low average income of Shire residents.

Council may consider levying special and separate rates and charges when appropriate, to recover the costs associated with a particular service, project or facility that provides direct or additional benefit to the ratepayers or class of ratepayer.

Prior to the first approval being granted by Council for any new development, Council may require a contribution from the developer for necessary associated infrastructure works.

Where a property developer proposes a subdivision with a higher standard of landscaping, recreation equipment, building, or maintenance than would ordinarily be required by Council in accordance with its policies, practices, and standards, the Council may use a Special Rate to recover the additional costs of maintenance from those that directly benefit from the increased amenity. The agreement to apply a Special Rate between Council and the developer shall occur prior to the first approval being granted by Council.

Council may allow a discount on rates and charges levied where full payment is received on or before the due date for the rates.

2. LEVYING OF CHARGES:

To ensure there is a clear understanding on the responsibilities of Council and each ratepayer, the following principles will be applied:-

- the levying system will be simple and inexpensive to administer
- the timing for levying of rates and charges must take into account the financial cycle of the local economy
- allow for a flexible payment arrangement for ratepayers with a lower capacity to pay

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INVESTMENT POLICY	
POLICY NO:	STAT004
ADOPTION DATE:	June 2016
REVISION DATE:	June 2017
DIVISION	Finance
RESPONSIBLE OFFICER:	Chief Executive Officer Manager Finance and Admin.
Note: P – Primary Author, S – Secondary Author	

POLICY OBJECTIVE:

PRIMARY OBJECTIVE:

To establish a policy framework that allows Council to maximise the financial utilisation of funds in order to increase the discretionary income available to it, commensurate with the low-level risk profile that Council continues to adopt. This will be achieved by investing Council funds within the legislative framework of the Statutory Bodies Financial Arrangements Act 1982 and the SBFA Regulation 1997.

SECONDARY OBJECTIVE:

This will be achieved by designating the types of funds to be invested in, and the financial institutions to be approached for quotations.

A further necessary step in this process is to ensure that appropriate records are kept and that adequate internal controls are in place to safeguard public monies.

DEFINITIONS:

Quotations on Investment

Three (3) quotations shall be obtained from authorised institutions whenever an investment is proposed. The best quote on the day, having regard to the limits set out below, and after allowing for administrative and banking costs, will be successful.

Term to Maturity

The term to maturity of any Council investment will be determined after consideration of the expected cash inflows and outflows for the period under review.

Placement of Investment

When placing investments, consideration will be given to the relationship between credit rating and interest rate. To further diversify risk, no more than one third of Council's investments will be held with one financial or non-financial institution, except in the case of QTC.

Benchmarking

Lockhart River Aboriginal Shire Council prefers to invest in Risk-free term deposits with QTC.

When deciding whether to make an investment, Council gives consideration to whether the interest rate offered represents fair value for the level of

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credit risk involved. Fair value for Council is determined by referencing the Bank Bill Swap Rate (BBSW) and applying consideration for the credit risk margin for various financial institutions.

For example, if the BBSW is 5% and the credit risk margins is 0.25% for Bank XYZ, the quoted rate from this bank must be at least 5.25% or better.

The BBSW is provided on a (business) daily basis via QTC's internet site.

RELEVANT LEGISLATION:

Local Government Regulation 2012 (s.191)

Statutory Bodies Financial Arrangements Act 1982 and the SBFA Regulation 1997

BACKGROUND:

Council may invest any reserve or surplus funds controlled by Council that are not immediately required for financial commitment and are not part of Trust Funds.

POLICY STATEMENT:

Council's investment portfolio should be realizable, without penalty, in a reasonable timeframe. The term to maturity of an investment can be from "at call" to periods that must not exceed one year.

PROCEDURES:

CEO'S RESPONSIBILITY:

Council has a number of duties when investing funds. These are outlined in s47 and s48 of the SBFA.

s47 (1)

A statutory body must use its best efforts to invest its funds:-

- a) at the most advantageous interest rate available to it; and
- b) in a way it considers is most appropriate in all the circumstances.

s47 (2)

The statutory body must keep records that show it has invested in the way most appropriate in all the circumstances.

The other duty is related to record keeping. S48 states that:-

A security, safe custody acknowledgement or other document evidencing title accepted, guaranteed or issued must be held by the statutory body or in another way approved by the Treasurer.

BUDGETARY IMPLICATIONS:

Council must review its position each year.

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COUNCILLOR CONTROLS AND ACCOUNTABILITY MECHANISMS

Review of the Investment Register detailing the investments held by each financial institution, term of investment, interest rate and credit ratings.

IMPLEMENTATION:

Policy to be implemented by the Director of Administration and Finance

Policy commences immediately on adoption by Council

Policy applies to all employees of the Council.

DOCUMENT END

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DEBT POLICY	
POLICY NO:	STAT002
ADOPTION DATE:	July 2016
REVISION DATE:	June 2017
DIVISION	Corporate Services
RESPONSIBLE OFFICER:	Chief Executive Officer Manager Finance and Admin
Note: P – Primary Author, S – Secondary Author	

POLICY OBJECTIVE:

This policy sets out the Council's existing borrowing and its intentions for borrowing in the current year, and in the next 9 financial years.

DEFINITIONS:

<i>Borrow</i>	Includes raise and obtain, in any way, money, credit, and other financial accommodation
<i>Other financial accommodation</i>	Includes – a) Finance leases primarily to raise amounts to buy, or to finance the purchase of, property the subject of the leases; and b) Guarantees, letters of credit, and any other form of undertaking provided by a financial institution or other person to meet the liabilities or obligations of a statutory body
	Subject to a regulation under subsection 3, a statutory body does not borrow merely because, in the ordinary course of performing its functions, it enters into any of the following: a) A hire purchase agreement; b) An operating lease c) A credit card facility. A regulation may prescribe that something is, or is not, a form of financial accommodation for the definition "borrow", including, for example, a particular type of hire-purchase agreement, operating lease or credit card facility.

RELEVANT LEGISLATION:

Local Government Regulation 2012 (s.192)

BACKGROUND:

The legislation requires that local government must consider the long-term financial forecast before planning new borrowings.

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POLICY STATEMENT:

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 Council;
- the benefit received from undertaking the borrowing is greater, over the life of the borrowing, than the costs of borrowing;
- repayments will be met from project income or other untied income of Council (not grant funding).

Long-term debt is only to be used for income producing assets or those assets that can be matched with a revenue stream.

Debt including a bank overdraft is not to be used to finance recurrent/operating budget activities.

The maximum term of any new debt is to be 10 years, or matched with the useful life of the asset, whichever is shorter.

Council shall monitor its capacity to pay, ensuring the community is not burdened with unnecessary risk.

Only those projects identified in strategic planning documents or other approved plans shall be eligible for funding through borrowings.

Borrowings must be undertaken in Australia and be in Australian dollars.

The borrowings policy will be reviewed and updated annually.

EXISTING BORROWINGS

Existing borrowings, their purpose and the time over which they will be repaid are:

Date of borrowing	Purpose of borrowing	Amount	Repayment Time	Treasurer Approval
NO EXISTING BORROWINGS				

PROPOSED COUNCIL BORROWINGS

The following information will be included in this policy:

- new borrowings planned for the current financial year and the next nine (9) financial years; and
- the purpose of the new borrowings; and
- the time over which it is planned to repay existing and proposed borrowings.

New borrowings planned for the current financial year and the next nine (9) financial years, including the purpose and proposed repayment period are:

Lockhart River Aboriginal Shire Council

- Policy Document -



Date of borrowing	Purpose of borrowing	Amount	Repayment Time	Treasurer Approval
NO PROPOSED BORROWINGS				

COUNCILLOR LIABILITY:

If Council borrows without the authority conferred under the Statutory Bodies Financial Arrangements Act 1982, under s.112 of Local Government Act 2009, Councillors who knowingly agreed to the borrowing will be jointly and severally liable, i.e. will be required to pay back to the Council the amount borrowed, any interest and any penalties incurred for the borrowing.

PROCEDURE/S:

Not Applicable

BUDGETARY IMPLICATIONS:

Nil

IMPLEMENTATION:

Policy to be implemented by the Director of Administration and Finance

Policy commences immediately on adoption by Council

An annual review is required as part of the budget process

Any transaction which might constitute borrowings **MUST** be discussed with the Director Administration and Finance before Council is committed.

DOCUMENT END

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