



LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

BUDGET REPORT 2020-2021

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

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Highlights of Budget Assumptions and Principles

The Lockhart River Aboriginal Shire Council is highly dependent on federal and state grant funding for operational, maintenance and capital expenditure to meet service delivery requirements of Lockhart River community. This grant funding arrangement is certainly expected to continue to be available to fund operational and capital needs of the Council.

Any funded programs that cannot be predicted have not been included in this budget and only includes those programs whose continuity is absolutely certain. The Council has primarily relied on SGFA and FAG grant funding for general purposes and it is assumed that these general purpose grants will continue to flow well into the forecasted period. Other community development and services grants are provided on specific service agreements, and unless where intention to terminate them has been confirmed, the Council has budgeted for them even without extended funding agreement period.

The Interest rates on cash fund deposited with QTC by the Council is assumed to earn interest income at less than 1.0% annually. The Council does not invest with other financial institutions.

The Council does not borrow to fund its financial needs and the existing liabilities are made up of normal business creditors. In the forecast period there is nil interest expenses from borrowings.

Restoration and emergency works due to activated weather events are fully funded by Queensland Reconstruction Authority and the Council includes the approved submissions into the forecast. Any un-approved or in progress submissions have not been included in this budget. Any future weather events are highly unpredictable and it's difficult to assess their impact to factor into the long term forecasts.

All the major capital works are grant funded by federal and state government programs. During the budget period these will be very critical in carrying out upgrade works for creek crossings, road formation and pavement improvements on both Portland Road and Old Mission Road and affiliated rural roads.

The long term trend of inflation rate is predicted at 1.8% and its impact has been included in the long term forecast by adjusting costs by CPI.

There was nil increase in some of the general Council revenues and fees but subject to future inter period reviews to update with market trend. Also no significant additional sources of revenue are predicted. Any waiver or discounting of Council fees and charges will be at the discretion of the CEO exercising powers delegated by the Council and the Mayor.

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. The capital funding on renewals, replacements and upgrades is only limited to the equivalent of depreciation amount where the Council achieves a breakeven operating outcome. Otherwise the Council does not have cash reserves to utilize for capital funding.

The Council does not intend to fund depreciation on Roads, Water, and Sewerage Infrastructures and Community Housing. The renewals, replacements and new developments of these assets are assumed to be fully-funded by the State and Federal Governments. The general assumption is that capital funding support will continue to flow from the government.

The employment costs have been adjusted to accommodate any future wage increases by CPI and work attendance is assumed to be 100% of total budgeted ordinary working hours.

The capital works and programs in progress have been assumed to continue to completion and included in the predictions accordingly. The Council will seek authority to expend any unspent funds for funded programs before including them in the budget.

Lockhart River Aboriginal Shire recognises the importance of State and Federal Governments funding and their importance on its financial sustainability. Therefore the Council will undertake to fully comply with all the funding terms and conditions to ensure timely availability of grants funding.

BUDGET SUMMARY

Council

Operating revenue	\$28,245,128
Operating expenditure	\$28,245,128
Council's capital budget	\$8,591,500

Capital works will be funded by capital grants \$6,602,500 unspent capital grants carryover \$879,000 and Council revenue \$1,110,000

Aerodrome Company

Operating revenue	\$1,605,920
Operating expenditure	\$1,579,300
Capital expenditure budget	\$2,122,000

Capital works will be funded by capital grants \$1,450,000 unspent carryover \$211,000 Council in-kind contribution \$376,000 and Aerodrome Company own revenue \$85,000

Budget variances for the year

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL						
Budget Statement of Comprehensive Income Budget Variance						
For the year ended 30 June	Actual 2019/20	Budget 2019/20	Budget* 2020/21	Variance to budget	% Change	Reasons
	\$	\$	\$	\$		
Recurrent revenue						
Rates, levies and charges	156,455	155,000	155,000	-	0%	
Rental income	90,607	88,000	105,000	17,000	19%	
Interest received	154,502	363,000	363,000	-	0%	
Sales and recoverable works	6,049,643	6,165,000	6,478,900	313,900	5%	
Other income	213,988	101,500	105,000	3,500	3%	
Grants, subsidies, contributions and donations	13,648,709	24,713,575	21,038,228	(3,675,347)	-15%	Effect of DRFA restoration works
	20,313,904	31,586,075	28,245,128	(3,340,947)	-11%	
Capital revenue						
Grants, subsidies, contributions and donations	1,601,809	4,673,725	6,529,975	1,856,250	40%	
Total revenue	21,915,713	36,259,800	34,775,103	(1,484,697)	-4%	
Total income	21,915,713	36,259,800	34,775,103	(1,484,697)	-4%	
Operating Expenses						
Recurrent expenses						
Employee benefits	(5,409,684)	(5,922,707)	(6,227,570)	(304,863)	5%	
Materials and services	(12,460,318)	(24,723,468)	(20,206,598)	4,516,870	-18%	Effect of DRFA restoration works
Finance costs	(2,961)	(6,000)	(2,961)	3,039	-51%	
Depreciation and amortisation	(1,829,092)	(2,025,000)	(1,808,000)	217,000	-11%	
Total expenses	(19,702,055)	(32,677,175)	(28,245,129)	4,432,046	-14%	
Net Operating Result	2,213,658	3,582,625	6,529,974	2,947,349	82%	
LOCKHART RIVER ABORIGINAL SHIRE COUNCIL						
Capital Expenditure Budget Variance						
	Actual 2019/20	Budget 2019/20	Budget* 2020/21	Variance to budget	% Change	
BUILDINGS (>\$5,000)	663,641	1,300,000	490,000	(810,000)	-62%	Social Hub project nearly completed
HOUSING (>\$5,000)	247,073	383,000	250,000	(133,000)	-35%	Renovations of staff houses almost complete
OTHER STRUCTURES (>\$5,000)	300,673	1,742,465	2,545,500	803,035	46%	New Work For Queensland COVID-19 Projects
OFFICE FURNITURE & EQUIPMENT	17,033	36,000	45,000	9,000	25%	Increased computers due for replacement
PLANT & EQUIPMENT (>\$1,000)	349,026	325,000	325,000	-	0%	
ROAD INFRASTRUCTURE (>\$5,000)	1,141,936	2,826,000	3,680,250	854,250	30%	New DRFA betterment works
WATER INFRASTRUCTURE (>\$5,000)	255,508	503,400	573,000	69,600	14%	New water main to Quintell Beach
SEWERAGE INFRASTRUCTURE (>\$5,000)	136,960	711,250	682,750	(28,500)	-4%	
	3,111,850	7,827,115	8,591,500	764,385	10%	
Consolidated entity budget - Council and Aerodrome Company						

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

Budgeted and 2 Years Forecasted Statement of Comprehensive Income

Year ended	Budget	Forecast	
	30-Jun-21	30-Jun-22	30-Jun-23
	\$	\$	\$
Revenue			
Recurrent revenue			
General rates	155,000	158,875	162,847
Other rental income	105,000	105,263	105,526
Other interest received	212,245	144,954	143,838
Contract and recoverable works	8,250,820	8,640,998	9,050,126
State subsidies and grants—operating	19,967,065	20,266,571	20,570,570
Commonwealth subsidies and grants—operating	1,151,163	1,167,230	1,183,539
Other income	10,000	10,250	10,506
Total recurrent revenue	29,851,293	30,494,141	31,226,951
Capital revenue			
Government subsidies and grants—capital	7,152,500	900,000	250,000
Total income	37,003,793	31,394,141	31,476,951
Expenses			
Employee benefits	6,764,669	6,899,962	7,037,962
Materials and services	20,949,746	21,368,521	21,795,671
Depreciation and amortisation	2,045,989	2,474,505	2,410,690
Other expenses	64,013	65,293	66,599
Total expenses	29,824,417	30,808,281	31,310,922
Net result attributable to Council	7,179,376	585,860	166,029
Operating Result			
Operating revenue	29,851,293	30,494,141	31,226,951
Operating expense	29,824,417	30,808,281	31,310,922
Net Operating result	26,876	(314,140)	(83,971)

Consolidated entity budget - Council and Aerodrome Company

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

Budgeted and 2 Years Forecasted Statement of Financial Position

Year ended	Budget	Forecast	
	30-Jun-21 \$	30-Jun-22 \$	30-Jun-23 \$
Current assets			
Cash assets and cash equivalents	12,455,721	12,875,064	13,475,719
Inventories	301,540	301,540	301,540
Receivables	2,469,758	2,528,126	2,588,448
Other assets	-	-	-
Total current assets	15,227,019	15,704,729	16,365,708
Non-current assets			
Property, plant and equipment	94,819,226	95,462,188	95,541,081
Other non-current assets	10,536,337	10,243,636	9,950,935
Investments	100	100	100
Total non-current assets	105,355,663	105,705,924	105,492,116
Total assets	120,582,682	121,410,653	121,857,824
Current liabilities			
Trade and other payables	2,283,158	2,328,804	2,375,362
Employee payables/provisions	-	-	-
Total current liabilities	2,283,158	2,328,804	2,375,362
Non-current liabilities			
Employee payables/provisions	1,617,357	1,617,357	1,617,357
Total non-current liabilities	1,617,357	1,617,357	1,617,357
Total liabilities	3,900,515	3,946,161	3,992,719
Net community assets	116,682,166	117,464,493	117,865,105
Community equity			
Asset revaluation reserve	33,678,241	33,874,707	34,109,291
Retained surplus (deficiency)	83,003,925	83,589,785	83,755,815
Total community equity	116,682,166	117,464,493	117,865,105
Consolidated entity budget - Council and Aerodrome Company			

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL
Budgeted and 2 Years Forecasted Statement of Cash Flows

Year ended	Budget	Forecast	
	30-Jun-21 \$	30-Jun-22 \$	30-Jun-23 \$
Cash flows from operating activities:			
Receipts from customers	7,934,175	8,777,715	9,189,504
Payment to suppliers and employees	(27,201,874)	(28,288,131)	(28,853,674)
Interest received	212,245	144,954	143,838
Lease receipts	292,701	292,701	292,701
Rental income	98,600	105,241	105,504
Non-capital grants and contributions	19,832,714	21,407,864	21,727,782
Net cash inflow (outflow) from operating activities	1,168,562	2,440,343	2,605,656
Cash flows from investing activities:			
Payments for property, plant and equipment	(9,813,500)	(2,921,000)	(2,255,000)
Grants, subsidies, contributions and donations	7,152,500	900,000	250,000
Net cash inflow (outflow) from investing activities	(2,661,000)	(2,021,000)	(2,005,000)
Net increase (decrease) in cash held			
	(1,492,438)	419,343	600,656
Cash at beginning of reporting period	13,948,159	12,455,721	12,875,064
Cash at end of reporting period			
	12,455,721	12,875,064	13,475,719

Consolidated entity budget - Council and Aerodrome Company

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL**Budgeted and 2 Years Forecasted Statement of Changes in Equity**

Year ended	Budget	Forecast	
	30-Jun-21 \$	30-Jun-22 \$	30-Jun-23 \$
Asset revaluation surplus			
Opening balance	33,678,241	33,678,241	33,874,707
Increase in asset revaluation surplus	-	196,466	234,583
Closing balance	33,678,241	33,874,707	34,109,291
Retained surplus			
Opening balance	75,824,549	83,003,925	83,589,785
Net result	7,179,376	585,860	166,029
Closing balance	83,003,925	83,589,785	83,755,815
Total			
Opening balance	109,502,790	116,682,166	117,464,493
Net result	7,179,376	585,860	166,029
Increase in asset revaluation surplus	-	196,466	234,583
Closing balance	116,682,166	117,464,493	117,865,105

Consolidated entity budget - Council and Aerodrome Company

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

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

Year ended	Target Ratio	Budget	Forecast								
		30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30

1 Operating Surplus Ratio

(Net Operating Surplus / Total Operating Revenue) (%)	0 - 10%	0.1%	(1.0)%	(0.3)%	0.1%	0.4%	1.4%	2.0%	2.3%	2.8%	3.6%
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2 Net Financial Asset / Liability Ratio

((Total Liabilities - Current Assets) / Total Operating Revenue)	60.0%	(37.9)%	(38.6)%	(39.6)%	(38.8)%	(40.7)%	(43.8)%	(42.4)%	(42.3)%	(37.1)%	(37.5)%
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3 Asset Sustainability Ratio

(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	90.0%	198.7%	68.3%	81.7%	104.8%	45.8%	77.4%	81.0%	105.3%	47.8%	114.4%
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Consolidated entity budget - Council and Aerodrome Company

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL										
Budgeted and 9 Years Forecasted Statement of Comprehensive Income										
	Budget	Forecast								
Year ended	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue										
Recurrent revenue										
General rates	155,000	158,875	162,847	166,918	171,091	175,368	179,752	184,246	188,852	193,574
Other rental income	105,000	105,263	105,526	105,789	106,054	106,319	106,585	106,851	107,118	107,386
Other interest received	212,245	144,954	143,838	151,478	160,333	169,540	192,887	174,441	178,014	165,108
Contract and recoverable works	8,250,820	8,640,998	9,050,126	9,479,137	9,929,011	10,400,777	10,895,515	11,414,356	11,958,491	12,529,169
State subsidies and grants—operating	19,967,065	20,266,571	20,570,570	20,879,128	21,192,315	21,510,200	21,832,853	22,160,346	22,492,751	22,830,142
Commonwealth subsidies and grants-op	1,151,163	1,167,230	1,183,539	1,200,092	1,216,893	1,233,947	1,251,256	1,268,825	1,286,657	1,304,757
Other income	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
Total recurrent revenue	29,851,293	30,494,141	31,226,951	31,993,312	32,786,736	33,607,465	34,470,445	35,320,951	36,224,068	37,142,624
Capital revenue										
Government subsidies and grants-cap	7,152,500	900,000	250,000	350,000	1,100,000	1,000,000	1,950,000	-	-	-
Total income	37,003,793	31,394,141	31,476,951	32,343,312	33,886,736	34,607,465	36,420,445	35,320,951	36,224,068	37,142,624
Expenses										
Employee benefits	6,764,669	6,899,962	7,037,962	7,178,721	7,322,295	7,468,741	7,618,116	7,770,478	7,925,888	8,084,406
Materials and services	20,949,746	21,368,521	21,795,671	22,231,365	22,675,772	23,129,068	23,591,429	24,063,037	24,544,078	25,034,740
Depreciation and amortisation	2,045,989	2,474,505	2,410,690	2,481,020	2,575,799	2,455,981	2,507,611	2,612,537	2,676,981	2,621,893
Other expenses	64,013	65,293	66,599	67,931	69,290	70,676	72,089	73,531	75,001	76,501
Total expenses	29,824,417	30,808,281	31,310,922	31,959,037	32,643,157	33,124,466	33,789,245	34,519,583	35,221,949	35,817,540
Net result attributable to Council	7,179,376	585,860	166,029	384,275	1,243,580	1,482,999	2,631,200	801,368	1,002,120	1,325,084
OPERATING RESULT										
Operating revenue	29,851,293	30,494,141	31,226,951	31,993,312	32,786,736	33,607,465	34,470,445	35,320,951	36,224,068	37,142,624
Operating expense	29,824,417	30,808,281	31,310,922	31,959,037	32,643,157	33,124,466	33,789,245	34,519,583	35,221,949	35,817,540
Operating result	26,876	(314,140)	(83,971)	34,275	143,580	482,999	681,200	801,368	1,002,120	1,325,084

Consolidated entity budget – Council and Aerodrome Company.

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL
Budgeted and 9 Years Forecasted Statement of Financial Position

Year ended	Budget	Forecast								
	30-Jun-21 \$	30-Jun-22 \$	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$	30-Jun-26 \$	30-Jun-27 \$	30-Jun-28 \$	30-Jun-29 \$	30-Jun-30 \$
Current assets										
Cash assets and cash equivalents	12,455,721	12,875,064	13,475,719	13,509,375	14,399,878	15,773,266	15,656,163	15,958,479	14,443,050	14,909,651
Inventories	301,540	301,540	301,540	301,540	301,540	301,540	301,540	301,540	301,540	301,540
Receivables	2,469,758	2,528,126	2,588,448	2,643,658	2,715,294	2,781,995	2,851,005	2,914,534	2,996,361	3,072,920
Financial assets	-	-	-	-	-	-	-	-	-	-
Total current assets	15,227,019	15,704,729	16,365,708	16,454,573	17,416,712	18,856,801	18,808,709	19,174,553	17,740,952	18,284,110
Non-current assets										
Property, plant and equipment	94,819,226	95,462,188	95,541,081	96,433,383	97,364,950	98,094,161	101,498,362	102,725,641	106,007,840	107,703,560
Other non-current assets	10,536,337	10,243,636	9,950,935	9,658,234	9,365,533	9,072,832	8,780,131	8,487,430	8,194,729	7,902,028
Investment	100	100	100	100	100	100	100	100	100	100
Total non-current assets	105,355,663	105,705,924	105,492,116	106,091,717	106,730,583	107,167,093	110,278,593	111,213,171	114,202,669	115,605,688
Total assets	120,582,682	121,410,653	121,857,824	122,546,290	124,147,295	126,023,894	129,087,301	130,387,724	131,943,621	133,889,798
Current liabilities										
Trade and other payables	2,283,158	2,328,804	2,375,362	2,416,231	2,471,290	2,520,697	2,571,093	2,615,332	2,674,929	2,728,409
Employee payables/provisions	-	-	-	-	-	-	-	-	-	-
Total current liabilities	2,283,158	2,328,804	2,375,362	2,416,231	2,471,290	2,520,697	2,571,093	2,615,332	2,674,929	2,728,409
Non-current liabilities										
Employee payables/provisions	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357
Total non-current liabilities	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357	1,617,357
Total liabilities	3,900,515	3,946,161	3,992,719	4,033,588	4,088,647	4,138,054	4,188,450	4,232,690	4,292,286	4,345,766
Net community assets	116,682,166	117,464,493	117,865,105	118,512,702	120,058,648	121,885,839	124,898,851	126,155,035	127,651,335	129,544,032
Community equity										
Asset revaluation reserve	33,678,241	33,874,707	34,109,291	34,372,613	34,674,979	35,019,171	35,400,983	35,855,799	36,349,980	36,917,592
Retained surplus (deficiency)	83,003,925	83,589,785	83,755,815	84,140,090	85,383,669	86,866,668	89,497,868	90,299,236	91,301,356	92,626,439
Total community equity	116,682,166	117,464,493	117,865,105	118,512,702	120,058,648	121,885,839	124,898,851	126,155,035	127,651,335	129,544,032

Consolidated entity budget – Council and Aerodrome Company.

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

Year ended	Budget	Forecast								
	30-Jun-21 \$	30-Jun-22 \$	30-Jun-23 \$	30-Jun-24 \$	30-Jun-25 \$	30-Jun-26 \$	30-Jun-27 \$	30-Jun-28 \$	30-Jun-29 \$	30-Jun-30 \$
Cash flows from operating activities:										
Receipts from customers	7,934,175	8,777,715	9,189,504	9,623,375	10,071,631	10,548,310	11,045,817	11,570,059	12,111,794	12,687,913
Payment to suppliers and employees	(27,201,874)	(28,288,131)	(28,853,674)	(29,437,147)	(30,012,298)	(30,619,076)	(31,231,238)	(31,862,808)	(32,485,370)	(33,142,166)
Interest received	212,245	144,954	143,838	151,478	160,333	169,540	192,887	174,441	178,014	165,108
Lease receipts	292,701	292,701	292,701	292,701	292,701	292,701	292,701	292,701	292,701	292,701
Rental income	98,600.16	105,240.92	105,504.03	105,791.54	106,008.45	106,297.29	106,563.03	106,853.43	107,072.52	107,364.25
Non-capital grants and contributions	19,832,714	21,407,864	21,727,782	22,057,457	22,377,128	22,716,617	23,056,167	23,406,071	23,745,360	24,105,681
Net cash inflow (outflow) from operating activities	1,168,562	2,440,343	2,605,656	2,793,655	2,995,503	3,214,389	3,462,897	3,687,316	3,949,571	4,216,600
Cash flows from investing activities:										
Payments for property, plant and equipment	(9,813,500)	(2,921,000)	(2,255,000)	(3,110,000)	(3,205,000)	(2,841,000)	(5,530,000)	(3,385,000)	(5,465,000)	(3,750,000)
Grants, subsidies, contributions and donations	7,152,500	900,000	250,000	350,000	1,100,000	1,000,000	1,950,000	-	-	-
Net cash inflow (outflow) from investing activities	(2,661,000)	(2,021,000)	(2,005,000)	(2,760,000)	(2,105,000)	(1,841,000)	(3,580,000)	(3,385,000)	(5,465,000)	(3,750,000)
Net increase (decrease) in cash held	(1,492,438)	419,343	600,656	33,655	890,503	1,373,389	(117,103)	302,316	(1,515,429)	466,600
Cash at beginning of reporting period	13,948,159	12,455,721	12,875,064	13,475,719	13,509,375	14,399,878	15,773,266	15,656,163	15,958,479	14,443,050
Cash at end of reporting period	12,455,721	12,875,064	13,475,719	13,509,375	14,399,878	15,773,266	15,656,163	15,958,479	14,443,050	14,909,651

Consolidated entity budget – Council and Aerodrome Company

LOCKHART RIVER ABORIGINAL SHIRE COUNCIL

Budgeted and 9 Years Forecasted Statement of Changes in Equity

	Budget	Forecast								
Year ended	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset revaluation surplus										
Opening balance	33,678,241	33,678,241	33,874,707	34,109,291	34,372,613	34,674,979	35,019,171	35,400,983	35,855,799	36,349,980
Increase in asset revaluation surplus	-	196,466	234,583	263,322	302,366	344,192	381,812	454,816	494,180	567,613
Closing balance	33,678,241	33,874,707	34,109,291	34,372,613	34,674,979	35,019,171	35,400,983	35,855,799	36,349,980	36,917,592
Retained surplus										
Opening balance	75,824,549	83,003,925	83,589,785	83,755,815	84,140,090	85,383,669	86,866,668	89,497,868	90,299,236	91,301,356
Net result	7,179,376	585,860	166,029	384,275	1,243,580	1,482,999	2,631,200	801,368	1,002,120	1,325,084
Closing balance	83,003,925	83,589,785	83,755,815	84,140,090	85,383,669	86,866,668	89,497,868	90,299,236	91,301,356	92,626,439
Total										
Opening balance	109,502,790	116,682,166	117,464,493	117,865,105	118,512,702	120,058,648	121,885,839	124,898,851	126,155,035	127,651,335
Net result	7,179,376	585,860	166,029	384,275	1,243,580	1,482,999	2,631,200	801,368	1,002,120	1,325,084
Increase in asset revaluation surplus	-	196,466	234,583	263,322	302,366	344,192	381,812	454,816	494,180	567,613
Closing balance	116,682,166	117,464,493	117,865,105	118,512,702	120,058,648	121,885,839	124,898,851	126,155,035	127,651,335	129,544,032

Consolidated entity budget – Council and Aerodrome Company



Revenue Policy

ADOPTION DATE:	July 2020
REVISION DATE:	June 2021
DIVISION	Corporate Services
RESPONSIBLE OFFICER:	Chief Executive Officer Director Finance & Administration

Policy Objective

To establish the principles for the raising of adequate revenue to ensure balanced budget, long-term financial sustainability and providing services to the residents of Lockhart River.

Relevant Legislation

Local Government Regulation 2012 (s.193)

Local Government Act 2009 (s. 94)

Policy Statement

Every year the Council is required to develop and adopt by resolution a revenue policy based on the following principles to guide generation of revenue

- transparency
- simplicity
- cost effectiveness
- equity, and
- flexibility

The Council principles are applicable to the following sources of Council

- The making of rates and charges
- The levying of rates and charges
- The recovery of rates and charges
- Granting rebates and concessions
- Charges for council services and use of Council facilities
- Charges for Council's other recoverable works (motor vehicle repairs and construction services)
- Cost recovery and user fees and charges
- Overheads cost recovery for grants administration

Council has the option to make and levy rates and charges (s.91-100). However in this policy “Rates and Charges” refers to user fees and charges for cost-recovery purposes only because Council does not levy rates on properties.

Council did not make any resolution to limit an increase of rates and charges.

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

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

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:
Council will grant rebates and concessions to residents who demonstrate genuine financial hardship or pensioners
- 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. Physical and social infrastructure costs for new development
Council and developers will agree on special/additional rates and charges required to pay for costs associated with
- Any increase in maintenance costs on the available capacity of the existing infrastructure due to new development
 - Any additional infrastructure required due to new development
 - Where appropriate, a contribution towards social infrastructure changes required to cater for the increase or changes in population caused by new development.
6. 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. The intention of the review is to ensure full cost recovery because the Council does not make profit margins.

Budget implications

Council is unable to fund major asset replacements/capital works and as such it relies on state and federal government grants to fund all new developments.

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.



Revenue Statement

ADOPTION DATE:	July 2020
REVISION DATE:	June 2021
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 fees and charges will be levied in 2020/21 on each Government owned, leased, or occupied property in relation to:-

- Sewerage
- Waste collection and disposal

- Water supply

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 infrastructure and 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.



Schedule of regulatory and non-regulatory Fees and Charges

ADOPTION DATE:	July 2020
REVISION DATE:	June 2021
DIVISION:	Corporate Services
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

PLANT HIRE, TRADESMAN AND MISCELLANEOUS FEES AND CHARGES

PLANT HIRE (DRY)

DESCRIPTION	DAILY RATE (\$) GST INCLUSIVE
– Trailer	111.00
– Station Wagon	165.50
– Ute	221.50
– Generator/Welder/Power pump	209.00

PLANT HIRE (DRY)

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

DESCRIPTION	HOURLY RATE (\$) GST INCLUSIVE
– Ford Tractor	47.00
– Community Bus	42.00
– Isuzu/Crew Cabs/Hino 300 Dyna/Hino Garb Truck/	39.50
– Bobcat Loader/mini excavator/Bobcat Cat 226 Skid Steer	55.00
– Forklift/Hino Tip Truck	103.00
– Front End Loader Cat966	55.00
– Backhoe Loader Cat	117.00
– Grader	249.50
– Dozer	270.00
– Manitou Telescopic Handler (Forks/ Bucket/ Jib)	103.00
– John Deer Tractor	117.00

TRADESMAN AND ASSISTANT TRADESMAN

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

DESCRIPTION	HOURLY RATE (\$) GST INCLUSIVE
– Carpenter	136.50
– Plumber/Painter	136.50
– Mechanic	125.50
– Assistant Tradesman Carpenter	91.50
– Assistant Tradesman Plumber	91.50
– Assistant Tradesman Mechanic	91.50
– Plant Operator/Road Gang	57.00
– Call out fees (Min 2hrs)	157.50

WORKSHOP SERVICES

OIL / LUBRICANT DESCRIPTION*	TOTAL (\$) GST INCLUSIVE
- 5W30 per litre	13.50
- 15W40 per litre	12.00
- 80W90 / LS90 per litre	13.50
- Coolant per litre	13.50
- Grease - Cartridge	12.00
* Oils supplied only for work carried out in workshop. Council Stores carries stock and sell	
* Parts (costs + freight + 35%), ordered if required with payment made in full before purchase.	

SERVICE DESCRIPTION	TOTAL (\$) GST INCLUSIVE
- Tyre Change 'A' - Car	50.00
- Tyre Repair 'A' - Car	80.00
- Tyre Change 'B' - Truck / Plant	100.00
- Tyre Repair 'B' - Truck / Plant	130.00
- Wheel Balance	60.00
- Windscreen Replacement - Labour**	425.00
- Windscreen Replacement - Labour Local Res.	300.00
**30% Discount Labour for Local Residents only	

MATERIALS

DESCRIPTION	TOTAL (\$) GST INCLUSIVE
- Sand (m ³)	37.50
- Top Soil (m ³)	106.00

GAS BOTTLES AND REFILL - LOCAL RESIDENTS

DESCRIPTION	TOTAL (\$) GST INCLUSIVE - LOCAL RESIDENTS	TOTAL (\$) GST INCLUSIVE - OTHERS
- 45 KG	268.00	294.50
- 8.5 KG (SWAP & GO)	77.50	91.50
- 8.5 KG (NEW BOTTLE INC.)	232.00	246.00

GRANTS / ADMINISTRATION CHARGES

ADMINISTRATION

DESCRIPTION	TOTAL (\$)
– Grants & subsidies overhead recovery	12.5% - 20 %
– General Administration recoveries (Local Subcontracting included)	15%
– Sub-contracting	25%
– Permanent employees - oncosts	43.7%
– Stores issues - oncosts	15%
– Casual employees - oncosts (casual loading apply)	18.6%
– Materials overhead recoveries	Cost + 35%
– Photocopying per page - colour A4	\$1.50
- colour A3	\$2.50
- black & white A4	\$0.50
- black & white A3	\$1.00

DUMPING FEES

DESCRIPTION	TOTAL (\$)GST INCLUSIVE SMALL LOAD	TOTAL (\$)GST INCLUSIVE LARGE LOAD
– General Waste (Domestic)	71.00	142.50
– Green Waste Domestic	7.50	15.50
– Building Waste	212.50	425.50
– Commercial Waste	87.00	174.00

SERVICES - PLUMBING

DESCRIPTION	TOTAL (\$)GST INCLUSIVE
– Sewerage/Water connection <i>Subject to Council quotation</i>	2,972.00
– Sewerage Pump Hire per day	148.50

OTHERS

DESCRIPTION	TOTAL (\$)GST INCLUSIVE
– Application for Development Fees	4,053.00
– Green Wheelie Bin (120L)	202.50
– Dog registration (per dog)	27.00
– Barge offloading services (plant and operator per hour)	167.00

ACCOMMODATION / HIRE OF FACILITIES

DESCRIPTION	TOTAL (\$) GST INCLUSIVE
– Guesthouse Accommodation per night	175.50
– Staff housing per week	67.00
– Contractor Donga per night	65.00
– Community Hall – Full Day Hire	675.00
– Community Hall – ½ Day Hire	405.50
– Puuya Centre Accommodation - Per night	(Not available for booking) 233.50
– Puuya Centre Accommodation - 2 People	(Not available for booking) 352.50
– Puuya Centre Hall – Full Day Hire	405.50
– Puuya Centre Hall – ½ Day Hire	269.50
– Puuya Centre Office Spare – Per Week	133.50
– Council Conference/Meeting Room – Full Day	514.50
– Council Conference/Meeting Room – ½ Day	308.50
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>)	

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

LOCKHART RIVER STATE SCHOOL

DESCRIPTION	TOTAL (\$) EXC GST
– School	10,218.00

QUEENSLAND EDUCATION

DESCRIPTION	TOTAL (\$) EXC GST
– 13A / 13B Blady Grass St	6,130.50
– 7 Blady Grass St	5,173.00

DEPARTMENT OF HOUSING AND PUBLIC WORKS, GOVERNMENT EMPLOYEE HOUSING

DESCRIPTION	TOTAL (\$) EXC GST
– 3A / 3B Piiramo St	6,130.50
– 8A / 8B BladyGrass St	6,130.50
– 1 Paytham St	5,173.00
– 6 Piiramo St	5,173.00

TORRES AND CAPE HOSPITAL & HEALTH SERVICE

DESCRIPTION	TOTAL (\$) EXC GST
– Hospital	10,218.00
– Duplex x2	6,130.50
– Houses x2	5,173.00

- Duplex x2	6,130.50
- Houses x2	5,173.00

QUEENSLAND POLICE SERVICE

DESCRIPTION	TOTAL (\$) EXC GST
- Police Station / Watch House / Court	16,211.00
- Houses x 2	4,927.00
- Duplex x 1	6,130.50

DEPARTMENT OF COMMUNITIES

DESCRIPTION	TOTAL (\$) EXC GST
- Multi-Tenancy Centre (new)	10,218.00

COMMUNITY ENTERPRISE QUEENSLAND (FORMER RETAIL STORE)

DESCRIPTION	TOTAL (\$) EXC GST
- Retail Store	10,218.00
- Managers House - Retail Store/ Extension	7,675.00

ANGLICAN STORE

DESCRIPTION	TOTAL (\$) EXC GST
- Lot 70 - Church	5,173.00

ERGON ENERGY

DESCRIPTION	TOTAL (\$) EXC GST
- Power Station	6,755.50

PUUYA FOUNDATION

DESCRIPTION	TOTAL (\$) EXC GST
- Kuunchi Kakana Centre	10,218.00
- Residential	6,130.50

EMPTY BLOCK

DESCRIPTION	TOTAL (\$) EXC GST
- Block of Land (10M ² per annum)	336.50

YARD CLEANING

DESCRIPTION	TOTAL (\$) GST INCLUSIVE
- Mowing/slashing (normal cut) / 800 m ²	75.00
- Mowing/slashing (overgrown yard) 800 m ²	149.00
- General waste/garbage per m ³	30.50

THE END