

CARPENTARIA SHIRE

Outback by the Sea[®]

**Mayoral Budget
2019/2020**



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COMMUNITY FINANCIAL REPORT

The annual operating budget ensures that Council has adequate revenue to fund expenditure that meets the needs of the community today. The capital budget provides for the delivery of infrastructure to service the region now and in the future. The long term forecast focuses on Council's ability to continue to meet community needs over the long term.

In framing the budget, Council has been mindful of the effect rate rises have on the community and has focused on continuing to achieve efficiencies and reduce operating costs, whilst limiting the impact that this will have on services to the community, to deliver a balanced budget.

ANNUAL BUDGET 2019/2020 AT A GLANCE

Statement of Income and Expenditure		Financial Position	
Operating Revenue	\$53,671,000	Current Assets	\$14,799,457
Operating Expenses	\$64,598,846	Non-Current Assets	\$365,524,330
Operating Result	(\$10,927,846)	Total Assets	\$380,323,787
Capital Revenue	\$7,104,000	Current Liabilities	\$1,804,485
Contributed Assets	\$0	Non-Current Liabilities	\$9,082,059
Net Results	(\$3,823,846)	Total Liabilities	\$10,886,544
Capital Expenditure		Borrowings	
Capital Works Program	\$10,571,000	Outstanding Borrowings	\$8,350,383
Repayment of Borrowings	\$419,131	Borrowing Per Assessment	\$7,124.80

BACKGROUND

The following report outlines Council's budgeted financial position and performance for the ten year periods commencing in 2019/2020, including Councils Capital Works Program. The budgeted financial statements include;

- Statement of Income and Expenditure – expected revenue and expenses.
- Statement of Financial Position – anticipated assets (what we own), liabilities (what we owe) and community equity (our net worth).
- Statement of Cash Flows – how forecast revenue received and expenses paid will impact on Council's cash balance.
- Statement of Changes in Equity – summary of the forecast transfers to and from equity accounts including accumulated surplus, capital and other reserves.

Carpentaria Shire Council

Budgeted Statement of Comprehensive Income

For the year ending 30 June

	Proposed 2019-2020 \$	Forecast 2020-2021 \$	Forecast 2021-2022 \$	Forecast 2022-2023 \$	Forecast 2023-2024 \$	Forecast 2024-2025 \$	Forecast 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$
Operating Revenue										
Rates and Utility Charges	8,522,000	8,778,000	9,042,000	9,312,000	9,592,000	9,880,000	10,177,000	10,482,000	10,796,000	11,121,000
Less: Discount Allowed	(599,000)	(615,000)	(631,000)	(648,000)	(666,000)	(685,000)	(704,000)	(723,000)	(742,000)	(762,000)
	7,923,000	8,163,000	8,411,000	8,664,000	8,926,000	9,195,000	9,473,000	9,759,000	10,054,000	10,359,000
Fees and Charges	846,000	869,000	892,000	916,000	940,000	965,000	990,000	1,016,000	1,043,000	1,071,000
Rental Income	524,000	549,000	574,000	599,000	624,000	650,000	669,000	689,000	709,000	729,000
Interest	413,000	414,000	415,000	416,000	417,000	418,000	419,000	420,000	421,000	422,000
Recoverable Works	12,043,000	12,104,000	12,167,000	12,231,000	12,297,000	12,365,000	12,436,000	12,509,000	12,584,000	12,661,000
Other Income	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000
Grants and Subsidies	31,885,000	30,710,000	20,681,000	20,857,000	21,040,000	21,228,000	21,422,000	21,621,000	21,825,000	22,036,000
Total Operating Revenues	53,671,000	52,846,000	43,177,000	43,720,000	44,281,000	44,858,000	45,446,000	46,051,000	46,673,000	47,315,000
Operating Expenditure										
Employee benefits	9,240,000	9,517,000	9,800,000	10,094,000	10,395,000	10,705,000	11,025,000	11,355,000	11,695,000	12,045,000
Material and services	41,787,000	43,045,000	30,191,000	30,334,000	30,551,000	30,617,000	30,755,000	30,895,000	31,081,000	31,196,000
Finance costs	432,846	409,961	385,823	360,364	333,504	305,165	276,262	243,703	210,393	175,231
Depreciation	13,139,000	13,154,000	13,154,000	13,154,000	13,154,000	13,154,000	13,154,000	13,154,000	13,154,000	13,154,000
	64,598,846	66,125,961	53,530,823	53,942,364	54,433,504	54,781,165	55,210,262	55,647,703	56,140,393	56,570,231
OPERATING RESULT	(10,927,846)	(13,279,961)	(10,353,823)	(10,222,364)	(10,152,504)	(9,923,165)	(9,764,262)	(9,596,703)	(9,467,393)	(9,255,231)
Capital Items										
Sale of Non-Current Assets	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Capital Grants, and Subsidies	6,944,000	1,610,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000
INCREASE IN OPERATING CAPABILITY	(3,823,846)	(11,509,961)	(7,728,823)	(7,597,364)	(7,527,504)	(7,298,165)	(7,139,262)	(6,971,703)	(6,842,393)	(6,630,231)

Carpentaria Shire Council

Statement of Financial Position

For the year ended 30 June

	Notes	Proposed 2019-2020 \$	Forecast 2020-2021 \$	Forecast 2021-2022 \$	Forecast 2022-2023 \$	Forecast 2023-2024 \$	Forecast 2024-2025 \$	Forecast 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$
Current Assets											
Cash and Equivalents	10	12,754,125	12,002,137	12,653,156	13,248,499	13,789,640	14,038,080	14,218,169	14,138,719	14,028,347	13,998,910
Trade and Other Receivables	11	1,102,196	1,102,196	1,102,196	1,102,196	1,102,196	1,102,196	1,102,196	1,102,196	1,102,196	1,102,196
Inventories	12	420,648	420,648	420,648	420,648	420,648	420,648	420,648	420,648	420,648	420,648
Non-Current Assets classified as Inventory		522,488	522,488	522,488	522,488	522,488	522,488	522,488	522,488	522,488	522,488
Total Current Assets	2	14,799,457	14,047,469	14,698,488	15,293,831	15,834,972	16,083,412	16,263,501	16,184,051	16,073,679	16,044,242
Non-Current Assets											
Trade and Other Receivables	11	193,650	193,650	193,650	193,650	193,650	193,650	193,650	193,650	193,650	193,650
Property, Plant and Equipment	15	341,912,510	328,758,510	315,604,510	302,450,510	289,296,510	276,142,510	262,988,510	249,834,510	236,680,510	223,526,510
Capital Works in Progress		23,418,170	25,398,170	29,733,170	34,233,170	38,833,170	43,933,170	49,233,170	54,933,170	60,733,170	66,633,170
Total Non-Current Assets	2	365,524,330	354,350,330	345,531,330	336,877,330	328,323,330	320,269,330	312,415,330	304,961,330	297,607,330	290,353,330
TOTAL ASSETS		380,323,787	368,397,799	360,229,818	352,171,161	344,158,302	336,352,742	328,678,831	321,145,381	313,681,009	306,397,572
Current Liabilities											
Trade and Other Payables	14	1,332,112	1,332,112	1,332,112	1,332,112	1,332,112	1,332,112	1,332,112	1,332,112	1,332,112	1,332,112
Borrowings	15	145,911	169,143	192,475	217,003	241,992	269,927	298,536	328,653	328,653	328,653
Provisions	17	326,462	326,462	326,462	326,462	326,462	326,462	326,462	326,462	326,462	326,462
Total Current Liabilities		1,804,485	1,827,717	1,851,049	1,875,577	1,900,566	1,928,501	1,957,110	1,987,227	1,987,227	1,987,227
Non-Current Liabilities											
Borrowings	15	7,893,337	7,454,078	6,991,588	6,505,767	5,995,423	5,460,093	4,896,835	4,304,971	3,682,992	3,029,786
Provisions		1,188,722	1,188,722	1,188,722	1,188,722	1,188,722	1,188,722	1,188,722	1,188,722	1,188,722	1,188,722
Total Non-Current Liabilities		9,082,059	8,642,800	8,180,310	7,694,489	7,184,145	6,648,815	6,085,557	5,493,693	4,871,714	4,218,508
TOTAL LIABILITIES		10,886,544	10,470,517	10,031,359	9,570,066	9,084,711	8,577,316	8,042,667	7,480,920	6,858,941	6,205,735
NET COMMUNITY ASSETS		369,437,243	357,927,282	350,198,459	342,601,095	335,073,591	327,775,426	320,636,164	313,664,461	306,822,068	300,191,837
Community Equity											
Asset Revaluation Reserve	18	268,193,727	268,193,727	268,193,727	268,193,727	268,193,727	268,193,727	268,193,727	268,193,727	268,193,727	268,193,727
Retained Surplus		101,243,516	89,733,555	82,004,732	74,407,368	66,879,864	59,581,699	52,442,437	45,470,734	38,628,341	31,998,110
TOTAL COMMUNITY EQUITY		369,437,243	357,927,282	350,198,459	342,601,095	335,073,591	327,775,426	320,636,164	313,664,461	306,822,068	300,191,837

Carpentaria Shire Council

Statement of Cash Flows For the year ended 30 June

Notes	Budget 2019-2020 \$	Forecast 2020-2021 \$	Forecast 2021-2022 \$	Forecast 2022-2023 \$	Forecast 2023-2024 \$	Forecast 2024-2025 \$	Forecast 2025-2026 \$	Forecast 2026-2027 \$	Forecast 2027-2028 \$	Forecast 2028-2029 \$
Cash flows from operating activities:										
Receipts from customers	20,849,000	21,173,000	21,507,000	21,848,000	22,200,000	22,562,000	22,936,000	23,321,000	23,718,000	24,128,000
Payments to suppliers and employees	(51,058,000)	(52,593,000)	(40,022,000)	(40,459,000)	(40,977,000)	(41,353,000)	(41,811,000)	(42,281,000)	(42,807,000)	(43,272,000)
	(30,209,000)	(31,420,000)	(18,515,000)	(18,611,000)	(18,777,000)	(18,791,000)	(18,875,000)	(18,960,000)	(19,089,000)	(19,144,000)
Interest received	413,000	414,000	415,000	416,000	417,000	418,000	419,000	420,000	421,000	422,000
Rental income	524,000	549,000	574,000	599,000	624,000	650,000	669,000	689,000	709,000	729,000
Non capital grants and contributions	31,885,000	30,710,000	20,681,000	20,857,000	21,040,000	21,228,000	21,422,000	21,621,000	21,825,000	22,036,000
Borrowing costs	(401,846)	(378,961)	(354,823)	(329,364)	(302,504)	(274,165)	(245,262)	(212,703)	(179,393)	(144,231)
Net cash inflow (outflow) from operating activities	2,211,154	(125,961)	2,800,177	2,931,636	3,001,496	3,230,835	3,389,738	3,557,297	3,686,607	3,898,769
Cash flows from investing activities:										
Payments for property, plant and equipment	(10,571,000)	(1,980,000)	(4,335,000)	(4,500,000)	(4,600,000)	(5,100,000)	(5,300,000)	(5,700,000)	(5,800,000)	(5,900,000)
Investment in short term deposits										
Proceeds from sale of property, plant and equipment	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Grants, subsidies, contributions and donations	6,944,000	1,610,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000	2,465,000
Net cash inflow (outflow) from investing activities	(3,467,000)	(210,000)	(1,710,000)	(1,875,000)	(1,975,000)	(2,475,000)	(2,675,000)	(3,075,000)	(3,175,000)	(3,275,000)
Cash flows from financing activities:										
Proceeds from borrowings	0	0	0	0	0	0	0	0	0	0
Repayment of borrowings	(419,131)	(416,027)	(439,158)	(461,293)	(485,355)	(507,395)	(534,649)	(561,747)	(621,979)	(653,206)
Net cash inflow (outflow) from financing activities	(419,131)	(416,027)	(439,158)	(461,293)	(485,355)	(507,395)	(534,649)	(561,747)	(621,979)	(653,206)
Net increase (decrease) in cash held	(1,674,977)	(751,988)	651,019	595,343	541,141	248,440	180,089	(79,450)	(110,372)	(29,437)
Cash at beginning of reporting period	14,429,102	12,754,125	12,002,137	12,653,156	13,248,499	13,789,640	14,038,080	14,218,169	14,138,719	14,028,347
Cash at end of reporting period	12,754,125	12,002,137	12,653,156	13,248,499	13,789,640	14,038,080	14,218,169	14,138,719	14,028,347	13,998,910

Carpentaria Shire Council

Changes in Equity

For the year ended 30 June

	Asset revaluation reserve \$	Retained surplus \$	Total \$
Balance at 30 Jun 2019	268,193,727	105,067,362	373,261,089
Net result for the period		(3,823,846)	(3,823,846)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2020	268,193,727	101,243,516	369,437,243
Net result for the period		(11,509,961)	(11,509,961)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2021	268,193,727	89,733,555	357,927,282
Net result for the period		(7,728,823)	(7,728,823)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2022	268,193,727	82,004,732	350,198,459
Net result for the period		(7,597,364)	(7,597,364)
Transfers to reserves	-	-	-
Transfers from reserves		-	-
Balance at 30 Jun 2023	268,194,000	74,407,368	342,601,095
Net result for the period		(7,527,504)	(7,527,504)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2024	268,194,000	66,879,864	335,073,591
Net result for the period		(7,298,165)	(7,298,165)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2025	268,194,000	59,581,699	327,775,426
Net result for the period		(7,139,262)	(7,139,262)
Transfers to reserves	-	-	-
Transfers from reserves		-	-
Balance at 30 Jun 2026	268,194,000	52,442,437	320,636,164
Net result for the period		(6,971,703)	(6,971,703)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2027	268,194,000	45,470,734	313,664,461
Net result for the period		(6,842,393)	(6,842,393)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2028	268,194,000	38,628,341	306,822,068
Net result for the period		(6,630,231)	(6,630,231)
Transfers to reserves		-	-
Transfers from reserves		-	-
Balance at 30 Jun 2029	268,194,000	31,998,110	300,191,837

Carpentaria Shire - 2019/2020 Proposed Capital Expenditure Budget

Priority	Asset Description	Draft Budget 2019-20		Sources of Funding												
				Total Sources of Funding	General Revenue	Contributions	Deprec	Asset Sales / Trades	Specific Reserves	Loan	Grants/Subsidies					
											TID's	R2R	W4Q	BBRF	Grants / Subsidies	
1	Land															
				0												
Total		0		0	0	0	0	0	0	0	0	0	0	0	0	0
1	Buildings															
1	W4Q - Administration Office Upgrades	150,000	U	150,000								150,000				
1	W4Q - Office - Normanton Water Treatment Plant	150,000	N	150,000								150,000				
1	W4Q - Office - Karumba Sewerage Treatment Plant	75,000	N	75,000								75,000				
				0												
Total		375,000		375,000	0	0	0	0	0	0	0	375,000	0	0	0	0
1	Housing															
1	W4Q - Staff Housing Upgrades	435,000	U	435,000								435,000				
				0												
Total		435,000		435,000	0	0	0	0	0	0	0	435,000	0	0	0	0
1	Other Infrastructure															
1	Stormwater Diversion - Normanton Landfill	30,000	N	30,000	30,000											
1	Leachate Pumping Structure - Normanton Landfill	50,000	N	50,000	50,000											
1	Security Cameras - Karumba Transfer Station	20,000	N	20,000	20,000											
1	W4Q - Barramundi Hatchery	800,000	R	800,000								850,000				
1	W4Q - Ablution Block - Normanton Water Park	75,000	N	75,000								75,000				
1	W4Q - Ablution Block - Karumba Boat Ramp	75,000	N	75,000								75,000				
1	W4Q - School Dam Water/Family Precinct	450,000	N	450,000								450,000				
1	W4Q - Trades Shed - Refurbishment	200,000	R	200,000								200,000				
1	W4Q - Les Wilson Barramundi Discovery Centre - Feeding Facility Shade	20,000	N	20,000								20,000				
1	W4Q - Normanton Showgrounds, Racecourse & Rodeo Grounds - Transformer Upgrade	75,000	R	75,000								75,000				
1	Normanton Pool Fence	30,000	R	30,000	30,000											
1	Normanton Cemetery Fence	30,000	N	30,000	30,000											
				0												
Total		1,855,000		1,855,000	160,000	0	0	0	0	0	0	1,745,000	0	0	0	0
1	Plant & Equipment															
1	W4Q - Normanton Town Hall PA System	35,000	N	35,000								35,000				
1	Renew Plant 3018 - Grader Caterpillar 140M	500,000	R	500,000					500,000							
1	New Soil Stabiliser	950,000	N	950,000	0				950,000							
1	Renew Plant 3401 - Caterpillar CW34 Roller Multi-tyre	220,000	R	220,000					220,000							
1	Replace Plant 1755 - Ford Ranger 4x4 DC (Styleside) with Toyota Prado GXL	70,000	R	70,000					70,000							
				0												
1	Replace Plant 1606 - Mitsubishi Triton 2.5L TD 4x4 DC with Toyota Hilux Dual Cab	57,000	R	57,000					57,000							
1	Renew Plant 1638 - Toyota Prado GXL 2.8L TDS	70,000	R	70,000					70,000							
				0												
1	Replace Plant 1502 - Toyota Workmate Landcruiser V8 Dual Cab with 4.5 Isuzu MPR	120,000	R	120,000					120,000							
				0												
1	Replace Plant 1503 - Toyota Workmate Landcruiser V8 Dual Cab with 4.5 Isuzu MPR	120,000	R	120,000					120,000							
1	Renew Plant 1679 - Toyota Hilux SR Dual Cab 4WD	57,000	R	57,000					57,000							
				0												
1	Replace Plant 1707 - Ford Ranger 4x4 Dual Cab Trayback with Toyota Hilux/ Isuzu Dmax Dual Cab	57,000	R	57,000					57,000							
				0												
1	Replace Plant 1707 - Ford Ranger 4x4 Dual Cab Trayback with Toyota Hilux/ Isuzu Dmax Dual Cab	57,000	R	57,000					57,000							
				0												
1	Renew Plant 1774 - Toyota Hilux SR Dual Cab 4WD	57,000	R	57,000					57,000							
1	Printer 2048 Renewal - Karumba CSO - Warranty Ended May 2016	8,000	R	8,000	8,000											
1	Printer 2050 Renewal - Normanton Depot - Warranty Ended May 2016	8,000	R	8,000	8,000											
1	Printer 2440 Renewal - Normanton Engineering - Warranty Ended August 2017 - Move unit to ERSCON Warranty ended Aug 2017	8,000	R	8,000	8,000											
				0												
Total		2,394,000		2,394,000	24,000	0	0	0	2,335,000	0	0	35,000	0	0	0	0
1	Roads															
1	TIDS/R2R - Normanton to Burketown Road	1,820,000	N	1,820,000	210,000						910,000	700,000				
1	ATSI TIDS - Scrutton River	2,000,000	N	2,000,000							2,000,000					
1	RAUP - Karumba Airport Upgrade	52,000	R	52,000					25,000							27,000
				0												
Total		3,872,000		3,872,000	210,000	0	0	0	25,000	0	2,910,000	700,000	0	0	27,000	0
1	Water Infrastructure															
1	BBRF - Raw Water Irrigation	950,000	N	950,000					238,000				712,000			0
1	Recoating of Reservoir	120,000	R	120,000					120,000							
1	Diffused Aeration Installation	60,000	N	60,000					60,000							
1	Filter Refurbishment (phase 1) - 2018/2019 Rollover	200,000	R	200,000					200,000							

Carpentaria Shire - 2019/2020 Proposed Capital Expenditure Budget

Priority	Asset Description	Draft Budget 2019-20	Sources of Funding											
			Total Sources of Funding	General Revenue	Contributions	Deprec	Asset Sales / Trades	Specific Reserves	Loan	Grants/Subsidies				
										TID's	R2R	W4Q	BBRF	Grants / Subsidies
	Other/OPEX													
	Ntn to Kba Fibre	2,400,000	0											
	Develop Energy Management Plan (EMP)	30,000	0											
	Salto Padlock Replacement	24,000	0											
	Christmas Light Replacement	2,000	0											
	Upgrade Cloud Hosting Infrastructure	40,000	0											
	Normanton Pool Pump Building Repaint	5,000	0											
	Printer 2047 - Community/ Water - Warranty Ended May 2016	3,000	0											
	Printer 2087 Renewal - Normanton Childcare - Warranty Ended August 2017 - Move unit to ERSCON Warranty ended Aug 2017	3,000	0											
		0	0											
Total		2,507,000	0	0	0	0	0	0	0	0	0	0	0	0
1		<u>16,457,000</u>	<u>10,571,000</u>	<u>424,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,258,000</u>	<u>0</u>	<u>2,910,000</u>	<u>700,000</u>	<u>2,590,000</u>	<u>712,000</u>	<u>27,000</u>

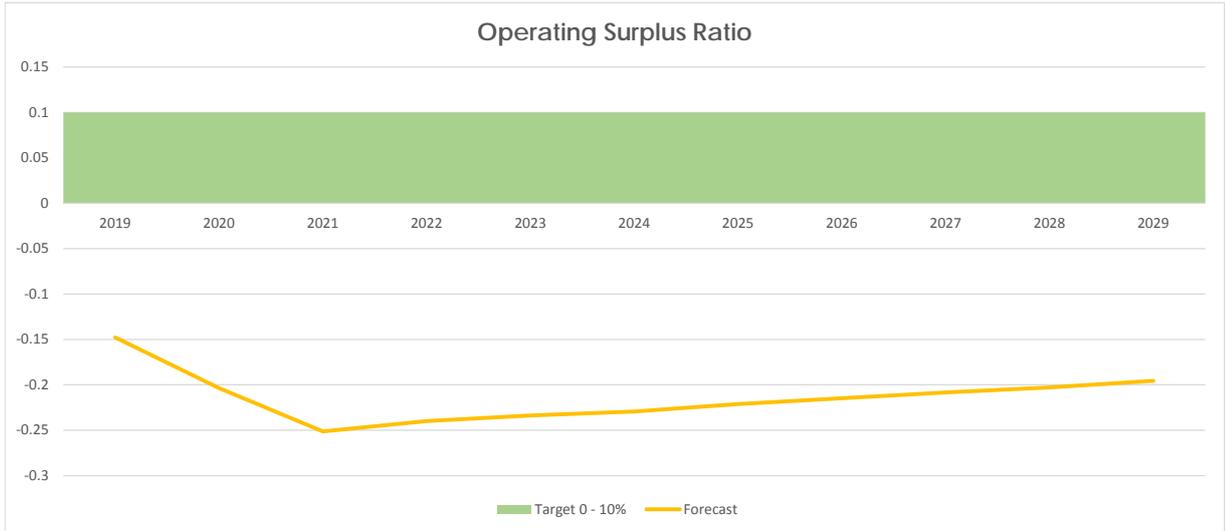
Carpentaria Shire Council

Sustainability Ratios

For the year ended 30 June

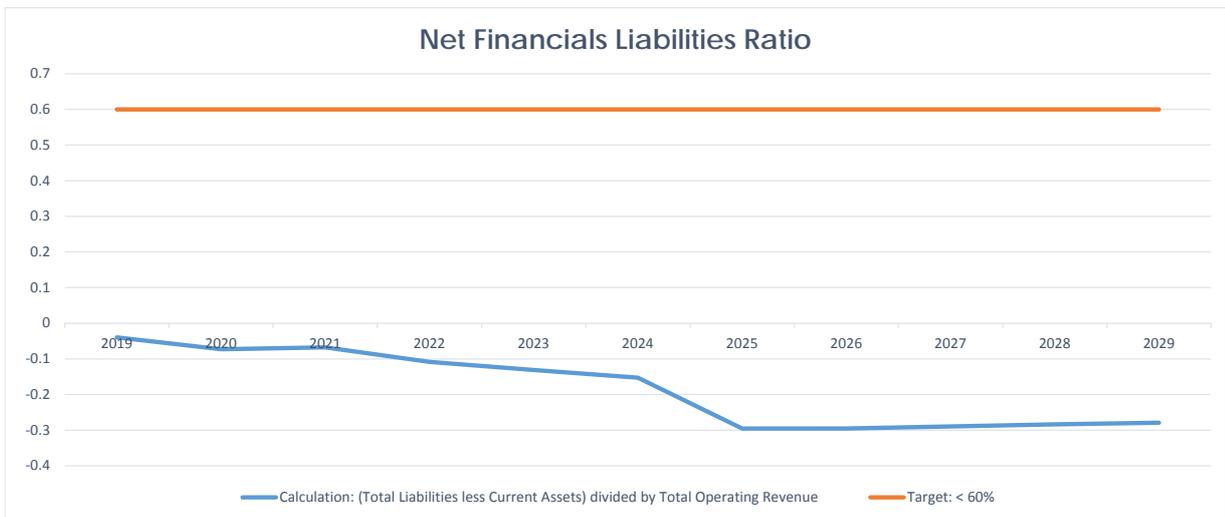
Operating Surplus Ratio	Budget	Proposed	Forecast								
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	-14.78%	-20.36%	-25.13%	-23.98%	-23.38%	-22.93%	-22.12%	-21.49%	-20.84%	-20.28%	-19.56%
Target	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

Measure	Target
Net Operating Result divided by Total Operating Revenue	Between 0% and 10% (on average over the long term)
Commentary	
Council is forecasting an operating deficit in each of the ten years. Operating deficits results in a negative operating surplus ratio (as indicated in the graph). A negative ratio (below 0%) indicates that recurring operating revenue is less than recurring operating expenses and this may require the utilisation of Council reserves and/or borrow funds to assist in funding capital expenditure. A big contributor to this result is Council trying to fully-fund the depreciation expense, that includes assets that there is no intent to replace in the future. However - the trend over the next ten years is moving towards a more positive result.	



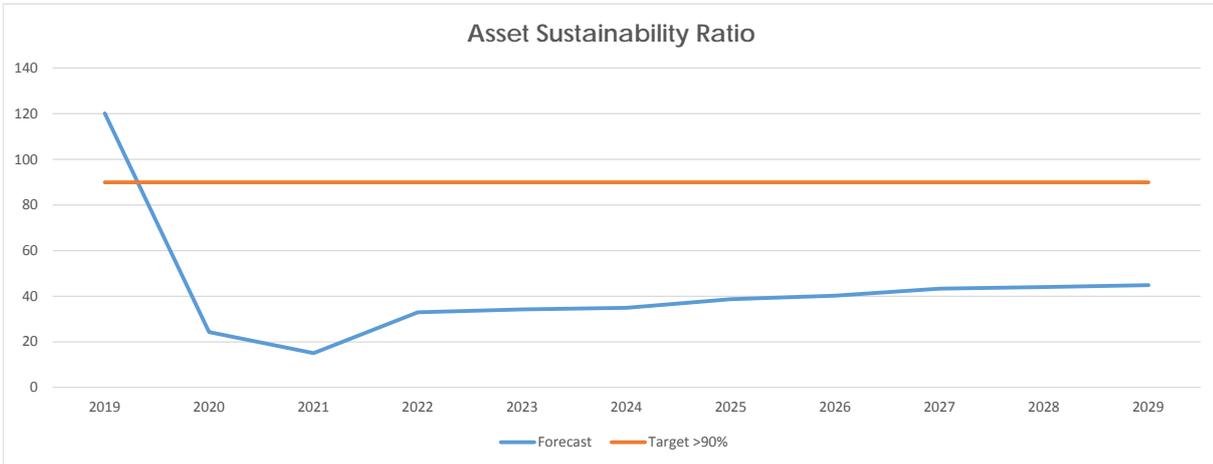
Net Financials Liabilities Ratio	Budget	Proposed	Forecast								
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	-3.96%	-7.29%	-6.77%	-10.81%	-13.09%	-15.24%	-16.73%	-18.09%	-18.90%	-19.74%	-20.79%
Target	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%

Measure	Target
(Total Liabilities less Current Assets) divided by Total Operating Revenue	Not Greater than 60% (on average over the long term)
Commentary	
This ratio indicates Council does not exceed the upper limit of 60% over the entire forecast period. This indicates an acceptable level of operating revenues are being used to meet finance charges associated with debt. Keeping under the 60% mark mean Council is not over-extending its operating revenues to meet interest obligations and is a healthy indicator of long-term sustainability.	



Asset Sustainability Ratio	Budget	Proposed	Forecast								
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	120.11%	24.32%	15.05%	32.96%	34.21%	34.97%	38.77%	40.29%	43.33%	44.09%	44.85%
Target	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%

Measure	Target
Capital Expenditure on Replacement Assets divided by Depreciation Expense	Greater than 90% (on average over the long term)
Commentary	
<p>Capital expenditure can broadly be classified as new (building something entirely new) or renewal (replacing an old asset with a new one). This ration measures how much capital expenditure goes towards replacing existing assets each year when divided by depreciation expense. Even though the ten-year forecast indicates Council's ratio is below the target of 90% - the trend is heading towards the 90% mark. It can also be noted that Council's depreciation expense is distorted by the fact that there is multitude of assets currently being depreciated that there is no intent to replace once the asset has reached its useful life.</p>	



Carpentaria Shire Council

Percentage of Change in Rates Levied

For the year ended 30 June

Revenue	Budget 2018/2019	Actual 2018/2019	Budget 2019/2020	Budget 2018/2019 v Budget 2019/2020 \$	Budget 2018/2019 v Budget 2019/2020 %	Actual 2018/2019 v Budget 2019/2020 \$	Actual 2018/2019 v Budget 2019/2020 %
General Rates	\$4,325,000	\$4,286,263	\$4,422,000	\$97,000	2.24%	\$135,737	3.17%
Water	\$1,628,000	\$1,599,248	\$1,635,000	\$7,000	0.43%	\$35,753	2.24%
Sewerage	\$1,576,000	\$1,548,781	\$1,562,000	-\$14,000	-0.89%	\$13,219	0.85%
Waste Management	\$688,000	\$684,338	\$703,000	\$15,000	2.18%	\$18,663	2.73%
Other Utilities (Excess Water)	\$50,000	\$187,012	\$200,000	\$150,000	300.00%	\$12,988	6.94%
Total	\$8,267,000	\$8,305,641	\$8,522,000	\$255,000	3.08%	\$216,359	2.60%

2019/2020 REVENUE POLICY

Adopted on 28 June 2019 by Council Resolution No. SM0619/002

1. POLICY STATEMENT

- 1.1 The Revenue Policy is intended to be a strategic document. Its adoption, in advance of setting the budget, allows Council to set out the principles that it will use to set its budget and to identify in broad terms the general strategy to be used for raising revenue, and setting of funds aside into reserves.
- 1.2 The legislative authority for the Revenue Policy are:
 - (a) *Local Government Act 2009*, Chapter 4, Part 3, Sections 104(5); and
 - (b) *Local Government Regulation 2012*, Chapter 5, Part 5, Section 193.

2. PRINCIPLES

- 2.1 A local government must prepare a Revenue Policy each financial year. The purpose of the policy is to identify the planning framework within which Council operates.
- 2.2 The Revenue Policy must state -
 - 2.2.1 The principles that the local government intends to apply in the financial year for:
 - i. Levying of rates and charges; and
 - ii. Recovering overdue rates and charges; and
 - iii. Granting rebates and concessions; and
 - iv. Cost recovery fees.
 - 2.2.2 If the local government intends to grant concession for rates and charges – the purpose for the concessions; and
 - 2.2.3 The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development; and
 - 2.2.4 The amount of each reserve to be kept in the operating fund and the way in which the local government intends to ensure funding is available to support the purpose of each reserve.(The following policy has been prepared in accordance with the above requirements).

2.3 Principles used for the levying of Rates and Charges

In general Council will be guided by two (2) principles in the making of rates and charges so as to equalise the impact of rating on the efficiency of the local economy. These are the Equity Principle and the Benefit Principle (also called the User Pays Principle).

Equity Principle – Council will aim to ensure that all sectors of the rate paying community contribute equitably to the rates revenue of the Council. This means that in determining the level of rates and charges, Council's objective is to ensure the fair and consistent application of lawful rating and charging principles, without bias, taking into account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

The general basis for determining rates is the valuation of rateable land as determined under the Land Valuation Act 2010, however differential general rating will be applied to achieve a more equitable relationship between the contribution to rates revenue that Council considers land with high economic activity should contribute, than could be achieved if a simple (i.e. single rate in the dollar) general rating scheme were to be adopted.

Benefit (User Pays) Principle – at a minimum, ratepayer should contribute rates which reflect the cost of providing Council’s services to rateable properties in each sector of the community. Wherever possible, this should be reflected in the minimum rate for each rating category.

Council will also have regard to the principles of:

- Transparency in the making of rates and charges.
- Having in place a rating regime that is simple and inexpensive to administer; and
- Flexibility to take account of changes in the local economy.

Principles used for levying of rates

In levying rates Council will apply the principles of:

- Making clear what is the Council’s and each ratepayer’s responsibility to the rating system.
- Making the levying system simple and inexpensive to administer; and
- Timing the levy of rates to take into account the financial cycle of local economy activity, in order to assist smooth running of the local economy.

2.4 Principles used for Granting of Concessions for Rates and Charges

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

- Fairness and social conscience by having regard to the different levels of ability to pay within the local community.
- The same treatment for ratepayers with similar circumstances.
- Transparency by making clear the requirements necessary to receive concessions; and
- Flexibility to allow Council to respond to local economic issues.

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

2.5 Principles used for Recovering Overdue Rates and Charges

Council will exercise its rate recovery powers in order to adjust to ratepayer cash flows so as to minimise the overall rate burden on ratepayers. It will be guided by the principles of:

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

2.6 Principles to be applied for Cost-Recovery Fees

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

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

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

2.7 Purpose of Concessions

See paragraph 2.4 (above).

2.8 Funding of Physical and Social Infrastructure Costs

Council requires property developers to pay reasonable and relevant contributions towards the cost of infrastructure required to support the development. Specific charges are detailed in the policies and other material supporting Council's town planning schemes.

These policies are based on normal anticipated growth rates. Where a new development is of sufficient magnitude to accelerate the growth rate of a specific community within the Region, it may be necessary to bring forward social infrastructure projects. Where this occurs, Council expects developers to meet sufficient costs so that the availability of facilities is not adversely affected and so that existing ratepayers are not burdened with the cost of providing the additional infrastructure.

2.9 Operating Fund Reserves

Council will maintain 11 classes of reserves within its operating fund. These are:

- Land Development Reserve
- Sewerage Reserve
- Water Reserve
- Plant Replacement Reserve
- Airport Reserve
- Sustainability Reserve
- Future Capital Works Reserve
- Capital Grants Reserve
- Operating Grants Reserve
- Operating Expenditure Reserve
- Quarry Rehabilitation Reserve

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

3. SCOPE

This policy applies to the revenue and rating functions of Council.

4. REPEAL

This policy repeals all previous versions of policies relating to the Revenue Policy.

5. RESPONSIBILITIES

5.1 This Policy is to be implemented by all Elected Members and Officers; and

5.2 The responsible officer for this Policy is the Director Corporate Services who is required to monitor its adequacy and effectiveness and recommend appropriate changes to Council.

6. REVIEW

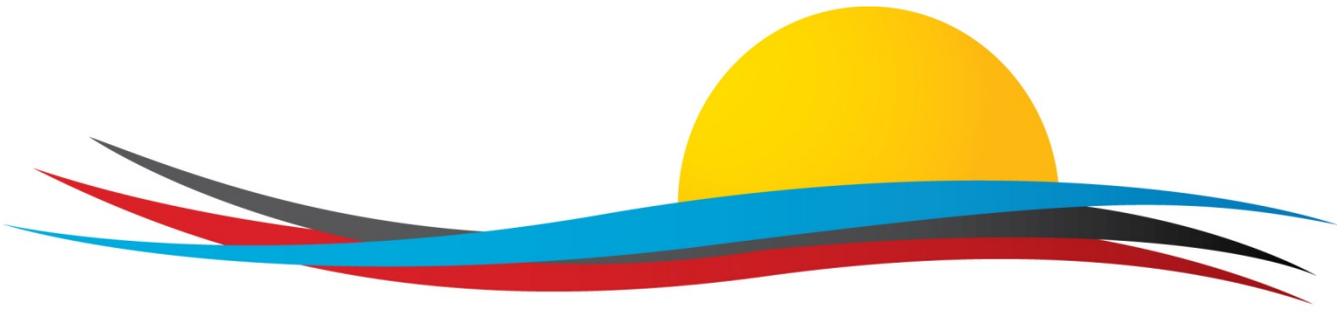
The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to prepare a new Revenue Policy for each financial year.

7. RESOLUTION

Adopted by Council on the 28 June 2019 by Council Resolution SM0619/002

A handwritten signature in black ink, appearing to read "Mark Cousins". The signature is written in a cursive style with a long, sweeping underline.

Chief Executive Officer



CARPENTARIA SHIRE

Outback by the Sea[®]

C a r p e n t a r i a S h i r e C o u n c i l

2019/2020

R e v e n u e S t a t e m e n t

REVENUE STATEMENT 2019/2020

STATEMENT

The Carpentaria Shire Council 2019-2020 Revenue Statement has been drafted to comply with section 104(5) of the Local Government Act 2009 and in accordance with sections 169(2)(b) and 172 of the Local Government Regulation 2012.

PURPOSE

A Revenue Statement is required to accompany the budget each year. The Local Government Regulation 2012 outlines the matters that a local government must include in its Revenue Statement.

The Revenue Statement is an explanatory statement outlining and explaining the revenue measures adopted in the budget.

The purpose of the Revenue Statement is:

- To enunciate the methods used to achieve Council's objectives set out in the Revenue Policy;
- To explain material matters that guide the development and implementation of revenue practices within the Council; and
- To comply in all respects with legislative requirements.

APPLICABILITY

This Revenue Statement applies to the financial period from 1 July 2019 to 30 June 2020. It is approved in conjunction with the Budget as presented to Council.

It is not intended that this Revenue Statement reproduce all related policies. Related adopted policies will be referred to within the Revenue Statement where appropriate.

RATES AND CHARGES

[s94 Local Government Act 2009]

For the financial year beginning 1 July 2019, Carpentaria Shire Council will make and levy rates and charges. Rates and charges to be levied will include:

- a) Differential General Rates;
- b) Utility Charges for Water, Sewerage and Waste Management

DIFFERENTIAL GENERAL RATES

General rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).

Council calculates and levies rates and charges utilising the rateable value of the land; this valuation is set by the Department of Natural Resources, Mines & Energy.

Council has decided that in accordance with section 81 of the Local Government Regulation 2012, differential general rates will be levied on all rateable land in the shire.

In Council's opinion, differential general rating enables there to be a more equitable relationship between revenue raised from particular land and the circumstances relevant to that land, than would be the case under a standard rating system where rates are levied at a single rate in the dollar on all rateable land.

In determining its differential rating system, Council's objective is to ensure the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations and disregarding irrelevances such as the perceived personal wealth of individual ratepayers or ratepayer classes.

In summary, the differential rating categories have been determined having regard to matters such as:

- Land use;
- Availability of services;
- Consumption of services,
- Valuation; and
- Income producing capacity of land.

Table 1 - Differential Rating Categories

Category	Differential	Description
1	Vacant Urban Land <10,000 m ²	All vacant urban land of less than 10,000m ² in size, within the areas defined as Normanton Township or Karumba Township in the Carpentaria Shire Council Planning Scheme 2008 (Map 3).
2	Residential Land <4,000 m ²	All residential land of less than 4,000m ² in size, within the areas defined as Normanton Township or Karumba or Karumba Point, in the Carpentaria Shire Council Planning Scheme 2008 (Map 3).
3	Residential Land ≥4,000m ² & <100Ha	All land within the council area that is 4,000m ² or more but less than 100Ha in size, that is used for residential or rural residential purposes.
4	Residential Multi-units	All land within the council areas which consists multi residential dwelling.
5	Vacant Land ≥4,000m ² & <100Ha	All land within the council area that is 4,000m ² or more but less than 100Ha in size, that could be used for residential or rural residential purposes, but is currently vacant.
6	Rural Areas	All land within the council area not included in other Categories.
7	Rural \$500,000 - \$999,999	All rural land within the council area with an unimproved value of between \$500,000 and \$999,999.
8	Rural ≥ \$1,000,000	All rural land within the council area with an unimproved value of \$1,000,000 or more.
9	Rural - Agriculture	All rural land within the council area used for agricultural purposes, rather than grazing or other rural uses.
10	Commercial	All commercial land in Karumba and Normanton that is zoned "Commercial" in the Carpentaria Shire Council Planning Scheme 2008 (Map's 3 and 5) and land zoned as 'Residential' used to operating commercial tourism operations.
11	Motels	All land within the council area used for public accommodation such as motels and guest houses.

Category	Differential	Description
12	Commercial - Other	All land within the council area that is used by not for profit groups or organisations.
13	Electrical Reticulation and Telecommunications Infrastructure – Rural	All land as described in Category 18 and which is located outside the Normanton and Environs and Karumba and Environs (Maps 2,3,4 &5 Carpentaria Shire Planning Scheme 2008).
14	Electrical Reticulation and Telecommunications Infrastructure – Normanton and Karumba	All land predominately used for Commercial Electrical, Reticulation or Telecommunication purposes or to which the primary land use code 91 – Transformers applies or should apply and is located within Normanton and Environs and Karumba and Environs (Maps 2,3,4 &5 Carpentaria Shire Planning Scheme 2008).
15	Intensive Accommodation – 10 to 30 Person	All land predominately used for intensive accommodation capable of accommodating 10 to 30 persons (other than the ordinary travelling public) in rooms, suites or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single persons quarters", "work camps", "accommodation village" or "barracks".
16	Intensive Accommodation – 31 to 50 Person	All land predominately used for intensive accommodation capable of accommodating 31 to 50 persons (other than the ordinary travelling public) in rooms, suites or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single persons quarters", "work camps", "accommodation village" or "barracks".
17	Intensive Accommodation \geq 51 Person	All land predominately used for intensive accommodation capable of accommodating 51 or more persons (other than the ordinary travelling public) in rooms, suites or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single persons quarters", "work camps", "accommodation village" or "barracks".
20	Light Industry	All industrial land in Karumba and Normanton that is zoned as either "Strategic Port Land" or "Industry" in the Carpentaria Shire Council Planning Scheme 2008 (Map's 3 and 5) excluding land identified in other Categories.
21	Transport and Heavy Industry <1Ha	All land used for the purposes of and incidental to transport operation, freight companies, batching plant, stockpiling, and or hazardous industries that is less than 1.0 Hectare in land size.
22	Service Stations	All land used for the purpose of and incidental to retail or wholesale fuel distribution, with a holding capacity of one million litres or less.
23	Bulk Fuel Storage	All land used for the purpose of and incidental to bulk fuel storage operations with a holding capacity greater than one million litres.
24	Shipping and Other Industry	All land used for the purpose of shipping operations and other industry located on the Norman River side of Yappar Street Industrial Area not identified in category 9, 10, 11, 13, 14, 15, 16, 17, 18, 19 and 26.
25	Processing Plant	All land used for the purpose of and incidental to the processing of goods and services for wholesale purposes.

Category	Differential	Description
26	Mine Product Operations	All land used, or capable of being used, for the purpose of, and incidental to:- -the bulk handling of mining products; -the storage of mining products; -the distribution of mining products; and/or -the storage of other mining related products and equipment. This category includes land previously used for any or more of the other purposes identified in this category, being rehabilitated (including the removal of structures).
27	Electricity Generation ≤5MW	All land used or intended to be used for or ancillary to the generation of electricity from a facility with an output capacity of 5Mega Watts or less.
28	Electricity Generation >5MW	All land used or intended to be used for or ancillary to the generation of electricity from a facility with an output capacity of greater than 5Mega Watts.
31	Quarry 5,000 – 100,000 Tonnes	All land in the council area used or intended to be used as a quarry extracting between 5,000 and 100,000 tonnes as defined by the appropriate State Government Department.
32	Quarry >100,000 Tonnes	All land in the council area used or intended to be used as a quarry extracting 100,000 tonnes or more as defined by the appropriate State Government Department.
33	Petroleum Lease	All petroleum leases located in the council area.
34	Mining Leases <25 people	All mining leases located in the council area, that employ less than 25 people in mining activities and has no on-site accommodation.
35	Mining Leases <100 people	All mining leases located in the council area, that employ less than 100 people in mining activities and has no on-site accommodation.
36	Mining Leases >100 people	All mining leases located in the council area, that employ less than 100 people in mining activities and has no on-site accommodation.
37	Mining Leases <25 people with accommodation	All mining leases located in the council area, that employ less than 25 people in mining activities and has on-site accommodation.
38	Mining Leases <100 people with accommodation	All mining leases located in the council area, that employ less than 100 people in mining activities and has on-site accommodation.
39	Mining Leases >100 people with accommodation	All mining leases located in the council area, that employ less than 100 people in mining activities and has on-site accommodation.
41	Caravan Parks <50 sites	All land within the council area used as a caravan parks with less than 50 sites or accommodation units.
42	Caravan Parks 50 - 100 sites	All land within the council area used as a caravan parks with 51 – 100 sites or accommodation units.
43	Caravan Parks >100 sites	All land within the council area used as a caravan parks with more than 100 sites or accommodation units.
44	Hotels/ Licensed Venue <20 Rooms	All land within the council area used for the purposes of hotels and licensed venues and may include less than 20 accommodation units.

Category	Differential	Description
45	Hotels/ Licensed Venue >20 Rooms	All land within the council area used for the purposes of hotels and licensed venues and may include 20 or more accommodation units.
50	Transport >1.0Ha	All land used for the purposes of and incidental to transport operation, freight companies, batching plant, stockpiling and hazardous industries that is 1.0 Hectare or greater in land size.

OBJECTIVE AGAINST CATEGORISATION

Pursuant to section 90 of the Local Government Regulation 2012 the owners of rateable land will be informed that they have the right of objection to the category their land is included in.

All objections shall be to the Chief Executive Officer of the Carpentaria Shire Council and the only basis for objection shall be that at the date of issue of the rate notice, the land should belong to a different rating category.

MINIMUM DIFFERENTIAL GENERAL RATE

A minimum differential general rate is set for each differential general rate category to achieve an appropriate contribution from all property owners.

Council considers that a minimum general rate should be applied to ensure a sufficient contribution is made to cover the cost of public services that benefit all properties irrespective of the valuation of a property.

No minimum will apply to land to which section 50 of the Land Valuation Act 2010 applies.

GENERAL RATING CATEGORIES

For the financial period from 1 July 2019 to 30 June 2020 the Differential General Rates and minimum general rates will be levied on the Differential General Rate categories as follows:

Table 2 - Differential Rating Categories 2019/2020

Category	Differential	General Rate (cents in the dollar)	Minimum
1	Vacant Urban Land <10,000 m ²	1.3444	620.00
2	Residential Land <4,000 m ²	1.4025	600.00
3	Residential Land ≥4,000m ² & <100Ha	0.8248	610.00
4	Residential Multi-units	1.5268	640.00
5	Vacant Land ≥4,000m ² & <100Ha	0.5648	670.00
6	Rural Areas	0.9522	600.00

Category	Differential	General Rate (cents in the dollar)	Minimum
7	Rural \$500,000 - \$999,999	1.1092	5,200.00
8	Rural ≥ \$1,000,000	1.6302	21,440.00
9	Rural - Agriculture	2.0600	5,360.00
10	Commercial	1.5988	680.00
11	Motels	1.4992	2,000.00
12	Commercial - Other	1.2044	570.00
13	Electrical Reticulation and Telecommunications Infrastructure – Rural	7.8090	1090.00
14	Electrical Reticulation and Telecommunications Infrastructure – Normanton and Karumba	15.6246	5,720.00
15	Intensive Accommodation – 10 to 30 Person	3.3280	1,140.00
16	Intensive Accommodation – 31 to 50 Person	3.3280	2,290.00
17	Intensive Accommodation ≥51 Person	3.3280	3,430.00
20	Light Industry	1.2752	690.00
21	Transport and Heavy Industry <1Ha	3.0126	2,000.00
22	Service Stations	1.7272	1,040.00
23	Bulk Fuel Storage	3.0452	2,080.00
24	Shipping and Other Industry	3.4990	2,080.00
25	Processing Plant	4.2842	2,080.00
26	Mine Product Operations	125.6330	1,545,000.00
27	Electricity Generation ≤5MW	1.8756	4,310.00
28	Electricity Generation >5MW	2.0000	8,610.00
31	Quarry 5,000 – 100,000 Tonnes	3.4668	5,200.00
32	Quarry >100,000 Tonnes	2.0600	26,780.00

Category	Differential	General Rate (cents in the dollar)	Minimum
33	Petroleum Lease	2.0600	2,580.00
34	Mining Leases <25 people	2.0600	2,060.00
35	Mining Leases <100 people	2.0600	10,300.00
36	Mining Leases >100 people	2.0600	103,000.00
37	Mining Leases <25 people with accommodation	2.0600	3,090.00
38	Mining Leases <100 people with accommodation	2.0600	15,450.00
39	Mining Leases >100 people with accommodation	2.0600	113,300.00
41	Caravan Parks <50 sites	2.8494	710.00
42	Caravan Parks 50 - 100 sites	1.0310	1,000.00
43	Caravan Parks >100 sites	1.6702	2,000.00
44	Hotels/ Licensed Venue <20 Rooms	1.3388	1,000.00
45	Hotels/ Licensed Venue >20 Rooms	1.6702	2,000.00
50	Transport >1.0Ha	1.9266	3,000.00

LIMITATION ON RATE INCREASE

[Chapter 4, Part 9, Division 3 Local Government Regulation 2012]

Council has determined that it is not appropriate to apply limits to increases applicable to any of the Differential Categories identified in the Revenue Statement and will not be making a resolution to limit the increases in rates and charges for the current period.

UTILITY CHARGES

[s94 Local Government Act 2009]

Utility charges are for a service, facility or activity for water, sewerage and waste management.

Council has determined that, pursuant to section 94 of the Local Government Act 2009, it will make and levy charges for the supply of water, sewerage and cleansing services for the financial year beginning 1 July 2019.

Water Utility Charges

Water utility charges are to be levied on each parcel of land within the Carpentaria Shire Council area whether vacant or occupied that Council is prepared and able to supply water, together with any land connected to the Carpentaria Shire Council water supply system.

The Carpentaria Shire Council water supply system includes the raw water pipeline from Glenore Weir to Normanton water treatment works.

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

Water utility charges will be levied on a two-part basis made up of an access charge and a consumption charge and will be calculated on the following basis:

- (a) The access charge will be levied based on the number of units assigned to each class of occupancy in accordance with Table 3 (Water Charging Schedule);
- (b) where water is used in excess of the classification allowance, an excess consumption charge will be levied;
- (c) no excess consumption charges will apply to dwellings connected to the raw water supply;
- (d) where raw water is used for stock watering, industrial or commercial purposes, the supply is to be separately metered and a consumption charge will be made and levied for every kilolitre of water used or part thereof.

Table 3 - Water Charging Schedule

No	Class	Units Per Class	Allowance Per Class
1	Accommodation units (up to 2)	15	900
2	Accommodation Units (more than 2)	5	200
3	Ambulance Centre	20	800
4	Café	36	1,440
5	Caravan Park (units per site)	2.5	80
6	Church	8	320
7	DPI Complex	40	1,600
8	Single Dwelling	15	900
9	Freight Depot	40	1,600
10	Fuel Depot (Storage > 1000000l)	100	4,000
11	Fuel Depot (Storage < 1000000l)	60	2,400
12	General Engineering	60	2,400
13	Harbour/ Marine Office & Depot	40	1,600
14	Hospital	500	20,000
15	Hotel/ Licensed Bar	200	8,000
16	Kindergarten	15	900
17	Light Industrial	20	800

No	Class	Units Per Class	Allowance Per Class
18	Medical Clinic	15	900
19	Mine Operations	500	20,000
20	Motel Units (per Unit)	5	200
21	Office	20	800
22	Police Station (Karumba)	20	800
23	Police Complex	80	3,200
24	Railway station	75	3,000
25	Raw Water Rural Domestic	10	0
26	Receiver Depot	40	1,600
27	Recreation Club	100	4,000
28	Restaurant	36	1,440
29	Satellite Station	20	800
30	Schools – Karumba (state)	100	4,000
31	Schools – Normanton (state)	300	12,000
32	Schools – Private	75	3,000
33	Service Station	20	800
34	Shop	20	800
35	Slipway Cleaning and refit	100	4,000
36	Small Business	20	800
37	Sporting Club	20	800
38	Swimming Pool – public	20	800
39	Telstra and Ergon Facilities	40	1,600
40	Vacant Connected	15	900
41	Vacant Unconnected	10	0
42	TAFE	150	6,000

Table 4 - Water Utility Charges 2019/2020

Type	Basis of Charge	Charge
Carpentaria Water Scheme Access Charge	per unit	\$70.40
Raw Water Rural Domestic Access Charge	per unit	\$45.76
Excess Consumption Charge	per kl	\$2.60
Consumption Charge - Stock Watering & Industrial Use	per kl	\$2.60

Sewerage Utility Charges

Council will levy Waste Water utility charges on each parcel of land, both vacant and occupied, that Council has or is able to provide with sewerage services;

The Waste Water utility charges are to apply to each parcel of land within the Normanton and Karumba township declared sewerage areas:

Normanton Sewerage Utility Charges

Sewerage charges will be calculated as follows –

- (1) Residential
 - (i) A base charge per annum for the first Pedestal.
 - (ii) No additional charges will be made for any additional pedestals.
- (2) Commercial
 - (i) A base charge per annum; and
 - (ii) A charge per unit will be made and levied with the number of units assigned to each classification or part thereof in accordance with Table 5 (e.g. 3 Pedestals = 2 charging units for categories A, B, C, D, F, G & H).
- (3) Vacant Land
 - (i) A base charge per annum for each vacant lot.

Table 5 - Normanton Sewerage Charging Schedule

Commercial Types	Base (No. of Pedestals)	Per Unit
A Motels	2	1
B Service Stations	<i>Same as H Commercial</i>	
C Caravan Parks	2	1
D Dual Occupancy	2	-
E Flats	1	1
F Clubs & Hotels	2	1
G Laundromat	2	1
H Commercial	2	1
I Non-Rateable	0	0
J Religious Institution	1	1

Table 6 - Normanton Sewerage Utility Charges 2019/2020

Type	Basis of Charge	Charge
Residential Charge	Per unit	\$ 824.80
Vacant Charge	Per unit	\$ 618.80
Base Commercial Charge	Per unit	\$ 1,183.00
Comm. Pedestal Charge	Per unit	\$ 618.80

Karumba Sewerage Utility Charges

Sewerage charges will be calculated as follows –

- (i) Sewerage charges will be based on a unit ET (Equivalent Tenement) basis.
- (ii) For each parcel in the Karumba sewerage scheme area, the sewerage rate to be levied will be calculated by multiplying the base rate by the relevant ETV value applying to the specific property type as listed in Table 7.

Table 7 - Equivalent Tenement Schedule

Category	Description	Unit	Equivalent Tenement Value
Residential	Standard Residential Dwelling	Lot	10.00
	Units – 1 Bedroom	Dwelling	5.00
	Units – 2 Bedroom		7.50
	Units – 3 Bedroom or more		10.00
Accommodation A	Caravan Park – camping site	Site	5.00
	Caravan/Cabin site	Site	5.00
Commercial (Accommodation B)	Hair Dresser/Beauty Salon	Basin	8.00
	Supermarket	Minimum	10.00
	Single Retail Shop	Minimum	10.00
	Medical Centre	Consulting Room	7.00
	Service Station	Site	10.00
	DPI Complex	Site	10.00
	Fish Farm	Site	20.00
	Restaurant/Cafe	Site	20.00
	Take Away/Fast Food (no amenities)	Site	20.00
	Take Away/Fast Food (with amenities)	Site	20.00
	Butcher Shop	Site	20.00
	Pub/Bar	Site	70.00
	All other commercial	Site	10.00
Community Facilities	Sporting facility	Site	20.00
	Recreation Club	Site	20.00
	Child Care Centre	Site	20.00
	Schools	Site	70.00
	Public Amenities	Site	10.00
	Police Station	Site	20.00
Industry General	Light Industry	Site	20.00
	Medium Industry	Site	50.00
	Heavy Industry	Site	150.00
Unconnected/ Vacant Land	All categories of use	Lot	10.00

Council has separated Commercial properties into two (2) Classes:

- Class A - are those properties used for camping and caravan purposes and have been assessed by the Council as having a slightly lower impact on the sewerage network than properties in Class B
- Class B - are motels, hotel, resorts, unit accommodation and intensive accommodation.

Table 8 - Karumba Sewerage Utility Charges 2019/2020

Type	Basis of Charge	Charge
Residential Charge	per ETV	\$117.63
Unconnected/ Vacant Land	per ETV	\$88.27
Commercial/ Industrial Charge	per ETV	\$117.63
Accommodation A or B Charge	per ETV	\$117.63
Community Facilities Charge	per ETV	\$117.63

Waste Management Utility Charges

Council will provide a garbage collection service and disposal facilities to all domestic and commercial premises within the townships of Normanton and Karumba.

A Cleansing Charge will be levied on all assessments within the townships of Normanton and Karumba. This utility charge is intended to cover the full cost of collection and disposal of household and commercial refuse, as well as for the operation, maintenance and upkeep of the waste management facilities and a portion of the charges shall be associated with capital works in the refuse disposal area and future cost of restoration of the refuse disposal area.

Cleansing charges will be calculated as follows:

- 1) Council will determine a base rate per cleansing unit through the adoption of the annual budget;
- 2) The cleansing rate to be levied will be calculated by multiplying the base rate by the number of cleansing units, and;
- 3) The number of cleansing units assigned to each property is to be calculated as follows:
 - a) determine the minimum number of bins allocated to each specific property type as listed in the Table 9 (Garbage Charges Schedule);
 - b) compare the minimum number of bins identified with column 1 in Table 10 (Cleansing Units Applied Schedule) and calculate the number of cleansing units to be applied from column 2 of Table 10.

Table 9 – Garbage Charges Schedule

Class No.	Classification	Minimum No of Bins	No of Services per Week
1	Aerodrome	1	3
2	Caravan park 1 bin per 3 sites	1	3
3	Catering Shop	2	3
4	Child Care Centre	1	1
5	Dwelling House	1	1
6	School – Normanton	2	3
7	Multiple Dwelling – each Unit	1	1
8	Hospital	8	3
9	Hotel Complex/ Licensed Venue	5	3
10	Hotel/Motel – Serviced Units – 1 bin per 4 units	1	3
11	Light Industry	1	3
12	Place of Worship	1	1
13	Service Station	1	3
14	Shop	2	3
15	Truck Depot	1	3
16	Waterfront Industry – Category 1	1	3
17	Waterfront Industry – Category 2	9	3
18	Medical Centre	1	3
19	Hall	1	1
20	Accommodation Units 1 bin per – 2 units	1	1
21	Commercial Premises	2	3
22	Commercial Industry	2	3
23	Tourist Facility	11	3
24	Special Purposes	1	3
25	Outdoor Entertainment	2	3
26	Indoor Entertainment	1	3
27	Shopping Centre	5	3
28	Motel Complex	5	3
29	School – Karumba	2	3
30	School – Private	2	3
31	Aged Persons Home	2	3
32	Depot – Council & Other	1	3
33	Karumba Recreation Club	2	3
34	Accommodation Building	1	1
35	TAFE Complex	2	1
36	Post Office	1	1

Table 10 - Cleansing Units Applied Schedule

Minimum Number of Bins Allocated Column 1	Cleansing Units Applied Column 2
1 (1 Service)	1
1 (3 Services)	3
2 - 4	6
5 - 7	10
8 - 10	16
11 - 13	22
14 - 16	28
17 - 19	34
20 - 29	40
30 - 39	60
40 - 49	80
50+	100

Table 11 - Waste Management Utility Charges 2019/2020

Type	Basis of Charge	Charge
Waste Management Charge	per unit	\$392.60

CONCESSIONS

Pensioner Rates Remission

[s121 Local Government Regulation 2012]

Council will provide a remission on differential general rates, water, sewerage and garbage utility charges, if the owner of the land is a qualifying pensioner and is eligible for the State Government pensioner remission.

Council will grant a remission if the owner of the land is:

- (i) A pensioner and is eligible for the State Government pensioner remission;
- (ii) Has been a resident within the shire boundary for a period of at least 10 years

Under Council's remission scheme any arrears of rates and charges associated with the residential allotment must be paid in full before a Pensioner becomes entitled to receive the Council rates remission.

Not for Profit Organisations

Council acknowledges the contributions made by various community and sporting organisations throughout the shire by way of granting a donation or concession to the organisation. Applications are to be submitted to Council and these will be assessed and determined on a case by case basis.

These remissions are subject to the conditions set out in Council's Rates Based Financial Assistance Policy. The Policy sets out the eligibility criteria and the calculation of the quantum of the remission. To be eligible for the remission ratepayers must apply before the commencement of the financial year.

Natural Hardship

Council may, at its discretion allow other concessions or remissions if it is of the opinion that some unusual, exceptional and/or serious circumstances exist which may prevent payment of the full

amount of rates levied, payment within the appointed time or otherwise delay the payment of rates and charges as they fall due.

Applications for concessions or remissions should be able to demonstrate unusual, exceptional and/or severe difficulty rather than the usual frustration and trial to which everyone is subjected from time to time.

Natural Disaster or Drought Relief

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

The relief may be in the form of an extension to the period during which Council will permit discount to be deducted from rates. This period shall be extended to the end of the period covered by the rate levy (31 December or 30 June).

This concession may be available only to primary producers and select commercial operations who can provide objective evidence of financial difficulty arising from drought or natural disaster.

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

OTHER MATTERS CONCERNING RATES AND CHARGES

Interest

(s133 Local Government Regulation 2012)]

Pursuant to the Local Government Regulation 2012 Section 133, Council will set the rate of interest on arrears as at 1 July 2019 at 9.83% per annum compounding daily.

All rates and charges remaining outstanding after the due date will be deemed to be overdue rates.

Discount

(s130 Local Government Regulation 2012)

To encourage the prompt payment of rates and charges a discount will be allowed on gross rates and charges (excluding excess water).

Discount for prompt payment is subject to the following provisions:

- (a) all rates and charges levied are paid within 30 days of the date of issue of the rate notice; and
- (b) all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 30 days after the date of issue of the rate notice; and
- (c) all other overdue rates and charges relating to the rateable assessment are paid within 30 days of the date of issue of the rate notice.

The maximum discount allowed on the differential general rate is set at \$5,000. There is no maximum limit on the discount for any other rates and charges, only the general rate.

Collection of Outstanding Rates and Charges

Council requires payment of rates and charges within the specified period and it is Council's practice to pursue the collection of outstanding rates and charges diligently but with due concern for any financial hardship faced by relevant ratepayers.

Council will allow property owners who are unable to pay their rates by the due date to enter into an arrangement to pay by instalments according to an agreed schedule, with no recovery action being taken while the arrangement is being maintained. However, interest will be charged on any arrears of rates at the rate set by Council's annual budget resolutions.

Council's Rates and Charges Debt Recovery Policy guides the administration process that is used in the collection of overdue rates and charges. This may include the selection of various recovery actions including the sale of land in accordance with legislative requirements.

Payments In Advance

Council accepts payments in advance of future rate levies. Interest is not payable on any credit balances held.

Issue of Rate Notices

(s107 Local Government Regulation 2012)

Rates and utility charges referred to in the Revenue Statement shall generally be levied half yearly (billing periods beginning August/September and February/March).

A separate rate notice for water excess charges will be issued annually.

Such rates and utility charges shall be payable by the due date detailed on the rate notice.

All rates and charges issued will be due and payable within 30 days of the issue of a notice to pay.

AUTHORITY

It is a requirement of the Local Government Act 2009 that for each financial year Council adopt, by resolution, a Revenue Statement.



Chief Executive Officer
28 June 2019

2019/2020 DEBT POLICY

Adopted on 28 June 2019 by Council Resolution No. SM0619/004

1. POLICY STATEMENT

- 1.1 The Debt Policy is intended to set out the planned borrowings for Council over the next ten (10) years.
- 1.2 The legislative authority for the Debt Policy are:
 - (a) *Local Government Act 2009*, Chapter 4, Part 3, Sections 104(5); and
 - (b) *Local Government Regulation 2012*, Chapter 5, Part 4, Section 192.

2. REPEAL

This Policy repeals all previous versions of policies relating to the Debt Policy.

3. PRINCIPLES

- 3.1 To provide Council with a debt management strategy based on sound financial management guidelines.
- 3.2 To establish a framework for:
 - 3.2.1 The new borrowings planned for the next financial year and the following nine (9) financial years; and
 - 3.2.2 The period over which Council plans to repay existing and new borrowings.

4. SCOPE

This policy applies to the debt raising and redemption functions of Council.

5. RESPONSIBILITIES

- 5.1 This Policy is to be implemented by all Elected Members and Officers; and
- 5.2 The responsible officer for this Policy is the Director Corporate Services who is required to ensure that the annual budget conforms to this policy.

6. POLICY

- 6.1 It is Council's intention that, in order to provide a better service and value for money to ratepayers, Council will restrict the purpose of loans to asset acquisition and expenditure of a capital nature only. The service that will be provided by long term capital assets will benefit present and future generations. Therefore, it is the opinion of Council that the cost should be shared between present and future generations.
- 6.2 The appropriate mix of debt and internal funding is intended to provide the lowest long term level of rates which does not over-commit future generations, but which provides adequate flexibility of funding in the short term. The total debt will depend on the future outlook for growth in the region. The term of the debt will relate to the life of the asset created, but will not exceed twenty (20) years for any individual asset.
- 6.3 Council will not use long-term debt to finance operating activities or recurrent expenditure of Council.
- 6.4 Council will raise all external borrowings from the Queensland Treasury Corporation.

Existing and Planned Future Borrowings, including annual repayments and remaining loan terms.

Loan Description	Balance as at 30/06/19	Balance as at 30/06/20	Est. Annual Loan Payments 2019/2020	Est. Remaining Term of Loan (Years)
Current Carpentaria Shire Borrowings				
Karumba Sewerage	2,078,413	1,943,454	264,396	8.96
Normanton Water Supply	1,127,524	1,060,221	136,128	9.73
Raise Glenore Weir	5,136,909	4,898,844	441,649	13.74
Total Current Carpentaria Shire Borrowings	8,342,846	7,902,519	842,173	
Planned "New" Carpentaria Shire Borrowings				
FY 2019/2020				
FY 2020/2021				
FY 2021/2022				
FY 2022/2023				
FY 2023/2024				
FY 2024/2025				
FY 2025/2026				
FY 2026/2027				
FY 2027/2028				
FY 2028/2029				
Total Planned "New" Carpentaria Shire Borrowings				

**Council intends to fully fund its capital program for the next ten years from Government subsidies, funded depreciation, asset sales and capital reserves.*

7. REVIEW

The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to prepare a new Debt Policy for each financial year.

8. RESOLUTION

Adopted by Council on the 28 June 2019 by Council Resolution SM0619/004



Chief Executive Officer

2019/2020 INVESTMENT POLICY

Adopted on 28 June 2019 by Council Resolution No. SM0619/005

1. POLICY STATEMENT

- 1.1 The purpose of this policy is to provide direction and guidelines regarding the investment of cash holdings with an objective to maximise earnings whilst minimising risk to ensure the integrity of Council's funds.
- 1.2 The legislative authority for the Investment Policy are:
 - (a) *Local Government Act 2009 (Act)*;
 - (b) *Local Government Regulation 2012 (Regulation)*;
 - (c) *Statutory Bodies Financial Arrangements Act 1982 (SBFAA)*; and
 - (d) *Statutory Bodies Financial Arrangement Regulation 2007 (SBFAR)*.

2. REPEAL

This policy repeals all previous versions of policies relating to Council Investment.

3. PRINCIPLES

- 3.1 This policy applies to the investment of all surplus funds held by Carpentaria Shire Council. For the purposes of this policy, investments are defined as arrangements that are required or undertaken for the purpose of producing income and/or capital gains.
- 3.2 To establish a framework for:
 - Ensuring that adequate procedures are in place to safeguard public monies;
 - To maximise earnings via capitalising on potential rate of returns, subject to acceptable levels of risk as determined by the *SBFAA*.
 - To have ready access to funds for day-to-day operations without penalty; and
 - To maintain adequate levels of diversification.

4. SCOPE

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

5. POLICY

5.1 Ethics and Conflicts of Interest

Prudent Person Standard

The standard of prudence is to be used by investment officers when managing the overall portfolio. Investments will be managed with the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons. This includes having in place appropriate reporting requirements that ensure the investments are being reviewed and overseen regularly.

Investment officers are to manage the investment portfolios not for speculation, but for investment and in accordance with the spirit of this Investment Policy. Investment officers are to avoid any transaction that might harm confidence in Carpentaria Shire Council. They will consider the safety of capital and income objectives when making an investment decision.

Ethics and Conflicts of Interest

Investment officers and employees shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. This includes activities that would impair the investment officer's or employee's ability to make impartial decisions as outlined in Council's Code of Conduct Administration Instruction. This policy requires that employees and investment officials disclose to the Manager Finance and Administration any conflict of interest or any investment positions that could be related to the investment portfolio.

Delegation of Authority

Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer in accordance with sections 257 and 259 of the *Local Government Act 2009*.

Authority for the day to day management of Council's Investment Portfolio is delegated by the Chief Executive Officer to the Manager Finance and Administration subject to regular reviews with the Chief Executive Officer.

5.2 Investment Objectives

Councils overall objective is to invest its surplus funds at the most advantageous rate of interest available at the time and in a way that it considers most appropriate given the circumstances.

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

Preservation of Capital

Preservation of capital shall be the principal objective of the investment portfolio. This can be achieved by managing credit and interest rate risk with given risk management parameters and avoiding any transactions that would prejudice confidence in Council or its associated entities.

Credit Risk

The amount invested with any one financial institution should be in accordance with the Credit Risk Guidelines as described in Table 2. Credit risk will be minimised by Council by pre-qualifying all transactions with which they do business, diversify the portfolio and limit transactions to secure investments.

Interest Rate Risk

Minimising the risk of a change in the market value can be managed by maintaining Councils investment portfolio in line with cash flow requirements and limited investments to short term investments.

Maintenance of Liquidity

This refers to Council's ability to access funds in the short-term to meet its day to day liquidity requirements. Council will seek to minimise the costs of failing to adequately manage its day to day liquidity needs through maintaining daily for next week, weekly for the next month, monthly and annual cash forecasts, establishing and maintaining an appropriate cash balance in the transactional banking account, establishing and maintaining a procedure for evaluating investment options for surplus funds and a list of approved investments for short term cash surpluses.

Return on Investment

The portfolio is expected to achieve the following performance benchmarks as a minimum set by Council.

TABLE 1 – INVESTMENT PERFORMANCE BENCHMARK

Investment	Performance Benchmark
Cash / Cash Plus / Direct Investments	11 AM and UBS Bank Bill
Overnight Deposits	RBA Cash Rate
Interest Bearing Deposits/Negotiable Certificates of Deposit	UBS Bank Bill Index
Floating Rate Notes	Bank Bill Swap Rate

5.3 INTERNAL CONTROLS

New Investment Products

No new investment products will be allowed until a full risk assessment has been undertaken by management. These assessments will be signed off by the Chief Executive Officer and reported to Council.

Reporting

The Manager Finance and Administration will provide a quarterly report to Council, detailing the investment portfolio in terms of performance and counterparty exposure.

5.4 INVESTMENT PARAMETERS

Investable funds

For the purposes of this policy, investable funds are Council's cash holdings available for investment at any one time.

The investable funds should match the cash flow needs of Council deemed by the Manager Finance and Administration after preparing Council's annual budget and cash flow forecasts. Once it is determined that the cash flow forecast can be met, surplus funds may be invested for an appropriate period.

Portfolio investment parameters

The structure and features of Council's investments are to be consistent within the time horizon, risk parameters, liquidity requirements and operational guidelines of Council as set out below.

Quotations on investments

Except for investments with the Queensland Treasury Corporation Capital Guaranteed Cash Fund, not less than three quotations shall be obtained from different authorised institutions when an investment is proposed.

In assessing the fair value of quotes obtained, the risk of the entity providing the return must be considered. The Fair Value Calculator provided by the Queensland Treasury Corporation can be used to assist in this evaluation.

Authorised investments

Carpentaria Shire Council is allocated Category 2 Investment Powers as per Part 6 *SBFA Act 1982*. All investments must be denominated in Australian Dollars and undertaken in Australia. All investments undertaken by Council should be in accordance with the authorised investments definitions and restrictions as specified throughout this policy.

The following investments are authorised by this Investment Policy:

- Managed Fund Investments. The total amount invested with any one fund manager should not exceed the limits as described in the Credit Risk Guidelines Table 2 below.
- Direct Investments

Prohibited investments

Investment officers are to manage the investment portfolios not for speculation, but for investment and

in accordance with the spirit of this Investment Policy. Investment officers are to avoid any transaction that might harm confidence in Carpentaria Shire Council. They will consider the safety of capital and income objectives when making an investment decision.

In line with Part 6 *SFBA Act 1982*, the following investments are prohibited by this Investment Policy:

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

Portfolio investment parameters and credit requirements

The following table shows the credit rating and counterparty limits for Council, as a percentage of the market value of the investment portfolio.

TABLE 2 - CREDIT RISK GUIDELINES

Long Term Rating (Standard & Poor's)	Short Term Rating (Standard & Poor's)	Minimum Percentage of Total Investments	Maximum Percentage of Total Investments	Maximum Term (for fixed term investments only)
QTC Cash Fund	QTC Cash Fund	0%	100%	3 years
Aaf	Not available	0%	50%	n/a
AA+ to AA-	A1+	0%	100%	3 years
A+ to A-	A1	0%	75%	1 year
BBB+ to BBB-	A2	0%	50%	1 year
Qualifying Local Financial Institutions	Unrated	\$1m limit	\$1m limit	90 days
Unrated	Unrated	0%	0%	n/a

N.B. The above percentages are based on average annual funds invested.

In the event that the maximum percentage is exceeded based on the average annual funds, the Manager Finance and Administration should submit a report to the Chief Executive Officer.

In addition to the above, the following should be noted:

- For the purpose of the day to day management of surplus funds, term to maturity may be:
 - Short term which refers to a period of 1 day to 1 year
 - Short to Medium term refers to a period of 1 to 2 years
 - Long term refers to a period of 2 to 3 years
- Credit Ratings

If any financial institution's credit rating is downgraded or the credit rating is placed on a negative watch, Council will revise downwards its credit limits or divest the investment as soon as practicable.
- Qualifying Local Financial Institutions

In order to qualify for investment, local institutions must meet the following criteria:

 - provide a benefit to the local community, outside of standard financial institution services;
 - be able to provide competitive term deposit rates that rival those able to be obtained from rated institutions; and
 - satisfy a financial health check that assesses key financial indicators, and is to be based on the most recent audited financial statements for the institution as well as that institution's latest available Capital Adequacy Disclosure.

Term to Maturity

The term to maturity of any of Council's direct investments may range from "at Call" to 3 years and will be dependent upon Carpentaria Shire Council's future cash flow requirements, credit risk guidelines and the prevailing outlook regarding interest rates.

TABLE 3 - Time Horizon and Maximum Exposure Guidelines

Fund Type	Minimum Investment Time Horizon	Maximum Exposure as % Total Investment Portfolio
Cash Funds (at call)	0-180 days	100%
Cash Plus / Cash Enhanced Funds / Fixed Term Deposits / or equivalent	0-12 months	100%
Investments that meet the following rating requirements: Rating by Fitch IBCA(Australia) Pty Ltd Aa, AA+ or AAA; or Rating by Moody' Investors Service of; Aa2, Aa1 or Aaa; or Rating by Standard & Poor's (Australia) Pty Ltd of AA, AA+ or AAA	0 – 36 months	20%

New investment products

A new investment product requires a full risk assessment by the Finance Committee and approval by Council

6. INTERNAL CONTROLS

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

The Manager Finance and Administration is responsible for maintaining the approved lists and guidelines that will be updated as required. The established process will include a regular report by the Corporate Services to the Council.

- Reporting recommendations
- Reporting breaches
- Portfolio performance, and
- Compliance and oversight of investment parameters

Each transaction will require written confirmation by the broker/dealer/bank. Council will hold all security documents, or alternatively a third party custodian authorised by the Manager Finance and Administration may hold security documents.

The Chief Executive Officer will make the final determination with the investments of surplus funds in institutions or with fund managers other than those with QTC.

These investments will be reported to Council on a monthly basis.

7. BREACHES

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

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

8. REVIEW

The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to prepare a new Investment Policy for each financial year.

9. RESOLUTION

Adopted by Council on the 28 June 2019 by Council Resolution SM0619/005.

A handwritten signature in black ink, appearing to read 'Mark Crasby', with a long horizontal flourish extending to the right.

Chief Executive Officer

2019/2020 RATES BASED FINANCIAL ASSISTANCE POLICY

Adopted on 21 August 2019 by Council Resolution No. 0819/022

1. PURPOSE

To establish guidelines to assess requests for rates and utility charge remissions in order to alleviate the impact of Local Government rates and charges, particularly in relation to Not-For-Profit/Community Organisation.

2. REPEAL

This policy repeals all previous versions of policies relating to Rates Based Financial Assistance.

3. SCOPE

This policy will allow Council to consider applications for remissions of general rates, garbage, water and sewerage charges from Not-For-Profit/Community Organisation.

4. RESPONSIBILITIES

The administration of this policy shall occur through the Chief Executive Officer.

5. DEFINITIONS

- Chief Executive Officer (CEO) - A person appointed under section 194 of the Local Government Act 2009, including a person acting in that position.
- Council – Carpentaria Shire Council.

6. POLICY

A local government may exercise power under Chapter 4 Part 10 of *the Local Government Regulation 2012* if the local government resolves that the case justifies the exercise of the power or in the case is of a kind that has been accepted by resolution of the local government as justifying the exercise of the power.

6.1 ELIGIBILITY

Rate remissions are available to approved organisations whose objectives do not include the making of profit and who provide services to their membership and the community at large.

Not-For-Profit/Community Organisation – Is an incorporated body who:

- a) Does not include the making of profit in its objectives;
- b) Does not charge a commercial fee for service;
- c) Is located within the Carpentaria Shire Council area and the majority of its members reside in the Council area;
- d) Does not receive income from gaming machines;

- e) Does not receive income from the sale of alcohol in a commercial manner (e.g. bar with regular hours of operation with permanent liquor license operated by paid bar staff);
- f) Is the owner, lessee or life tenant of the property;
- g) The property is the incorporated body's main grounds/base/club house or residence;
- h) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property;
- i) Is not a religious body or entity or educational institution recognised under State or Federal statute or law; and
- j) Is not a State and Federal entity whose activities are controlled or Governed by State or Federal statute or law.

Should an applicant only have part ownership of the property the Council remission would be similarly reduced.

6.2 CLOSE OF APPLICATIONS

Applications are to be received by Council no later than the closing date of the discount period of the first rates notice levied. Not-For-Profit/Community Organisation are required to submit an annual application for the period 01 July 2019 to 30 June 2020. If an application is approved by Council, remissions will be applied from the beginning of the current rating period (remissions will not be applied retrospectively). In the case of a Not-for-Profit/Community Organisation selling a property, the remission will be up to the date of transfer of ownership.

However, late applications may be approved by Council for the current rating period subject to the Not-For-Profit/Community Organisation (applicant) meeting all the requirements of this policy. Furthermore, if a Not-For-Profit/Community Organisation purchases property during a rating year, Rates Based Financial Assistance will apply from the date the land is actually used for its intended purpose, subject to that group meeting all requirements of this policy.

6.3 AMOUNT OF REMISSION

The concession provided in this policy is on the levied general rate, garbage, water and sewerage charges (less discounts). Concessions will not apply to vacant land or not for profit organisations that do not fulfil their lease obligations. If rates are in arrears, a concession will not apply in future until all outstanding rates and charges are paid

General Rates – Council may provide up to 100% of the General Rates.

Garbage, Water and Sewerage Charges – Council may provide up to 50% concession of the Garbage, Water and Sewerage charges.

All other rates, levies and charges are excluded from concessions.

An example of the remission calculation is provided below:

Not-For-Profit/Community Organisation

Assessment – XXXXX-XXXXX-XXX

	Original 2019/2020 First Half Levy	Concession 2019/2020 First Half Levy	Total Discount
01 July XXXX – 31 December XXXX			
General Rates	\$815.39	\$0.00	-\$815.39
Water	\$502.50	\$251.25	-\$251.25
Sewerage	\$1,142.00	\$571.00	-\$571.00
Cleansing (Garbage)	\$185.00	\$92.50	-\$92.50
State Gov Emergency	\$126.20	\$126.20	\$0.00
Gross Total	\$2,771.09	\$1,040.95	-\$1,730.14
Less Discount Applicable	\$264.49	\$91.48	-\$173.01
Council Concession	\$2,506.60	\$949.48	-\$1,557.13

7. ASSOCIATED DOCUMENTS

Local Government Act 2009

Local Government Regulation 2012

Revenue Policy

Revenue Statement

8. REVIEW

30 June 2020

9. RESOLUTION

Adopted by Council on the 21 August 2019 by Council Resolution 0819/022.



Chief Executive Officer

2019/2020 PENSIONER RATES REMISSION POLICY

Adopted on 28 June 2019 by Council Resolution No. SM0619/011

1. PURPOSE

The purpose of this policy is offer a benefit by way of a concession on the annual rates charged in recognition of the financial constraints that are endured by Pensioners.

2. REPEAL

This policy repeals all previous versions of policies relating to Pensioner Rates Remission.

3. SCOPE

This policy is applicable to all Pensioners within the Council area who meet the required criteria for the State Government rebate of rates and charges.

4. RESPONSIBILITIES

The administration of this policy shall occur through the Chief Executive Officer.

5. DEFINITIONS

- Chief Executive Officer (CEO) - A person appointed under section 194 of the Local Government Act 2009, including a person acting in that position.
- Council – Carpentaria Shire Council.
- Employee – Refers to any employee, contractor, volunteer etc. of the Council
- Form -- Refers to Pensioner Rebate Application form
- Pensioner -- A holder of either a Queensland Pensioner Card issued by the Queensland Department of Human Services or a Queensland Repatriation Health Card issued by the Queensland Department of Veterans Affairs

6. POLICY

The State Government of Queensland grants a rebate of rates and charges to those persons who meet the required criteria and hold a current pension card. In line with this concession, Council recognises the financial constraints for Pensioners and extends a concession of its own.

In accordance with Section 96 of the Act, Council will grant a remission, from the current rating period, on rates, being 30% on all rates and charges (excluding excess water charges, special rates and charges, and rural and state fire levy), with a qualifying residency period of at least 10 years within the shire boundary, as set in its annual Budget Meeting for a financial year, to Pensioner property owners as defined in Section 123 of the Regulation.

Applications must to be made by the recipient/s of the pension/s using the Form. Approved pensioner's cards shall be accepted by the CEO as sufficient evidence that the person/s applying is/are an approved pensioner, or if no card is presented, through confirmation by the Commonwealth Department of Human Services and the Commonwealth Department of Veterans Affairs, in accordance with the definition 1 - 5 of the Administrative Guidelines for the Queensland Government Pensioner Rate Subsidy Scheme.

In cases where the applicant Pensioner is a joint owner of a property with a person other than their spouse, a pro-rata remission shall be granted.

Where a Pensioner has been granted a Council remission in accordance with a commensurate policy in a previous financial year, and where with applicant's pension and residential requirements have not altered, confirmation by the Commonwealth Department of Human Services and the Commonwealth Department of Veterans Affairs that he or she is an approved pensioner, will be accepted in lieu of a written application.

The Manager Finance and Administration and Senior Finance Officer is responsible for the administration of the Policy and for processing applications in accordance with the requirements of the Act and Council's policies.

The Manager Finance and Administration shall ensure that public notices are given by 25th June each year advising of the terms of this Policy.

Under Council's remission scheme any arrears of rates and charges associated with the residential allotment must be paid in full before a Pensioner becomes entitled to receive the Council rates remission.

7. ASSOCIATED DOCUMENTS

Local Government Act 2009

Local Government Regulation 2012

Revenue Policy

Revenue Statement

Form 311 – Pensioner Rebate Application

8. REVIEW

30 June 2020

9. RESOLUTION

Adopted by Council on the 28 June 2019 by Council Resolution SM0619/011.



Chief Executive Officer

2019/2020 CONCEALED WATER LEAK POLICY

Adopted on 28 June 2019 by Council Resolution No. SM0619/015

1. POLICY STATEMENT

Carpentaria Shire Council will provide assistance to qualifying customers who have larger than normal water accounts due to the existence of a concealed leak. Provision of assistance is subject to conditions and assistance and is calculated using a defined methodology.

2. REPEAL

This policy repeals all previous policies relating to Concealed Water Leaks.

3. SCOPE

This policy applies to all properties connected to the Carpentaria Shire Council water supply scheme (excluding raw water connections for stock watering & industrial use) and have a Council approved water meter.

4. RESPONSIBILITIES

The administration of this policy shall occur through the Chief Executive Officer.

5. DEFINITIONS

Concealed Leaks: Water escaping from pipework on the customer's side of the water meter in a location that is not readily visible or apparent.

Average Water Consumption: Average of three equivalent billing periods i.e. the same period on previous years and when there has been no major excess water use detected. Where no prior billing history is available the average Carpentaria Shire Council residential consumption will be used.

Customer: A property connected to the Carpentaria Shire Council water supply scheme and have a Council approved water meter.

Excess Water: The water used over and above the annual water entitlement.

6. POLICY

Customers receiving metered water supplies from Carpentaria Shire Council are responsible for managing the water supply on their property i.e. from the property side of the water meter. This includes maintenance and repair of all water services on the property. All reasonable effort must be taken by the owner to ensure that the property's water infrastructure is maintained in good working order.

Tenants have an obligation to report a suspected leak to the owner/managing agent of the property.

Council has no obligation to provide financial assistance to customers affected by leaks on their property however, Council recognises that at times water leaks can go undetected for relatively long periods and may cause financial difficulties for some customers. Carpentaria Shire customers that have experienced

a sudden and very large increase in water use due to concealed leaks on their property may apply for financial assistance subject to conditions outlined in this policy.

Conditions for receiving financial assistance

Approval of financial assistance is at the discretion of Carpentaria Shire Council and will only be granted as follows:

- All applications are to be submitted via the Approved Application Form.
- The concealed water service leak must have been repaired by a licensed plumber in a timely and effective manner to minimise water loss. Repairs must be completed within 14 days of a water account being issued or the customer becoming aware of a possible water leak via Council notification.
- The customer must also provide a copy of the licensed plumber's invoice detailing the work undertaken and confirming the repair of the leak.
- The leak has been effectively repaired. Council may undertake water meter reads to confirm the leak has been repaired effectively.
- The application must include a Leak Test Certificate issued following the completion of the repair work to demonstrate an effective repair.
- Financial assistance sought under the provisions of this policy will only be considered in relation to water bills issued on or after 1 July 2019.
- Applications will only be considered if received within 60 days from the date of issue of the water account.
- Only two applications may be granted per customer per property within a five year period (i.e. five years from the date of approval of the first application for financial assistance).

Assistance will not be considered for:

- Leaks and/or bursts on internal appliances, fixtures or fittings including air conditioners, dish washers, swimming pools, hot water systems, toilet cisterns, valves, internal and external taps
- Situations where the leak is visible
- Leaks not repaired by a licensed plumber
- Plumbing that is not compliant with government regulations
- Vacant land

Extent of Assistance

If the application for the financial assistance is approved the customer will pay for the full water charge of their annual water allocation plus \$200 and 25% of the remaining excess water charge.

Example.

A customer has an excess water charge of \$1,000. Customer pays the first \$200 of the excess water charge plus 25% of the remaining \$800. Customer would pay \$400 of the excess water charge and Council would pay \$600.

7. REFERENCE

Water Charge Remission for Faulty Meters Policy
Form 316 – Concealed Water Leak Application

8. REVIEW

This policy is to remain in force until otherwise determined by Council.

9. RESOLUTION

Adopted by Council on the 28 June 2019 by Council Resolution SM0619/015.

A handwritten signature in black ink, appearing to read "Mark Crossin". The signature is written in a cursive style with a long, sweeping underline.

Chief Executive Officer

2019/2020 WATER CHARGE REMISSION FOR FAULTY METERS POLICY

Adopted on 28 June 2019 by Council Resolution No. SM0619/016

1. PURPOSE

The purpose of this policy is to establish guidelines & processes to ensure consistency in the assessment of written requests to review water consumption charges due to a possible faulty water meter or inaccurate reading.

2. SCOPE

The scope of this policy shall apply to all properties within the local government area connected to Council's water reticulation system via an approved water meter.

3. REPEAL

This policy repeals all previous versions of policies relating to faulty meters.

4. POLICY

This policy shall only apply to water meters on properties connected to Council's water reticulation system.

Council is responsible for the provision of an accurate water meter to the property and all infrastructure up to and including the water meter unless documented otherwise.

The property owner is responsible for water consumed at the property and all infrastructure on the property side of the water meter, including the payment for water loss through leaks.

A Water Meter Test Application Form must be submitted to Council together with the prescribed fee before a water meter test will be performed in accordance with section 5.1.

The water meter testing fee will be refunded if the water meter is found to be faulty or an inaccurate reading was taken.

Council will take the appropriate steps to repair or replace faulty water meters.

5. OPERATIONAL

5.1 TESTING OF WATER METERS

5.1.1. A property owner may request that Council test a water meter;

5.1.2. A request made under subsection 5.1.1. must be made on the approved form and be accompanied by the prescribed fee; and

5.1.3. Council may at any time test a water meter.

5.2 WATER METER IS NOT REGISTERING ACCURATELY >+5%

- 5.2.1. Where a request is made pursuant to section 5.1, Council must determine whether the water meter is registering accurately.
- 5.2.2. Where Council determines that the water meter is registering >+5% then the water meter is not registering accurately, and Council shall:
 - (a) refund the prescribed fee;
 - (b) refund/ write off excess water consumption charges;
 - (c) Carry out any necessary actions to ensure the water meter is registering accurately before reinstalling the meter; or
 - (d) Install a replacement water meter which is registering accurately.

5.3 WATER METER IS NOT REGISTERING ACCURATELY <-5%

- 5.3.1. Where a request is made pursuant to section 5.1, Council must determine whether the water meter is registering accurately.
- 5.3.2. Where Council determines that the water meter is registering <-5% then the water meter is not registering accurately, and Council shall:
 - (a) Carry out any necessary actions to ensure the water meter is registering accurately in accordance with the prescribed standard before reinstalling the meter; or
 - (b) Install a replacement water meter which is registering accurately.
- 5.3.3. The prescribed fee shall not be refunded; and
- 5.3.4. The property owner shall be fully responsible for water consumption charges.

5.4 CHARGES WHEN WATER METER IS NOT REGISTERING ACCURATELY

- 5.4.1. If any water meter in use ceases to register or is determined by Council to be not registering accurately, Council may:-
 - (a) Estimate the period during which such water meter was not in working order;
 - (b) Calculate the deemed water consumption, using all reasonable information available to Council; and
 - (c) Refund the prescribed fee.
- 5.4.2. The process for calculating the actual charge for water consumption is to calculate the average water consumption from the previous three (3) water meter consumption readings taken for the property meter. This then becomes the calculated water consumption payment required.

5.5 WATER METER IS REGISTERING CORRECTLY < +-5%

- 5.5.1. Where Council determines that the water meter is registering correctly:
 - (a) the prescribed fee shall not be refunded; and
 - (b) the property owner shall be fully responsible for water consumption charges.

5.6 REPLACEMENT OF WATER METERS

- 5.6.1. Should any person refuse to allow or delay in allowing any water meter in their premises to be repaired and/or tested, Council may replace the water meter on that premises with another water meter which is registering accurately.

6. REFERENCES

This Policy has been prepared after consideration of the following pieces of legislation:

- The Queensland Local Government Act 2009
- Water Supply (Safety and Reliability) Act 2008
- Water Act 2000
- 2019/2020 Concealed Water Leak Policy

7. NEXT REVIEW

This policy is to remain in force until otherwise determined by Council.

8. RESOLUTION

Adopted by Council on the 28 June 2019 by Council Resolution SM0619/016.

A handwritten signature in black ink, appearing to read 'Mark Crossin', with a long horizontal flourish extending to the right.

Chief Executive Officer