



Bulloo
Shire

Budget 2021/2022



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Budget Influences & Principles

In preparing the budget, it has been necessary to consider a number of internal and external influences that are likely to significantly impact on the services delivered by Council during the budget period. Accordingly, it has been necessary to make some assumptions about the internal and external environment within which Council operates.

The following section outlines the main assumptions made: -

External Factors

Inflation

In the medium to long term Council tries to keep the level of rates in line with the level of inflation as it applies to Council's costs. The long-term trend, based on the Local Government Inflation Index, is approximately 3%, and this has been factored into Council's long term sustainability forecast. The rate increase for 2021-22 has been held at the same level, with longer term rate projections based on a 3% increase.

Interest Rates

Interest rates on money invested by Council are taken at 0.64% which is the rate currently received on our deposits with Queensland Treasury Corporation (QTC).

As Council paid out all 3 loans no interest rates.

Flood Damage

The area is subject to flooding in previous years and this has a substantial effect on the Council's financial performance and the cost of provision of most of its services. Overall, a major flood event has three impacts on the Council. Firstly, there is a significant loss of assets, which appears as a cost in the Council's accounts. Secondly, the Council rebuilds the affected assets, either with its own workforce or, where that is not feasible, with contractors. Thirdly, the State and Commonwealth Governments provide funding to pay for a substantial element of the cost of rebuilding, if submission for funding is approved.

The financial effect of these events is complex, and the timing (together with the requirements of the Accounting Standards) means that expenditure in respect of a flood event is not normally matched with the income from the grant in the same financial year.

Because the timing and size of flood events cannot be predicted, such events occurring in the future have not been included in the financial projections.

Government Funding

For many years the State and Federal Governments have provided substantial funding, by way of grants, to local governments, either as general funding for operations, as specific funding for particular activities, as capital funding for the construction of assets, or for the restoration of assets damaged in major natural disasters. Council is dependent on this funding to support the provision of services to its community and visitors to the area. In preparing this budget, it has been assumed that this funding will only continue where a specific or general commitment by government has been made. In all other cases, no assumptions have been made regarding Council's entitlement to either the continuation of such funding, or for new funding.

Accordingly, the costs of any activities that rely on such funding are not included.

Budget Principles

The budget also takes into account the following principles:

1. The underlying operating result must ensure Council's long-term sustainability
2. All strategies contained within the Corporate and Operational Plans for the year must be funded in the budget.
3. Rate revenue will be levied in accordance with Council's Revenue Policy and Statement
4. Spending and rating policies must be consistent with a reasonable degree of stability in the level of the rates burden.
5. Council must have regard to the effect on future generations of decisions made.
6. Staffing levels should be sufficient to achieve the outcomes in the operational plan.
7. Long-term assets should be managed to maximise community benefit.
8. Existing fees and charges should be increased in line with market forces.
9. New revenue sources should be identified wherever possible.
10. New initiatives or new employee proposals should be justified.
11. Council recognises that government grants are a crucial element of financial sustainability.
12. The balance of 2020-21 projects that were not completed by 30 June 2021 should be considered for inclusion in the 2021-2022 budget.
13. Council's budget must take into account all of Council's other strategic plans.
14. Financial risks faced by Council must be managed having regard to economic circumstances.

Financial Management Strategy

By maintaining the retained surplus under the model of financial budgeting and reporting which separates capital and operating performance and position, Council ensures that it has, in the long term, sufficient funds from available sources to meet its operating and capital requirements.

In the current budget year 2021-22, Council forecasts a Negative Operating Result. The future projections indicate a small cumulative operating surplus at the end of the ten years of the sustainability forecast. Providing Council can maintain its budgetary constraint, it will be in a strong financial position throughout that period, with sufficient positive cash flow to maintain its asset base, and provide community expectations in respect of the range and quality of its services. Council constantly reviews its programmes with a view to eliminating unnecessary costs, and looking for opportunities to increase its revenue streams.

It is reasonable to anticipate that additional funding may become available, which would allow Council to spend additional amounts on asset replacement, or appropriate new facilities. Where realistic opportunities arise, these would be included in future budget revisions.

An important aspect of our financial management and operational strategy, is to improve the way in which our roads are constructed, so that the annualised cost is minimised. In view of the reduced funding available for roads projects, Council adopts a strategy of high-level maintenance of essential roads and a reduced, but sufficient service level for minor roads.

As can be seen from the sustainability forecast, Council intends to fully fund its depreciation, with the resulting funds available for reinvesting in assets.

Statutory Reporting

BULLOO SHIRE COUNCIL - 2021/22 Adopted Budget statutory reporting

Budgeted Income and Expenditure Statement ('000)

For the periods ending 30 June 2022 to 2031

| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Revenue | | | | | | | | | | |
| Net rates and utility charges | 5,295 | 5,454 | 5,617 | 5,786 | 5,959 | 6,138 | 6,322 | 6,512 | 6,707 | 6,909 |
| Fees and charges | 74 | 76 | 78 | 80 | 83 | 85 | 88 | 90 | 93 | 96 |
| Operating grants, subsidies & contrib | 8,298 | 8,381 | 8,464 | 8,549 | 8,635 | 8,721 | 8,807 | 8,896 | 8,985 | 9,075 |
| Interest revenue | 170 | 138 | 261 | 398 | 482 | 577 | 611 | 634 | 646 | 646 |
| Sales contract & recoverable works | 9,752 | 6,887 | 7,025 | 7,165 | 7,309 | 7,455 | 7,604 | 7,756 | 7,911 | 8,069 |
| Rental Income | 330 | 336 | 343 | 350 | 357 | 364 | 371 | 379 | 386 | 394 |
| Other income | 75 | 75 | 76 | 77 | 78 | 78 | 79 | 80 | 81 | 82 |
| TOTAL OPERATING REVENUES | 23,992 | 21,346 | 21,865 | 22,405 | 22,902 | 23,418 | 23,883 | 24,347 | 24,810 | 25,270 |
| Expenses | | | | | | | | | | |
| Employee benefits | 6,300 | 6,485 | 6,675 | 6,870 | 7,072 | 7,280 | 7,493 | 7,714 | 7,941 | 8,174 |
| Materials and services | 14,399 | 9,587 | 9,780 | 9,976 | 10,176 | 10,381 | 10,589 | 10,802 | 11,019 | 11,240 |
| Depreciation and amortisation | 6,840 | 6,876 | 6,939 | 7,023 | 7,128 | 7,254 | 7,399 | 7,390 | 7,249 | 7,538 |
| Finance costs | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 8 |
| TOTAL OPERATING EXPENDITURE | 27,545 | 22,954 | 23,399 | 23,876 | 24,383 | 24,921 | 25,489 | 25,913 | 26,216 | 26,960 |
| Operating Surplus (Deficit) | (3,553) | (1,608) | (1,535) | (1,471) | (1,481) | (1,502) | (1,605) | (1,566) | (1,406) | (1,690) |
| Capital grants and subsidies | 2,486 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Other capital income | - | - | - | - | - | - | - | - | - | - |
| TOTAL FOR CAPITAL | 2,486 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Net result | (1,067) | 3,392 | 3,465 | 3,529 | 3,519 | 3,498 | 3,395 | 3,434 | 3,594 | 3,310 |

Budgeted Statement of Financial Position ('000)

For the periods ending 30 June 2022 to 2031

| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Current assets | | | | | | | | | | |
| Cash and deposits | 12,855 | 12,886 | 13,297 | 13,821 | 14,440 | 15,165 | 15,931 | 16,229 | 16,546 | 16,368 |
| Receivables | 1,697 | 1,488 | 1,476 | 1,507 | 1,536 | 1,564 | 1,590 | 1,624 | 1,655 | 1,687 |
| Inventories | 555 | 555 | 555 | 555 | 555 | 555 | 555 | 555 | 555 | 555 |
| Other financial assets | - | - | - | - | - | - | - | - | - | - |
| | 15,107 | 14,929 | 15,328 | 15,884 | 16,531 | 17,284 | 18,076 | 18,408 | 18,756 | 18,609 |
| Non-Current assets | | | | | | | | | | |
| Property, plant and equipment | 197,724 | 201,049 | 204,437 | 207,865 | 211,311 | 214,752 | 218,167 | 222,213 | 226,522 | 231,166 |
| Other non-current assets | 35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 197,759 | 201,049 | 204,437 | 207,865 | 211,311 | 214,752 | 218,167 | 222,213 | 226,522 | 231,166 |
| TOTAL ASSETS | 212,866 | 215,978 | 219,765 | 223,749 | 227,842 | 232,036 | 236,243 | 240,621 | 245,278 | 249,776 |
| Current liabilities | | | | | | | | | | |
| Trade and other payables | 1,899 | 1,453 | 1,483 | 1,522 | 1,558 | 1,594 | 1,628 | 1,670 | 1,710 | 1,750 |
| Provisions | 482 | 482 | 482 | 482 | 482 | 482 | 482 | 482 | 482 | 482 |
| | 2,381 | 1,935 | 1,965 | 2,004 | 2,040 | 2,076 | 2,110 | 2,152 | 2,192 | 2,232 |
| Non-Current liabilities | | | | | | | | | | |
| Employee payables/provisions | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 |
| Other provisions | - | - | - | - | - | - | - | - | - | - |
| | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 |
| TOTAL LIABILITIES | 3,526 | 3,080 | 3,110 | 3,149 | 3,185 | 3,221 | 3,255 | 3,297 | 3,337 | 3,377 |
| NET COMMUNITY ASSETS | 209,340 | 212,898 | 216,655 | 220,600 | 224,657 | 228,814 | 232,989 | 237,324 | 241,941 | 246,398 |
| Community equity | | | | | | | | | | |
| Asset revaluation surplus | 89,106 | 89,272 | 89,564 | 89,979 | 90,518 | 91,178 | 91,957 | 92,858 | 93,881 | 95,028 |
| Retained surplus | 120,234 | 123,626 | 127,091 | 130,620 | 134,139 | 137,637 | 141,032 | 144,466 | 148,060 | 151,370 |
| TOTAL COMMUNITY EQUITY | 209,340 | 212,898 | 216,655 | 220,600 | 224,657 | 228,814 | 232,989 | 237,324 | 241,941 | 246,398 |

Budgeted Statement of Cash Flow ('000)

For the periods ending 30 June 2022 to 2024

| | 2021/22 | 2022/23 | 2023/24 |
|--|----------------|----------------|----------------|
| Cash flows from operating activities: | | | |
| Receipts from customers | 15,288 | 12,677 | 12,778 |
| Payment to suppliers and employees | (20,691) | (16,518) | (16,425) |
| Other income | 332 | 336 | 342 |
| Non-capital grants and contributions | 8,348 | 8,375 | 8,460 |
| Interest revenue | 170 | 138 | 261 |
| Interest expense | (6) | (6) | (6) |
| Cash inflow/(outflow) from operating activities | 3,440 | 5,001 | 5,411 |
| Cash flows from investing activities | | | |
| Grants and contributions for capital expenditure | 2,486 | 5,000 | 5,000 |
| Payments for property, plant and equipment | (8,853) | (10,035) | (10,035) |
| Other | 64 | 65 | 35 |
| Net cash provided by investing activities | (6,303) | (4,970) | (5,000) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | - | - | - |
| Repayment of borrowings | - | - | - |
| Net cash provided by financing activities | - | - | - |
| Net Increase (Decrease) in cash held | (2,863) | 31 | 411 |
| Cash at beginning of reporting period | 15,718 | 12,855 | 12,886 |
| Cash at end of reporting period | 12,855 | 12,886 | 13,297 |

Budgeted Statement of Changes in Equity ('000)

For the periods ending 30 June 2022 to 2024

| | Total | Retained Surplus | Asset Revaluation Surplus |
|-------------------------------|---------|---------------------|---------------------------------|
| Balance at 30 Jun 2021 | 210,355 | 121,301 | 89,054 |
| Net result for the period | (1,067) | (1,067) | - |
| Asset revaluation movements | 52 | - | 52 |
| Balance at 30 Jun 2022 | 209,340 | 120,234 | 89,106 |
| Net result for the period | 3,392 | 3,392 | - |
| Asset revaluation movements | 166 | - | 166 |
| Balance at 30 Jun 2023 | 212,898 | 123,626 | 89,272 |
| Net result for the period | 3,465 | 3,465 | - |
| Asset revaluation movements | 292 | - | 292 |
| Balance at 30 Jun 2024 | 216,655 | 127,091 | 89,564 |

Bulloo SC - 2021/22 Adopted Budget - Measures of Financial Sustainability & Required Disclosures

| Reported Change in Rates And Utility Charges | | | | |
|--|---------|---------|-------------|------------|
| | 30/6/20 | 30/6/21 | \$ Increase | % Increase |
| Budgeted Gross Rate and Utility Charges Revenue ('000) | \$5,138 | \$5,295 | \$156 | 3.0% |

| | Forecast | | | | | | | | | |
|--|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Operating Surplus Ratio - Target Benchmark between 0% and 10% | | | | | | | | | | |
| (Net Operating Surplus / Total Operating Revenue) (%) | (14.8)% | (7.5)% | (7.0)% | (6.6)% | (6.5)% | (6.4)% | (6.7)% | (6.4)% | (5.7)% | (6.7)% |
| Net Financial Asset / Liability Ratio - Target Benchmark not greater than 60% | | | | | | | | | | |
| ((Total Liabilities - Current Assets) / Total Operating Revenue) (%) | (48.3)% | (55.5)% | (55.9)% | (56.8)% | (58.3)% | (60.0)% | (62.1)% | (62.1)% | (62.1)% | (60.3)% |
| Asset Sustainability Ratio - Target Benchmark greater than 90% | | | | | | | | | | |
| (Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense) (%) | 53.0% | 64.4% | 63.8% | 63.0% | 62.1% | 61.0% | 59.8% | 66.6% | 67.9% | 72.0% |

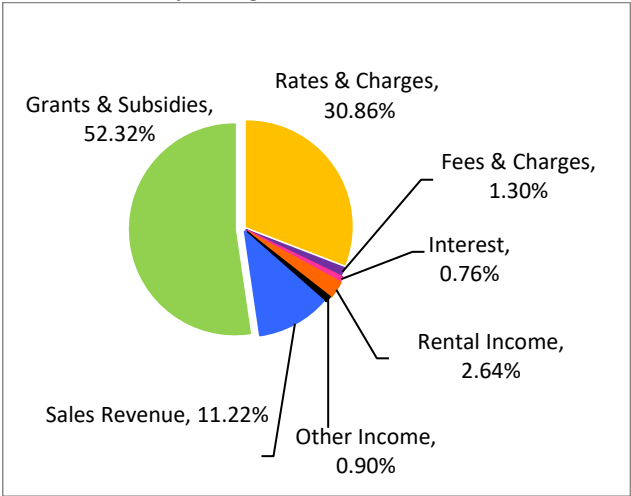
Summary of Key Information

The summary provides key information about the rate increase, operating result, capital works, financial sustainability and key strategic activities of the Council.

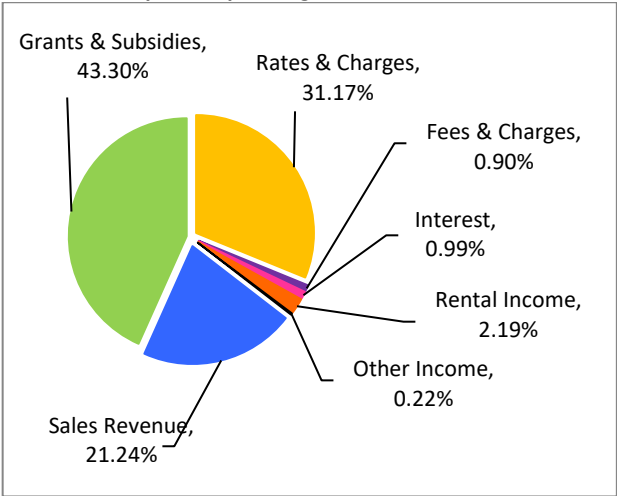
Council Operating Income

Council derives income from five major sources – rates; government grants; user fees and charges, sales revenue and interest. As indicated in the graph below, Council is very reliant on Grant funding as a primary income source, we have received a prepayment \$4M from Commonwealth Financial Assistance Grant.

2020/21 Actual Operating Income

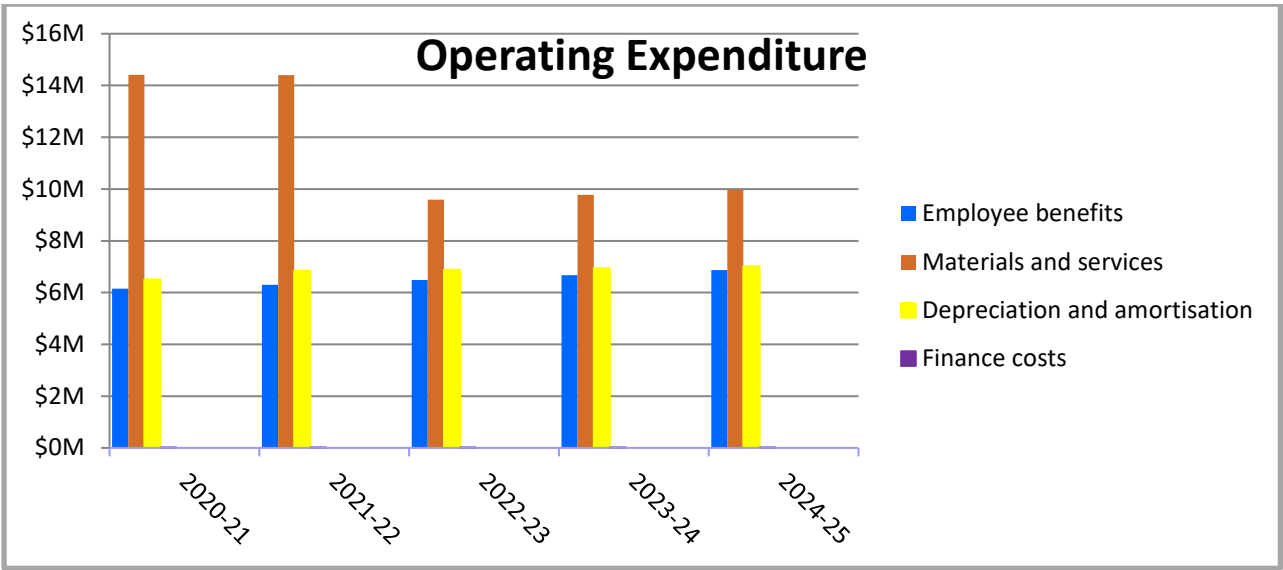


2021/22 Proposed Operating Income



Councils Operating Expenditure

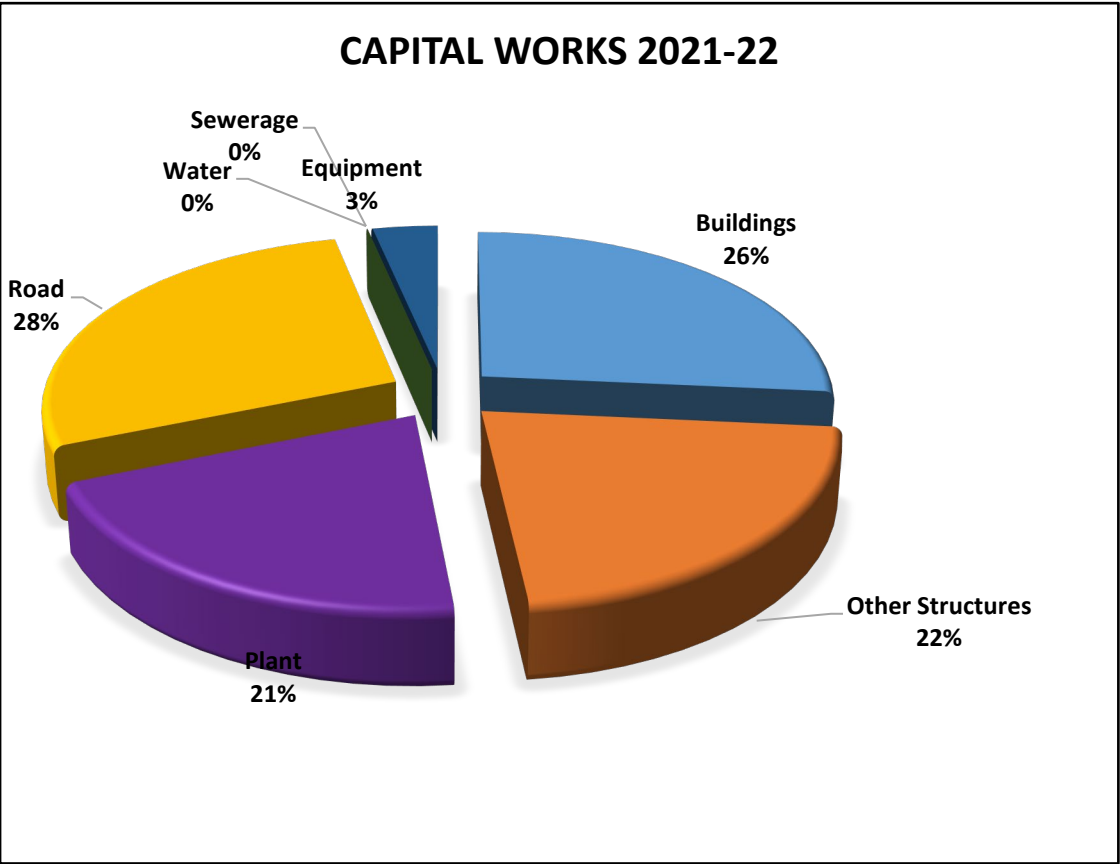
Councils operating expenditure for the 2021-22 year will increase by 2.05% compared to 2020-21 expenditure levels. Net Plant Operating Costs show a larger return due to the proposed better utilisation of council plant.



Capital Works

Bulloo Shire Council is continuing to undertake a very large capital program totaling \$8.8M.

| | |
|------------------|------------------|
| Buildings | \$2,342,000 |
| Other Structures | \$1,934,865 |
| Plant | \$1,814,073 |
| Road | \$2,462,000 |
| Water | 0 |
| Sewerage | 0 |
| Equipment | \$300,000 |
| TOTAL | 8,852,938 |



Capital Works Program 2021-2022

| Particulars | Asset Function | Manager | GL Number | Asset Class | Capital Expenditure Budget | Capital External Revenue | Council Funding Portion | Comments |
|---|----------------|------------|-----------|-------------|----------------------------|--------------------------|-------------------------|---|
| Various Capital Items | | | | | | | | |
| Skillion roof over 20ft shipping container | New | Donna | 1789-4000 | OS | 15,000 | - | 15,000 | Container used for bait storage |
| Town Common Fence | Renewal | Donna | 1789-4000 | OS | 20,000 | (20,000) | - | W4Q4 |
| Noccundra Sport Facilities | | Neil | 1789-4000 | OS | 485,000 | (485,000) | - | W4Q4 |
| Thargo Sports Ground Canteen/Bar and Storage Facility (5 bay) | | Neil | 1789-4000 | OS | 245,100 | (245,000) | 100 | W4Q4 |
| Hungerford Hall Kitchen Upgrade | | Neil | 1789-4000 | OS | 135,000 | (135,000) | - | W4Q4 |
| Various Footpaths Thargomindah | | Neil | 1789-4000 | OS | 145,000 | (145,000) | - | W4Q4 |
| SPA Gazing Facility - construction estimate | | Tamie | 1789-4000 | OS | 780,000 | (574,491) | 205,509 | Local Roads & Community Infrastructure Program (75/25) |
| 6x 2 bedroom Units | | John | 1729-4000 | Build | 2,000,000 | - | 2,000,000 | Council approval 20/21, planning in progress |
| Thargo Rodeo Grounds - furniture & trees | | Neil | 1789-4000 | OS | 43,265 | (33,265) | 10,000 | Gambling Communities Benefit Fund |
| PCS Replacement System | | Tiffany | 1749-4000 | Equip | 210,000 | - | 210,000 | |
| Electronic Swipre Card Security | | Tiffany | 1739-4000 | OS | 50,000 | - | 50,000 | Admin building & Depot plus 20 padlocks |
| Washer & Dryer at ECP | | Tiffany | 1749-4000 | Equip | 10,000 | - | 10,000 | |
| ECP Solar Lights (15) | | Tiffany | 1739-4000 | OS | 16,500 | - | 16,500 | |
| Improvements to 3 Frew Street (Resulution 2021/72) | | Neil | 1729-4000 | Build | 88,000 | - | 88,000 | |
| Improvements to 37 Eccles St (Resulution 2021/51) | | Neil | 1729-4000 | Build | 93,000 | - | 93,000 | |
| Multiplie Residence Improvements (3x cladding, 3x carport, 2x kitchen, 6x fences) | | Neil | 1729-4000 | Build | 161,000 | - | 161,000 | |
| Total Various Capital Items | | | | | 4,496,865 | (1,637,756) | 2,859,109 | |
| ROADS | | | | | | | | |
| Dig Tree Road | New | John | 1769-4000 | Roads | 540,000 | (148,000) | 392,000 | R2R - Stabilisation various creeks |
| R2R Warri Gate Seal - 3km | New | John | 1769-4000 | Roads | 810,000 | (700,000) | 110,000 | R2R |
| Electronic Signage C/O from Vsat Trailer | | Julie | | | 80,000 | - | 80,000 | |
| Reseals Innamincka & Hungerford Road | Renewal | John/Julie | 1769-4000 | Roads | 1,112,000 | - | 1,112,000 | Various locations total approx. 26km, includes shoulder resheet |
| Total Roads | | | | | 2,542,000 | (848,000) | 1,694,000 | |
| PLANT & EQUIPMENT | | | | | | | | |
| Ammann Multi Roller | | Helen | 1749-4100 | Plant | 230,000 | - | 230,000 | Trade \$25,000 |
| International Truck | | Helen | 1749-4100 | Plant | - | - | - | Trade \$70,000 |
| Hino Crew Cab Truck | | Helen | 1749-4100 | Plant | 130,000 | - | 130,000 | Trade \$28,000 |
| Fuso Fighter 7 Truck | | Helen | 1749-4100 | Plant | 130,000 | - | 130,000 | Trade \$28,000 |
| Isuzu NPS 300 D/Cab Truck | | Helen | 1749-4100 | Plant | 63,000 | - | 63,000 | Replaced by Hilux - Trade \$25,000 |
| Grader John Deere | | Helen | 1749-4100 | Plant | - | - | - | Trade \$80000 |

| Particulars | Asset Function | Manager | GL Number | Asset Class | Capital Expenditure Budget | Capital External Revenue | Council Funding Portion | Comments |
|---|----------------|---------|-----------|-------------|----------------------------|--------------------------|-------------------------|--|
| Noram Grader 2009 | | Helen | 1749-4100 | Plant | 105,000 | - | 105,000 | Two small graders on a cost effective trial basis instead of one new size traditional grader |
| Noram Grader 2010 | | Helen | 1749-4100 | Plant | 113,500 | - | 113,500 | |
| Toyota Rav4 | | Helen | 1749-4100 | Plant | 35,000 | - | 35,000 | Trade \$20,000 |
| Toyota 4 x 4 Single Cab Crusier Ute | | Helen | 1749-4100 | Plant | 88,000 | - | 88,000 | Trade \$40,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Dual Cab Utility SR 4WD | | Helen | 1749-4100 | Plant | 65,000 | - | 65,000 | Trade \$30,000 |
| Toyota Single Cab Utility 2WD | | Helen | 1749-4100 | Plant | 33,000 | - | 33,000 | Trade \$15,000 |
| Toyota Single Cab Utility 2WD | | Helen | 1749-4100 | Plant | 33,000 | - | 33,000 | Trade \$25,000 |
| Kubota Zero Turn Mower | | Helen | 1749-4100 | Plant | - | - | - | Trade \$1,000 |
| 4" Water Pump | | Helen | 1749-4100 | Plant | 6,000 | - | 6,000 | Trade \$100 |
| 4" Water Pump | | Helen | 1749-4100 | Plant | 6,000 | - | 6,000 | Trade \$100 |
| 4" Water Pump | | Helen | 1749-4100 | Plant | 6,000 | - | 6,000 | Trade \$100 |
| ATCO Dining Room | | Helen | 1749-4100 | Plant | - | - | - | Trade \$5000 |
| Ausco Accom Unit - 4 Room /2 | | Helen | 1749-4100 | Plant | - | - | - | Trade \$5000 |
| UTILITY BUILDING UNIT (2 room Donga) | | Helen | 1749-4100 | Plant | - | - | - | Trade \$5000 |
| CAMP ACCOM. 4 ROOM | | Helen | 1749-4100 | Plant | 100,000 | - | 100,000 | Trade \$5000 |
| CAMP ACCOM. 4 ROOM | | Helen | 1749-4100 | Plant | 100,000 | - | 100,000 | Trade \$5000 |
| CAMP ACCOM. 4 ROOM | | Helen | 1749-4100 | Plant | 100,000 | - | 100,000 | Trade \$5000 |
| Amenities | | Helen | 1749-4100 | Plant | - | - | - | Trade \$1,000 |
| Amenities & Kitchen | | Helen | 1749-4100 | Plant | - | - | - | Trade \$5,000 |
| CAMP ACCOM. 4 ROOM | | Helen | 1749-4100 | Plant | - | - | - | Trade \$1,000 |
| 40Ft X 4 Berth sleeper | | Helen | 1749-4100 | Plant | - | - | - | Trade \$5,000 |
| 40Ft X 4 Berth sleeper | | Helen | 1749-4100 | Plant | - | - | - | Trade \$5,000 |
| Profiler for skid steer | | Helen | 1749-4100 | Plant | 10,000 | - | 10,000 | |
| New 3-5 Ton Vibrating Roller | | Helen | 1749-4100 | Plant | 50,000 | - | 50,000 | |
| Old Waste Compactor | | Helen | 1749-4100 | Plant | - | - | - | Keep |
| New Shed at Waste Facility to house Compactor | | Helen | 1749-4100 | Plant | 85,573 | - | 85,573 | Include track to pit area and tank/pressure pump/sprinkler |
| Total Plant and Equipment | | | | | 1,814,073 | - | 1,814,073 | |
| TOTAL ALL | | | | | 8,852,938 | (2,485,756) | 6,367,182 | |

Rates Calculation Summary

Differential General Rates

A number of factors can result in some rate categories in the table below decreasing or increasing by more than 3% from the previous year:-

| Category | Category Detail | 2020-21 Revenue | 2021-22 Revenue | % Change |
|----------|-----------------------------------|-----------------|-----------------|----------|
| *1 | Vacant Land – Thargomindah | \$7,139 | \$6,363 | 3% |
| 2 | Vacant Land – Hungerford | \$2,177 | \$2,568 | 3% |
| 3 | Vacant Land – Noccundra | \$3,493 | \$3,599 | 3% |
| 4 | Vacant Land – Other | \$0 | \$369 | 3% |
| 5 | Residential – Thargomindah | \$30,459 | \$33,829 | 3% |
| 6 | Residential – Hungerford | \$4,531 | \$4,665 | 3% |
| 7 | Commercial – Thargomindah | \$4,747 | \$,4891 | 3% |
| 8 | Commercial – Hungerford | \$372 | \$383 | 3% |
| 9 | Commercial – Noccundra | \$974 | \$1,003 | 3% |
| 10 | Commercial – Other | \$3,792 | \$3,908 | 3% |
| 11 | Industry - Thargomindah | \$19,110 | \$18,668 | 3% |
| 12 | Small Rural | \$1,386 | \$1,428 | 3% |
| 13 | Rural | \$1,205,921 | \$1,073,127 | 3% |
| 14 | Jackson & Naccowlah | \$637,684 | \$656,527 | 3% |
| 15 | Ballera Gas Centre | \$2,329,401 | \$2,399,856 | 3% |
| 16 | Petroleum Leases | \$715,857 | \$731,397 | 3% |
| 17 | Extractive Leases | \$3,023 | \$2,793 | 3% |
| 18 | All Other Land | \$25,083 | \$25,846 | 3% |
| 19 | Worker Accommodation 50-100 | \$0 | \$0 | 0% |
| 20 | Worker Accommodation 100-200 | \$0 | \$0 | 0% |
| 21 | Worker Accommodation >200 | \$0 | \$0 | 0% |
| **22 | Mining Claim <900m2 | \$0 | \$0 | 0% |
| **23 | Mining Claim >900m2 | \$1350 | \$0 | 0% |
| 24 | All land > 10 Ha but < 100 Ha | - | \$2,951 | 0% |
| 25 | All land with Carbon Credit Units | - | \$179,057 | 0% |

Changes can relate to changes within Categories & increases or decreases may not show actual changes to assessments.

**Category 1 has additional assessments due to recent land sales.*

***Minimum Charge for Category 22 & 23 is determined by Local Government Regulation 2012 sec 79*

Water Charges

| Group | Rate Group Details | 2020-21 Revenue | 2021-22 Revenue | % Change |
|-------|--------------------|-----------------|-----------------|----------|
| 1 | Thargomindah | \$ 123,210 | \$126,906 | 3% |
| 2 | Hungerford | \$ 13,586 | \$13,993 | 3% |

Sewerage Charges

| Group | Rate Group Details | 2020-21 Revenue | 2021-22 Revenue | % Change |
|-------|--------------------|-----------------|-----------------|----------|
| 1 | Thargomindah | \$103,484 | \$106,589 | 3% |

Garbage Charges

| Group | Rate Group Details | 2020-21 Revenue | 2021-22 Revenue | % Change |
|-------|------------------------------|-----------------|-----------------|----------|
| 1 | Thargomindah – Environmental | \$ 5,489 | \$5,653 | 3% |
| 1 | Thargomindah - Collection | \$ 49,749 | \$51,242 | 3% |

Increase in Rates and Utility Charges

[section 169(6) – Preparation and content of budget]

The total value of the change, expressed as a percentage, in the rates and utility charges levied for 2021-22 (as adopted on 15 June 2021) compared with the rates and utility charges levied in 2020-21 as adopted on 16 June 2020 is 3%, 3% & 3%.

National Competition Assessment

Council has undertaken an assessment of its activities and has not identified any that are subject to type 3 arrangement and therefore does not need to apply the Code of Competitive Conduct.



OPERATIONAL PLAN

2020 / 2021

Debt Policy



Policy No: 2.09.2

Debt Policy

CONTROL:

| | |
|----------------------|---|
| Policy Type: | Financial |
| Authorised by: | Council |
| Head of Power: | Section 192 of the Local Government Regulation 2012 |
| Responsible Officer: | Finance Services Manager |
| Responsibilities: | Nil |
| Adopted / Approved: | 15 June 2021; Resolution 2021/144 |
| Last Reviewed: | May 2021 |
| Review: | June 2022 Note: This Policy is reviewed annually and should be included with Council's current Budget documentation. |

1. INTRODUCTION

1.1 PURPOSE:

The purpose of this Policy to provide guidelines for those who work for Bulloo Shire Council ("Council") in respect to its approved strategies for borrowings for the Financial Year 2021-22.

1.2 POLICY OBJECTIVES:

The objectives of this Policy are to ensure that Council's intent with respect future borrowing is consistent with its annual Budget projections and approved long term strategies.

1.3 COMMENCEMENT OF POLICY:

This Policy will commence on adoption. It replaces all other specific Borrowing policies of Council (whether written or not).

1.4 SCOPE:

This policy applies to all Council employees, however particularly impacts the work scope of the Council Chief Executive Officer and Manager of Financial Services.

2. POLICY

2.1 CONTEXT:

The context of this Policy aims to ensure a clear and concise approach is undertaken in respect to Council's approved strategy for long term borrowing.

2.2 POLICY STATEMENT:

In developing a Long Term Financial Plan, borrowing is identified as an alternative source for funding major capital projects.

To achieve long term financial sustainability, Council will adopt the strategies outlined in Section 3.

3. STANDARDS AND PROCEDURES

3.1 KEY PRINCIPLES

3.1.1 Council's approved strategies are detailed below:

3.1.1.1 Council will only borrow funds for new capital projects that provide an economic return and for which no other funding sources are available, or assets that contribute to the functioning of core Council activities.

3.1.1.2 External borrowings will be limited to the funding of those major items of physical infrastructure:

3.1.1.2.1 whose life will exceed the term of any loans borrowed for the same; and

3.1.1.2.2 which cannot be funded from the revenue sources of the Council.

3.1.1.3 Council will review, at least annually, its forward projections for reserves, borrowings and major capital funding and all decisions to undertake further borrowings take into account the projected reserves for the activity relative to the works to be financed.

3.2 CONSIDERATIONS

3.2.1 Based on Council's most recent review of its capital funding requirements, the following borrowings are identified as being required for the current financial year and the next nine financial years.

To maximize the use of its funds Council will borrow internally from amounts set aside for reserves where these are not required immediately.

Debt Policy

External Borrowings in \$'000

| Loan | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Housing | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Building | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

Internal Borrowings

| Loan | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Plant | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

3.2.2 Loan Position

The following table sets out the status of Council's loan liability over the coming 2021-22 financial year.

| Loan | Original Loan Amount \$'000 | Liability as at 30 June 2021 \$'000 | New Loan 2021-22 \$'000 | Repayment Principal 2019-20 \$'000 | Liability as at 30 June 2022 \$'000 |
|----------------|--------------------------------|---|-------------------------------|---|---|
| External Loans | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |

Existing borrowings have been repaid.

External new borrowings will be repaid over a period of 10 years.

Internal new borrowings will be repaid over a period of 5 years.

4. REFERENCE AND SUPPORTING INFORMATION

4.1 DEFINITIONS:

To assist in interpretation, the following definitions shall apply:

| Word / Term | Definition |
|-------------|-----------------------------|
| Council | means Bulloo Shire Council. |

4.2 RELATED POLICIES, LEGISLATION AND DOCUMENTS:

| Links to supporting documentation |
|---|
| Section 192 of the Local Government Regulation 2012 |

Investment Policy



Policy No: 2.10.2

Investment Policy

CONTROL:

| | |
|----------------------|---|
| Policy Type: | Financial |
| Authorised by: | Council |
| Head of Power: | <ul style="list-style-type: none"> • <i>Local Government Act 2009;</i> • <i>Local Government Regulation 2012; and</i> • <i>Statutory Bodies Financial Arrangements Act 1982.</i> |
| Responsible Officer: | Finance Services Manager |
| Responsibilities: | Statutory compliance |
| Adopted / Approved: | 15 June 2021; Resolution 2021/142 |
| Last Reviewed: | May 2021 |
| Review: | July 2022 Note: This Policy is reviewed annually and should be included with Council's current Budget documentation. |

1. INTRODUCTION

1.1 PURPOSE:

Council has a number of duties and responsibilities when investing funds. These are outlined in Sections 47 and 48 of the Statutory Bodies Financial Arrangements Act 1982 (SBFA).

The SBFA requires a statutory body to use its best efforts to invest its funds:

- at the most advantageous interest rate available to it at the time of the investment for an investment of the proposed type; and
- in a way it considers is most appropriate in all the circumstances.

Further, the SBFA requires that a statutory body must keep records that show it has invested in the way most appropriate in all the circumstances.

1.2 POLICY OBJECTIVES:

The purpose of this policy is to prescribe the circumstances and terms on which Council may invest its funds.

1.3 COMMENCEMENT OF POLICY:

This Policy will commence on adoption. It replaces all other specific Investment policies of Council (whether written or not).

1.4 SCOPE:

This policy applies to all Council employees, in the investment of all funds by Council.

2. POLICY

2.1 CONTEXT:

The context of this Policy aims to ensure a clear and concise approach is undertaken in respect to investments of Council funds.

2.2 POLICY STATEMENT:

It is Council's intention that all Council funds not immediately required for financial commitments be invested and that the investment vehicles used maximise Council earnings when taking into account counterparty, market and liquidity risks.

3. STANDARDS AND PROCEDURES

3.1 KEY PRINCIPLES

- 3.1.1 All Council funds not immediately required for financial commitments are to be invested.
- 3.1.2 Investment vehicles used should maximise Council earnings when taking into account counterparty, market and liquidity risks.

3.2 SPECIFIC AND STANDARD

3.2.1 Placement of Investment Funds

- 3.2.1.1 Section 44 (1) of the Statutory Bodies Financial Arrangements Act 1982 authorises that investments comprise of the following;
 - 3.2.1.1.1 Deposits with a financial institution;
 - 3.2.1.1.2 Investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
 - 3.2.1.1.3 Other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
 - 3.2.1.1.4 Investments with QIC Cash Trust, QIC Pooled Cash Fund, QTC Cash Fund, QTC 11am Fund or QTC Debt Offset Facility;
 - 3.2.1.1.5 An investment arrangement with a rating prescribed under a regulation for this paragraph; and
 - 3.2.1.1.6 Other investment arrangements prescribed under a regulation for this paragraph.
- 3.2.1.2 Section 44 (2) of the SBFA states that the investment must be;
 - 3.2.1.2.1 At call; or
 - 3.2.1.2.2 For a fixed time of not more than one (1) year.

Investment Policy

3.2.2 Quotation on Investment

- 3.2.2.1 Not less than two (2) quotations shall be obtained from authorised institutions whenever a new investment is proposed.
- 3.2.2.2 The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard risk factors. This to be chosen by the Chief Executive Officer or his nominated delegate.
- 3.2.2.3 An exemption applies to the requirement to obtain quotes where funds are invested with QTC.
- 3.2.2.4 Investments held with QTC cash fund will be benchmarked against other investments or quoted investment rates half yearly to ensure Council is receiving the most advantageous rate given the risk/return trade-off.
- 3.2.2.5 When investing funds Council staff should aim to minimise the risk to the financial instruments. As such, the authorised investments must be from one of the following:
 - 3.2.2.5.1 Interest bearing deposits with a licensed bank;
 - 3.2.2.5.2 Deposits with Queensland Treasury Corporation (QTC); or
 - 3.2.2.5.3 Deposits with a credit union or building society specifically approved by Council.

3.2.3 Term to Maturity

- 3.2.3.1 Council's investment portfolio should be realisable, without penalty, in a reasonable time frame.
- 3.2.3.2 The term to maturity of Council investments should not exceed one (1) year.

3.2.4 Internal Controls

- 3.2.4.1 Council is, at all times, to have in place appropriate controls to prevent the fraudulent use of public monies. The following controls detail the minimum that is required:
 - 3.2.4.1.1 A person is to be identified as the responsible officer for the investment function;
 - 3.2.4.1.2 All investments are to be authorised by the Chief Executive Officer or nominated delegate;
 - 3.2.4.1.3 Confirmation advices from the Financial Institution are to be attached to the Investment Authorisation Form as evidence that the investment is in the name of Bulloo Shire Council; and
 - 3.2.4.1.4 A person, other than the Responsible Officer, is to perform the bank reconciliation at the end of each month (alternatively, the reconciliation needs to be reviewed by another officer).

3.2.5 Record Keeping**3.2.5.1** Section 48 of the SBFA states that:

"A security, safe custody acknowledgment or other document evidencing title accepted, guaranteed or issued for an investment arrangement must be held by the statutory body or in another way approved by the Treasurer".

3.2.5.2 This is Council's current practice and will be continued as part of the investment procedures.**3.2.5.3** The procedure for the investment of Council funds is to be documented and followed at all times.**3.2.6 Legislative Requirements****3.2.6.1** Council is, at all times, to comply with legislation applicable to the investment function within Local Governments.**3.2.6.2** Council will utilise its Category 1 Investment Powers under the SBFA to earn interest revenue on its operating funds to supplement Council's other sources of revenue.**4. REFERENCE AND SUPPORTING INFORMATION****4.1 DEFINITIONS:**

To assist in interpretation, the following definitions shall apply:

| Word / Term | Definition |
|-------------|--|
| Council | means Bulloo Shire Council. |
| SBFA | Statutory Bodies Financial Arrangements Act 1982 |

4.2 RELATED POLICIES, LEGISLATION AND DOCUMENTS:

| Links to supporting documentation |
|--|
| Local Government Regulation 2012 – Section 191 |

Revenue Policy



Policy No: 2.11.2

Revenue Policy

CONTROL:

| | |
|----------------------|--|
| Policy Type: | Financial |
| Authorised by: | Council |
| Head of Power: | <ul style="list-style-type: none"> • <i>Local Government Act 2009; and</i> • <i>Local Government Regulation 2012</i> |
| Responsible Officer: | Finance Services Manager |
| Adopted / Approved: | 15 June 2021; Resolution 2021/143 |
| Last Reviewed: | May 2021 |
| Review: | June 2022 Note: This Policy may be included with Budget documents and as such, must be reviewed annually, together with the Budget, however may be amended at any time. |

1. INTRODUCTION

1.1 PURPOSE:

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.

This Revenue Policy will be of interest to ratepayers, federal and state departments, community groups and other interested parties seeking to understand the revenue policies and practices of Council.

1.2 POLICY OBJECTIVES:

The objective of this Policy is to identify the planning framework within which Council operates and to set out details of the principles applied by Council in:

- Levying of rates and charges;
- Recovering overdue rates and charges;
- Granting rebates and concessions; and
- Cost recovery fees.

1.3 COMMENCEMENT OF POLICY:

This Policy will commence on adoption. It replaces all other specific Revenue policies of Council (whether written or not).

1.4 SCOPE:

This policy applies to all revenue and rating functions of Council and as such, all employees, particularly those employees directly involved in such operations.

2. POLICY**2.1 CONTEXT:**

The context of this Policy aims to ensure a clear and concise approach is undertaken in respect to the intended principles strategies for the raising revenue, and setting of funds aside into reserves.

2.2 POLICY STATEMENT:

Council will be guided by the principles of user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy and to meet the range and standard of services offered to and demanded by Council's stakeholders.

Council will also have regard to those Standards and Procedures outlined in Section 3 of this Policy.

3. STANDARDS AND PROCEDURES**3.1 KEY PRINCIPLES****3.1.1 Planning Framework**

3.1.1.1 The Local Government Act 2009 sets a general planning framework within which Council must operate. There are a number of elements to the planning framework including the preparation and adoption of a Corporate Plan, Operational Plan and an Annual Budget.

3.1.1.2 Section 193 of the Local Government Regulation 2012 also requires each Local Government to adopt a Revenue Policy prior to the start of the financial year to which it relates.

3.1.1.3 Council considers that the best way of setting its revenue objectives, and to achieve them, is to effectively plan through each of the elements of the planning framework. The revenue policy effectively cascades down from the Corporate Plan. Council's 2021 – 2026 Corporate Plan includes the following objective:

'Continue to give priority to ongoing financial sustainability and prudent budget management'

- 3.1.1.4 This will be achieved by maintenance of Council's existing revenue sources through the following strategies:

'..Maintain an equitable system of rating and charges through annual review of the rating and charging structures..'; and
'.. Maximise other revenue sources, grants and subsidies..'

3.2 SPECIFIC AND STANDARD

3.2.1 Making of Rates and Charges

- 3.2.1.1 In general, Council will be guided by the principles of user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy and to meet the range and standard of services offered to and demanded by Council's stakeholders.

- 3.2.1.2 Council will also have regard to the principles of:

- 3.2.1.2.1 Transparency in the making of rates and charges;
- 3.2.1.2.2 Having in place a rating regime that is simple and inexpensive to administer;
- 3.2.1.2.3 Equity by taking account of the different capacity of land to generate income within the local community, and the burden the use of the land imposes on Council services;
- 3.2.1.2.4 Responsibility in achieving the objectives, actions and strategies in Council's Corporate and Operational Plans;
- 3.2.1.2.5 Flexibility to take account of changes in the local economy;
- 3.2.1.2.6 Environmental conditions, particularly drought conditions that will have a suppressing impact upon the economic, social and financial recovery of the local region;
- 3.2.1.2.7 Maintaining local region services and assets to an appropriate standard;
- 3.2.1.2.8 Meeting the needs and expectations of the general community; and
- 3.2.1.2.9 Assessing availability of other revenue sources.

3.2.2 Levying of Rates

- 3.2.2.1 In levying rates Council will apply the principles of:

- 3.2.2.1.1 Making clear what is Council's and each ratepayers' responsibility to the rating system;
- 3.2.2.1.2 Making the levying system simple and inexpensive to administer;
- 3.2.2.1.3 Timing the levying of rates to take account the financial cycle of local economic, social and environmental conditions in order to assist smooth running of the local economy;

Revenue Policy

-
- 3.2.2.1.4 Adjusting the way general rates are charged in response to fluctuations in valuations combined with economic and seasonal factors affecting major local industries; and
 - 3.2.2.1.5 Equity through flexible payment arrangements for ratepayers with lower capacity to pay.
 - 3.2.3 **Recovery of Rates and Charges**
 - 3.2.3.1 Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:
 - 3.2.3.1.1 Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
 - 3.2.3.1.2 Making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
 - 3.2.3.1.3 Equity having regard to capacity to pay in determining appropriate arrangements for different sectors of the community;
 - 3.2.3.1.4 Providing the same treatment for ratepayers with similar circumstances; and
 - 3.2.3.1.5 Flexibility by responding where necessary to changes in the local economy and environmental conditions (including recovery from drought).
 - 3.2.4 **Concessions For Rates and Charges**
 - 3.2.4.1 In considering the application of concessions, Council will be guided by the principles of:
 - 3.2.4.1.1 The same treatment for ratepayers with similar circumstances;
 - 3.2.4.1.2 Transparency by making clear the requirements necessary to receive concessions;
 - 3.2.4.1.3 Flexibility to allow Council to respond to local economic and environmental issues; and
 - 3.2.4.1.4 Fairness in considering the provision of community service concessions.
 - 3.2.4.2 Council may give consideration to granting a class concession in the event of all or part of the Council area experiencing a natural disaster, environmental disaster or similar event.
 - 3.2.4.3 Council may provide a concession to eligible pensioners for general rates to ease the burden of cost of living.
 - 3.2.4.4 Council will also consider a concession of whole or part of the general rate levied on organisations or entities that meet the criteria detailed under the Local Government Act 2009.
-

Revenue Policy

3.2.5 Council Reserves

- 3.2.5.1 Council constrains funds in reserves that are intended to meet specific future operating and capital requirements of the community. The funds in reserves are all backed by cash held in QTC investments except where they are the subject of internal borrowings.

3.2.6 Developer Contributions

- 3.2.6.1 While it is expected that developers will contribute to new physical and social infrastructure when they commence a new development, the amount of their contribution and how much of the infrastructure they fund may vary. This will depend on many factors and will be assessed for each development. The processes used in determining the contribution, however will be transparent, fair and equitable.

4. REFERENCE AND SUPPORTING INFORMATION**4.1 DEFINITIONS:**

To assist in interpretation, the following definitions shall apply:

| Word / Term | Definition |
|-------------|-----------------------------|
| Council | means Bulloo Shire Council. |

4.2 RELATED POLICIES, LEGISLATION AND DOCUMENTS:

| Links to supporting documentation |
|--|
| Local Government Regulation 2012 – Section 193 |

Revenue Statement

Purpose

The Purpose of this Revenue Statement is to set out the revenue measures adopted by Council to frame its 2021-22 Budget. Specifically, the Revenue Statement: -

1. Explains the rates and charges to be made or levied in the financial year.
2. Outlines rebates and concessions available on rates and charges levied by Council
3. Establishes limitation in increases in rates and charges
4. Criteria used to decide the amount of regulatory fees.
5. Establishes the extent by which physical and social infrastructure is to be funded by charges for the development giving rise to the infrastructure need.
6. Outlines whether Council intends to maintain, decrease or increase the operating capability of the local government.
7. Determines the extent to which Council will fully fund depreciation.

Legislative Requirement

This Revenue Statement is required under section 172 (Revenue Statement) of the *Local Government Regulations 2012*

Explanation of Rates and Charges Levied for 2021-22

Rates are levied according to the principles outlined in Council's Revenue Policy.

Differential General Rates

In accordance with section 15 (Categorisation of Land for Differential General Rates) of the LGR, Council has adopted a differential general rating scheme.

Council has identified twenty-three (23) categories of land for rating purposes, attached hereto. Each differential rate category attracts a different rate in the dollar of its unimproved capital value according to Council's assessment of:-

- The rateable value of the land and the rates which would be payable if only one general rate were adopted;
- the level of general services provided to the land and the cost of providing the services compared to the rate burden that would apply under a single general rate;
- the use of the land in so far as it relates to the extent of utilisation of Council's services
- Location and access to services.

Minimum General Rate [section 77]

Council recognises that every rateable property in the shire receives a basic level of service from Council, and as such, sets a minimum general rate over all rate categories to ensure that all rateable properties contribute an equitable amount compared to other ratepayers for the basic level of service they receive.

| Category | Criteria | 2021-22 Rate in \$ | 2021-22 Minimum |
|---------------------------------------|---|-----------------------|--------------------|
| Vacant and Residential Land | | | |
| 1 | All land within the Township of Thargomindah (i.e. inside the Town Common fence) that has a primary land use code designated as vacant land, horses /animal special or a reservoir. | 9.877 | \$435 |
| 2 | All land within the Township of Hungerford that has a primary land use code designated as vacant land, horses /animal special or a reservoir. | 8.639 | \$321 |
| 3 | All land within the Township of Noccundra that has a primary land use code designated as vacant land, horses /animal special or a reservoir. | 346.038 | \$321 |
| 4 | All other land not identified in another category that has a primary land use code designated as vacant land, horses /animal special or a reservoir. | 275.452 | \$369 |
| 5 | All land within the Township of Thargomindah (i.e. inside the Town Common fence) that has a primary land use code designated as a single unit dwelling, multi-unit dwelling, large home site or Outbuildings. | 14.081 | \$369 |
| 6 | All land within the Township of Hungerford that has a primary land use code designated as a single unit dwelling, multi-unit dwelling, large home site or Outbuildings. | 7.571 | \$311 |
| Commercial and Industrial land | | | |
| 7 | All land within the Township of Thargomindah (i.e. inside the Town Common fence) that has a primary land use code designated as commercial, special use commercial or general. | 13.987 | \$443 |
| 8 | All land within the Township of Hungerford that has a primary land use code designated as commercial, special use commercial or general. | 14.884 | \$383 |
| 9 | All land within the Township of Noccundra that has a primary land use code designated as commercial, special use commercial or general. | 334.335 | \$370 |
| 10 | All other land not identified in another category that has a primary land use code designated as commercial, special use commercial or general. | 39.248 | \$384 |
| 11 | All land within the Township of Thargomindah (i.e. inside the Town Common fence), not identified in another category, that has a primary land use code designated as transport and storage or industrial. | 15.458 | \$443 |
| Rural Lands | | | |
| 12 | All land greater than 100 Ha but less than 1,000 Ha that has a primary land use code designated as grazing or agricultural. | 1.849 | \$321 |
| 13 | All land greater than 1,000 Ha that has a primary land use code designated as grazing or agricultural. | 1.226 | \$395 |

| Category | Criteria | 2021-22 Rate in \$ | 2021-22 Minimum |
|---|--|-----------------------|--------------------|
| Intensive Industry and Other Lands | | | |
| 14 | All land recorded in Council's land record as being used for the production (extraction) of Oil and / or Gas / Petroleum and / or the treatment thereof, currently identified as the Jackson and Naccowlah Oil and Gas Facility. | 91.830 | \$641 |
| 15 | All land recorded in Council's land record as being used for the production (extraction) of Gas Petroleum and/or Oil identified as the South West Queensland Gas Centre. | 11999.280 | \$641 |
| 16 | All other land used for the production of oil and/or gas not included in Category 14 or 15 generally known as other petroleum leases in the Shire. | 16.016 | \$641 |
| 17 | All other land with a primary land use designated 'extractive' generally used for the extracting of precious metals and/or gemstones. | 58.467 | \$321 |
| 18 | All other land in the shire. | 79.526 | \$395 |
| 19 | All land predominately used for providing intensive accommodation capable of accommodating 50 or more but less than 100 persons (other than travelling public) in rooms, suites or caravan sites specifically built or provided for this purpose. | 2.530 | \$11,594 |
| 20 | All land predominately used for providing intensive accommodation capable of accommodating 100 or more but less than 200 persons (other than travelling public) in rooms, suites or caravan sites specifically built or provided for this purpose. | 2.530 | \$23,188 |
| 21 | All land predominately used for providing intensive accommodation capable of accommodating 200 or more persons (other than travelling public) in rooms, suites or caravan sites specifically built or provided for this purpose. | 2.530 | \$46,376 |
| 22 | All mining claims over land that is 900m ² or less. | 0.00 | \$155.00 |
| 23 | All mining claims over land that is larger than 900m ² . | 0.00 | \$464.00 |
| 24 | All land, greater than 10 Ha but less than 100 Ha that has a primary land use code designated as residential. | 9.837 | \$369 |
| 25 | All land in whole or in part that has received Australian Carbon Credit Units (ACCU). | 1.226 | \$395 |

Utility Charges [section 99]

Utility charges will be set on an annual basis having regard to the costs associated with providing the services. Rates will be determined with reference to maintaining assets and providing services and will generally reflect a user pays principle. Allowances will be made to balance the user pays system and to provide a service to ratepayers and/or the community at large at an affordable price.

Water Rates

Hungerford Water Rates

Council provides a dual water supply to all properties within the serviced area – a raw water supply for garden use and a treated supply for human consumption. Both Water Supplies attract a base infrastructure or access charge recognising that the properties have access to the water supplies. The treated water supply attracts a second charge based on the property's consumption of treated water, reflecting a user pays methodology as well as fulfilling a demand management role.

Vacant properties attract a water access charge recognising that a water service is available to the land as water infrastructure has been installed ready to supply the property once it is occupied.

| Description | Units | 2021/22 Charge |
|--|---------------------------|------------------|
| Each residence – Treated or Bore and Untreated Water | Water – Connection Charge | \$ 466.45 |
| Water – Consumption Charge – Treated or Bore Water Only | Per kL | \$ 1.12 |

Thargomindah Water Rates

Council provides a water reticulation system to all properties within the serviced area of the township of Thargomindah. The charging system includes the following descriptions and is defined by:

| Charge Description | Definition | 2021/22 Charge |
|---------------------------------------|---|------------------|
| Water – Access Charge | Charge applied to each parcel of land in the water area that has the potential to be connected to the water scheme, but is not connected. | \$ 330.82 |
| Water – Connected Charge | Charge applied to a vacant land, single unit dwelling and each unit of a multi-unit dwelling that is connected to the water scheme. | \$ 516.26 |
| Water – Commercial Unit Charge | Charge applied to each unit identified in the Commercial Water Unit Table | \$ 86.04 |

At present, not all properties are metered. Council operates a rating regime based on an indicative allocation per property with a water connection. It is Council's intention in the future to install water meters allowing a two part tariff charging regime, commencing with those assessments charged the Commercial Water Unit Charge. Once meters are installed a review of the utility charging methodologies will be conducted with the aim to adopting a new charging system to replace the current unit based approach for commercial properties.

In recognising that the water network can service a much larger customer base and that existing connections should not recover all system costs, these charges are established to recover at least **85%** of the costs of providing this service. The costs include operating and maintenance costs together with a component seeking to recover an amount towards future replacement and augmentation of the system.

Vacant properties attract a water access charge recognising that a water service is available to the land as water infrastructure has been installed ready to supply the property once it is occupied.

Water – Commercial Units

| Class | Description | Units |
|-------|--|-------|
| 03 | Shops Government Offices, Buildings and Other Premises | 6 |
| 04 | Business & Commercial Premises with Residence (Attached or separate) | 16 |
| 05 | Cafes | 10 |
| 06 | Caravan Parks | 25 |
| 07 | Churches | 3 |
| 08 | Community Centre | 10 |
| 09 | Council Depot or Store | 25 |
| 10 | Electrical Supply Authority Workshop | 6 |
| 11 | Not allocated | |
| 12 | Hall | 10 |
| 13 | Hospital / Medical Clinic | 25 |
| 14 | Hotel / Motel | 25 |
| 15 | Motel / Restaurant | 20 |
| 16 | Laundromat | 15 |
| 17 | Office, Workshop & Store | 12 |
| 18 | Parks | 20 |
| 19 | Post Office | 6 |
| 20 | Racecourse / Showgrounds / Rural | 10 |
| 21 | School | 30 |
| 22 | Service Stations (Mechanical Repairs) | 12 |
| 23 | Shire Office | 10 |
| 24 | Swimming Pool | 25 |
| 25 | Telephone Exchange | 6 |
| 26 | Any other building not specified | 6 |

Sewerage Rates

Council provides a vacuum sewerage reticulation system within the township of Thargomindah. The charging system includes the following descriptions and is defined by:

| Charge Description | Definition | 2021/22 Charge |
|---------------------------------------|--|------------------|
| Sewerage – Access Charge | Charge applied to each parcel of land in the sewer area that has the potential to be connected to the sewer scheme, whether connected or not. | \$ 251.39 |
| Sewerage – Connected Charge | Charge applied to a single unit dwelling, each unit of a multi-unit dwelling, each room in workers accommodation and the 1 st pedestal at all other connected allotments. | \$ 502.77 |
| Sewerage – Additional Pedestal | After the Sewerage – Connected Charge, the Charge applied to each additional non-residential pedestal (including urinal cistern) that is connected to the sewer scheme. | \$ 251.39 |

Garbage Charges

Council provides a garbage collection service and disposal facilities within the township of Thargomindah. The charging system includes the following descriptions and is defined by:

| Description | Charging Basis | 2021/22 Charge |
|---|--|------------------|
| Garbage – Domestic Environmental Charge | Charge applied to each domestic assessment within Thargomindah to contribute towards to costs of providing the recycling and waste transfer facilities. | \$ 25.81 |
| Garbage – Commercial & Industry Environmental Charge | Charge applied to each commercial & industry assessment within Thargomindah to contribute towards to costs of providing the recycling and waste transfer facilities. | \$ 51.63 |
| Garbage – Domestic Collection | Charge for one refuse bin of up to 240L to be collected and disposed of once per week from each domestic premises. Each additional bin will be each charged another Garbage – Domestic Collection. | \$ 193.80 |
| Garbage – Commercial & Industry Collection | Charge for one refuse bin of up to 240L to be collected and disposed of twice per week from each commercial & industry premises. Each additional bin will be each charged another Garbage – Commercial Collection. | \$ 373.87 |

All properties within the garbage service area are charged a *Garbage Collection Charge* as defined above. Because the garbage collection can service a much larger number of properties than the number in the town, the council considers that the charge for garbage collection should cover 80% of the operating costs excluding capital costs. The council intends to reduce the impact of this charge by phasing the new charges in over the next three year period.

A *Garbage Environmental Charge* was established in 2013/14 to partly fund the operation and maintenance of council refuse tips and recycling facilities. As the operational costs of these facilities are rising, council intends to phase in reasonable increases over the next three years to cover costs.

All occupied properties within the service area attract the *Garbage Environmental and Collection Charges* irrespective of whether they use the service or not. Council maintains that all levels of occupancy of land generate refuse that requires disposal at a central point. As such, all occupied land owners receive a collection and disposal service, it is their choice whether they take advantage of the collection service.

Average Residential Assessment Rate Increase

The below table displays a comparison of the 2021/22 rates and charges for an average residential assessment in Thargomindah.

| Description | 2020/21 Charge | 2021/22 Charge |
|--|--------------------|--------------------|
| Average General Rates | \$ 438.27 | \$ 448.05 |
| Water – Connected Charge | \$ 501.23 | \$ 516.26 |
| Sewerage – Connected Charge | \$ 488.12 | \$ 502.77 |
| Garbage – Domestic Environmental Charge | \$ 25.07 | \$ 25.81 |
| Garbage – Domestic Collection | \$ 188.16 | \$ 193.80 |
| Total | \$ 1,640.85 | \$ 1,686.69 |

Rating Frequency

For the purposes of Section 107 of the *Local Government Regulation 2012*, Bulloo Shire Council will levy rates on a half yearly basis covering the periods:

- 1 July 2021 – 31 December 2021
- 1 January 2022 – 30 June 2022

Interest on Overdue Rates and Charges

Council discourages the avoidance of responsibilities for meeting rates and charges debts and to this end Council will impose interest on rates and charges which remain unpaid and therefore overdue, from the end of the discount period.

The rate of interest will be determined annually by resolution at the budget meeting.

The rate of interest for the 2021-22 financial year is 8.03% compounding daily.

Discount for Prompt Payment of Rates

To encourage the prompt payment of rates and charges, a discount will be allowed in respect of general rates only: -

- (a) Paid within 30 days after the date of issue of a rate notice.
- (b) Paid after 30 days if special circumstances apply

The rate of discount will be determined annually by resolution at the budget meeting.

The rate of discount for the 2021-22 financial year is 3%.

Rebates and Concessions

Pensioner Remissions

Council grants pensioner remissions according to following principles: -

- Pensioners who comply with the conditions required for State rate remissions will be granted a remission equivalent to 20% of total rates and charges with a maximum subsidy payable of \$200 per annum.
- Aged, invalid, war service, war widows, widows or other approved pensioners who comply with the above conditions will be granted a remission.
- A remission of the rates granted to aged pensioner(s) in conformity with the foregoing conditions shall be allowed in each year without further application so long as the pensioner(s) remain qualified to receive such remission.
- In genuine cases of hardship Council may grant a concession in respect of any of the charges imposed by the Council to Pensioners, charitable, non-profit or community organisations on application.

State Fire Levy

The Council has a legal obligation to collect the *Emergency Management, Fire & Rescue Levy* in accordance with the Queensland Fire and Emergency Services Act 1990. The levy is applied to all prescribed properties under the Fire and Rescue Service Act 1990.

The levies are set by *Regulation (The Fire and Emergency Services Regulation 2011)* and vary according to the classification of the property and class of district in which the property is situated, and are therefore outside Bulloo Shire Council's discretion.

General and Regulatory Fees

General charges shall be set by Council at an amount considered reasonable and relevant to the service or facility provided, based on the principles outlined in Council's Revenue Policy.

Funding of Physical and Social Infrastructure by Developers

The Council will negotiate with any proposed new developer in relation to any extraordinary costs involved in providing or extending roads, water sewerage, stormwater drainage or other service to the proposed development.

Funding of Depreciation

Council will charge depreciation on its assets in accordance with the requirements of the relevant Australian Accounting Standards. The cash equivalent of this depreciation will be used to replace Council's non-current assets. It is Council's intention to fully fund depreciation.