

Annual Budget 2020-2021 Summary Report

In accordance with Sections 169 and 170 of the *Local Government Regulation 2012*, Council is required to prepare a budget for each financial year, it must be prepared on an accrual basis and adopted after May 31 and prior to August 1st each year.

The budget must comply with s169 of the Regulation and requires that the required financial statements include the budget year and the next two financial years:

- Income and expenditure
- Financial position
- Cash flow
- Changes in equity.

Furthermore, the budget must contain:

- a long-term financial forecast
- relevant measures of financial sustainability - 10 year financial ratios
- revenue statement
- revenue policy
- value of the change as a percentage in rates and utility charges (excluding discount and rebates)

The budget must be consistent with the Council's Five-Year Corporate Plan and its Annual Operational Plan.

The budget may be amended at any time during the financial year provided compliance with s 169 of the Regulation is adhered to.

Key points of the 2020-2021 Annual Budget:

Rates and Charges

The change in rates and utility charges as a percentage from the previous budget is 4.1%.

The increase in General rates is 3.9%, while the increase in Residential and Commercial properties will be 2.0% in 2020-21.

Utility charges increased overall by 4.5%:-

Rubbish collection 4.9%

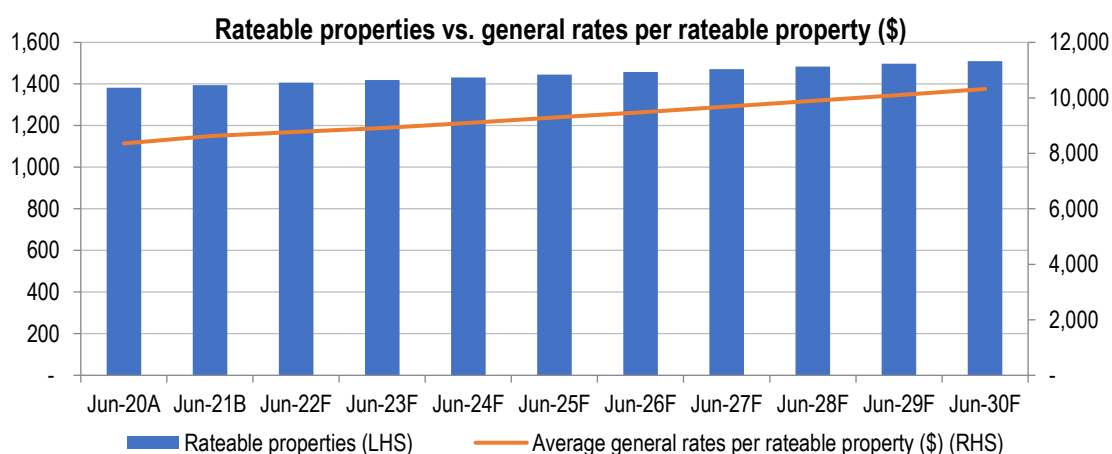
Water services 4.9%

Sewerage services 2.8%

The Department of Natural Resources, Mines and Energy conducted a valuation of land in Cloncurry Shire and this will result in some variations in the differential rate applied to properties within rating categories.

Key general rates drivers	2018-19	2019-20	2020-21
Population	3,423	3,423	3,457
Rateable properties	1,362	1,382	1,394
Residents per rateable property	1.84	2.48	2.48
Average operating cost per rateable property (\$)	21,463	22,488	22,102

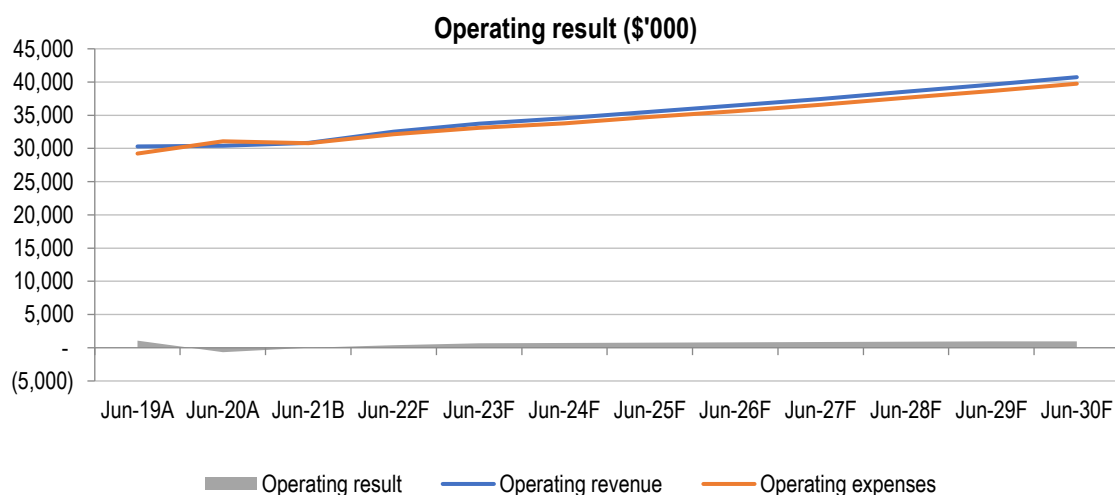
Average general rates per residential property	Number of Ratepayers	Average General Rate Paid	Minimum Paid	Maximum Paid
Cloncurry Residential <10,000m ²	517	\$780	\$623	\$3,636
Cloncurry Residential – Other	244	\$1,029	\$1,286	\$1,592
Cloncurry Residential >10,000m ² <20,000m ²	21	\$1,312	\$674	\$2,769
Cloncurry Residential >20,000m ²	27	\$1,730	\$704	\$4,297
Other Residential < 10,000m ²	71	\$231	\$470	\$572
Other Residential > 10,000m ²	7	\$42	\$521	\$766



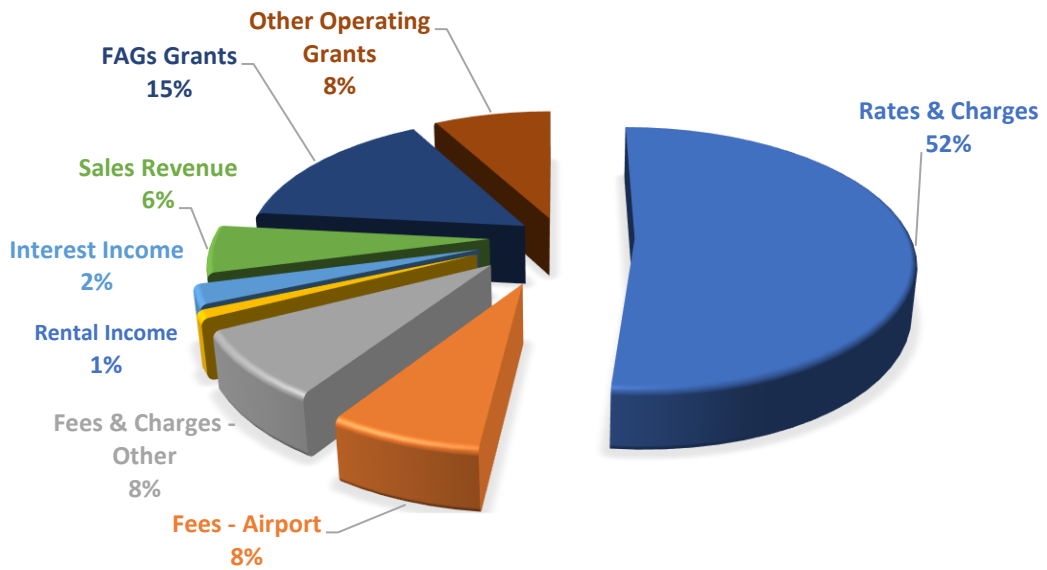
Operating Result

The 2020/21 Revenue and Expenditure budget provides for a net operating surplus of \$21,000 from total operating revenue of \$30,833,000, capital revenue is an additional \$27,541,000 which will fund flood damage works and capital projects.

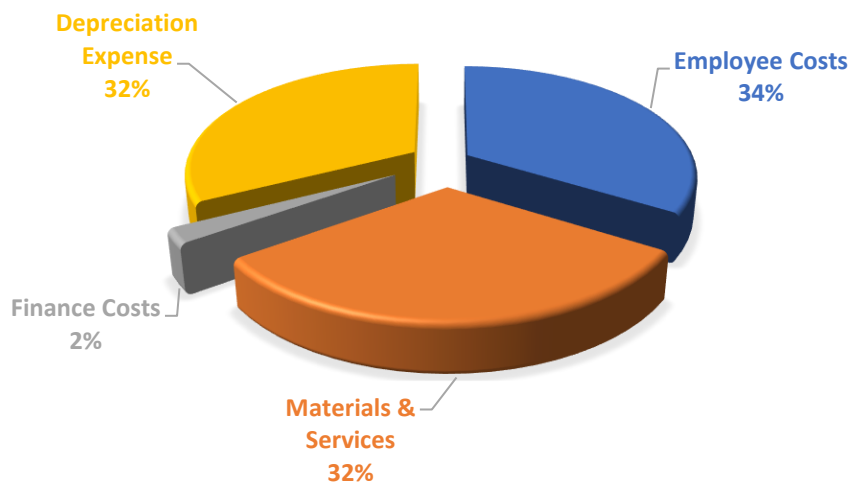
Council's long-term forecasting model is showing a surplus for the next ten years based on current staffing levels and operating revenue remaining steady. This budget does allow for a reduction in airport revenue due to the reduction in flights expected to continue during 2020-21 and there is an extra \$684,000 allowed in salaries for additional staff including the new Projects Director. Significant savings are expected with reduction in contractors' costs when council staff the water, sewerage and tip operations.



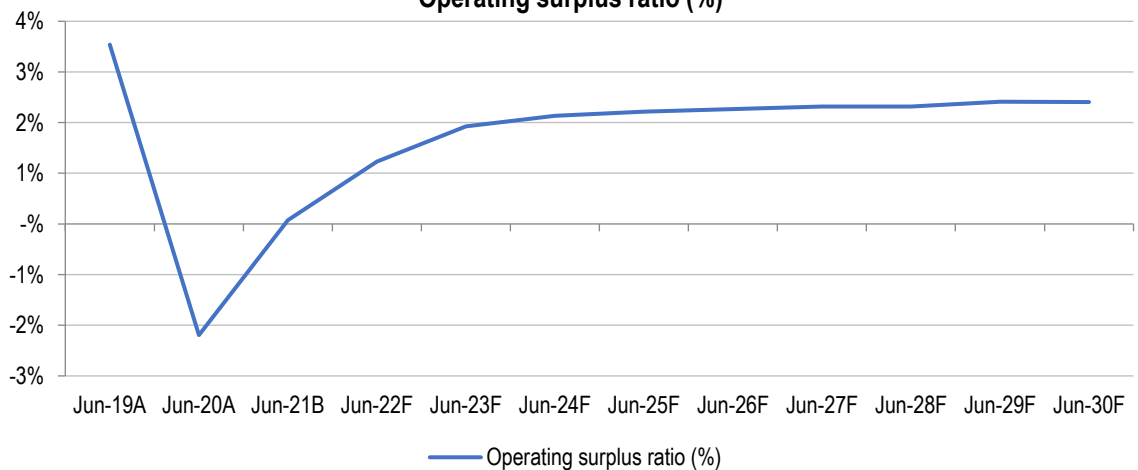
2020-21 BUDGET TOTAL OPERATING REVENUE \$30,833,000



2020-21 BUDGET TOTAL OPERATING EXPENSES \$30,812,000



Operating surplus ratio (%)



Capital Works Program

The total program is \$40,127,917 of which 69% is funded from grants: -

Flood Damage works (2019-20 & 2020/2021)	\$21,008,449
Reseal of Dajarra airstrip – supported with \$338,75 from the RAUP grant.	\$ 677,500
Realignment of Cloncurry airstrip lighting to comply with new CASA standards.	\$ 500,000
Renovations and upgrades of Council housing stock	\$ 400,000
Footpath program – including Sir Hudson Fysh Drive and Scarr Street	\$ 783,000
Chinaman Creek Dam recreation area masterplan and upgrade (W4Q grant)	\$ 1,180,000
Widening of Sir Hudson Fysh Drive	\$ 1,000,000
Upgrade of the road at the Clean Yards	\$ 880,000
Completion of the Sewerage Treatment Plant upgrade	\$ 2,000,000
Water Treatment Plant upgrade stage 1	\$ 700,000

Plant replacement total of \$1 mil includes the replacement of Grader GD6555-5 and the camp kitchen.

Community Service Obligations: -

Council supports various programs and services throughout the Shire to provide an inviting place for people to raise their families in our rural setting in accordance with Council's Corporate Plan Vision Statement.

There is a reduction in expenditure due to a fewer events and tourism activity due to the COVID-19 protocols currently in place, the budget reflects that some activities may proceed in the new year.

Summarised below are the Community Service Obligations for the 2020/21 Annual Budget,

Community Service	Revenue 2020-21	Expenses 2020-21	Net Cost Budget 2020-21	Act 2019-20
Recreation Reserve	10,000	246,234	236,234	284,950
Mary Kathleen Park	75,000	361,737	286,737	322,226
John Flynn Place	52,000	257,135	205,135	236,908
Swimming Pool	-	203,373	203,373	214,737
Equestrian Centre	22,000	212,684	190,684	228,451
Library	9,903	202,347	192,444	209,565
Community Grants		150,000	150,000	126,400
Flinders Medical centre		104,055	104,055	101,086
CWA-Charlotte Scott House	12,758	128,561	115,803	85,436
STAGS – Aged Care	222,000	267,010	45,010	82,605
PCYC		60,050	60,050	51,946
School Chaplaincy		30,000	30,000	30,000
Totals	403,661	2,223,186	1,819,525	1,974,310