



FINANCE

1.2 Governance Corporate Plan Objective

A strong, effective and sustainable organisation, providing excellence and innovation in custodianship of the community's resources

1.2.1 Strategy

Manage Council's financial and physical resources to the most beneficial and sustainable effect

1.2.3 Strategy

Develop a well resourced, professional and responsive organisation focused on excellence.

Corporate Plan Actions

To achieve these outcomes Council will focus on;

- Maintaining systems which ensure quality and accurate, management financial reporting.
- Maintaining and developing a long term financial management strategy.
- Maintaining a transparent contracts & procurement policy consistent with legislative requirements.
- Completing annual stock takes in accordance with good management practice.
- Maintaining effective revenue and debt policies as prescribed by legislation.
- Continuing to implement web enabled payment options
- Satisfying State audit requirements.
- Maintaining quality inventory and purchasing support services to assist in the efficient delivery of Council's services and programs.
- Integrating banking arrangements and adopting an investment policy

Related Programs: Rating & Revenue Management, Financial Management

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1.2.2 Strategy

Ensure a sustainable and renewable source of human skills to serve the objectives of Council

Corporate Plan Actions

To achieve these outcomes Council will focus on;

- Maintaining an accurate employee payroll system in accordance with statutory and legislative requirements

Related Programs: Payroll Management

1.2 Governance Corporate Plan Objective

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1.2.8 Strategy

Apply effective risk management Strategy

Corporate Plan Actions

To achieve these outcomes Council will focus on;

- Developing and implementing an overall risk management strategy for the organisation.

Related Programs: Risk Management

2.4 Community Corporate Plan Objective

Healthy and safe communities where residents are protected through public health, safety and counter disaster programs

2.4.3 Strategy

Formulation of disaster management plans that minimise the effect of and coordinate Council's response to natural disasters.

Corporate Plan Actions

To achieve these outcomes Council will focus on;

- Developing a comprehensive regional counter disaster plan using the two existing plans as a base.
- Partnering with the State & Regional Disaster Coordination Groups to ensure that Council's response to disasters or threats is coordinated and well managed.

Related Programs: Disaster Coordination

Performance Indicators for Finance Section

- The adopted budget is implemented and all variances are identified and appropriate managerial action taken.
- Milestones are achieved or significant progress is made towards implementation of the identified strategy.
- Where interaction with external bodies is identified as a strategy achievements are documented.
- Unqualified Audit Report
- Financial Statements submitted to Auditor 15 September
- Annual report adopted by 30 November
- Monthly financial reports delivered by the 1st Thursday of the month
- **Customer Service Survey to be undertaken in 09/10**
- Risk assessments completed and approved for all operational activities

	Finance			Procurement Stores			TOTAL		
	08/09 Revised Budget \$	08/09 Anticipated Position \$	09/10 Proposed Budget \$	08/09 Revised Budget \$	08/09 Anticipated Position \$	09/10 Proposed Budget \$	08/09 Revised Budget \$	08/09 Anticipated Position \$	09/10 Proposed Budget \$
FINANCE									
Trading Summary									
Ordinary Income	49,434,710	54,365,768	54,692,432	554,682	797,000	1,159,000	49,989,391	55,162,768	55,651,432
Capital Income	99,134	0	-	-	0	0	99,134	0	-
Ordinary Expenses	(3,486,732)	(3,987,268)	(4,987,597)	(800,533)	(923,500)	(1,195,958)	(4,287,265)	(4,910,766)	(6,183,555)
Net Income (Deficit)	46,047,112	50,378,500	49,704,835	(245,851)	(126,500)	(36,958)	45,801,261	50,252,000	49,667,876
Reserve Movement									
Tfr to Reserves	(890,700)	(975,000)	(1,145,000)	0	0	0	(890,700)	(975,000)	(1,145,000)
Tfr from Reserves	451,898	451,898	1,051,898	0	0	0	451,898	451,898	1,051,898
Total Reserve Movement	(438,802)	(523,102)	(93,102)	0	0	0	(438,802)	(523,102)	(93,102)
Capital Expenditure\Loans									
Capital Purchases	(240,711)	0	-	0	0	(143,000)	(240,711)	0	(143,000)
Loan Proceeds	0	10,000	-	0	0	50,000	0	10,000	50,000
Loan Payments	(2,576,591)	(2,576,591)	(3,258,795)	0	0	0	(2,576,591)	(2,576,591)	(3,258,795)
Total Capital Expenditure\Loans	(2,817,301)	(2,566,591)	(3,258,795)	0	0	(93,000)	(2,817,301)	(2,566,591)	(3,351,795)
Total	42,791,009	47,288,808	46,352,938	(245,851)	(126,500)	(129,958)	42,545,157	47,162,308	46,222,979

This budget caters for the operations of Council's Corporate Finance activities along with the co-ordination of Disaster Management activities.

	08/09 Budget \$	08/09 Revised Budget \$	09/10 Proposed Budget \$
Finance			
Trading Summary			
Ordinary Income	53,877,466	54,365,768	54,692,432
Capital Income	-	-	-
Ordinary Expenses	(3,963,350)	(3,987,268)	(4,987,597)
Net Income\Deficit	49,914,116	50,378,500	49,704,835
Reserve Movement			
Tfr to Reserves	(975,000)	(975,000)	(1,145,000)
Tfr from Reserves	451,898	451,898	1,051,898
Total Reserve Movement	(523,102)	(523,102)	(93,102)
Capital Expenditure\Loans			
Capital Purchases	-	-	-
Loan Proceeds	25,000	10,000	-
Loan Payments	(2,670,330)	(2,576,591)	(3,258,795)
Total Capital Expenditure\Loans	(2,645,330)	(2,566,591)	(3,258,795)
Total	46,745,683	47,288,808	46,352,938

Financial Support Services

This budget provides for the operations of the finance functions that provide a service to the whole organisation this includes the Director, Principal Accountants, accountants, Finance Support Officers and Creditor functions. This budget also provides for external audit fees, costs associated with the establishment of internal audit have been moved to the Governance but an allowance has been made in this budget for the conduct of a Public Benefit Assessment for Council's Water & Sewerage Business under National Competition Policy requirements.

Payroll Management

The provision of payroll services across Council

Rating and Revenue Management

This budget provides for rating and revenue staff as well as allowing for the distribution of rate notices and any debt recovery action should it be required, customer service officers have now been budgeted within Corporate Administration.

Disaster Co-ordination

This budget provides for a single budget point for the co-ordination of Disaster Management activities within Council which includes the support of SES and Rural Fire Brigade operations, as well as providing for the Disaster Management Co-Ordinator. This budget has some large increases proposed in 09/10 largely reflective of the a rearrangement of SES Funding and placing all funding for the SES within one budget (including vehicles), as these groups act as Council's primary response unit in terms of emergency it is important that these groups are adequately funded. The budget also includes a one off allowance for the purchase of Local Disaster Co-Ordination Centre (LDCC) software that will aid in the operations of the LDCC in times of emergency.

General Rates

This budget provides for the levy of the general rate as determined by Council.

Corporate Finance

This budget allows for those Corporate Finance costs that result from Council's day to day activities such as Commonwealth Financial Assistance Grant, Interest on Investments and Loan Repayments for General Fund activities, as well as providing a budget for corporate bank charges and fringe benefits tax obligations. This budget in 09/10 also provides for the "one off" top up requested by LG Super of Defined Benefit Employees superannuation. Also provided for is additional loan repayments as a result of drawdowns for Kirkwood Road and GRC Establishment Costs in 08/09

515 Financial Support Services	Ordinary Income	Transfer from Reserves	Total Receipts	Ordinary Expenses	Transfers to Reserves	Loan Payments	Total Payments
Income							
10810 - Admin overhead charges recouped	237,623		237,623				
Expenditure							
Employee costs							
20120 - Normal salaries & wages				838,974			838,974
20125 - On-costs salaries & Wages				328,878			328,878
Salaries - Overtime Provision				15,000			15,000
20255 - Seminars & Conferences				30,000			30,000
Training & Development - Financial System Integration							
Other Costs							
205 - Subscriptions & Memberships				2,000			2,000
20630 - Hire of plant & equipment - internal				18,000			18,000
Consultants / Valuers (Public Benefit Assessments - NCP)				45,000			45,000
Audit Fees - External				150,000			150,000
Audit Fees - Internal							
Printing & stationery				7,500			7,500
IT Oncosts				204,675			204,675
Corporate Overhead Expenditure							
Total	237,623		237,623	1,640,027	-	-	1,640,027
517 Payroll Management							
Income							
Overhead Recovery (1.27%)	392,431						
Expenditure							
Employee costs							
20120 - Normal salaries & wages				216,281			216,281
20125 - On-costs salaries & Wages				84,782			84,782
20130 - Overtime salaries & wages				5,000			5,000
IT Oncosts				76,753			76,753
Printing & stationery				8,000			8,000
Total	392,431		-	390,816	-	-	390,816
525 Rating and revenue management							
Income							
10725 - Search fees	165,000		165,000				
11640 - Sundry income (including Fire Levy Commission)	62,000		62,000				
Rating Overhead Recovery (Net Cost to Recover)	617,487		617,487				
General	49,275,240	381,803					
Cleansing	4,819,200	37,341					
Water	15,879,633	123,041					
Sewerage	9,718,499	75,303					
Expenditure							
Employee costs							
20120 - Normal salaries & wages				353,915			353,915
20125 - On-costs salaries & Wages				138,735			138,735
20130 - Overtime salaries & wages				5,000			5,000
20255 - Seminars & Conferences				5,000			5,000
Other costs							
20750 - Security services				1,500			1,500
IT Oncosts				102,337			102,337
Rate Notice Production, Printing & Postage				53,000			53,000
Valuation Fees (DNR)				175,000			175,000
21255 - Legal Expenses				10,000			10,000
Total	844,487		844,487	844,487	-	-	844,487
532 Corporate Finance							
Income							
10310 - Interest on Investments	4,100,000		4,100,000				
10320 - Interest on Operating Accounts			-				
10910 - Federal assistance grant (FAG)	**Bring forward of 09/10 First Quarter to June 2009	4,467,618	4,467,618				
Return on Capital transfer from Plant Reserve		600,000	600,000				
Expenditure							
Other costs							
20410 - Bank charges (per py budget)				157,500			157,500
21235 - Fringe Benefits Tax				176,000			176,000
Defined Benefits Scheme Top (09/10 only) 97 Defined Benefit Scheme Employees (GRC Contribution 18% from 12%)				441,166			441,166
Brokerage Fee)				510,000			510,000
Loan Repayments							
General Fund		451,898	451,898			3,258,795	3,258,795
Total	8,567,618	1,051,898	9,619,516	1,284,666	-	3,258,795	4,543,461

120 Disaster Coordination	Ordinary Income	Transfer from Reserves	Total Receipts	Ordinary Expenses	Transfers to Reserves	Loan Payments	Total Payments
Income							
SES - General Assistance Grant	9,500		9,500			-	
Grants & Subsidies							
Expenditure							
Employee Costs							
Disaster Management Co-Ordinator				107,990			107,990
GRC and act as liaison officer with SES & Rural Fire Groups. Co-Ordinator is also to assist with update and amalgamation of Disaster Planning documents and procedures.							-
Other Costs							
Vehicle Hire				27,664			27,664
SES Budget Allocation in accordance with funding policy approved by SES Management Committee				80,000	170,000		250,000
Administration Oncosts				20,352			20,352
IT Oncosts				12,792			12,792
Expenses, Communication Expenses, Building Maintenance and Operations as well as the establishment of reserves for Capital Purchases and Improvements							-
Rural Fire Brigade Donations include a carryover amount of \$45,000 in respect of Agnes Water Rural Fire Brigade, distribution of this budget will be under the direction GRC Rural Fires Committee				140,000			140,000
Guardian Control Centre Software - Disaster Centre				50,000			50,000
Conference & Training				5,000			5,000
Printing & Stationery				2,000			2,000
Total	9,500		9,500	445,798	170,000	-	615,798
550 General rates and charges							
	Ordinary Income	Transfer from Reserves	Total Receipts	Ordinary Expenses	Transfers to Reserves	Loan Payments	Total Payments
Income							
10110 - General rates	48,138,000		48,138,000				
10145 - GPA Tax equivalent rates	1,137,240		1,137,240				
10210 - Discount granted - general	(4,530,435)		(4,530,435)				
10235 - Discount granted - GPA	(110,000)		(110,000)				
10240 - Pensioner rebate - GRC - only offered on General Rate in 0809	(696,000)		(696,000)				
10315 - Interest on Rates in arrears	42,500		42,500				
Expenditure							
Other costs							
Future Capital Projects Transfer					860,000		860,000
Community Facilities Transfer					115,000		115,000
Overhead Expenditure				381,803			381,803
Total	43,981,305		43,981,305	381,803	975,000	-	1,356,803

PROCUREMENT / STORES

Stores

Council's three stores ensure that parts, materials etc that are required to perform Council's various functions are readily available. While it is impracticable and inefficient to hold all parts in stock it is important that key parts are held to ensure minimal down time.

Procurement

Purchasing materials and services have been centralised to ensure that they are acquired as effectively and efficiently as possible. These materials and services are acquired through tenders, quotations, standing orders and adhoc purchases.

The process of centralising purchasing and contract function during 09/10 will continue, with a single financial system will enable this process to be completed. A Contracts Officer has been employed to assist with this and provide specialist contract advice and support.

Courier

This budget also includes the establishment of an internal courier service between Council offices (including libraries and depots) this will improve information flow and flow of physical goods within Council.

	08/09 Budget \$	08/09 Anticipated Position \$	09/10 Proposed Budget \$
Procurement Stores			
Trading Summary			
Ordinary Income	554,682	797,000	1,159,000
Capital Income	-	-	-
Ordinary Expenses	(800,533)	(923,500)	(1,195,958)
Net Income\Deficit	(245,851)	(126,500)	(36,958)
Reserve Movement			
Tfr to Reserves	-	-	-
Tfr from Reserves	-	-	-
Total Reserve Movement	-	0	0
Capital Expenditure\Loans			
Capital Purchases	(1,200)	-	(143,000)
Loan Proceeds	-	-	50,000
Loan Payments	-	-	-
Total Capital Expenditure\Loans	(1,200)	0	(93,000)
Total	(247,051)	(126,500)	(129,958)

FINANCE SERVICES

PROCUREMENT / STORES

520 Purchasing & Inventory	Ordinary Income	Loan Proceeds	Total Receipts	Ordinary Expenses	Capital Expenses	Total Payments
Income						
11640 - Sundry income	18,000		18,000			
Oncost Recovery	1,141,000		1,141,000			
Expenditure						
Employee costs						
20120 - Normal salaries & wages				662,729		662,729
20125 - On-costs salaries & Wages				259,790		259,790
20130 - Overtime salaries & wages				7,481		7,481
20210 - PPE - non uniform				2,000		2,000
20255 - Seminars & Conferences				4,000		4,000
20260 - Trainee/Apprentice Costs						
20270 - Travel & Accommodation - Staff				2,500		2,500
Other Costs						
20280 - First Aid Supplies				2500		2,500
Overhead Expenditure (IT)				77,433		77,433
Overhead Expenditure (Administration)				39,526		39,526
20610 - Office furniture and fittings purchases					3,000	3,000
20630 - Hire of plant & equipment - internal				85,000		85,000
20640 - Photocopier expenses				6,000		6,000
20710 - Cleaning & refuse				2,500		2,500
20725 - Fire equipment				10,000		10,000
21120 - Building maintenance				5,000		5,000
21210 - Advertising & promotion				2,000		2,000
21230 - Freight/Courier/Transport				4,000		4,000
21275 - Printing & stationery				2,000		2,000
21285 - Telephone Expenses				6,000		6,000
21315 - Consumables - General				3,000		3,000
21320 - Materials & Services - General				12,500		12,500
Replacement of Diesel Tanks due to Environmental and Operational Requirements (Gladstone)					90,000	90,000
Capital Improvements - Covering of area		50,000	50,000		50,000	50,000
Total	1,159,000	50,000	1,209,000	1,195,958	143,000	1,338,958

