

SHIRE OF MORAWA

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2014

9. SPECIFIED AREA RATE - 2013/14 FINANCIAL YEAR

No Specified Area Rates will be levied in 2013/14.

10. SERVICE CHARGES - 2013/14 FINANCIAL YEAR

The Shire of Morawa does not intend to raise any Service Charges during 2013/14.

11. FEES & CHARGES REVENUE	2013/14 Budget \$	2012/13 Actual \$
Governance	5,024	43
General Purpose Funding	3,520	3,670
Law, Order, Public Safety	1,525	628
Health	1,300	0
Education and Welfare	2,000	1,959
Housing	50,700	49,116
Community Amenities	493,543	593,601
Recreation & Culture	31,743	70,737
Transport	62,604	13,670
Economic Services	214,870	228,173
Other Property & Services	68,940	30,783
	<u>935,769</u>	<u>992,380</u>

12. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS  
- 2013/14 FINANCIAL YEAR

A discount of 5.0% of the current rates levied (excluding Rubbish and ESL) will be offered to rate payers whose payment of the full amount owing, including arrears, and service charges is received on or before Thursday 24th October 2013 or 35 days after the date of service appearing on the rate notice, whichever is the later.

The discount will not apply to interim rates after the billing date. The total value of the discount is estimated to be \$51,000.

It is estimated that \$1,300 will be written off in rates.

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**FOR THE YEAR ENDED 30TH JUNE 2014**

**13. INTEREST CHARGES AND INSTALMENTS - 2013/14 FINANCIAL YEAR**

An interest rate of 11% will be charged on all rate payments which are late. It is estimated this will generate income of \$33,000. Three separate payment option plans will be available to ratepayers for payment of their rates.

**Option 1 ( Full Payment )**

Full amount of rates and charges including arrears to be paid on or before Thursday 24th October 2013 or 35 days after the date of service appearing on the rates notice, whichever is the later.

See Note 12 for discount provisions under this option

**Option 2 ( Two Instalments )**

First instalment to be received on or before Thursday 24th October 2013 or 35 days after the date of service appearing on the rate notice, whichever is the later. This payment is to include all arrears and half of the current rates and service charges.

The second and final instalment is to be made by Tuesday 6th March 2014.

**Option 3 ( Four Instalments )**

First instalment to be received on or before Thursday 24th October 2013 or 35 days after the date of service appearing on the rate notice, whichever is the later. This payment is to include all arrears and one quarter of the current rates and service charges. Second, third and fourth instalments are to be made at two monthly intervals thereafter, being Friday 6th January, 2014; Tuesday 6th March, 2014 and Monday 7th May, 2014.

**Costs of Instalment Options**

The cost of the instalment plans will comprise if simple interest of 5.5% per annum, calculated daily from the date the first instalment is due, together with an administration fee of \$5.00 for each instalment notice. (ie. \$5.00 for Option 2 and \$15.00 for Option 3).

The total revenue from the imposition of the administration charge is estimated at \$1,000

	<b>Interest Rate %</b>	<b>Admin Charge \$</b>	<b>Budgeted Revenue \$</b>	<b>Actual Revenue \$</b>
Interest on Unpaid Rates	11		33,000	33,382
Interest on Instalments Plan	5.5		2,500	2,257
Charges on Instalment Plan		5	1,000	980

**14. ELECTED MEMBERS REMUNERATION**

The following fees, expenses and allowances were paid to council members and/or the president.

	<b>2013/14 Budget \$</b>	<b>2012/13 Actual \$</b>
Meeting Fees	64,000	27,924
President's Allowance	17,000	11,630
Deputy President's Allowance	4,250	2,907
Travelling Expenses	200	0
	<u>85,450</u>	<u>42,461</u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2014**

**15. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	<b>2013/14 Budget \$</b>	<b>2012/13 Est. Actual \$</b>	<b>2012/13 Budget \$</b>
Cash - Unrestricted	304,769	1,417,761	127,101
Cash - Restricted	5,469,578	9,436,266	4,633,874
	<u>5,774,347</u>	<u>10,854,027</u>	<u>4,760,975</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Leave Reserve	166,427	127,862	125,649
Sports and Recreation Facilities Reserve	39,374	376,320	23,094
Plant Reserve	623,162	653,460	676,033
Building Reserve	5,061	4,905	0
Economic Development Reserve	4,242	101,030	101,817
Community Development Reserve	1,086,508	2,305,611	1,141,903
Sewerage Reserve	43,135	41,806	0
Unspent Grants and Contributions Reserve	16,848	209,551	10,416
Water Waste Management Reserve	0	0	0
Morawa Community Trust Reserve	59	34,047	717
Morawa Community Future Funds Reserve	2,127,252	2,059,161	2,000,000
Refuse Transfer Station Reserve	559	313,291	0
Aged Care Units Reserve	13	8,440	8,471
ST-N/Midlands Solar Thermal Power	32,140	515,743	13,682
ST-Morawa Revitalisation Reserve	1,304,798	2,685,039	82,092
Business Units Reserve	20,000	0	0
Unspent Grants	0	0	450,000
Unspent Loans	0	0	0
	<u>5,469,578</u>	<u>9,436,266</u>	<u>4,633,874</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net Result	3,854,868	1,527,166	6,240,178
Depreciation	1,136,985	1,139,125	1,015,313
(Profit)/Loss on Sale of Asset	29,186	22,324	33,749
(Increase)/Decrease in Receivables	165,116	318,578	363,064
(Increase)/Decrease in Inventories	2,050	9,234	2,050
Increase/(Decrease) in Payables	150,217	(177,910)	247,451
Increase/(Decrease) in Employee Provisions	(50,000)	(58,926)	(50,000)
Grants/Contributions for the Development of Assets	(6,038,915)	(1,083,242)	(7,658,529)
<b>Net Cash from Operating Activities</b>	<u>(750,493)</u>	<u>1,696,349</u>	<u>193,276</u>

**SHIRE OF MORAWA**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2014**

**15. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)**

**(c) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank Overdraft limit	0	0	300,000
Bank Overdraft at Balance Date	0	0	0
Credit Card limit	24,000	24,000	24,000
Credit Card Balance at Balance Date	0	(4,502)	0
<b>Total Amount of Credit Unused</b>	<u>24,000</u>	<u>19,498</u>	<u>324,000</u>

**Loan Facilities**

Loan Facilities in use at Balance Date	<u>312,428</u>	<u>374,842</u>	<u>374,842</u>
Unused Loan Facilities at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>