

Treasurers Report – General Meeting 02/04/2016

This report includes activity from 29/2/2016 to 26/3/2016

Bank accounts are reconciled up to 26/03/2016

Financial Position as at 26/03/2016 (Transactions after this date are not included.):

NAB	Amount	Notes
• Cheque Account	\$6,821.52	\$35,000 transferred to BA
Bank Australia		
• Cheque Account	\$70,421.34	\$35,000 transferred from NAB
• Investment Account	\$48,550.41	
• DA Road Fund	\$96,538.39	
TOTAL Available Funds	\$222,331.66	

Receipts (since 29/02/2016)

Source of Payment	March	This financial year
Total Cash Receipts	\$5,755.13	\$95,453.52
This includes levies paid by approved work claims	\$0.00	\$4,860.00

On-line payments should be made by direct credit to:

Bank Australia BSB: 313-140 A/C: 12088171

The only reason for retaining the NAB account is for those who can only pay by depositing cash or cheques at a branch.

Thanks to Kevin Harper for his creative artwork in the newsletter to encourage members to make online deposits into the new Bank Australia account.

Road Levy 2016/17

This meeting needs to decide, and record in the minutes, the amount, if any, of the road levy for 2016/17 so that I can correctly invoice the first quarter on 1 July 2016.

Old Fire Truck

On 16 March I received a payment of \$800.00 with the reference”

“FOR OLD LAND ROVER FIRETRUCK CALLUM”

I had no previous advice about this and have no idea what is 'the deal', if any as far as the community is concerned. Callum has since called on me to confirm that it is a bid for the fire truck which, if unsuccessful, can be applied to his levies instead.

Payments and Expense Reimbursements in March 2016

Date	Memo	Amount	Job No.
29/02/16	Bank Charges NAB	25.70	
18/03/16	Mick Conomos Earthworks Red Hill Fire Shelter	550.00	Red Hill Fire
18/03/16	NSW Local Land Services - Stocking Rates	150.26	
17/03/16	KSC Section 138 Application (Roads)	218.00	DA Processing
29/02/16	Monthly Account Fee	8.00	
02/03/16	Dennis Partners Prof services	220.00	CK Deck Roof
29/02/16	Telegraph Point Timbers	1001.00	CK Deck Roof
23/03/16	NAB Connect Fee	15.00	

Delinquent Members

I will continue to provide Ralph with an updated overdue levies report just before each meeting. Members listed on this report are inactive and therefore ineligible to vote at meetings.

Please note that at the time of writing there are no members with invoices more than 2 years overdue!

Justin and Leah

- Payments being received at \$50.00 per fortnight as promised (\$200.00 received so far)
- This has cleared the balance that was more than 2 years overdue.
- Current level of Finance Charges is \$301.42 increasing at 1.5% (\$65.39) per month. I have not been deducting this from the \$50 per per fortnight as it would leave almost nothing to reduce the account balance.
- Current balance of this account is \$4359.00
- Email sent on 9/2/2016 advising that \$50.00 per fortnight is unacceptable. No further response.

Grant Woolcock

- Registered letter #2 (person to person with delivery confirmation) demanding full payment and 'show cause' why share should not be cancelled sent 17/2/2016
- Tue 23/02/16 09:45 Awaiting Collection at TOUKLEY POST SHOP at TOUKLEY NSW
- Not collected – returned to Goolawah.
- Sun 20/3/16 Two emails received from Grant advising that payment in progress and requesting that his share not be cancelled.
- Copies of correspondence are with secretary Ralph.
- Payment of \$1000 (including \$219.32 finance charge) received from Grant.

Finance Charges on overdue invoices

Normal practice has been to include any accumulated finance charge in the balance owing on quarterly account statements and to deduct this amount from the next payment. Quite a few members include any finance charge amount with their payment. An issue arises when members make very small payments. Deducting the finance charge could leave very little to reduce the account balance. I would like to raise this for discussion, along with other Finance Policy matters, with the Policy/Procedures committee.

I have had several phone and email conversations with one member who objects to the finance charge. This appears to be due to a misunderstanding about how it works so I have prepared a detailed explanation and emailed it to the member concerned. A copy is appended to this report and will be submitted for inclusion in the next newsletter for the benefit of all members.

Work claims to be approved on 2 April

Below is a summary of claims to be approved at this meeting. Details appended at the end of this report.

Share Name	# of shares	Annual Max \$ WL and AL	Claimed/Paid This Year \$	Available to claim \$	This Claim \$
Stu Pougher #1	1	680.00	95.00	585.00	47.50
Stu Pougher #2	1	680.00	142.50	537.50	30.00
Mairead Shorten	1	680.00	260.00	420.00	250.00
Dan Rose	1	680.00	0.00	680.00	30.00
Anadean Douglas (Luke and Ishbel's account)	1	680.00	100.00	580.00	25.00
Mark and Lexie	1	680.00	80.00	600.00	130.00

Budget – on last page

I move that this report and budget be adopted by the meeting.

John Tennock
Treasurer
26 March 2016

Budget

Goolawah Budget Status 26/03/2016						
Opening Cash at Bank as at 26/03/2016						
NAB Cheque Account						6,821.52
BA Cheque Account						70,421.34
BA Investment Account						48,550.41
BA DA Road Fund						96,538.39
					TOTAL	222,331.66
Anticipated short term expenses						
						0.00
					TOTAL	0.00
Approved budget reserves	Budget Date	Original Budget	Income	Spent to Date	Available	Committed
Fire Management APZ maintenance (Annual)	01/07/2015	4000		0.00	4,000.00	
Camp Kitchen upgrade project	06/04/2013	20000	500.00	13395.69	7,104.31	
Roof over Camp Kitchen Deck	04/04/2015	15000		2845.00	12,155.00	
Structure on Red Hill Evacuation / Fire Retreat Area	06/09/2014	4200	500.00	2680.00	2,020.00	
Revised Red Hill Evacuation / Fire Retreat Area	04/07/2015	20000		1906.00	18,094.00	
DA Road Fund (regardless of previous budgeting)	01/07/2014	50000	96602.43	9947.50	136,654.93	
Tractor Maintenance (annual, non-cumulative)	01/07/2015	5000		350.99	4,649.01	
G-Week 2015 Expenses	05/09/2015	500		734.28	-234.28	
Legal advise to progress DA	16/01/2016	5000			5,000.00	
New Fire Striker	16/01/2016	6000			6,000.00	
				TOTAL	195,442.97	
					Available operating funds	26,888.69



Goolawah Cooperative Limited Work Claim Form 2015/16

At the General Meeting on 4 April 2015 the following resolution was passed:
"Work Claims to be applied at an hourly rate of \$10 regardless of whether applied to the Work Levy or Annual Levy commencing 1 July".
This makes it possible to use a much simpler claim work claim form.

This form contains fillable form fields to make it easy to correctly and legibly complete and send for validation. Please (1) save it on your computer, (2) open it with free Adobe Reader or Nitro Reader, (3) fill in the details, (4) Save the changed form with a new name, (5) email it to goolareas@gmail.com. Alternatively you can print it and complete it manually. If you choose this option please write legibly!

Follow these links to download the latest version of [Adobe Reader](#) or [Nitro Reader](#)

Share Name	Anadean Douglas	Share Nos:	11	Hourly Rate	
Claim Date:		Site Nos:		\$10.00	
Date Worked	Description of work.	Category	Hours (Decimal)	Value	
20/2/16	Cleaned machinery shed/jweled		2.5	25.00	
Please use a separate sheet if necessary. Add total here >					
TOTAL CLAIMED				25.00	

Notes/comments

Claim to be applied to Luke and Ishbel's account.

Validation by treasurer

# of shares held	Annual Max \$ WL and AL	Prev. Claims This Year	Forward from Prev. Years	Available to claim	Validated for this Claim	Date Validated
1	680	100		580	25	20/03/2016

Approved at meeting (date):

- Only work on the Goolawah approved jobs list is eligible to be claimed.
- Only work performed in the 3 months preceding the claim is eligible to be claimed.
- Claims will only be accepted if submitted on this form.
- Claims must be validated by the treasurer BEFORE being submitted to a meeting for community approval.
- Claims that don't meet accepted guidelines may be rejected and returned to the originator for revision.
- The maximum you can claim in any one year is the Work Levy and Annual Levy for each share you own (maximum 3 shares) (WL \$180.00 plus AL \$500.00 = \$680.00)
- Work claims cannot be applied to future years' levies.
- Levies must be claimed within 3 months of the work being done.

Form version: 20150720

Values in this column will be calculated automatically if you have a compatible pdf reader



Goolawah Cooperative Limited

Work Claim Form 2015/16

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Share Name	Peter Wells + Mairead Shorten	Share Nos:		Hourly Rate
Claim Date:	06/03/2016	Site Nos:	68	\$10.00
Date Worked	Description of work.	Category	Hours (Decimal)	Value
30/11/2015	Minutes Nov meeting and Business arising Dec		2.0	20.00
01/01/2016	DA Work Jan/Feb - see notes below for details		20.0	200.00
06/03/2016	Agenda and minutes for March meeting, agenda		3.0	30.00
				0.00
				0.00
				0.00
				0.00
				0.00
	Please use a separate sheet if necessary. Add total here >			0.00
TOTAL CLAIMED			25.0	250.00

Notes/comments

DA Work: Liasing with lawyer, preparing gap analysis, compiling record of correspondence with Council and highlighting procedural issues, preparing DA committee meeting notes for website, consultation questionnaire, completing other actions agreed at meetings.

Validation by treasurer

# of shares held	Annual Max \$ WL and AL	Prev. Claims This Year	Forward from Prev. Years	Available to claim	Validated for this Claim	Date Validated
1	680	260	0	420	250	20/03/2016

Clear Form

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Goolawah Cooperative Limited

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Share Name	Mark Doonan and lexie Gonzalez	Share Nos:		Hourly Rate
Claim Date:	24/03/2016	Site Nos:	72	10.00
Date Worked	Description of work.	Category	Hours (Decimal)	Value
15/12/2015	Membership Committee	c1	2.0	20.00
04/01/2016	Tractor Maintenance		2.0	20.00
20/02/2016	Working Bee (3 x 2)		6.0	60.00
01/03/2016	Slashing Firebreaks		3.0	30.00
				0.00
				0.00
				0.00
				0.00
	Please use a separate sheet if necessary. Add total here >			0.00
TOTAL CLAIMED			13.0	130.00

Notes/comments

Validation by treasurer						
# of shares held	Annual Max S WL and AL	Prev. Claims This Year	Forward from Prev. Years	Available to claim	Validated for this Claim	Date Validated
1	680	80		600	130	24/03/2016

Clear Form

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Alternatively you can print it and complete it manually. If you choose this option please write legibly!

Share Name	Stuart Pougher	Share Nos:	6 & 7	Hourly Rate
Claim Date:	22/03/2016	Site Nos:	6 & 7	\$10.00
Date Worked	Description of work.	Category	Hours (Decimal)	Value
22/03/2016	Slashing roadsides & finish paddock to west of 1	A1	3.0	30.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
	Please use a separate sheet if necessary. Add total here >			0.00
TOTAL CLAIMED			3.0	30.00

Validation by treasurer						
# of shares held	Annual Max \$ WL and AL	Prev. Claims This Year	Forward from Prev. Years	Available to claim	Validated for this Claim	Date Validated
1	680	142.50		537.50	30	25/03/2016

Approved at meeting (date):

- Form version: 20150720

Goolawah Finance Charge 25/03/2016

I had a complaint recently from a member who objected to the way the finance charge on overdue invoices is administered. The objection was based on the assumptions that:

1. Goolawah is behaving like a greedy bank by charging compound interest (we don't).
2. We are attempting to maximise interest income by applying payments to more recent invoices and leaving older invoice to accumulate finance charges (not so).

Why we have a finance charge.

Our rules are clear and long standing that:

1. Members who have overdue invoices are deemed inactive and therefore ineligible to vote at meetings.
2. Members who have invoices more than 2 years overdue may have their membership cancelled.

At the time of writing we have 15 inactive members with overdue invoices with a total value of over \$10,000. Clearly the sanction of being unable to vote at meetings is not sufficient motivation for some members to pay their levies on time.

Previous experience has shown us that this can lead to members accumulating a debt that is beyond their capacity to pay, leading to debt-stress and, ultimately, cancellation of their membership. In order to provide a more progressive intermediate motivation it was resolved that from 1 July 2014 a finance charge of 1.5% per month would be applied to balances remaining unpaid after the due date (which is clearly shown on the invoice). This does not significantly affect members who may occasionally be delayed in paying their levies but should motivate those who simply ignore their financial commitment to the cooperative as their finance charge will become increasingly significant over time.

Obviously this measure can only be effective if it is applied consistently.

How it is calculated.

- The due date is normally 90 days after the invoice date for quarterly invoices (normal levies) and 365 days after the invoice date for annual invoices (work levies). It may be set at different periods for other charges from time-to-time.
- The finance charge is calculated **ONLY** on invoices that remain unpaid after the due date.
- It is calculated on a daily basis (i.e. approximately 0.05% per day) so, for example, suppose you have an invoice for \$1000 dated 1 January with a due date of 31 March. The finance charge would start being calculated from 1 April. On 1 April it would be .050c, 2 April \$1.00, 3 April \$1.50 ... 10 April \$5.00 ... 20 April \$10.00 ... 30 April \$15.00.
- Suppose you made a payment of \$300.00 on 15 April, reducing the balance to \$700 from that date, it would be calculated on (say) 20 April at:

15 days at \$1000 = \$7.50
plus
5 days at \$700 = \$1.75
Total \$9.25

I have tested our accounting software to confirm that performs these calculations reliably and accurately.

How it is applied

1. No interest or finance charge is added to a members account balance. It is calculated and displayed on each quarterly statement to inform members what their current finance charge (if any) is as at the date on the statement.
2. When payment is received the finance charge is deducted from the payment and this deduction is clearly shown on the payment receipt.

How payments are applied.

If a payment is received with a clear instruction as to which invoice it is to be applied to I follow this instruction if possible.

If there is no instruction I do my best to apply it in a way the minimises any disadvantage to the members. Rather than simply applying it to the oldest invoice I would apply it to the most overdue invoice. For example, If there was a work levy invoice for \$180.00 dated 1 July 2015, but not due until 30 June 2016, and an Annual/Road Levy invoice dated 1 October and due on 31 December, I would normally apply it to the Annual/Road Levy invoice. **However, it is not my responsibility to do this. It is the responsibility of members to pay their dues on-time and to clearly indicate any preference regarding which invoice the payment is applied to.**