

## Work Levy Payment Terms

### Simple Version

The simple reason for making Work Levy payment terms 365 days was to allow members a full year to either pay the Work Levy, or submit work claims.

The main reason to consider changing this is (I believe) because anyone who does not pay or claim before 30 June will have an overdue Work Levy in 1 July when the next year's Work Levy is invoiced.

Normal quarterly levies originally had 90 day payment terms which had the same problem. The levies for one quarter became overdue the day before the next quarter's levies were invoiced. This was very effectively resolved by changing to 30 days payment terms so that those members who rely on overdue reminders to prompt them to pay now receive two monthly overdue reminders before the next quarter's levy is invoiced. This change significantly reduced overdues and demonstrated that a significant number of members rely on overdue reminders.

We can be confident that changing the payment terms for annual Work Levies from 365 days to 334 days would be similarly beneficial (see below)

Changing annual Work Levies to a quarterly billing cycle 'to be in-line with other levies' is not actually a reason that has any practical value.

As treasurer I am the only Goolawah member who has the daily opportunity to observe and deal, first hand, with the diversity of financial understanding across Goolawah membership. I can confidently predict that **changing Work Levies to a quarterly billing cycle will increase complexity and confusion among our members.**

### Detailed Version

1. Work Levies can only be applied to a member's account once approved by a General Meeting
2. It is essential for GMBS to have the capability to apply credits (Payments, Expense Claims, Work Claims) to particular levy items (i.e. Work Claims only applicable to Work Levies).

**Key Work Levy dates 2025/26 with quarterly invoicing** (please follow this through carefully).

01/07/2025 – Q1 Levies (including quarterly Work Levy) invoiced.

01/08/2025 – Any unpaid Q1 Levies render the member inactive.

08/08/2025 – General Meeting where Work Claims can be approved

01/10/2025 – Q2 Levies (including quarterly Work Levy) invoiced.

11/10/2025 – General Meeting where Work Claims can be approved

01/11/2025 – Any unpaid Q2 Levies render the member inactive

13/12/2025 – General Meeting where Work Claims can be approved

01/01/2026 – Q3 Levies (including quarterly Work Levy) invoiced.

01/02/2026 – Any unpaid Q3 Levies render the member inactive

14/02/2026 – General Meeting where Work Claims can be approved

01/04/2026 – Q4 Levies (including quarterly Work Levy) invoiced.

11/04/2026 – General Meeting where Work Claims can be approved

01/05/2026 – Any unpaid Q4 Levies render the member inactive

14/06/2026 – General Meeting where Work Claims can be approved

## Example

In order to remain financially active ALL members will have to pay the Q1 2025/26 Work Levy before 01/08/2024 because there has been no opportunity to have a Work Claim approved.

If any Work Claims are approved at the August General Meeting they cannot be applied directly to the Q1 Work Levies because these MUST HAVE already been paid. This leaves two options.

1. Leave the Work Claim as a Pre-payment on the member's account so that it can be applied to the Q2 Work Levy when this is invoiced on 01/10/2024. Work Levy Pre-payments are different from other credits because they can only be applied to Work Levies. This means that we would have two different types of Pre-payment which creates complexity for members. ~OR~
2. When processing Work Claims I would need to un-apply the payment, leaving that as a Pre-payment to be carried forward and replace it with the Work Claim. This involves considerable extra work for me and will confuse members because the receipt they received will have showed that their payment was applied to their Work Levy and this will no longer be true.

My final step before sending quarterly levy invoices to all members is to apply any Pre-payment carried forward. These are not insignificant. At present we hold 59 Pre-payments for 17 members totalling \$22,500.00. (see partial list at right) Most of these are generated by over-payments or Expense Reimbursement Claims but include 6 Work Claim Pre-payments with a value of \$850.00.

As described above, changing to quarterly Work Claims could significantly increase the proportion of Work Claim Pre-payments.

There is already some confusion about Pre-payments because it is possible for a member to have a balance due on their account as well as a Pre-payment and they, quite reasonably, sometimes ask for clarification. The reason this occurs is because the timing and amount of a Work Claim may be such that there was no outstanding Work Levy to which it could be applied and Work Claims cannot be applied to other Levies so it must sit as a Pre-payment on the account until the next Work Levies are invoiced.

At present this generates a small number of queries from members (1-2 per year) but if the number of Work Levy Pre-payments increases significantly, it may be necessary for the Invoice/Statement/Receipt document to include details that separate Work Levy Pre-payments from General Pre-payments further complicating this document.

It should also be noted that, when Q1 Levy invoices are sent on 01/07/2025 there will be work claim credits carried over from 2024/25 that were generated under a different policy framework

I'll leave it to your imagination to consider the complexities of this type that might arise throughout the 2025/26 financial year.

In my opinion, all things considered, the original proposal is simpler and more practicable and further discussion is required before any new policy proposals are put forward.

Unallocated Credits (Receipts/Work Claims/Expense Claims/Credits)				
Type	Reference	Date	Account	Amount
Receipt	105816	28/11/2024	Alan Carter	2146.80
Receipt	105821	30/11/2024	Alan Carter	335.80
Expense Claim	105752	15/10/2024	Alicia Fox and James Galletly	422.40
Receipt	105809	11/11/2024	Alicia Fox and James Galletly	616.00
Work Claim	105765	22/10/2024	Anne and John Tennock	20.00
Receipt	104430	24/05/2023	Atmo and Petra Kusseler	368.50
Work Claim	104611	24/07/2023	Atmo and Petra Kusseler	50.00
Receipt	105047	29/01/2024	Atmo and Petra Kusseler	750.00
Receipt	105779	15/10/2024	Atmo and Petra Kusseler	5000.00
Expense Claim	105498	2/07/2024	Clint and Noemi Campisi	36.00
Expense Claim	105630	30/09/2024	Clint and Noemi Campisi	422.50
Expense Claim	105777	28/10/2024	Clint and Noemi Campisi	1202.50
Work Claim	105762	22/10/2024	Elizabeth Locke	300.00
Work Claim	105763	22/10/2024	Gerard Shea and Natalie Lawler	120.00
Receipt	105594	15/08/2024	Justin and Cynthia Fitzpatrick	782.00
Receipt	105731	6/10/2024	Leah Skinner and Justin Bollard	113.44
Receipt	105756	21/10/2024	Leah Skinner and Justin Bollard	200.00
Receipt	105801	4/11/2024	Leah Skinner and Justin Bollard	200.00
Receipt	105815	18/11/2024	Leah Skinner and Justin Bollard	200.00
Receipt	105825	2/12/2024	Leah Skinner and Justin Bollard	200.00
Receipt	105741	8/10/2024	Lyall Dix	45.00
Receipt	105520	7/07/2024	Mark Doonan and Alexandra Gonzalez	182.00
Receipt	105710	1/10/2024	Mark Green	14.00
Work Claim	105591	15/08/2024	Nicholas Reid and Anna Du Chesne	310.00
Receipt	105725	3/10/2024	Robin Hewitt	179.00
Receipt	105713	2/10/2024	Russell Childs	516.00
Expense Claim	105766	22/10/2024	Sam Odermatt and Erika Costa	560.00
Total Unallocated Receipts and Credits:				22500.81

**All Levies Now Due or Overdue: 310.00**  
**Pre-payments: 310.00**

## **Ordinary Resolution**

Change the payment terms on Work Levies from 365 days to 334 days.

### **Rationale**

Unpaid Work Levies will become overdue on 1 June (instead of 1 July) and the member will become inactive. They will therefore receive an overdue reminder email and will be ineligible to vote at the meeting on the 2<sup>nd</sup> Saturday in June. They will have a choice of promptly paying the Work Levy or of submitting a Work Claim for approval at the June meeting.

They would receive adequate reminders for their account to be paid in full before the next year's Work Levy was invoiced on 1 July.

John Tennock

22/01/2025