

**Background and Issues**

On occasions early in a financial year the Shire of Manjimup can experience a cash flow shortage whilst awaiting Rates, Financial Assistance Grants and other payments. This can constrain operations significantly for a period of time.

**Objectives**

To provide flexibility, a temporary overdraft on the Shire of Manjimup's Municipal Fund may be sought subject to the limits set in Council's Annual Budget not being exceeded.

**Area of Application**

Shire of Manjimup budget process.

**Policy Measures**

Council shall set in its annual budget the limit of temporary overdraft required for the forthcoming twelve months.

The temporary overdraft period shall not exceed four months in duration.

The temporary overdraft limit shall be satisfactory to allow the operations of the Shire of Manjimup to continue during the early months of the financial year to enable the commencement of works and services in accordance with the adopted budget.

The Director Business shall prepare an estimate of the required annual limit for the inclusion in Council's annual budget.

**REVIEWED AND ADOPTED 25 JULY 2002  
REVIEWED AND MODIFIED 7 AUGUST 2008  
REVIEWED AND MODIFIED 8 DECEMBER 2011  
REVIEWED AND MODIFIED 3 AUGUST 2016  
REVIEWED AND MODIFIED 6 MAY 2021**

**NEXT DUE FOR REVIEW MAY 2025**

**The Administration of this Policy is by the Business Directorate.**