



Redland
CITY COUNCIL

**July
2012**

Annual Budget
2012 - 2013

Adopted on 12 July 2012

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COUNCILLORS AND EXECUTIVE MANAGEMENT

REDLAND CITY COUNCILLORS

Cr Karen Williams	MAYOR OF REDLAND CITY
Cr Wendy Boglary	DIVISION 1 – Wellington Point / Ormiston
Cr Craig Ogilvie	DIVISION 2 – Cleveland / North Stradbroke Island
Cr Kim-Maree Hardman	DIVISION 3 – Cleveland South / Thornlands
Cr Lance Hewlett	DIVISION 4 – Victoria Point / Coochiemudlo Island
Cr Mark Edwards	DIVISION 5 – Redland Bay / Bay Islands
Cr Julie Talty	DIVISION 6 – Mt Cotton / Sheldon / Capalaba / Thornlands / Victoria Point / Redland Bay
Cr Murray Elliott	DIVISION 7 – Alexandra Hills South / Capalaba
Cr Alan Beard (Deputy Mayor)	DIVISION 8 – Birkdale South / Alexandra Hills North
Cr Paul Gleeson	DIVISION 9 – Capalaba
Cr Paul Bishop	DIVISION 10 – Birkdale North / Thorneside

EXECUTIVE LEADERSHIP GROUP

Mrs Susan Rankin	Interim CHIEF EXECUTIVE OFFICER
Mr Nick Clarke	GENERAL MANAGER GOVERNANCE
Mrs Louise Rusan	GENERAL MANAGER CITY SERVICES
Mr Martin Drydale	GENERAL MANAGER CORPORATE SERVICES
Mrs Toni Averay	GENERAL MANAGER ENVIRONMENTAL PLANNING & DEVELOPMENT
Mr Gary Soutar	GENERAL MANAGER REDLAND WATER

COUNCIL'S CORPORATE PLAN OUTCOMES

On 26th May 2010, Redland City Council adopted its revised Corporate Plan for the five year period 2010-2015. The Corporate Plan contains the themes or 'Vision Outcomes' as communicated to us by the Redlands community in the 2010-2030 Community Plan.

Council's current Corporate Plan identifies the following nine Vision Outcomes.

HEALTHY NATURAL ENVIRONMENT

A diverse and healthy natural environment, with an abundance of native flora and fauna and rich ecosystems will thrive through our awareness, commitment and action in caring for the environment.

GREEN LIVING

Our green living choices will improve our quality of life and our children's lives, through our sustainable and energy efficient use of resources, transport and infrastructure, and our well informed responses to risks such as climate change.

EMBRACING THE BAY

The benefits of the unique ecosystems, visual beauty, spiritual nourishment and coastal lifestyle provided by the islands, beaches, foreshores and water catchments of Moreton Bay will be valued, protected and celebrated.

QUANDAMOOKA COUNTRY

The rich Aboriginal heritage of the Redlands (Quandamooka) and the Traditional Owners' ongoing custodianship of Quandamooka land and waters will be widely understood and respected, and we will work together for the future of Quandamooka Country.

WISE PLANNING AND DESIGN

We will carefully manage population pressures and use land sustainably while advocating and taking steps to determine limits of growth and carrying capacity on a local and national basis, recognising environmental sensitivities and the distinctive character, heritage and atmosphere of local communities. A well-planned network of urban, rural and bushland areas and responsive infrastructure and transport systems will support strong, healthy communities.

SUPPORTIVE AND VIBRANT ECONOMY

Businesses will thrive and jobs will grow from opportunities generated by low impact industries, cultural and outdoor lifestyle activities, eco-tourism and quality educational experiences.

STRONG AND CONNECTED COMMUNITIES

Our health, wellbeing and strong community spirit will be supported by a full range of services, programs, organisations and facilities, and our values of caring and respect will extend to people of all ages, cultures, abilities and needs.

INCLUSIVE AND ETHICAL GOVERNANCE

Deep engagement, quality leadership at all levels, transparent and accountable democratic processes and a spirit of partnership between the community and Council will enrich residents' participation in local decision making to achieve the community's Redlands 2030 vision and goals.

AN EFFICIENT AND EFFECTIVE ORGANISATION

Council is well respected and seen as an excellent organisation which manages resources in an efficient and effective way.

The 2012-2013 budget will enable Council to deliver on the vision, priorities and goals of Redlands 2030 as addressed in the Corporate Plan 2010 – 2015.

BUDGET COMMENTARY

This budget has been compiled in accordance with the requirements of the Local Government Act 2009 and supporting regulations. It includes key financial statements as well as additional highlights and summary information.

Redland City Council's Budget for 2012-2013 delivers an improved financial position compared to the previous forecast for this financial year. The major highlights of this Budget include:

- Reduction in operating deficit to \$4.16M (reduction of \$5.14M or 55%) compared to previously forecasted operating deficit \$9.296M;
- Increase in forecast utility charges of \$18.03M (or 18%) compared to previous 2012-2013 forecast of \$100.1M the vast majority of which is due to the reintegration of the Water business; and
- Increase in forecast interest revenue of \$1.84M (or 35%) compared to previous 2012-2013 forecast of \$2.85M

Councils capital works program is developed to ensure that the allocation of resources is efficiently applied to the highest and most fundamental priorities for the community in a considered, effective and sustainable manner. A total expenditure of \$69.9M has been forecast for capital works for 2012-2013 and the following highlights provide further detail on projects included in this program, including the reintegration of the Water and Wastewater programs (\$12.84M).

	\$
Landfill remediation	7,300,000
Canal and foreshore protection	5,500,000
Southeast Thornlands trunk sewer system	5,000,000
Transport Trunk Infrastructure	4,800,000
Road reseals and resurfacing programme	4,200,000
Replacement of Council fleet net (including vehicles)	3,800,000
SMBI road expenditure programme	3,700,000
Open Space Infrastructure	3,000,000
Mainland and NSI marine expenditure	2,700,000
Southern Moreton Bay Islands capital expenditure (not including road expenditure program)	2,600,000
Cycleway Trunk Infrastructure	2,300,000
Road construction programme expenditure	2,100,000
Conservation land acquisition	1,900,000
Corporate IT technical services	1,400,000
Libraries - technical services	1,300,000
Point Lookout wastewater treatment plant upgrade	1,200,000
SMBI land exchange programme	1,100,000
Cleveland wastewater treatment plant - Inlet screen	1,000,000

OVERALL INCREASE FROM 2011-2012 TO 2012-2013

Section 99 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* requires the disclosure of the following information in Council's annual budget:

The budget must include the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year, compared with the rates and utility charges levied in the previous budget.

This information is expressed in the tables below as a percentage (increase or decrease).

Including Carbon Price

Revenue	Budget for 2011-2012 as adopted on 28 June 2011	Budget for 2012-2013 as adopted on 12 July 2012	Dollar increase from 2011-2012 to 2012-2013	Percentage increase from 2011-2012 to 2012-2013
Net revenue	\$101,356,118	\$103,298,956	\$1,942,838	<u>1.91%</u>

* Excluding water and wastewater utility charges \$88,097,421

Excluding Carbon Price

Revenue	Budget for 2011-2012 as adopted on 28 June 2011	Budget for 2012-2013 as adopted on 12 July 2012	Dollar increase from 2011-2012 to 2012-2013	Percentage increase from 2011-2012 to 2012-2013
Net revenue	\$101,356,118	\$102,064,956	\$708,838	<u>0.69%</u>

* Excluding water and wastewater utility charges \$88,097,421

**Excluding direct Carbon price of \$1,234,000 for waste going to landfill. There may be further indirect impacts from Carbon tax relating to fuel, electricity and gas that are not able to be measured at this time.

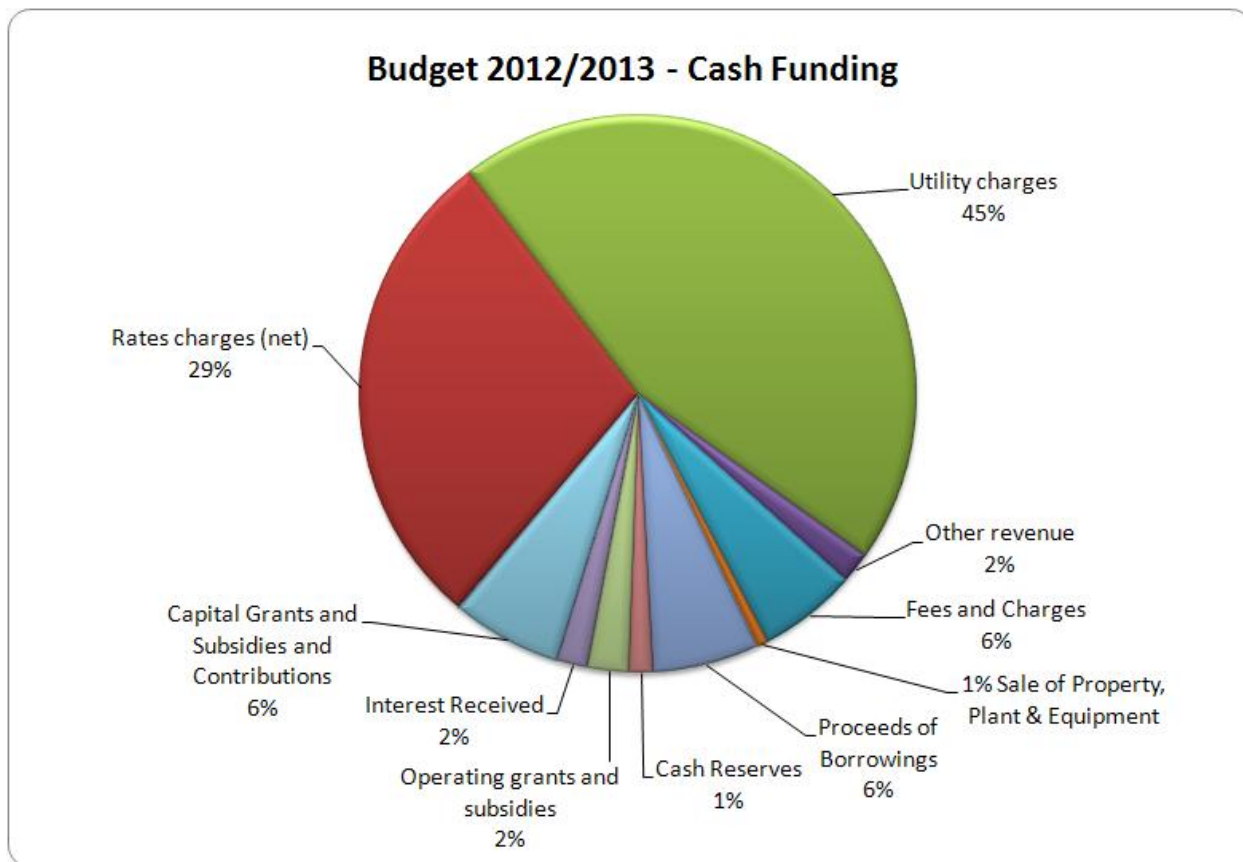
FINANCIAL BUDGET OVERVIEW

Where does the money come from?

Redland City Council's cash funding originates from a range of sources including 29% from general rate charges. Council monitors its key performance indicator 'level of dependence on general rate revenue' which demonstrates the reliance on general rates. With the reintegration of Water on 1 July 2012 utility charges in 2012-2013 contribute 45% of cash funding compared to 15% in 2011/2012.

Grants, subsidies and contributions are forecast to total 8% of cash funding and this revenue assists Council in delivering a variety of capital programs and various operational maintenance activities. Additionally, fees and charges from the issue of permits and consideration of applications, caravan parks and community related services contribute approximately 6%.

Cash Funding 2012-2013 (\$259M)

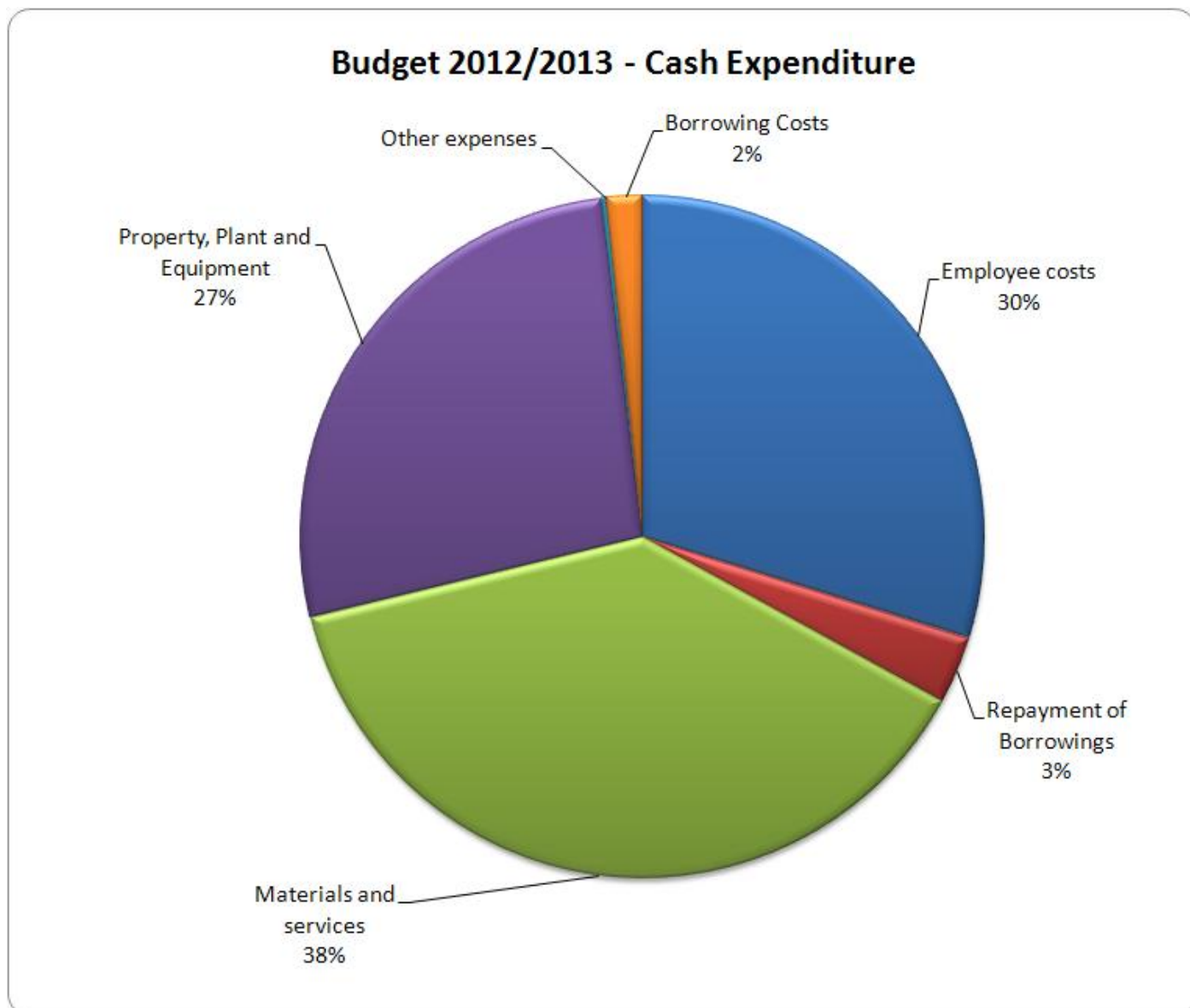


Total budgeted cash funding has increased from \$192.1M in 2011-2012 to \$259M in 2012-2013 due in the main to the impacts of the reintegration of Water.

Where does the money go?

In 2012-2013, 38% of the budget has been allocated towards the capital maintenance programs needed to support the Redlands community, while 27% has been set aside for new infrastructure and other capital programs. A further 30% is required for Council employees whose salaries are funded from the capital program because they deliver these capital services to the community.

Cash Expenditure 2012-2013 (\$259M)



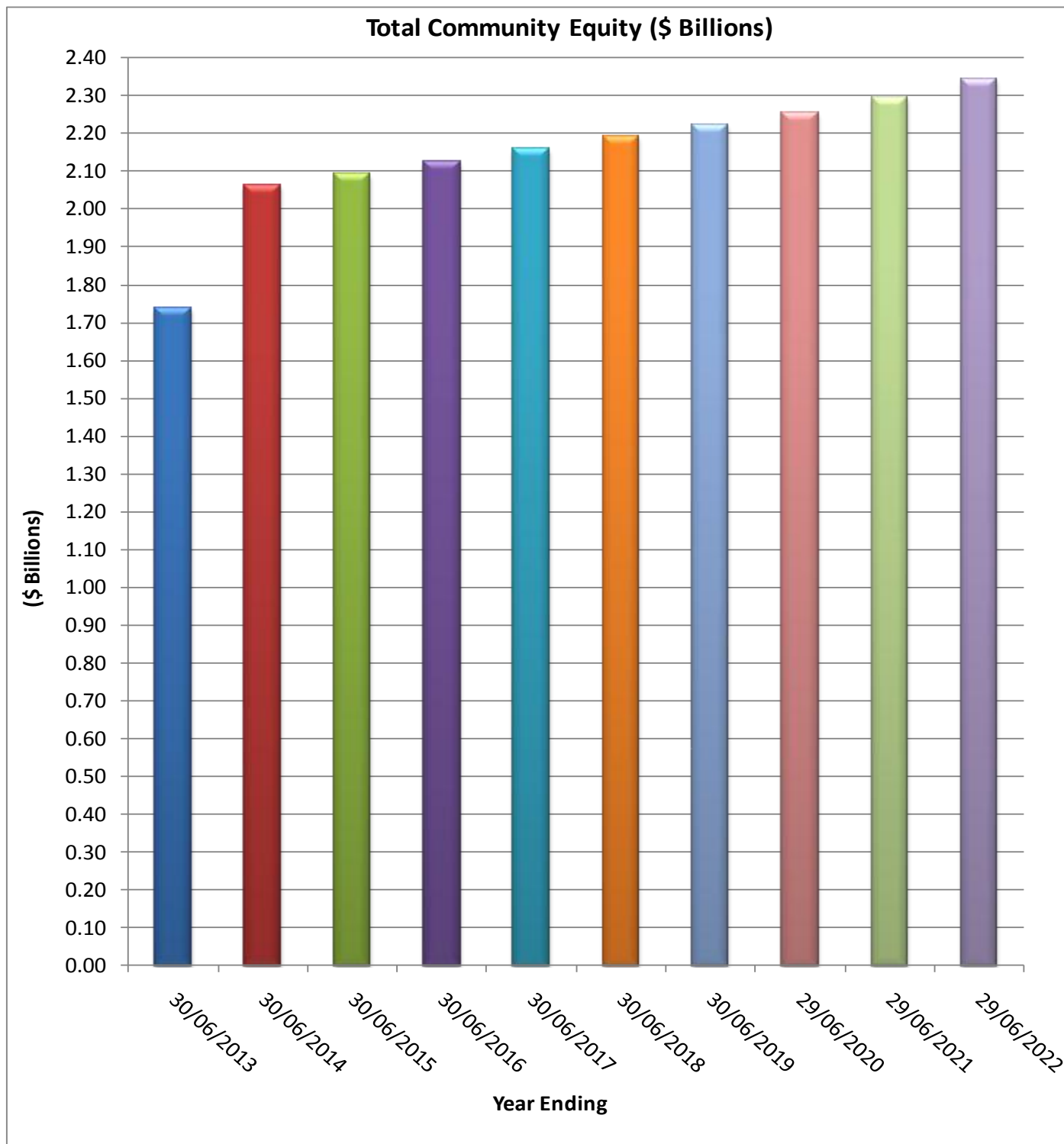
Borrowing costs are the expenses relating to the interest that has accrued on the loan. The repayment of borrowings is the expenditure associated with the principal amount borrowed.

Prior to the annual budget development process, Council reviewed and updated its ten-year Financial Strategy (the Strategy), which includes the consideration of long term planning to adequately invest in infrastructure sustainability. One of the policy decisions in the Strategy is the agreement to a broader use of capital (including borrowings) to facilitate necessary investments into infrastructure to meet growing community needs.

How much is Council worth?

The community equity continues to demonstrate Council owns more than it owes. Key financial indicators including debt to asset ratio and net financial liabilities (refer pages 23-24) also illustrate the current financial position is within target range.

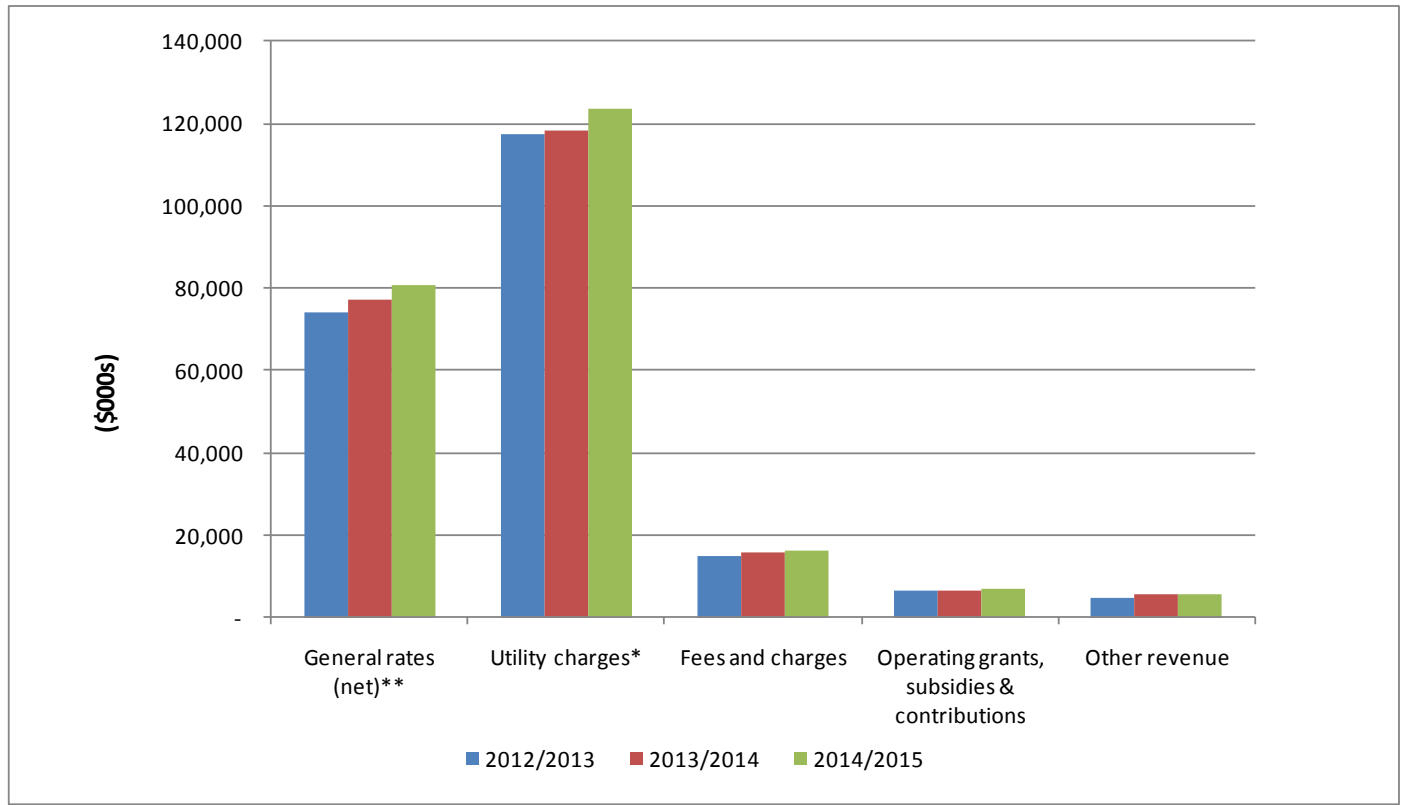
The difference between liabilities and the city's assets is Community Equity, which is estimated to be \$1.737 billion at the end of the 2012-2013 financial year. The following graph shows the *forecast* community equity for the years 2012-2013 to 2021-2022. The estimated positions for future years are outputs of Council's strategic financial modelling.



Redland Water returns on 1 July 2012 and Council has accounted for the transfer of water and wastewater assets with a book value of \$448M. Subsequently, Redland City Council will undertake a comprehensive revaluation of the entire asset base and have forecasted an increment in its Asset Revaluation Reserve (part of the community equity) of \$300M.

Operating Revenue by Year and Category

Council's operating revenue funds its daily business and can be divided into five main categories. The graph depicts *forecast* for the 2012-2013, 2013-2014 and 2014-2015 financial years. Council monitors its reliance on general rates revenue through a key performance indicator to gauge the need to generate revenue from other sources.

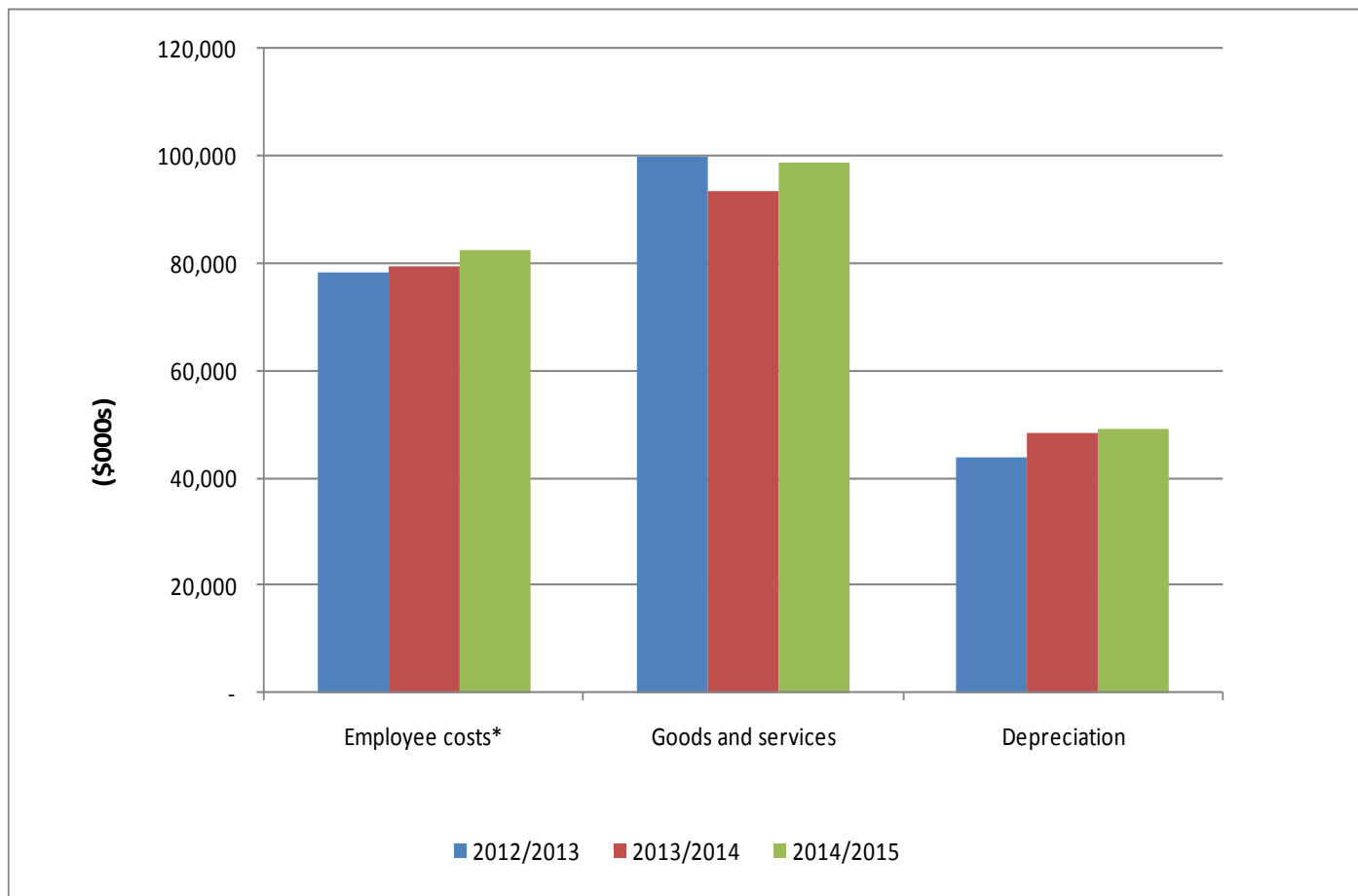


*Utility Charges category included all forms of water and wastewater charges. .

**General Rates (net) above equals General Rate Revenue less Pensioner Remissions.

Operating Expenditure by Year and Category

The following graph shows the level of different operating expenditure components and the graph illustrates forecasts for the 2012-2013, 2013-2014 and 2014-2015 financial years.



*Employee costs include Councillors' remuneration.

2012-2013 BUDGET HIGHLIGHTS

The table below captures both operational and capital key projects from the \$259M program.

\$	
SMBI, Stradbroke Island and Mainland Road Maintenance General maintenance operations to sealed and unsealed road infrastructure comprising of stormwater drainage, removal of debris/litter build up from roads such as street sweeping	9,188,311
Landfill Capping Capping and remediation works at Judy Holt, Birkdale Landfill, Giles Road Hardfill Redland Bay, Duncan Road Baseball and Redland Bay Closed Landfill	8,903,000
Fleet Replacement Program The cyclic replacement and upgrade of the Redland City Council fleet including; light vehicles, heavy yellow vehicles and plant	5,486,926
Raby Bay Revetment Walls The ongoing monitoring of the Raby Bay revetment walls and shoreline and seawall erosion hazards. Works are also set for the repairs of revetment walls at Seahaven, Piermont, Seacrest, Voyager and Raby Bay Boulevard	5,143,000
Reseals and Resurfacing Roads Annual road and resealing program	4,183,344
Road Upgrade SMBI Road upgrade of the SMBI road network including the upgrades of Paula pde. Lamb Island, Hastings Tce. Macleay Island and Union St. Russell Island	3,705,628
Marine Mainland and North Stradbroke Island The program will deliver in 2012/13 the William Street Boat Ramp with extra Car Trailer Unit Parking parking, Victoria Point boat ramp floating pontoon and the Weinam Creek pontoon and walkway	3,118,542
Open Space Trunk Infrastructure Projects include Pinklands Sporting complex carpark and sportsfield improvement, Cleveland Point Reserve regional park, Park asset renewal program and Cleveland Showgrounds public amenity refurbishment	3,011,879
Moreton Bay Cycleway Expansion of the Moreton Bay Cycleway network including Hilliards Creek Crossing	2,337,500
Conservation Maintenance Conservation maintenance including weed eradication, bushland management and feral animal trapping	2,303,062
Road Reconstruction and Upgrade Program Road reconstruction program for 2012/13 including Burnett Street upgrade	2,153,449
Wastewater Mains and Maintenance Wastewater mains and wastewater treatment plant maintenance and inspections	2,103,189
Water Mains and Service Mainland and SMBI water reticulation repairs and maintenance program	2,081,022

Conservation Land Acquisitions Planned acquisitions of conservation interest in land	1,850,000
Wastewater Treatment Plants Biosolid treatment	1,400,600
SMBI Land Exchange Program 12/13 Southern Moreton Bay Islands 2012/13 land exchange program	1,129,000
Paths and Trails A pathway at Elizabeth Street path link Coochiemudlo Island to be delivered in 2012-13. There will also be regular work to repair any trip hazards and return footpaths to good working order throughout the City.	1,015,040
Marine SMBI The program will deliver in 2012/13 the upgrade of the boat ramp toe plank at Macleay Island, Upgrade of berthing piles at Russell Island and renewal of swimming enclosure at Amity Point	971,900
Traffic Management Projects include Point Lookout traffic management, Allenby Rd LATM, Crotona Rd. LATM, Weippin St. Refuge pedestrian and traffic signal lamp upgrades	607,378
Cemeteries Maintenance costs associated with Cemeteries located at Cleveland, Redland Bay and Dunwich	375,759
Public Amenities Program As part of the public amenities program, works will be completed at Point Lookout Headland	357,757
Foreshore Protection Foreshore protection project including the design of Thompson Beach protection upgrade and access stairs at Orana Espl. Victoria Point, Queens Espl. Thorneside and Wilson Espl. Victoria Point	331,597
Waterways Extension Program The waterways extension program is an action based partnership between landowners and Council to undertake rehabilitation and catchment management project	237,303

BUDGETED FINANCIAL STATEMENTS

These statements evidence key revenue, expense and balance sheet items. Future years' estimates result from our internal financial strategy and forecasting model, drawing on assumptions and parameters that are revised on a quarterly basis.

Financial Budget Summary

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
Revenue from Ordinary Activities	222,041	226,781	237,705
Expenses from Ordinary Activities	221,503	220,893	229,557
Borrowing Costs	4,697	5,076	5,924
Result from Ordinary Activities	(4,159)	812	2,224
Capital Income	22,232	26,428	29,349
Revaluation adjustment*	-	300,000	-
Written Down Value of Assets Disposed	(1,668)	(1,668)	(1,668)
Total Change in Community Equity	16,404	325,572	29,905

* Redland City Council will undertake a comprehensive revaluation of the entire Redland Water asset base during the 2012-2013 FY, and have forecast a \$300M increment to the Asset Revaluation Reserve (part of community equity).

Key Balance Sheet Items

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
Total Assets	1,880,215	2,222,871	2,261,550
Total Liabilities	143,200	160,283	169,058
Net Community Assets	1,737,015	2,062,587	2,092,492
Total Cash at Year End	62,404	73,097	79,711
Total Debt at Year End	76,962	93,023	100,761

Redland City Council – Operating Statement

The information below outlines the revenue and expenditure for operational activities, projects and programs by line item and category.

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
Operating Revenue			
Rates Charges	76,744	80,225	83,863
Utility Charges	117,400	118,211	123,790
<i>Less: Pensioner Remissions</i>	<i>(2,748)</i>	<i>(2,873)</i>	<i>(3,003)</i>
Fees and Charges	14,946	15,623	16,332
Operating Grants and Subsidies	6,176	6,456	6,749
Operating Contributions and Donations	154	161	168
Interest External	4,692	3,601	4,224
Other Revenue	4,677	5,377	5,582
Total Operating Revenue	222,041	226,781	237,705
Operating Expenditure			
Employee Costs	78,190	79,382	82,279
Goods and Services	100,478	93,935	99,039
Finance Costs Other	355	367	380
Other Expenditure	288	296	304
Net Internal Costs	(1,169)	(1,202)	(1,235)
Total Operating Expenditure	178,142	172,778	180,767
Earnings Before Interest, tax and depreciation (EBITD)	43,899	54,003	56,938
Interest Expense	4,342	4,709	5,544
Depreciation	43,716	48,482	49,170
Operating Surplus/(Deficit)	(4,159)	812	2,224
Transfers to Constrained Operating Reserves	(14,962)	(13,156)	(13,570)
Transfers from Constrained Operating Reserves	11,338	11,947	11,981

Depreciation increases in 2013-2014 due to the revaluation of the Water and Wastewater asset base.

Redland City Council – Capital Funding Statement

This statement evidences the capital funds expected by council and how these funds will be allocated to capital projects and activities.

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
Proposed Sources of Capital Funding			
Capital Contributions and Donations	11,118	9,776	10,083
Capital Grants and Subsidies	5,416	4,388	6,415
Proceeds on Disposal of Non Current Assets	1,698	4,010	4,020
Capital Transfers (To) From Reserves	1,792	8,566	4,268
Non Cash Contributions	4,000	8,254	8,832
New Loans	16,036	20,471	13,349
Funding from General Revenue	42,191	30,840	41,328
Total Sources of Capital Funding	82,251	86,305	88,294
Proposed Application of Capital Funds			
Contributed Assets	4,000	8,254	8,832
Capitalised Goods and Service	63,959	67,445	67,377
Capitalised Employee Costs	5,929	6,196	6,475
Loan Redemption	8,363	4,410	5,610
Total Application of Capital Funds	82,251	86,305	88,294

Redland City Council – Other Budgeted Items

At entity level this statement outlines the written down value of disposed assets.

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
Other Budgeted Items			
WDV of Assets Disposed	- 1,668	- 1,668	- 1,668
Tax and Dividends	-	-	-
Internal Capital Structure Financing	-	-	-

Redland City Council – Statement of Cash Flows

Cash movement is illustrated for the three areas: operating, investing and financing.

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	217,350	222,997	233,296
Payments to Suppliers and Employees	(177,347)	(171,423)	(179,387)
	40,003	51,574	53,909
Interest Received	4,692	3,601	4,224
Borrowing Costs	(4,342)	(5,076)	(5,924)
Net Cash Inflow from Operating Activities	40,353	50,099	52,209
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments - Property, Plant and Equipment	(69,888)	(73,641)	(73,852)
Proceeds - Capital Subsidies, Grants and Contributions	16,534	14,164	16,498
Proceeds - Sale of Property, Plant and Equipment	1,698	4,010	4,020
Net Cash Inflow from Investing Activities	(51,656)	(55,467)	(53,334)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of Borrowing	16,036	20,471	13,349
Repayment of Borrowings	(8,363)	(4,410)	(5,610)
Net Cash Inflow from Financing Activities	7,673	16,061	7,739
Net Increase (Decrease) in Cash Held	(3,630)	10,693	6,613
Cash at Beginning of Year	66,034	62,404	73,097
Cash at End of Financial Year	62,404	73,097	79,711

Redland City Council – Statement of Financial Position

The disclosures below include the community's assets, council's liabilities and equity.

	Budget Year 1 2012-2013 \$000s	Estimate Year 2 2013-2014 \$000s	Estimate Year 3 2014-2015 \$000s
CURRENT ASSETS			
Cash and Investments	62,404	73,097	79,711
Accounts Receivable	18,300	18,483	18,668
Inventories	1,049	1,049	1,049
Prepaid Expenses	1,242	1,277	1,313
Assets - Held for Sale	160	160	160
Total Current Assets	83,155	94,066	100,900
NON CURRENT ASSETS			
Accounts Recievable	26	26	26
Property, Plant and Equipment	1,797,034	2,128,779	2,160,624
Total Non Current Assets	1,797,060	2,128,805	2,160,650
TOTAL ASSETS	1,880,215	2,222,871	2,261,550
CURRENT LIABILITIES			
Accounts Payable	15,177	15,602	16,039
Current Employee Provisions	6,788	7,026	7,271
Current Loans	2,243	5,610	6,558
Current Landfill Rehabilitation Provisions	3,239	3,239	3,239
Other Liabilities	1,153	1,193	1,239
Total Current Liabilities	28,600	32,670	34,346
NON CURRENT LIABILITIES			
Non Current Loans	74,719	87,412	94,204
Non Current Employee Provisions	8,001	8,321	8,629
Non Current Landfill Rehabilitation Provisions	26,037	26,037	26,037
Other Liabilities	5,843	5,843	5,843
Total Non Current Liabilities	114,600	127,613	134,712
TOTAL LIABILITIES	143,200	160,283	169,058
NET ASSETS	1,737,015	2,062,587	2,092,492
COMMUNITY EQUITY			
Retained Earnings Account	1,689,400	2,022,329	2,054,913
Cash Reserves	47,615	40,258	37,579
TOTAL COMMUNITY EQUITY	1,737,015	2,062,587	2,092,492

Redland City Council – Statement of Changes in Equity

The movement in reserves and retained earnings for the following three years is forecasted below.

	Retained Surplus (\$000s)	Asset Revaluation Reserve (\$000s)	Other Reserves (\$000s)	TOTAL (\$000s)
Budget 2012-2013				
Balance at 1 July 2012	1,134,328	540,498	45,783	1,720,609
Net result for Period	16,404			16,404
Transfers to Reserves	(3,624)		3,624	-
Transfers from Reserves	1,792		(1,792)	-
Asset Revaluation Adjustments	-	-	-	-
Balance as at 30 June 2013	1,148,900	540,498	47,615	1,737,015
Budget 2013-2014				
Balance at 1 July 2013	1,148,900	540,498	47,615	1,737,015
Net result for Period	25,572			25,572
Transfers to Reserves	(1,209)		1,209	-
Transfers from Reserves	8,566		(8,566)	-
Asset Revaluation Adjustments	-	300,000	-	300,000
Balance as at 30 June 2014	1,181,829	840,498	40,258	2,062,587
Budget 2014-2015				
Balance at 1 July 2014	1,181,829	840,498	40,258	2,062,585
Net result for Period	29,905			29,905
Transfers to Reserves	(1,589)		1,589	-
Transfers from Reserves	4,268		(4,268)	-
Asset Revaluation Adjustments	-	-	-	-
Balance as at 30 June 2015	1,214,413	840,498	37,579	2,092,492

Allconnex Water

Allconnex Water is to be dissolved in the 2012-13 financial year and all of its operational assets and staff are to be transferred back to either Redland City Council, Gold Coast City Council or Logan City Council on 1 July 2012. Until the dissolution of the remaining Allconnex Water shell organisation is finalised, there is no information on which to base the extent of future returns or payments to Allconnex Water during 2012-13.

Redland City Council – Financial Stability Ratios

During the annual review of Council's Financial Strategy, Council has reviewed its Key Performance Indicators to ensure the ratios provide 'stretch' targets and that financial sustainability is maintained.

Redland City Council	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Financial Stability Ratios (RCC)	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Level of dependence on General Rate Revenue (Excludes Utility Revenues) - Threshold set < 37.5%	33.3%	34.1%	34.0%	34.1%	34.5%	34.1%	34.0%	33.8%	33.5%	33.1%
Ability to pay our bills - Current Ratio Target between 1.1 and 4.1	2.91	2.88	2.94	3.00	2.80	2.64	2.54	2.51	2.59	3.83
Ability to repay our debt - Debt Servicing Ratio (%) Target less than or equal to 10%	5.72%	4.02%	4.69%	5.01%	5.23%	5.42%	5.40%	5.36%	5.30%	5.21%
Cash Balance - \$ 000s	62,404	73,097	79,711	86,329	84,128	82,201	82,362	85,360	93,382	105,312
Cash Balances - cash capacity in months Target 3 to 4 months	4.12	4.97	5.16	5.35	4.96	4.49	4.27	4.20	4.35	4.65
Longer term financial stability - debt to asset ratio (%) Target less than or equal to 10%	4.09%	4.18%	4.46%	4.54%	4.75%	4.64%	4.51%	4.35%	4.18%	3.97%
Operating Performance Target greater than or equal to 20%	18.2%	22.1%	22.0%	22.2%	21.2%	20.1%	20.1%	20.2%	20.8%	21.3%

Under the stretch target, Operating Performance is not achieved until year two as Council will take one year to regain its operating surplus position. Performance against these ratios is analysed in detail each quarter and Council will closely monitor its cash expenditure over the next year and revise these estimates as required.

During this annual review, all the ratios will be considered alongside the key financial policies; for example the Investment and Revenue Policies.

Redland City Council – Measures of Sustainability

From 1 July 2010, Council has adopted the following measures of sustainability and the Department of Local Government targets.

Measures of Sustainability	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Surplus Ratio										
Target between 0% and 10%	-1.87%	0.36%	0.94%	1.81%	1.25%	1.04%	1.70%	2.59%	3.90%	5.26%
Net Financial Liabilities Ratio										
Less than or equal to 60%	27.04%	29.20%	28.67%	26.52%	29.26%	28.18%	26.36%	23.54%	19.16%	13.93%
Interest Coverage Ratio										
Between 0% and 5%	-0.16%	0.49%	0.56%	0.50%	0.32%	0.37%	0.33%	0.24%	0.10%	-0.10%
Asset Sustainability Ratio (Infrastructure Assets Only)										
Greater than 90%	52.80%	64.97%	49.87%	59.95%	44.96%	46.95%	46.03%	43.25%	45.20%	45.00%
Asset Consumption Ratio (Infrastructure Assets Only)										
Between 40% and 80%	66.77%	66.00%	64.89%	63.90%	62.62%	61.81%	60.58%	59.55%	58.45%	59.00%
Asset Renewal Funding Ratio										
Greater than 90%	Measure to follow									

*These three asset ratios are accompanied by targets established by the Department of Local Government (DLG), previously known as Department of Local Government and Planning (DLGP). Council consulted with DLG in April 2011 to discuss the intent of the targets, the definitions of the asset expenditure categories (new, renewal, upgrade and expansion) and the fact that most local governments will be unable to reliably measure and forecast the Asset Renewal Funding Ratio. DLG do not presently require reporting on the Asset Renewal Funding Ratio and it is not currently a requirement of the *Local Government (Finance, Plans and Reporting) Regulation 2010*. Asset sustainability, consumption and renewal are all closely linked and Council has committed to a long-term Financial Strategy that works towards balancing the increase in revenue from the community to fund the replacement and renewal of assets. The target of 90% for the Asset Sustainability Ratio will be a challenge for Council to address over the coming years.

SIGNIFICANT BUSINESS ACTIVITY FINANCIAL STATEMENTS

In accordance with Section 99 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council's budget must include the estimated costs for the local government's significant business activities carried on using a full cost pricing basis.

RedWaste Operating Statement

	Budget Year 1 2012/2013 \$	Estimate Year 2 2013/2014 \$	Estimate Year 3 2014/2015 \$
Operating Revenue			
Waste Utility Charges	18,028,603	19,455,747	20,995,864
Fees & charges	136,093	142,980	150,215
Operating Grants and Subsidies	0	0	0
Operating Contributions and Donations	0	0	0
Interest External	222,403	200,784	213,991
Community Service Obligations	1,734,553	1,821,281	1,912,345
Internal Revenue	632,363	663,982	697,181
Other revenue	568,509	590,112	612,537
Total Operating Revenue	21,322,525	22,874,885	24,582,132
Operating Expenses			
Employee costs	1,352,607	1,402,653	1,454,551
Goods and services	17,520,824	18,396,865	19,316,708
Finance Costs Other	15,604	498	517
Other Expenditure	0	0	0
Competitive Neutrality	108,424	113,845	119,537
Internal Expenditure	705,553	740,831	777,872
Total Operating Expenditure	19,703,012	20,654,692	21,669,187
Earnings before Interest, tax and depreciation (EBITD)	1,619,514	2,220,193	2,912,945
Interest Expense	52,190	357,500	1,011,292
Internal Capital Structure Financing	446,609	312,656	0
Depreciation	421,269	386,571	635,292
Operating Surplus/(Deficit)	699,445	1,163,466	1,266,361
Income Tax	209,834	349,040	379,908
Dividend	489,612	479,181	658,843
Net Increase in Operating Capacity	0	335,245	227,609

Note the estimated budget figures shown for year 2 and year 3 may differ slightly when detailed budgets are prepared for each subsequent year. (E.g. contract rates may change as contracts change or shifts in recyclables revenue).

RedWaste Capital Funding Statement

	Budget Year 1 2012/2013 \$	Budget Year 2 2013/2014 \$	Estimate Year 3 2014/2015 \$
Proposed Sources of Capital Funding			
Capital Contributions and Donations	0	0	0
Capital Grants and Subsidies	66,461		
Proceeds on Disposal of Non Current Assets	0	0	0
Net Transfer (to)/from Constrained Capital Reserves	1,303,185	457,408	731,053
Non Cash Contributions	0		
New Loans	0	5,500,000	10,200,000
Funding from General Revenue	0	0	0
Total Sources of Capital Funding	1,369,646	5,957,408	10,931,053
Proposed Application of Capital Funding			
Contributed Assets	0	0	0
Capitalised Goods & Services	1,296,105	5,815,748	10,517,470
Capitalised Employee Costs	0	0	0
Loan Redemption	73,541	141,660	413,583
Total Application of Capital Funds	1,369,646	5,957,408	10,931,053

Note the estimated budget figures shown for year 2 and year 3 may differ slightly when detailed budgets are prepared for each subsequent year. (E.g. contract rates may change as contracts change or shifts in recyclables revenue).

RedWaste – Other Budgeted Items

	Budget Year 1 2012/2013 \$	Budget Year 2 2013/2014 \$	Estimate Year 3 2014/2015 \$
Other Budgeted Items			
Transfer to Reserve	0	335,245	227,609
Transfer from Operating Reserve	0	0	0

RedWaste Community Service Obligations

Job number	Job Name	Description of the nature of the CSO	Budget 2012-2013 \$	Estimate Year 2 2013-2014 \$	Estimate Year 3 2013-2014 \$
55004	Clean Up Australia Day	Acceptance of Clean Up Australia Day waste at transfer stations, provision of bulk waste bins and waste disposal for clean up sites.	3,510	3,686	3,870
55005	Birkdale Sanitary Landfill	Exemption of fees for waste disposal to registered not-for-profit organisations and community groups and waiver of fees for disposal of asbestos, construction and demolition waste from the Bay Islands.	11,084	11,638	12,220
55006	Redland Bay Transfer Station	Exemption of commercial fees for waste disposal to registered not-for-profit organisations, charities and community groups.	538	565	593
55007	North Stradbroke Island Transfer Station	Acceptance of residential waste and commercial greenwaste at island transfer stations, including waste disposal and management costs.	391,238	410,800	431,340
55021/ 55022	Kerbside Recycling/Waste Collection	Subsidisation of collection costs for properties requiring manual collection to support the elderly or people with disabilities.	45,457	47,730	50,116
55081	Russell Island Transfer Station	Acceptance of residential waste and commercial greenwaste at island transfer stations, including waste disposal and management costs.	358,414	376,335	395,152
55082	Macleay Island Transfer Station	Acceptance of residential waste and commercial greenwaste at island transfer stations, including waste disposal and management costs.	399,679	419,663	440,647
55083	Lamb Island Transfer Station	Acceptance of residential waste at island transfer stations, including waste disposal and management costs.	129,625	136,106	142,911
55084	Karragarra Island Transfer Station	Acceptance of residential waste at island transfer stations, including waste disposal and management costs.	185,099	194,354	204,072
55085	Coochiemudlo Island Transfer Station	Acceptance of residential waste and commercial greenwaste at island transfer stations, including waste disposal and management costs.	179,753	188,741	198,178
55064	Bulky Item Collection for HAS Clients	Exemption of fees for waste disposal to Home Assist Secure clients.	30,156	31,664	33,247
			1,734,553	1,821,281	1,912,345

Note the estimated budget figures shown for year 2 and year 3 may differ slightly when detailed budgets are prepared for each subsequent year. (E.g. contract rates may change as contracts change or shifts in recyclables revenue).

Redland Water Operating Statement

	Budget Year 1 2012/13 (\$000's)	Estimate year 2 2013/14 (\$000's)	Estimate year 3 2014/15 (\$000's)
Operating Revenue			
Rates and Utility Charges	88,097	93,206	96,201
Less: Discounts & Pensioner Remissions	0	0	0
Fees and Charges	713	714	721
Operating Grants and Subsidies	0	0	0
Operating Contributions and Donations	0	0	0
Interest External	350	350	350
Community Service Obligations	337	357	379
Internal Revenue	1,874	1,964	2,060
Other Revenue	1,095	1,161	1,230
Total Operating Revenue	92,467	97,752	100,941
Operating Expenses			
Employee Costs	7,589	7,795	8,083
Goods and Services	32,490	35,937	39,570
Finance Costs Other	10	10	10
Other Expenditure	0	0	0
Competitive Neutrality	440	462	485
Internal Expenditure	4,534	4,738	4,951
Total Operating Expenditure	45,063	48,942	53,099
Earnings before Interest, tax and depreciation (EBITD)	47,404	48,810	47,842
Interest Expense	195	173	165
Internal Capital Structure Financing	13,845	13,845	13,845
Depreciation	12,777	13,249	13,441
Operating Surplus/(Deficit)	20,587	21,544	20,391
Income Tax	8,276	6,450	6,137
Dividend	11,695	14,298	13,603
Net increase in Operating Capacity	616	795	651

Redland Water Capital Funding Statement

	Budget Year 1 2012/13 (\$000's)	Estimate year 2 2013/14 (\$000's)	Estimate year 3 2014/15 (\$000's)
<i>Proposed Sources of Capital Funding</i>			
Capital Contributions and Donations	3,000	3,000	3,000
Capital Grants and Subsidies	0	0	0
Proceeds on Disposal of Non Current Assets	0	0	0
Net Transfer (to)from Constrained Capital Reserves	(3,000)	(3,000)	(3,000)
Non Cash Contributions	4,000	4,000	4,000
New Loans	0	0	0
Funding from General Revenue	13,044	19,368	11,708
<i>Total Sources of Capital Funding</i>	17,044	23,368	15,708
<i>Proposed Application of Capital Funds</i>			
Contributed Assets	4,000	4,000	4,000
Capitalised Goods & Services	12,241	18,565	10,905
Capitalised Employee Costs	602	604	604
Loan Redemption	200	200	200
<i>Total Application of Capital Funds</i>	17,044	23,368	15,708

Redland Water – Other Budgeted Items

	Budget Year 1 2012/13 (\$000's)	Estimate year 2 2013/14 (\$000's)	Estimate year 3 2014/15 (\$000's)
<i>Other Budgeted Items</i>			
Transfers to Operating Reserve	0	0	0
Transfer from Operating Reserves	0	0	0
WDV of Assets Disposed	0	0	0

Redland Water Community Service Obligations

<i>Community Service Obligations</i>	Budget 2012/13 (\$000's)	Estimate year 2 2013/14 (\$000's)	Estimate year 3 2014/15 (\$000's)
Water - concession not for profit	250,000	265,000	280,900
Wastewater - concession not for profit	87,000	92,200	97,700
<i>Total Community Service Obligation</i>	337,000	357,200	378,600

BUSINESS UNITS SUBJECT TO THE CODE OF COMPETITIVE CONDUCT

In accordance with Section 99 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council's budget must include the estimated costs for the local government's significant business activities carried on using a full cost pricing basis. Additionally, the estimated costs of activities of commercial business units and significant business activities should also be included.

Council has continuing business units subject to the code of competitive conduct in 2012-2013: Caravan Parks; School Aged Care; Redland Performing Arts Centre, Building Certification Services, Marine Transport, Fleet & Plant Operations; Cemeteries and Redland Art Gallery.

Caravan Parks Operating Statement

	Budget 2012-2013 (\$)
Operating Revenue	
Operating Revenue	1,149,229
Internal Revenue	0
Interest Received	0
Community Service Obligation	0
Contribution from General Fund	360,763
Total Revenue	1,509,992
Operating Expenditure	
Employee Costs	800,024
Materials & Services	205,008
Depreciation	175,542
Internal Expenditure	315,932
Competitive Neutrality Adjustments	13,487
Total Operating Expenditure	1,509,992
Operating Surplus/(Deficit)	(0)
Income Tax	0
Dividend	0
Net Increase in Operating Capacity	(0)
<u>Community Service Obligations:</u>	
Total Community Service Obligations	0

Council is in the process of finalising the future operation of its caravan and camping grounds. This business unit has been provided with four months operating budget to reflect the likely timeframe for transition from Council operations to another provider. There are no forecasted figures for the following two years as Council is expecting the transition to have occurred.

School Aged Care Operating Statement

	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	3,537,109	3,660,908	3,789,040
Internal Revenue	0	0	0
Interest Received	0	0	0
Community Service Obligation	0	0	0
Contribution from General Fund	178,989	180,410	181,744
Total Revenue	3,716,098	3,841,318	3,970,784
Operating Expenditure			
Employee Costs	3,024,082	3,129,925	3,239,472
Materials & Services	295,661	303,939	312,450
Depreciation	1,931	1,985	2,040
Internal Expenditure	239,661	246,371	253,269
Competitive Neutrality Adjustments	154,764	159,097	163,552
Total Operating Expenditure	3,716,098	3,841,318	3,970,784
Operating Surplus/(Deficit)	(0)	0	(0)
Income Tax	0	0	0
Dividend	0	0	0
Net Increase in Operating Capacity	(0)	0	(0)
<u>Community Service Obligations:</u>			
Total Community Service Obligations	0	0	0

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

Redland Performing Arts Centre Operating Statement

	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	353,400	365,769	378,571
Internal Revenue	15,881	16,437	17,012
Interest Received	0	0	0
Community Service Obligation	45,850	47,454	49,115
Contribution from General Fund	1,761,428	1,813,253	1,866,618
Total Revenue	2,176,558	2,242,913	2,311,316
Operating Expenditure			
Employee Costs	773,100	800,159	828,165
Materials & Services	686,562	705,786	725,548
Depreciation	456,141	468,913	482,042
Internal Expenditure	218,335	224,449	230,733
Competitive Neutrality Adjustments	42,420	43,608	44,829
Total Operating Expenditure	2,176,558	2,242,914	2,311,316
Operating Surplus/(Deficit)	0	(0)	(0)
Income Tax	0	0	0
Dividend	0	0	0
Net Increase in Operating Capacity	0	(0)	(0)
Community Service Obligations:			
Rental Subsidy	35,631	36,878	38,169
Ticket Subsidy	10,219	10,576	10,947
Total Community Service Obligations	45,850	47,454	49,115

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

Building Certification Services Operating Statement

	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	282,234	292,112	302,336
Internal Revenue	0	0	0
Interest Received	0	0	0
Community Service Obligation	50,198	51,955	53,773
Contribution from General Fund	429,433	442,899	456,794
Total Revenue	761,865	786,966	812,903
Operating Expenditure			
Employee Costs	538,527	557,375	576,884
Materials & Services	35,219	36,205	37,219
Depreciation	222	228	235
Internal Expenditure	121,286	124,682	128,173
Competitive Neutrality Adjustments	66,611	68,476	70,393
Total Operating Expenditure	761,865	786,966	812,903
Operating Surplus/(Deficit)	0	(0)	0
Income Tax	0	0	0
Dividend	0	0	0
Net Increase in Operating Capacity	0	(0)	0
Community Service Obligations:			
Professional advice to Customer Service	7,595	7,861	8,136
Building Application Assessments	20,596	21,317	22,063
Domestic and Commercial Inspections	22,007	22,777	23,574
Total Community Service Obligations	50,198	51,955	53,773

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

Marine Transport Operating Statement

	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	934,235	966,933	1,000,776
Internal Revenue	0	0	0
Interest Received	91,952	95,170	98,501
Community Service Obligation	0	0	0
Contribution from General Fund	0	0	0
Total Revenue	1,026,187	1,062,104	1,099,277
Operating Expenditure			
Employee Costs	0	0	0
Materials & Services	314,504	323,310	332,363
Depreciation	387,445	398,293	409,446
Internal Expenditure	0	0	0
Competitive Neutrality Adjustments	0	0	0
Total Operating Expenditure	701,949	721,604	741,808
Operating Surplus/(Deficit)	324,238	340,500	357,469
Income Tax	97,271	102,150	107,241
Dividend	226,967	238,350	250,228
Net Increase in Operating Capacity	0	0	0
<u>Community Service Obligations:</u>			
Total Community Service Obligations	0	0	0

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

Fleet and Plant Operating Statement

	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	30,000	31,050	32,137
Internal Revenue	6,685,281	6,919,266	7,161,440
Interest Received	0	0	0
Community Service Obligation	7,250	7,504	7,766
Contribution from General Fund	0	0	0
Total Revenue	6,722,531	6,957,820	7,201,343
Operating Expenditure			
Employee Costs	854,997	884,922	915,894
Materials & Services	1,514,564	1,556,972	1,600,567
Depreciation	2,369,570	2,435,918	2,504,123
Internal Expenditure	1,003,155	1,031,243	1,060,118
Competitive Neutrality Adjustments	45,030	46,291	47,587
Total Operating Expenditure	5,787,315	5,955,345	6,128,289
Operating Surplus/(Deficit)	935,216	1,002,475	1,073,054
Income Tax	280,565	300,742	321,916
Dividend	654,651	701,732	751,138
Net Increase in Operating Capacity	0	0	0
Community Service Obligations:			
SES Annual Small Plant Maintenance	4,926	5,098	5,277
Life Education Van Annual Maintenance	2,324	2,405	2,490
Total Community Service Obligations	7,250	7,504	7,766

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

Cemeteries Operating Statement

	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	310,000	320,850	332,080
Internal Revenue	0	0	0
Interest Received	28,534	29,533	30,566
Community Service Obligation	0	0	0
Contribution from General Fund	8,770	7,137	5,393
Total Revenue	347,304	357,520	368,039
Operating Expenditure			
Employee Costs	70,213	72,671	75,214
Materials & Services	211,108	217,019	223,096
Depreciation	7,220	7,422	7,630
Internal Expenditure	25,135	25,838	26,562
Competitive Neutrality Adjustments	33,627	34,569	35,536
Total Operating Expenditure	347,304	357,520	368,039
Operating Surplus/(Deficit)	0	0	0
Income Tax	0	0	0
Dividend	0	0	0
Net Increase in Operating Capacity	0	0	0
<u>Community Service Obligations:</u>			
Total Community Service Obligations	0	0	0

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

Redland Art Gallery Operating Statement

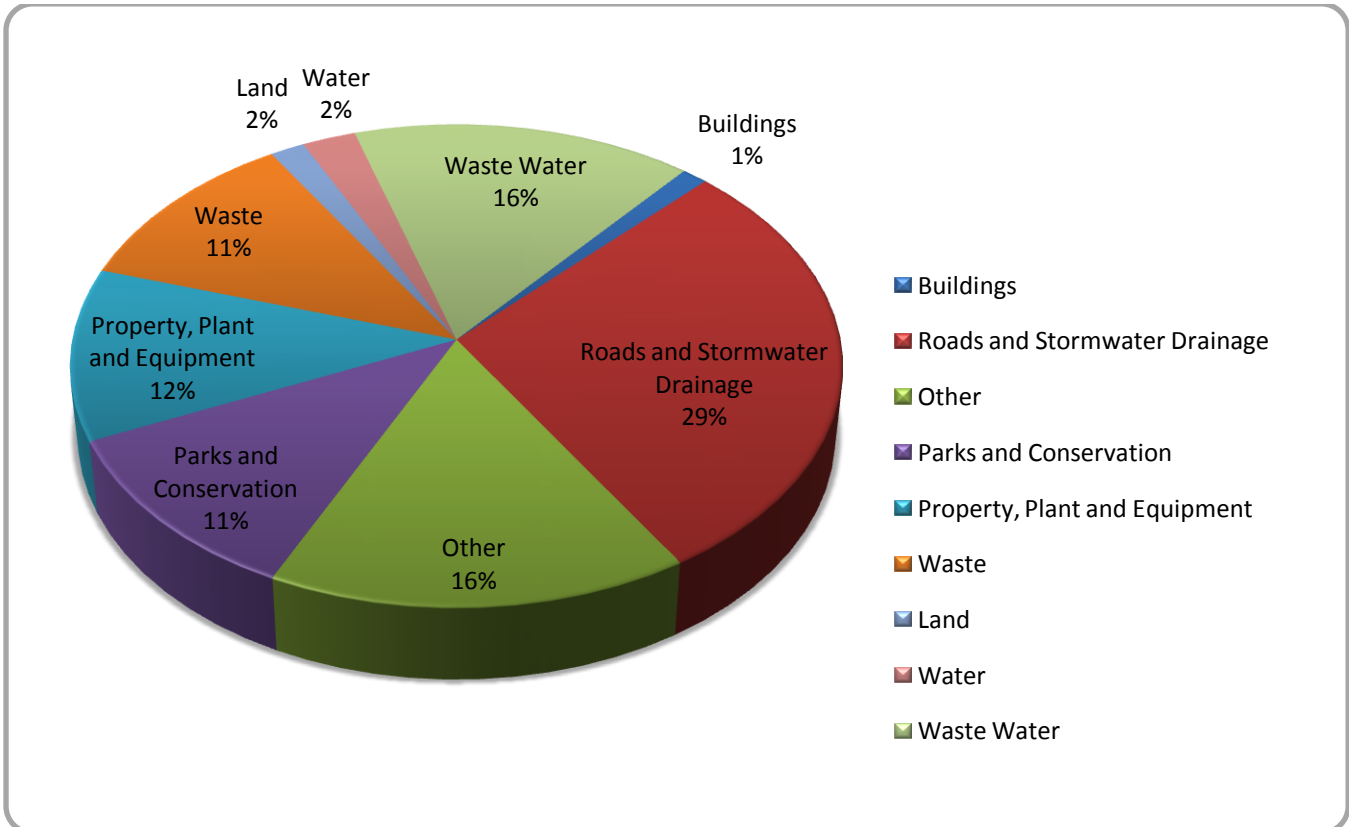
	Budget 2012-2013 (\$)	Estimate 2013-2014 (\$)	Estimate 2014-2015 (\$)
Operating Revenue			
Operating Revenue	18,500	19,148	19,818
Internal Revenue	0	0	0
Interest Received	718	743	769
Community Service Obligation	0	0	0
Contribution from General Fund	624,567	644,244	664,549
Total Revenue	643,784	664,134	685,135
Operating Expenditure			
Employee Costs	331,999	343,619	355,646
Materials & Services	210,933	216,839	222,910
Depreciation	8,160	8,389	8,624
Internal Expenditure	64,882	66,699	68,567
Competitive Neutrality Adjustments	27,810	28,589	29,389
Total Operating Expenditure	643,784	664,134	685,135
Operating Surplus/(Deficit)	0	(0)	(0)
Income Tax	0	0	0
Dividend	0	0	0
Net Increase in Operating Capacity	0	(0)	(0)
<u>Community Service Obligations:</u>			
Total Community Service Obligations	0	0	0

Note: The forecasted years above may differ when detailed budgets are prepared for each subsequent year.

CAPITAL EXPENDITURE 2012-2013

Total \$69.9M (excluding contributed assets)

Council adopted its latest ten year capital program on 12 July 2012. Slight amendments to the 2012-2013 year have been made during the final stages of budget development to ensure sustainability and deliverability. As per previous years, financial and asset sustainability were the focus of the capital program, with Council considering renewal of existing assets more favourably than the purchase of new assets. New assets not only impact on capital expenditure but also bring associated whole of life operating and maintenance costs with them. Key factors in the construction of the capital expenditure program are deliverability and community desire. A total of \$69.9M has been planned for capital works in 2012-2013. There are significant provisions allocated across all areas of Council, the details of which are provided in the Schedule of Capital Works on pages 41 to 46.

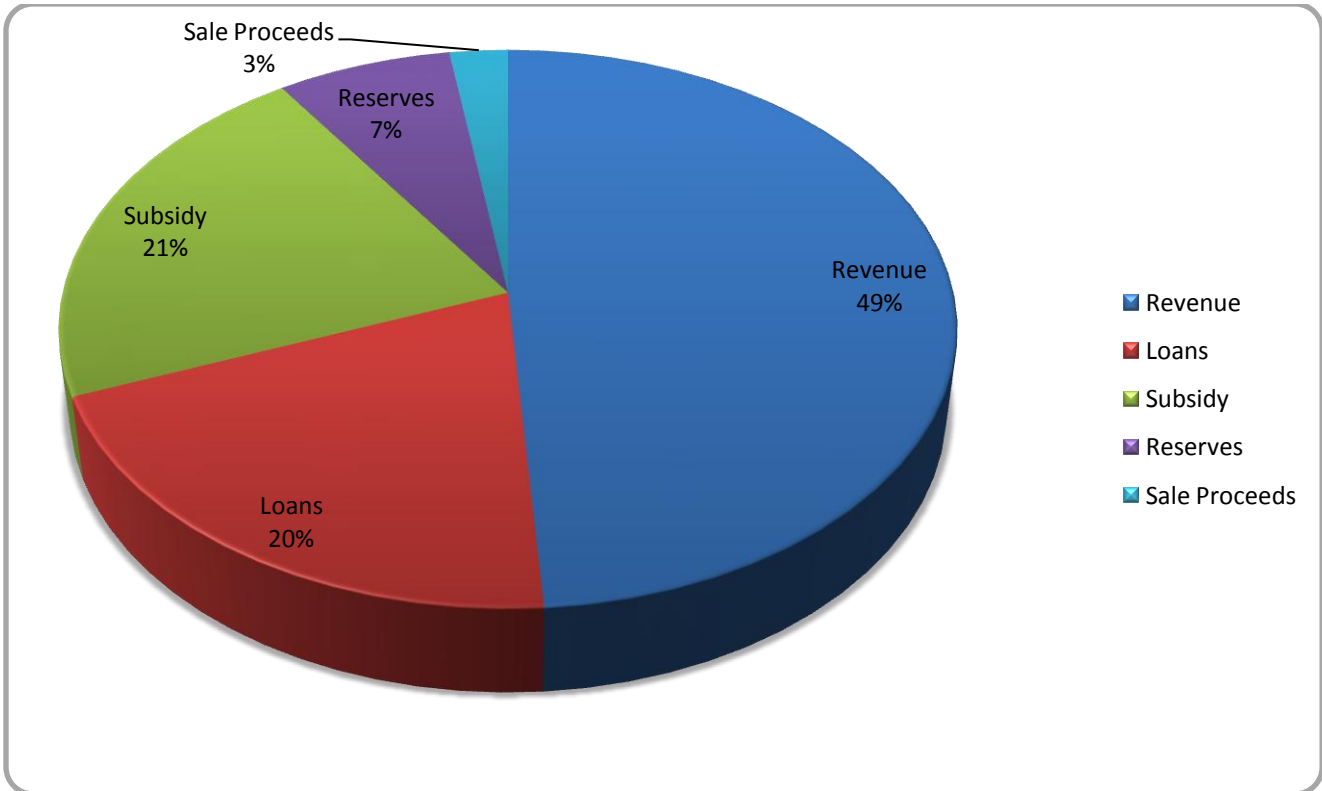


Category of Expenditure	2012- 2013 %
Buildings	1%
Roads and Stormwater Drainage	29%
Other	16%
Parks and Conservation	11%
Property, Plant and Equipment	12%
Waste	11%
Land	2%
Water	2%
Waste Water	16%

CAPITAL EXPENDITURE FUNDING SOURCES 2012-2013

Total \$69.9M (excluding contributed assets)

The sources of Capital Expenditure funding are shown below:



Source of Funding	2012-2013 %
Revenue	49%
Loans	20%
Subsidy	21%
Reserves	7%
Sale Proceeds	3%

Council's Debt Policy outlines that funding from reserves will be used prior to new borrowings (loans). Council is borrowing for intergenerational projects and ensures its ability to repay both principle and interest through Key Performance Indicators:

- Debt Servicing Ratio;
- Debt to Assets ratio; and
- Interest Coverage Ratio

SCHEDULE OF CAPITAL WORKS 2012-2013

The capital works program for 2012-2013 has been constructed to address the priorities of the 2010-2015 Corporate Plan in addition to the outputs from the Asset and Service Management Plans. These plans have ensured Council focuses on renewing and maintaining the assets to evidence financial and asset sustainability to the community. The measures of sustainability earlier in this publication demonstrate the movement over the next ten financial years with respect to asset consumption, asset sustainability and financial sustainability.

Additionally, the program also includes capital investment into Council's technology and capability that will assist in the delivery and maintenance of the infrastructure throughout the City. The overall expenditure on capital works is budgeted to be \$69.9M for 2012-2013 and is listed below. The schedule has been categorised by asset class.

Buildings

Public Amenities' - Point Lookout Headland	357,757
Computer Rooms Environment	20,000
Accommodation Fit out Middle Street Cleveland	235,000
North Stradbroke Island Natural Disaster Management Centre	224,268
Total Buildings	837,025

Roads and Stormwater Drainage

Footpath Replacement	67,524
Kerb & Channel Replacement	192,800
Culvert Safety Fences	75,000
Road Construction	-18,645,800
Construction Projects Unit.	18,645,799
Bicycle Parking - One Mile Ferry Terminal, Dunwich	12,000
Bicycle Parking - Wellington Point Village	8,000
John Fredericks Carpark	12,000
Old School House Gallery Carpark Lighting	57,400
Capalaba Catchpit Replacement	20,000
Sunview Street Thornlands Drainage Improvements	20,000
Shore Street North Cleveland Drainage Improvements	25,000
Curlew Creek Drainage Rehabilitation Coochiemudlo Island	260,000
Drainage Renewal	68,461
Traffic Signal Lamp Upgrade	80,000
Point Lookout Traffic Management	200,000
Ziegenfusz Road Thornlands Pedestrian Refuge	25,000
Allenby Road Local Area Traffic Management	90,000
Bloomfield Street Cleveland Pedestrian Refuge	50,000
Crotona Road Capalaba Local Area Traffic Management	90,000
Weippin Street Cleveland Refuge Pedestrian Refuge	60,000
Local Area Traffic Management Future Designs	12,378
Osprey Drive Thornlands Pedestrian Path	68,000
Salisbury Street Redland Bay Path Link	75,000
Cleveland Redland Bay Road (South Gaylen Pathway)	40,000
Magnolia Parade Path Link Victoria Point	90,000
Bay Street to Trinity Path Link Cleveland	58,000
Elizabeth Street Path Link Coochiemudlo Island	120,000
Starkey Street Wellington Point Culvert Crossing	84,000
Paths & Trails Future Design	41,500
Bayview State School Footpath Connection	63,000
Asphalt Overlays	4,179,344
Smith and Long Street Cleveland Intersection Improvements	35,000
Burnett Street Wellington Point Road Upgrade	489,907
Road Reconstruction Program	1,288,506

Banfield Lane Capalaba Reconstruction	30,000
Victoria Parade North Coochiemudlo Island	240,000
Pullen Street Coochiemudlo Island	70,000
Tenanne Street Russell Island Stage 1	619,628
Union Street Russell Island	432,000
Attunga Street Macleay Island Stage 1	250,000
Ross and Regal Streets Russell Island	180,000
Hastings Terrace Macleay Island	456,000
Paula Parade, Lamb Island	710,000
Judith Street Russell Island Stage 2	108,000
Beth Street Russell Island - Jackson Road to end	240,000
Jock Kennedy Park, Access Road	510,000
George Nothling North Stradbroke Island Bus Stop Improvements	100,000
Bus Stops & Lay Bys	300,000
Moreton Bay Cycleway Victoria Point (Cameron to Point O'Halloran)	100,000
Moreton Bay Cycleway Hilliards Creek Crossing	2,237,500
Waterways Infrastructure	109,149
Stormwater Trunk Infrastructure Design	100,000
Collins Street & Serpentine Creek/Donald Road Upgrade Redland Bay	4,800,000
Project Delivery Group Recovery	-2,019,329
Design Services Unit	677,079
Project Management Services Unit	1,031,359
Project Delivery Group Admin	432,921
Survey Services Team	361,574
Total Roads and Stormwater Drainage	20,133,701

Other

State Emergency Services (SES)	1,900
Media and Marketing	8,500
Web Services	8,000
Operations - Redland Art Gallery	2,900
Administration - School Aged Services	2,000
Administration - Respite Services	2,000
Home Maintenance (HACC)	2,000
Technical Services	1,124,774
Administration – Libraries	55,490
Dunwich Cemetery	25,000
Cleveland Cemetery	100,000
Dunwich Cemetery Boundary Fencing	25,000
Redland Bay Cemetery Stage 1 Works	50,000
Indigenous Recognition Statement	25,000
Administration - Community Halls	27,100
Redland Performing Art Centre Operations	47,975
Pathway Lighting	33,956
Rehabilitate Solar Lighting	80,000
Survey General	5,000
Spatial Analysis & Planning	30,000
Karragarra Island Beach Access Ramp	7,500
Esplanade Redland Bay Beach Access Ramp	7,500
Beach Access Ramp - Sleath Street Ormiston	7,500
Queens Esplanade Thorneside Seawall Foreshore	25,000
Thompsons Beach Victoria Point Foreshore Protection Upgrade	100,000
Foreshore Redesign/Construction	115,000
Orana Esplanade Victoria Point South Foreshore Access Ramp	69,097
William Street Coochiemudlo Island Boat Ramp Extra Car Trailer Unit Parking	810,000
Ferry Road Thorneside Canoe Boat Ramp	60,000
Victoria Point Boat Ramp Floating Pontoon	510,000
Weinam Creek Redland Bay Carpark Upgrade - Stage 1	150,000

William Street, Southern Ramp	650,000
Weinam Creek Redland Bay - Pontoon & Walkway	519,000
Helen Street Thorneside Boat Ramp Floating Walkway	21,500
Coochiemudlo Island Berthing Piles	10,542
Redland Bay Jetty Vehicle Access Upgrade	65,500
Upgrade Boat Ramp (Toes Plank) – Macleay Island	412,500
Russell Terrace Macleay Island Sea Wall and Asbestos Capping	100,000
Amity Point Swimming Enclosure Asset Renewal	125,000
Pontoon Upgrade Macleay Island	50,000
Russell Island - Upgrade Berthing Piles	244,400
Macleay Island Barge Ramp - Facility Renewal	40,000
Raby Bay Revetment Wall Repairs 12 Seahaven Court Raby Bay	1,900,000
Raby Bay Revetment Wall Repairs 25 and 26 Seacrest Court Raby Bay	1,143,000
Raby Bay Revetment Wall Repairs 47, 48 and 49 Piermont Place Raby Bay	1,500,000
Raby Bay Revetment Wall Repairs 13 and 15 Voyagers Court Raby Bay	130,000
Raby Bay Laydown Area	150,000
Raby Bay Revetment Wall Repairs 42 Raby Bay Boulevard Raby Bay	390,000
Bay Islands Capital Infrastructure Fund	114,735
Staff Relocations	37,500
Total Other	11,121,869

Parks and Conservation

Cleveland Showgrounds	50,000
Conservation Parks Interpretation	80,000
Stairway Village Green to Moreton Bay Trail	80,000
Conservation Land Acquisitions	1,850,000
Macleay Island Ramp Park	50,000
Southsea Terrace Macleay Island Park Stage 1 Macleay Island	50,000
Attunga Street Macleay Island Recreational Bridge	200,000
Karragarra Esplanade. Park	19,000
Sport & Recreation Projects	25,000
Russell Island Sport & Recreation Precinct	2,050,000
Southern Moreton Bay Islands Open Space Land Acquisition	300,000
Manning Esplanade	15,000
Showgrounds - Electrical Upgrade	146,362
Cleveland Showgrounds Refurbish Public Amenities	350,000
Cleveland Showgrounds Sportsfield Upgrades	100,000
John Fredericks Park Shade	6,747
Park Asset Renewal and Upgrade Program	407,782
Sportsfield Irrigation	29,200
Headland Park North Stradbroke Island	15,000
Coochiemudlo Island Foreshore	30,000
Pinklands Sporting Complex Carpark	991,600
Henry Ziegenfusz Sportsfield - Hockey Fields and Lights	50,000
Pinklands Sportsfields Improvements	358,782
Raby Bay Esplanade Park	40,000
Cleveland Showground Vehicle/Pedestrian Access	51,406
Point Lookout Oval - Park	40,000
Cleveland Point Reserve Regional Park	430,000
Total Parks and Conservation	7,815,879

Property, Plant and Equipment

Capital IT Purchases	95,000
Capital Furniture Purchases	60,000
Capital Plant Purchases	65,400
Public Art & Acquisitions	19,400
Corporate Library	31,255
Library Self Checkin/Checkout System	54,392
New Library Management System	18,555
Cleveland Aquatic Centre	31,900
Vehicle for Field Inspector	30,000
Timekeeping Software	10,000
Aurion Software Upgrades	40,000
Spatial Management Unit Capital Replacements	30,000
Peripheral and Communications Replacement Program	550,000
Upgrade Firewall Security	80,000
Cabling Replacement Program - IT	10,000
Server Replacement Program - IT	469,000
Telecommunications Upgrade	235,000
Security and Content Filtering Upgrades	50,000
Network & Voice Services/Support	10,000
Corporate Systems/Support	15,000
Maximo Software Upgrade 12/13	30,000
ArcGIS Software Version 10 Upgrade	30,000
Office Equipment and Furniture	66,000
Plant and Equipment - Building Management	10,000
Fixtures and Fittings - Building Management	19,000
Fan Coil Unit 4 Capalaba Place	55,000
Fan Coil Unit 5 Capalaba Place	55,000
Fan Coil Unit 6 Capalaba Place	105,000
Security Systems	55,000
Fan Coil Unit 3 Capalaba Place	55,000
Replacement of various Air Handling Units	110,000
Replacement various (fan coil units)	110,000
Replacement various air conditioning	30,000
Fleet Replacement Program	5,486,926
Total Property, Plant and Equipment	8,121,828

Waste

Mobile Garbage Bins	243,000
Public Place Recycling and Litter Reduction Program	105,000
Wasteman Software Upgrade	90,000
Minor Capital Improvements	88,105
Eastern Landfill Batter Remediation Capital Component	5,500,000
Duncan Road Baseball Remediation Design	190,000
Redland Bay Former Landfill Management Plan	670,000
Gas Well Installation	260,000
Birkdale Landfill Remediation - Capping	470,000
Giles Road Remediation - Capping	250,000
Upgrade Birkdale Transfer Station	50,000
Total Waste	7,916,105

Land

Southern Moreton Bay Islands Land Exchange Program 12/13	1,129,000
Total Land	1,129,000

Water

Backlog Fire Flow augmentation	569,871
Retail water mains	20,000
New Water Services	150,000
Illawong Crescent Reservoir	100,000
Kinross Road MPA water supply	375,628
Mainland Water supply improvement	34,967
Meter Replacement	300,000
Minor Plant & Equipment	10,000
Water Pump Stations	30,000
Point Lookout Water supply improvement	45,000
Point Lookout - Reservoirs	100,000
Total Water	1,735,466

Waste Water

Capalaba Waste Water Treatment Plant - inlet works	164,000
Capalaba Waste Water Treatment Plant - office upgrade	197,000
Cleveland Waste Water Treatment Plant - Hilliards Creek	100,000
Cleveland Waste Water Treatment Plant - inlet screen	1,000,000
Cleveland Waste Water Treatment Plant - new licence work	100,000
Thorneside Waste Water Treatment Plant bypass	250,000
Thorneside Waste Water Treatment Plant upgrade work	200,000
Pumps & Macerators	60,000
Aerators & Mixers	50,000
Blowers & Compressors	15,000
Dosing Pumps	30,000
Point Lookout Waste Water Treatment Plant Upgrade	1,200,000
Clarifiers	30,000
Control Systems	30,000
Switchboards	150,000
Cranes & Hoists	20,000
Pipe Work & Valves	60,000
Flow Meters	60,000
Generators	40,000
Cleveland Gravity Sewer	50,845
Victoria Point New Dewatering Machine	335,000
Security Gates Waste Water Treatment Plant	163,497
Minor Sewer Extensions	35,000
Minor Plant & Equipment	10,000
Main Relining	150,000
Design Waste Water Pump Station system Thorneside Catchment	100,000
Pumps	350,000
Pipes & Valves	50,000
Control Systems	40,000
Pump station flow and pressure	50,000
Pump Station 67, Victoria Point	361,500
Civil	50,000
Switchboards	240,000
Lifting Gear	50,000
Odour Control	30,000

Pump station 1, Cleveland	46,227
Pump Station 5, Cleveland option study	50,000
Pump station 6, Cleveland	100,000
Southeast Thornlands Trunk Sewer System Pump Station 165	5,000,000
Pump Station 61, Victoria Point Design Upgrade	60,000
Total Waste Water	11,078,069

TOTAL RCC CAPITAL WORKS 2012-13	69,888,942
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INVESTMENT POLICY

Head of Power

Section 132 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* states a Local Government must prepare an investment policy each financial year. Council must also consider the *Statutory Bodies Financial Arrangements (SBFA) Act 1982 (Qld)*.

Policy Objective

To maximise earnings from authorised financial investments of surplus funds after assessing counter party, market and minimising risks in accordance with the adopted Financial Strategy.

Policy Statement

1. Council's philosophy for investments is to protect the capital value of investments with the goal of maximising returns through an active investment strategy within this overall risk philosophy.
2. Council is committed to achieving this goal by:
 - Investing only in investments as authorised under current legislation;
 - Investing only with approved institutions;
 - Investing to facilitate diversification and minimise portfolio risk;
 - Investing to protect capital value of investments;
 - Investing to facilitate working capital requirements;
 - Maintaining documentary evidence of investments; and
 - No more than 30% of Council's investments will be held with one financial institution, or one fund manager for investments outside of the Queensland Treasury Corporation (QTC) or the Queensland Investment Corporation (QIC) cash funds or Bond Mutual Funds.
3. Council will follow a more active investments management strategy over the next ten financial years in order to maximise the returns generated from investing cash balances.
4. Council's investment objectives are to exceed the benchmark of the United Bank of Switzerland (UBS) Bank Bill Index.

DEBT POLICY

Head of Power

Section 133 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* requires a Local Government to annually prepare a Debt Policy. Council's borrowing activities continue to be governed by the *Statutory Bodies Financial Arrangements Act 1982 (Qld)*.

Policy Objective

The objective of this policy is to ensure the sound management of Council's existing and future debt in accordance with the adopted Financial Strategy.

Policy Statement

- Long-term borrowings (between 2 and 20 years) will only be used to finance capital works that will provide services now, and into the future. No long-term borrowings will be used to finance recurrent expenditure and the operational activities of the Council;
- When seeking funding for capital works, Council will, whenever possible, use its existing cash reserves. The use of any existing cash reserves will be subject to maintaining all relevant financial ratios and measures of sustainability within adopted Financial Strategy targets.
- Long-term borrowings will be undertaken for capital works only where the interest and debt principal repayments can be serviced and relevant financial ratios and measures are maintained within approved Financial Strategy targets;
- Long-term borrowings will be allocated to specific projects rather than being pooled to ensure transparency and accountability is maintained.
- For significant projects (more than \$1 million) long-term borrowings can be drawn down during the construction phase and interest will be capitalised until financial completion of the project.
- Short-term borrowings (up to 2 years) may be used for working capital purposes if related to the funding of water and wastewater reintegration activities under the South-east Queensland Water (Distribution and Retail Restructuring) and Other Legislation Amendment Bill 2011. This short-term provision will be subject to ongoing review.
- Existing debt will be repaid to the Queensland Treasury Corporation (QTC) Debt Pool on a quarterly basis in accordance with the weighted term of the loans;
- Debt service payments will be made during the first month of the quarter, instead of the last month, in order to minimise the interest expense, providing sufficient cash resources are available to Council;
- If sufficient cash resources are available then Council may further consider repaying quarterly installment(s) in advance;
- Council will continue to review its debt and seek to repay or restructure its debt to ensure repayment in the shortest possible time or reduction in interest payments subject to overall budgetary constraints; and
- New loans will be taken up only if the subsequent increase in debt servicing payments allows the total debt servicing ratio to remain with Financial Strategy targets.
- The term of new loans will be a maximum of twenty years for Water, Waste and General requirements. The debt term shall not exceed the finite life of the related asset.

Proposed Borrowings

Current planning by Council is to attribute long-term borrowings for the period of the Financial Strategy to the following major items:

- Storm-water trunk infrastructure
- Foreshore protection and marine infrastructure
- Sporting Facilities
- Intergenerational cycle-way projects
- Road works and associated upgrades
- Strategic Land Purchases

- Accelerated infrastructure programs on SMBI
- Risk management programs for canal revetment walls in Raby Bay
Water and waste management service projects

The following areas of consideration are included in the Financial Strategy:

- **Risk Management** - Council is committed to the management of risk so it is important that management policies, procedures and practices are in place to minimise Council's exposure to risk. Potential risk can be identified, and/or opportunities associated with Council's long-term financial planning, by using risk assessment methodology, to quantify the level of risk, before deciding which option to adopt to begin to implement appropriate mitigation, and/or funding options, to manage the risk.
- **Asset Management** – The *Local Government (Finance, Plans and Reporting) Regulation 2010* requires Councils to effectively plan and manage their infrastructure assets, focusing particularly on ensuring that a full renewals program is in place over the long-term planning cycle. This will require Redland City Council to support a realignment of capital spending prioritisation towards renewal activities, rather than expansion of capital infrastructure, which may require Council to seek additional long-term borrowings in order to boost planned renewal spending.
- **Inter-Generational Projects** – spreading the cost of these projects over a long term will minimise the revenue impact on the community, as well as addressing the need of providing for infrastructure development immediately to meet expected future demographic needs. Council may need to increase existing debt levels through additional long-term borrowings to fund these projects.

CORPORATE PROCUREMENT POLICY

Head of Power

Section 143 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* requires a Local Government to adopt a procurement policy.

This policy also supports compliance with the *Trade Practices Act 1974 and Council's Code of Conduct (POL-716)* together with Council's Corporate Plan strategic priority, to develop its' procurement practices to increase value for money within an effective governance framework.

Policy Objective

To assist Council to meet or exceed local and State Government legislative requirement for the sustainable supply of goods and services; or the carrying out of work; or the disposal of assets in consideration of whole-of-life cost.

Policy Statement

1. When Council enters into a contract it must have regard to the **Sound Contracting Principles** which are contained in s106 of the *Local Government Act 2009* as:
 - Value for money; and
 - Open and effective competition; and
 - The development of competitive local business and industry; and
 - Environmental protection; and
 - Ethical behavior and fair dealing.
2. For all Council's corporate procurement activities, Council shall follow the Default Contracting Procedures in accordance with the *Local Government (Finance, Plans and Reporting) Regulation 2010, Part 3, Division 1, s172 to s184* unless Council resolves to adopt a **strategic approach as per Division 3, Part 2 s166**, except where the contract is for the disposal of land.
3. Council, its business units and its employee's are committed to:
 - Publishing the details of all contracts of \$100,000 or more on its website and relevant details of the contract in a conspicuous place in the local government's public office in accordance with the *Local Government (Finance, Plans & Reporting) Regulation s186*;
 - Facilitating the ethical procurement of goods and services for Council in the most efficient and cost effective manner;
 - Ensuring that all procurement activities are undertaken in accordance with and within all legal, statutory and internal budgetary obligations;
 - Ensuring that all areas of Council provide details of all significant procurement and disposal activities via the annual and quarterly budget processes to better inform organisational procurement and contracting decision-making;
 - Conducting all authorised and delegated procurement activities (including negotiation) in a professional manner and ensures all Council officers have a clear understanding of their responsibilities and authority levels.
 - Providing ongoing procurement and contract training for all relevant staff prior to them exercising either a procurement and/or financial delegation that commits Council to a contract for the provision of goods and services.
 - Assisting in the sustainability of local business by inviting local businesses to supply quotations and bid for tenders, in line with current Economic Development initiatives.
 - Supporting environmental purchasing guidelines to ensure that environmentally friendly products are purchased wherever practicable.
 - Consideration and support of **Corporate Social Responsibility (CSR)** opportunities that enhance Councils ongoing sustainability. This may include but not necessarily limited to:

- Identification of opportunities to undertake “**Social Procurement**” with Council resolved and approved providers for particular commodities or services;
- Engagement of a **Social Enterprise** to deliver goods and/or services on behalf of Council under a formal contract arrangement as resolved by Council directly or by delegation;
- Consideration of the use of “fair trade” or equivalent commodities in the place of non-fair trade or equivalent commodities;
- Consideration of applying (where applicable and practicable) a “local preference” policy in accordance with the “Sound Contracting Principles detailed under s106 (3) (c) of the Local Government Act 2009, expressly *“the development of competitive local business and industry”*”.

ENTERPRISE ASSET AND SERVICES MANAGEMENT POLICY

Head of Power

Section 104 of the Local Government Act, 2009 and Section 136 of the Local Government (Finance, Plans and Reporting) Regulation 2009 requires the production of a long-term asset management plan.

This policy also supports Council's Corporate Plan 2010-2015, Objective 9.6 "*Implement long term asset management planning that supports innovation and sustainability of service delivery, taking into account the community's aspirations and capacity to pay for desired service levels*".

Policy Objective

To manage the assets of the Redland City Council on behalf of the community to deliver services in the most effective and sustainable way.

Policy Statement

1. Council recognises that the use of sound asset and services management practices will significantly assist in achieving its corporate vision of "*Enhancing community spirit, lifestyle and the natural environment*" and its mission "*To be a sustainable and effective organisation with clever and caring people*".
2. Redland City Council is therefore committed to implementing and advancing all aspects of Enterprise Asset and Services Management to the overall advantage of the organisation, the community and other relevant stakeholders. Council is committed to putting in place mechanisms that support:
 - Providing relevant information on all assets, to support and enhance planning and decision-making;
 - Improved management of high-risk assets such as playgrounds and footpaths with a corresponding reduction in liability-related incidents;
 - Effective coordination of Council's planning, long-term budgeting and general operations and activities;
 - Enhanced delivery of services directed towards greater community benefit and utilisation of Council's limited resources;
 - Better understanding of Council's financial and legal statutory obligations and liabilities;
3. Enterprise Asset and Services Management will assist in planning for reduced or delayed demand for new assets through better understanding of asset performance and the practical application of service planning and demand management techniques.
4. Council is committed to:
 - Effectively developing sound Enterprise Asset and Services Management practices, and in so doing Council acknowledges that the process is a corporate and not a technical responsibility. As such, Council has adopted the following framework for successful policy implementation:
 - Sufficient resources will be made available to allow efficient, safe and secure management of all assets under Council's control within approved Financial Strategy parameters,;
 - Council's Executive Leadership Group has the overall responsibility for developing and implementing effective asset management systems, plans, processes and procedures;
 - Council officers with management or supervisory responsibilities will be considered accountable for the effective management and performance of assets and services within their respective areas of responsibility;

- Council is committed to educating all staff on the relevance and application of sound asset and services management practices and actively encourages the integration of these practices into all day-to-day operations;
 - Appropriate asset information systems will be developed and maintained for the purposes of monitoring overall asset performance, risk related incidents, relevant costs and regulatory reporting requirements. Systems will be periodically reviewed with consideration to any functional limitations, the application of improved technologies and any potential strategic or operational risks;
 - Levels of Service will be developed and set in consultation with the community while clearly considering the ongoing cost of service provision and using the community planning process and other suitable consultation mechanisms;
 - Asset and Service Management Plans are to be developed for all major asset groups. Plans are to be linked to, and support, other corporate planning and reporting processes. The following details will be included in each plan :
 - Details of the specific asset group (e.g. roads, water, buildings);
 - Linkages to other corporate plans and strategies;
 - Broad asset lifecycle management strategies;
 - Current and desired “levels of service”;
 - Risk management and mitigation;
 - Consideration of “non-asset” service solutions;
 - Financial summary including maintenance and operational costs and capital expenditures relating to potential renewal, upgrade or new works ;
 - Relevant performance indicators;
 - Improvement strategies.
 - Assets and related management operations will be periodically re-evaluated to determine the most cost effective and appropriate service delivery solutions, thoroughly considering “total lifecycle costs” and all relevant matters surrounding long-term sustainability and intergenerational equity. Any changes in strategy are then to be reflected in updated Asset Management Plans and Long-term Financial Plans.
5. It is understood that the consistent application of the above responsibilities, principles and practices will support Council in the delivery of appropriate and cost effective services and the practical achievement of our corporate plan objectives.

REVENUE POLICY

Head of Power

Section 134 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* requires a local government to prepare and adopt a revenue policy each financial year.

The council may, by resolution, amend its revenue policy for a financial year at any time before the year ends.

Policy Objective

The generation of an appropriate level of revenue to support the delivery of Community Plan goals is an essential element of Council's 10 Year Financial Strategy. By articulating its aspirations, the community has stated what it wants to see in terms of the future development of the City. The Revenue Policy articulates how these aspirations will be funded.

The purpose of this Revenue Policy is to set out the principles used by Council for:

- The making and levying of rates and charges;
- Recovery of overdue rates and charges;
- Exercising of concession powers in relation to rates and charges;
- Community Service Obligations;
- Application of user pays models;
- Revenue from commercial activities;
- Revenue from other external sources; and
- Setting cost-recovery fees.

Policy Statement

Council will be guided by the following principles:

Accountability — Council will be accountable to the providers of funds to ensure those funds are applied efficiently and effectively to satisfy the objective for which the funds were raised.

Transparency — Council will be transparent in its revenue raising activities and will endeavor to use systems and practices able to be understood by the community.

Representation — Council will act in the interests of the whole community in making decisions about rates and charges.

Sustainable financial management — Council will ensure it manages revenue diligently and that the application of funds is founded on sustainable strategic objectives which result in timely and optimal investment in identified priorities.

Fairness — While the rating legislation requires Council to use property valuations as the basis for raising rate revenue, Council will try to limit extreme implications for upper and lower valued properties by applying a minimum general rate and by applying a rate convergence model (banding) where applicable. For those properties that can never be developed, Council will also attempt to limit the rates obligation.

Differentiation of categories — Council will apply different rates to various categories of property that will reflect the particular circumstances of the categories and Council's policy objectives relating to those categories.

Special needs and user pays — Council will draw from various revenue sources to fund special needs including (but not necessarily limited to):

- separate rates or charges for special community programs;
- special rates or charges for recovery of costs from beneficiaries;
- utility charges for specific services based generally on usage;
- statutory fees and charges in accordance with legislation, regulation or local laws;
- commercial fees and charges where users can clearly be identified.

Social conscience — Council will apply a range of concessions (e.g. for pensioners and institutions) and will accommodate special circumstances where hardship can be demonstrated.

Making and Levying of General Rates and Charges

General Rate revenue provides essential whole of community services not funded through subsidies, grants, contributions or donations received from other entities, or not provided for by other levies or charges.

Council will consider all full cost recovery options before calculating the general rate.

Rating legislation requires the general rate to be calculated on the Value of the land, however Council recognises that various segments of the community impact on and use services, activities, and facilities differently.

When determining the differential rating categories the ongoing changes to community characteristics will be considered along with revaluations which can have a significant impact on properties.

Council has a commitment to limiting the rates burden on higher valued properties by applying a convergence model in differential rating categories banded by valuation. Over time this will reduce the ratio between the minimum general rate and the 99th percentile to no more than a 1:3 ratio:

Where it is appropriate, Council will utilise separate and special charges to programs that benefit the whole community equally or benefit specific groups within the community respectively.

In levying rates, Council will schedule the issue of rate notices quarterly

Recovery of Overdue Rates and Charges

Council will continue to provide flexibility to rate payers and debtors suffering demonstrated financial difficulty in 2012/2013 by entering into short to long term arrangements.

Interest will be charged on rates and charges outstanding past the due date unless a mutually agreed arrangement is in place and is honoured. If an arrangement defaults, it will be cancelled and interest charged.

Cost effective processes will be applied in the recovery of overdue rates and charges.

Exercise of Concession Powers in Relation to Rates and Charges

Chapter 2, Part 10 of the *Local Government (Finance, Plans & Reporting) Regulation 2010* provides Council with the powers to grant concessions to individuals and classes of land owners. Council has determined that pensioners as defined by the *Local Government (Finance, Plans & Reporting) Regulation 2010* are entitled to receive concessions on rates and various other services that Council provides to the community. Other charitable organisations, community groups, sporting associations and independent schools may also be entitled to concessions.

Pursuant to section 54 of the *Local Government (Finance, Plans & Reporting) Regulation 2010* Council will provide a concession to property owners whose land is being used for the business of farming (primary production) to assist and encourage endurance in their particular industry, which will benefit the economic development of the City as a whole.

Community Service Obligations

In accordance with Corporate Policy-2658 *Community Service Obligation Policy* Council may subsidise the operations of commercialised business units or activities in order to achieve social, economic, environmental or other objectives associated with, or incidental to, the delivery of services by those business units or activities.

Council may charge for such activities at a rate less than the full cost price of a service. The difference between the full cost price and the actual charge will be treated as a Community Service Obligation (CSO). CSOs must be transparent, fully costed, and funded. Each CSO will be funded from an identified budget.

With the reintegration of Redland Water from 1 July 2012 Council will continue to support existing community service obligations for Water and Wastewater charges provided for under:

- Corporate Policy POL-3028 — Application of Water Charges;
- Corporate Policy POL-3045 – Application of Water Charges for Nursing Homes and Retirement Villages;
- Corporate Policy POL-3027 — Wastewater Services – Application of Charges
- Statutory Policy POL-1234 — Trade Waste Policy

These community service obligations will be reviewed regularly to ensure that they continue to form part of Council's strategic objectives.

In addition Redland Water will provide the following Water Charge Remission Policies:

- Remission Policy for Concealed Leaks
- Remission Policy for Genuine Fire Emergencies
- Home Dialysis Machine Users

Application of User Pays Models

Council supports the principle that there is an increased focus on user pays models and that these will be developed where they are considered appropriate and in accordance with policy.

Council has adopted the policy of a conservative approach to increases in fees and charges with a view to minimising excessive impacts on user pays groups. There is also need to consider Community Service Obligations (CSOs) when considering this principle.

Revenue from Commercial Activities

In order to minimise price increases on residents through the General Rate, Council is committed to exploring additional or alternative revenue streams through the establishment of business activities under the National Competition Policy framework where this is appropriate and in accordance with policy.

In doing this the following principles will be considered:

- The adoption of a business activity is to ensure that the creation of a competitive environment will encourage Council to better identify and specify what it actually does and why.
- The determination of the standard and quality of each business activity required based upon community/customer expectations and achieving best value for money irrespective of whether the service is delivered by an internal or external provider.
- By concentrating upon outcomes rather than processes, service specification is likely to encourage innovation and new solutions to meeting the needs and expectations of the community and customers.

Revenue from Other External Sources

Where possible, Council will seek to supplement revenue through application for external grants and subsidies. Every opportunity will be taken to maximise revenue in support of capital and operational spending. External funding, however, must be strategically targeted and in alignment with community and corporate objectives.

Cost-recovery fees

Section 97 of the *Local Government Act 2009* allows Council to set cost-recovery fees.

The Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social, economic, environmental and other corporate goals (such as, for example, the community service obligations outlined above) . This is considered to be the most equitable and effective revenue approach, and is founded on the basis that the City's revenue base cannot subsidise the specific users or clients of Council's regulatory products and services.

However, in setting its cost-recovery fees, Council will be cognizant of the requirement that such a fee must not be more than the cost to Council of providing the service or taking the action to which the fee applies.

Reserves

Reserves are funded as follows:

- Special Projects Reserve – funded through a combination of general revenue & specific income, i.e.
 - Income from Weinam Creek car parking & mooring fees
 - General revenue put aside for various projects, i.e. Workcover
- Special Capital Projects Reserve – funded through the general revenue
- Cleansing Reserve – funded through general revenue received from operating the Waste Business Unit
- Constrained Works Capital Reserve – funded by a combination of developers cash contributions and unexpended capital grants & contributions.
- Constrained Works Recurrent Reserve – funded through unexpended operating grants & contributions
- Separate Charge Reserve – funded by the Environment levies
- Special Charge Reserve – Other – funded by the Rural Fire levy
- Special Charge Reserve – Canals – funded by the Canals & Lake levies

The amount of each reserve will be kept at a level necessary to accommodate the activities funded by each reserve.

Infrastructure Charges

Infrastructure charges for new developments are currently regulated by the State Government and are subject to annual change. The breakup of the charge is as follows:

- | | |
|------------------------|-------|
| • Stormwater | 5.6% |
| • Roads | 17.2% |
| • Cycleway | 6.9% |
| • Parks | 37.0% |
| • Community | 2.3% |
| • Water and Wastewater | 31% |

These new development charges fund approximately 65% of the trunk infrastructure, non-trunk infrastructure is 100% funded by Council.

REVENUE STATEMENT 2012/2013

Differential General Rates

Redland City Council has adopted a differential rating scheme for the 2012/2013 financial year that is guided by the principles of sustainable financial management, fairness, and Council's policy objectives for various segments of our community.

The differential rating scheme for 2012/2013 has 45 categories of land.

For the purposes of categorisation the following definitions apply:

Categorisation of Land – For the purposes of rating categorisation Council will use its discretion under section 15(5) of the *Local Government (Finance, Plans and Reporting) Regulation 2010* [FPR] to categorise land. Later categorisation of land for the following reasons will be determined under section 16 of the FPR:

- Land has inadvertently not been categorised; or
- Land becomes rateable land; or
- Redland City Council considers that the rating category of a parcel of land should be changed, in view of the description of each rating category; or
- Two or more parcels of rateable land are amalgamated into a single parcel of rateable land.

In instances where adequate proof of residency is not provided Council will use its discretion to decide rating categorisation.

Common Area – is the common property in a Community Title Scheme or a Building Unit Plan or Group Titles Plan that is owned by the owners' of the lots in the scheme or plan.

Principal place of residence – A residential dwelling in which at least one natural person registered as the owner/s of the land, or a natural person who is a life tenant of the dwelling made under a Will or Court Order, lives on an ongoing daily basis. Where the occupation is transient, temporary or of a passing nature this is not sufficient to establish occupation as a principal place of residence. In determining if the residence is the principal place of residence of the owner/s Council may consider, but not be limited to, the owner/s declared address for electoral, taxation, driver licensing, government social security or national health registration purposes, or any other form of evidence considered acceptable by the Council.

Natural person – an actual human being, as opposed to a legal person such as a company, partnership, Trust, trustee, or personal representative.

Southern Moreton Bay Islands – refers to Karragarra, Lamb, Macleay, Perulpa and Russell Islands.

Standard Lot – a single parcel of land or contiguous parcels of land in the same ownership name where the roof line of a residential dwelling extends over more than one lot.

Transient – a natural person who is staying in a place for less than 3 months.

Vacant land – land that has no building erected thereon capable of being used for a residential dwelling or commercial or industrial purposes. It may include land with an erected structure such as a storage shed, garage, or derelict building.

Value – means the value assigned under the *Land Valuation Act 2010*. In a Community Title Scheme, Building Unit Plan or Group Title Plan the value assigned to a lot is the value of the scheme land apportioned between the lots included in the scheme in proportion to the interest schedule lot entitlement for each lot.

Category	Description
1a	Includes all rateable land on the Mainland, Coochiemudlo, Garden and North Stradbroke Islands with a value equal to or less than \$297,000 used for: <ol style="list-style-type: none"> a) Residential purposes and is the registered owner's principal place of residence; or b) Vacant land, other than that categorised in rating category 10, where it is not considered likely a development permit, or permits, for the erection of a building would be approved should application be made.

Category	Description
1b	Includes all rateable land on the Mainland, Coochiemudlo, Garden and North Stradbroke Islands with a value greater than or equal to \$297,001 used for: <ul style="list-style-type: none"> a) Residential purposes and is the registered owner's principal place of residence; or b) Vacant land, other than that categorised in rating category 10, where it is not considered likely a development permit, or permits, for the erection of a building would be approved should application be made.
2a	Includes all rateable land on the Mainland, Coochiemudlo, Garden and North Stradbroke Islands with a value equal to or less than \$270,000 used for residential purposes that is NOT the registered owner's principal place of residence.
2b	Includes all rateable land on the Mainland, Coochiemudlo, Garden and North Stradbroke Islands with a value greater than or equal to \$270,001 used for residential purposes that is NOT the registered owner's principal place of residence.
3a	Includes all rateable land on the Southern Moreton Bay Islands with a value equal to or less than \$68,000 that is the registered owner's principal place of residence.
3b	Includes all rateable land on the Southern Moreton Bay Islands with a value greater than or equal to \$68,001 that is the registered owner's principal place of residence.
4a	Includes all rateable land on the Southern Moreton Bay Islands with a value equal to or less than \$64,000 that is NOT the registered owner's principal place of residence.
4b	Includes all rateable land on the Southern Moreton Bay Islands with a value greater than or equal to \$64,001 that is NOT the registered owner's principal place of residence.
5	Includes all rateable land that is used, or is intended for residential use or any other purpose other than Commercial or Industrial that has been identified in the <i>Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006</i> that has recognised development potential and where the current owner was in possession of the land immediately before 13 April 2005. The development entitlements, which existed under the 'superseded' Transitional Planning Scheme, have been protected on these lots for a period of ten years from the commencement of the Redlands Planning Scheme or until a change in ownership occurs as the protection of development entitlements does not extend to future owners of land included in this category. Land in this category is included in the Conservation Sub-Area CN1 zone of the Redlands Planning Scheme.
6	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island that is wholly or predominantly used for a commercial or industrial purpose other than that categorised in rating category 19. This category includes not-for-profit organisations and clubs.
7	Includes all rateable land on the Southern Moreton Bay Islands that is wholly or predominantly used for a commercial or industrial purpose. This category includes not-for-profit organisations and clubs.
8	Includes all rateable land that is wholly or predominantly used for quarry or extractive industry purposes. An extractive industry is any activity that removes material substance from the ground.
10	Includes all rateable land that has been identified as having an insurmountable drainage constraint such that it is unlikely a development permit, or permits, for the erection of a dwelling house on the land would be granted. Includes some rateable land that has been identified as having significant conservation values. All rateable land included in this category identified with insurmountable drainage problems or conservation values is zoned Conservation Sub-Area CN1 in the Redlands Planning Scheme. This category also includes all rateable land on the Southern Moreton Bay Islands that is vacant and has been included within the Open Space zone of the Redlands Planning Scheme.
11	In accordance with Section 50 of the <i>Land Valuation Act 2010</i> (Part 2 Subdivision 3 Discounting for subdivided land not yet developed) for the purpose of levying the General Rate the value of land subject to this Section will be discounted by 40%. A discount is not applicable for land valued as a community management scheme. Furthermore, a minimum general rate will not apply to this land in accordance with Section 11(3) of the <i>Local Government (Finance, Plans and Reporting) Regulation 2010</i> .
12a	Includes all rateable vacant land on the Southern Moreton Bay Islands with a value

Category	Description
	equal to or less than \$33,000 where the land is considered likely to be granted a development permit, or permits, for the erection of a building for residential, commercial or industrial purposes should application be made.
12b	Includes all rateable vacant land on the Southern Moreton Bay Islands with a value greater than or equal to \$33,001 where the land is considered likely to be granted a development permit, or permits, for the erection of a building for residential, commercial or industrial purposes should application be made.
13a	Includes all rateable vacant land on the mainland, Coochiemudlo Island and North Stradbroke Island with a value equal to or less than \$475,000 where the land is considered likely to be granted a development permit, or permits, for the erection of a building for residential, commercial or industrial purposes should application be made.
13b	Includes all rateable vacant land on the mainland, Coochiemudlo Island and North Stradbroke Island with a value greater than or equal to \$475,001 where the land is considered likely to be granted a development permit, for permits, or the erection of a building for residential, commercial or industrial purposes should application be made.
14	One or more land parcels in the same registered name where the land is used for the purpose of a retail shopping centre with a total gross lettable floor area greater than or equal to 30,000 square meters whose tenants include one or more discount department stores, one or more major supermarkets, and 10 or more national retail chain stores or food outlets.
15	One or more land parcels in the same registered name where self-contained places of business are located in one or more buildings—the buildings are separated by common areas or other areas owned by the owner or a road—and the land is used for the purpose of a shopping centre with a total gross lettable floor area between 10,000 and 30,000 square meters. Tenants include one or more major supermarkets and 5 or more national chain retail stores or food outlets.
16	One or more land parcels in the same registered name where self-contained places of business are located in one or more buildings—the buildings are separated by common areas or other areas owned by the owner or a road—and the land is used wholly or predominantly for carrying on retail business having 20 or more self-contained places of business, one of which is a supermarket, where the cluster of businesses are promoted, or generally regarded, as a shopping centre or shopping village.
17	One or more land parcels in the same registered name where self-contained places of business are located in one or more buildings—the buildings are separated by common areas or other areas owned by the owner or a road—and the land is used wholly or predominantly for carrying on retail business having 5 or more self-contained places of business, one of which is a supermarket or grocery outlet, where the cluster of businesses are promoted, or generally regarded, as constituting a shopping court or shopping centre.
18	One or more land parcels located on the Southern Moreton Bay Islands in the same registered name where self-contained places of business are located in one or more buildings—the buildings are separated by common areas or other areas owned by the owner or a road—and the land is used wholly or predominantly for carrying on retail business having 5 or more self-contained places of business, one of which is a supermarket or grocery outlet, where the cluster of businesses are promoted, or generally regarded, as constituting a shopping court or shopping centre.
19	One or more land parcels located on the Mainland, Coochiemudlo or North Stradbroke Islands in the same registered name where two or more self-contained places of business are located in one or more buildings—the buildings are separated by common areas or other areas owned by the owner or a road—and the total land area is greater than or equal to 4,000 square meters.
21a	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation equal to or less than \$279,154 that is used for residential purposes and is the registered owner's principal place of residence.
21b	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation greater than or equal to \$279,155 and less than or equal to \$479,999 that is used for residential purposes and is the registered owner's principal place of residence.
20a	Includes all rateable land where the land or the common property within a Community

Category	Description
	Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation greater than or equal to \$480,000 and less than or equal to \$900,000 that is used for residential purposes and is the registered owner's principal place of residence.
20b	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation greater than or equal to \$900,001 that is used for residential purposes and is the registered owner's principal place of residence.
23a	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation equal to or less than \$279,154 that is used for residential purposes and is NOT the registered owner's principal place of residence.
23b	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation greater than or equal to \$279,155 and less than or equal to \$479,999 that is used for residential purposes and is NOT the registered owner's principal place of residence.
22a	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation greater than or equal to \$480,000 and less than or equal to \$950,000 that is used for residential purposes and is NOT the registered owner's principal place of residence.
22b	Includes all rateable land where the land or the common property within a Community Title Scheme or Building Unit Plan or Group Title Plan abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a valuation greater than or equal to \$950,001 that is used for residential purposes and is NOT the registered owner's principal place of residence.
24a	Includes all rateable vacant land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a value equal to or less than \$1,400,000 where the land is considered likely to be granted a development permit, or permits, for the erection of a building should application be made.
24b	Includes all rateable vacant land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Raby Bay with a value greater than or equal to \$1,400,001 where the land is considered likely to be granted a development permit, for permits, or the erection of a building should application be made.
25	Includes parcels of rateable land in the area commonly referred to as Raby Bay used to access marine berths and/or for the purpose of carrying on a boat mooring business and by definition of description do not fit into another rating category.
26a	Includes all rateable land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Aquatic Paradise with a value equal to or less than \$770,000 used for residential purposes and is the registered owner's principal place of residence.
26b	Includes all rateable land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Aquatic Paradise with a value greater than or equal to \$770,001 used for residential purposes and is the registered owner's principal place of residence.
27a	Includes all rateable land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Aquatic Paradise with a value equal to or less than \$840,000 used for residential purposes that is NOT the registered owner's principal place of residence.
27b	Includes all rateable land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Aquatic Paradise with a value greater than or equal to \$840,001 used for residential purposes that is NOT the registered owner's principal place of residence.
28a	Includes all rateable vacant land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Aquatic Paradise with a value equal to or less than \$780,000 where the land is considered likely to be granted a development permit, or permits, or the erection of a building should application

Category	Description
	be made.
28b	Includes all rateable vacant land recorded in the land record as a standard lot that abuts a canal revetment wall in the residential area commonly referred to as Aquatic Paradise with a value greater than or equal to \$780,001 where the land is considered likely to be granted a development permit, or permits, or the erection of a building should application be made.
29	Includes parcels of rateable land in the area commonly referred to as Aquatic Paradise used to access marine berths and by definition of description do not fit into another rating category.
30	Includes all rateable land recorded in the land record as a standard lot that abuts a Lake revetment wall in the residential area commonly referred to as Sovereign Waters used for residential purposes that is the registered owner's principal place of residence.
31	Includes all rateable land recorded in the land record as a standard lot that abuts a Lake revetment wall in the residential area commonly referred to as Sovereign Waters used for residential purposes that is NOT the registered owner's principal place of residence.
32	Includes all rateable vacant land recorded in the land record as a standard lot that abuts a Lake revetment wall in the residential area commonly referred to as Sovereign Waters where the land is considered likely to be granted a development permit, or permits, or the erection of a building should application be made.

A separate rate-in-the-dollar and minimum general rate will apply to land identified within each category except for category 11. The minimum general rate will be applied to land below a certain (threshold) valuation and is determined by Council's opinion of what reflects a fair contribution towards the services provided to all ratepayers as well as basic general administration costs.

The following table shows the rate in the dollar, minimum general rate, threshold valuation, for each rating category.

Rating Category	Band		Minimum General Rate [MGR] \$	Rate In the Dollar	MGR Threshold \$	Step Down	Charge Code (RCC Use)
	From \$	To \$					
1a	0	297,000	810.88	0.00399029	203,213		GR20
1b	297,001	99,999,999	1,185.11	0.00359126	329,998	-10%	GR20
2a	0	270,000	885.96	0.00509993	173,720		GR25
2b	270,001	99,999,999	1,376.99	0.00382495	360,002	-25%	GR25
3a	0	68,000	632.32	0.01813781	34,862		GR30
3b	68,001	99,999,999	1,233.39	0.01269647	97,144	-30%	GR30
4a	0	64,000	885.96	0.02132149	41,552		GR35
4b	64,001	99,999,999	1,364.60	0.01385897	98,463	-35%	GR35
5	0	99,999,999	744.72	0.02213751	33,641		GR24
6	0	99,999,999	952.36	0.00423900	224,666		GR21
7	0	99,999,999	1,045.68	0.00904412	115,620		GR31
8	0	99,999,999	1,527.04	0.01234741	123,673		GR22
10	0	99,999,999	125.00	0.00452898	27,600		GR06
11	0	99,999,999	N/a	0.00739642	N/a		GR05
12a	0	33,000	849.64	0.04249014	19,996		GR32
12b	33,001	99,999,999	1,402.22	0.02761859	50,771	-35%	GR32
13a	0	475,000	848.96	0.00440460	192,744		GR18
13b	475,001	99,999,999	2,092.19	0.00352368	593,751	-20%	GR18
14	0	99,999,999	1,021,72.00	0.00618906	16,508,484		GR16

Rating Category	Band		Minimum General Rate [MGR]	Rate In the Dollar	MGR Threshold	Step Down	Charge Code (RCC Use)
	From	To					
	\$	\$	\$	\$	\$		
15	0	99,999,999	60,714.12	0.00576070	10,539,365		GR15
16	0	99,999,999	26,293.76	0.00534275	4,921,391		GR14
17	0	99,999,999	1,925.00	0.00415975	462,768		GR13
18	0	99,999,999	1,488.16	0.00919084	161,918		GR33
19	0	99,999,999	3,392.00	0.00428446	791,698		GR17
21a	0	279,154	839.68	0.00478122	175,620		GR60
21b	279,155	479,999	1,334.70	0.00382498	348,943	-20%	GR60
20a	480,000	900,000	2,821.60	0.00359689	784,455		GR56
20b	900,001	99,999,999	3,237.20	0.00287751	1,125,000	-20%	GR56
23a	0	279,154	863.28	0.00558611	154,540		GR61
23b	279,155	479,999	1,559.39	0.00502749	310,173	-10%	GR61
22a	480,000	950,000	3,154.84	0.00433680	727,458		GR57
22b	950,001	99,999,999	4,119.96	0.00346944	1,187,500	-20%	GR57
24a	0	1,400,000	3,357.36	0.00435459	770,993		GR58
24b	1,400,001	99,999,999	6,096.43	0.00348367	1,750,002	-20%	GR58
25	0	99,999,999	1,167.96	0.00419527	278,399		GR59
26a	0	770,000	3,668.56	0.00548587	668,729		GR26
26b	770,001	99,999,999	4,224.12	0.00438869	962,501	-20%	GR26
27a	0	840,000	3,948.00	0.00522400	755,743		GR27
27b	840001	99,999,999	4,388.16	0.00496280	884,211	-5%	GR27
28a	0	780,000	4,355.76	0.00584498	745,214		GR28
28b	780,001	99,999,999	4,559.09	0.00467599	975,000	-20%	GR28
29	0	99,999,999	1,600.00	0.00467243	342,434		GR29
30	0	99,999,999	2,411.36	0.00433371	556,419		GR46
31	0	99,999,999	2,758.28	0.00533607	516,912		GR47
32	0	99,999,999	2,685.96	0.00532937	503,992		GR48

Limitation on Increase of General Rates

Section 50 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* allows for the limitation of increase in a rate levied. For 2012-2013 Council will limit the impact of valuation increases by applying a 30 percent cap to the rating categories of 3a, 3b, 4a, 4b, 12a and 12b.

Separate Charges

Environment Separate Charge

In accordance with section 37 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* Council has determined that the community in general will benefit from the protection, management, promotion and enhancement of biodiversity – including koala habitat, bushland, green space, waterways, catchments, air and coastal ecosystems in the City – that cannot be effectively protected through Council's regulatory powers, or management programs.

The charge has a capital and an operational component. The capital component is predominantly directed towards land purchase, acquisition of the conservation interests in land, and the funding of ancillary facilities that support or enhance environmental outcomes. The operational component is predominantly directed towards waterway and land management, rehabilitation, implementation of environment policies and strategies — including the Koala Policy and Strategy — and strengthening stewardship of the natural environment.

The charge is applied on a per lot basis.

Charge Code (RCC Use)	Separate Charge	Charge Amount \$	Charge Basis
EN01	Environment Charge	99.80	Charge per lot

Landfill Remediation Separate Charge

In accordance with section 37 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* Council has determined that the community in general will benefit from the monitoring and remediation of all landfills closed prior to July 1998 and the landfill at Myora North Stradbroke Island, excluding all other operational landfills such as Birkdale and Giles Road, to prevent environmental harm. The charge is applied on a per lot basis and will be subject to Council's Farming Concession.

Charge Code (RCC Use)	Separate Charge	Charge Amount \$	Charge Basis
EN03	Landfill Remediation Charge	50.00	Charge per lot

Special Charges

Aquatic Paradise Marina Special Charge

In accordance with Section 28 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council will make and a levy a special charge, to be known as the Aquatic Paradise Marina Special Charge (the "special charge") as follows:-

1. The service, facility or activity funded by the special charge is described in the Aquatic Paradise Marina Special Charge Overall Plan as set out in Council's resolution at the Special Meeting of 12 July 2012. This service, facility or activity specially benefits the land or its occupier for the reasons stated in the said Aquatic Paradise Marina Special Charge Overall Plan.
2. The rateable land to which the special charge applies is as identified in the benefited area map APC-4.
3. The overall plan for the service, facility or activity funded by the special charge is as set out in Council's resolution at the Special Meeting of 12 July 2012 (entitled "Aquatic Paradise Marina Special Charge").
4. The annual implementation plan for 2012/2013 comprises the Aquatic Paradise Marina Annual Implementation Plan 2012/2013 adopted by Council on 12 July 2012.
5. The Aquatic Paradise Marina Special Charge for the year 2012/2013 is \$1,365.39.

Raby Bay Marina Special Charge

In accordance with Section 28 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council will make and a levy a special charge, to be known as the Raby Bay Marina Special Charge (the "special charge") as follows:-

1. The service, facility or activity funded by the special charge is described in the Raby Bay Marina Special Charge Overall Plan as set out in Council's resolution at the Special Meeting of 12 July 2012. This service, facility or activity specially benefits the land or its occupier for the reasons stated in the said Raby Bay Marina Special Charge Overall Plan.
2. The rateable land to which the special charge applies is as identified in the benefited area map RBC-5.
3. The overall plan for the service, facility or activity funded by the special charge is as set out in Council's resolution at the Special Meeting of 12 July 2012 (entitled "Raby Bay Marina Special Charge").
4. The annual implementation plan for 2012/2013 comprises the Raby Bay Marina Annual Implementation Plan 2012/2013 adopted by Council on 12 July 2012.
5. The Raby Bay Marina Special Charge for the year 2012/2013 is \$ 797.86.

Raby Bay Tidal Works (non Community Title Scheme) Special Charge

In accordance with Section 28 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council will make and a levy a special charge, to be known as the Raby Bay Tidal Works (non Community Title Scheme) Special Charge (the "special charge") as follows:-

1. The service, facility or activity funded by the special charge is described in the Raby Bay Tidal Works (non Community Title Scheme) Special Charge Overall Plan as set out in Council's resolution at the Special Meeting of 12 July 2012. This service, facility or activity specially benefits the land or its occupier for the reasons stated in the said Raby Bay Tidal Works (non Community Title Scheme) Special Charge Overall Plan.
2. The rateable land to which the special charge applies is as identified in the benefited area map RBC-6.
3. The overall plan for the service, facility or activity funded by the special charge is as set out in Council's resolution at the Special Meeting of 12 July 2012 (entitled "Raby Bay Tidal Works (non Community Title Scheme) Special Charge").
4. The annual implementation plan for 2012/2013 comprises the Raby Bay Tidal Works (non Community Title Scheme) Annual Implementation Plan 2012/2013 adopted by Council on 12 July 2012.
5. The Raby Bay Tidal Works (non Community Title Scheme) Special Charge for the year 2012/2013 is \$1,440.35.

Raby Bay Tidal Works (Community Title Scheme) Special Charge

In accordance with Section 28 and 29 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council will make and a levy a special charge, to be known as the Raby Bay Tidal Works (Community Title Scheme) Special Charge (the "special charge") as follows:-

1. The service, facility or activity funded by the special charge is described in the Raby Bay Tidal Works (Community Title Scheme) Special Charge Overall Plan as set out in Council's resolution at the Special Meeting of 12 July 2012. This service, facility or activity specially benefits the land or its occupier for the reasons stated in the said Raby Bay Tidal Works (Community Title Scheme) Special Charge Overall Plan.
2. The rateable land to which the special charge applies is as identified in the benefited area map RBC-4.
3. The overall plan for the service, facility or activity funded by the special charge is as set out in Council's resolution at the Special Meeting of 12 July 2012 (entitled "Raby Bay Tidal Works (Community Title Scheme) Special Charge").
4. The annual implementation plan for 2012/2013 comprises the Raby Bay Tidal Works (Community Title Scheme) Annual Implementation Plan 2012/2013 adopted by Council on 12 July 2012.
5. The Raby Bay Tidal Works (Community Title Scheme) Special Charge for the year 2012/2013 is \$834.64.

Charge Code (RCC Use)	Special Charge	Charge Amount \$	Charge Basis
CA06	Raby Bay Tidal Works (non CTS) Special Charge	1,440.35	Raby Bay - per standard lot
CA07	Raby Bay Tidal Works (CTS) Special Charge	834.64	Raby Bay - per unit in a Community Title Scheme
CA08	Raby Bay Marina Special Charge	797.86	Raby Bay - per marina berth
CA09	Aquatic Paradise Marina Special Charge	1,365.39	Aquatic Paradise - per marina berth

Rural Fire Levy

In accordance with Section 28 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* and Section 128A of the *Fire and Rescue Service Act 1990* Council has determined that each

parcel of rateable land identified as the whole of Karragarra, Lamb, Macleay, Perulpa and Russell Islands will specially benefit from the service provided by the Rural Fire Brigades. Funds raised through the Rural Fire Levy Special Charge will be contributed to the rural fire brigades established within the benefited area to purchase and maintain equipment and provide a fire service to properties in the benefited area. Council adopted the Overall Plan for each Rural Fire Levy Charge on 12 July 2012. The charge will be subject to Council's Farming Concession.

Charge Code (RCC Use)	Special Charge	Charge Amount \$	Charge Basis
FL02	Macleay and Perulpa Islands Rural Fire Levy	25.00	Charge per lot
FL05	Karragarra Rural Fire Levy	30.00	Charge per lot
FL03	Lamb Island Rural Fire Levy	10.00	Charge per lot
FL04	Russell Island Rural Fire Levy	0.00	Charge per lot

Waste/Recycling Charge

Utility charges are made and levied in accordance with Section 33 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* and Council's Corporate Policy POL-2836 — Waste and Recycling Collection Services.

Council will apply utility charges for all Community Titles Scheme land according to sections 195 and 196 of the *Body Corporate and Community Management Act 1997* and section 64(d) of the *Building Units and Group Titles Act 1980*.

The waste/recycling charge is determined by Council, together with other revenue sources, to ensure that it is able to cover the costs associated with the provision of the waste management service. The costs include payment to contractors for waste collection, a kerbside recycling service and a voluntary greenwaste service (for waste/recycling charges the Bay Islands is deemed to be the Southern Moreton Bay Islands, North Stradbroke Island and Coochiemudlo Island). Disposal costs are also factored into the charge to cover contractor costs for disposal, site development works, environmental monitoring, management, statutory charges such as the carbon tax, and administration costs as well as other costs associated with the use of Council's transfer stations by residents and other users.

Services in excess of those listed in the following schedules are subject to Special Quotation.

Kerbside Waste Services				
RedWaste Utility Charges	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
240L Waste / 240L Recycling	RF01	318.50	RF201	339.00
140L Waste / 240L Recycling	RF15	234.00	RF215	307.00
240L Waste / 340L Recycling	RF301	318.50	RF218	339.00
140L Waste / 340L Recycling	RF302	234.00	RF219	307.00
140L Waste / 140L Recycling	RF303	201.00	RF220	298.00
240L Green Waste	RFG01	50.00	N/a	N/a
Additional Bin and Service - Scheduled Days				
240L Additional Waste Bin	RF09	159.00	RF209	219.00
240L Additional Recycling Bin	RF16	65.00	RF216	70.00
140L Additional Waste Bin	RF17	110.00	RF217	209.00
340L Additional Recycling Bin	RF53	70.00	RF253	80.00
240L Additional Green Waste Bin	RFG02	30.00	N/a	N/a
Additional Service Existing Bin (Temporary Lift) - Scheduled Days	Charge Code (RCC Use)	Amount Per Lift \$		
140L Waste Bin per lift	RF12	11.00	N/a	N/a
240L Waste Bin per lift	RF13	11.00	N/a	N/a
240L Recycling Bin per lift	RF14	10.00	N/a	N/a

Kerbside Waste Services				
Additional Service Existing Bin (Temporary Lift) - Scheduled Days	Charge Code (RCC Use)	Amount Per Lift \$		
340L Recycling Bin per lift	RF54	9.00	N/a	N/a
240L Green Waste Bin per lift	RFG03	6.00	N/a	N/a
Additional Service Existing Bin (Temporary Lift) - Outside Scheduled Days	Charge Code (RCC Use)	Amount Per Lift \$		
240L Additional Waste Service per lift	RF40	43.50	N/a	N/a
140L Additional Waste Service per lift	RF41	28.00	N/a	N/a
240L Additional Recycling Service per lift	RF42	24.00	N/a	N/a
340L Additional Recycling Service per lift	RF55	24.00	N/a	N/a
Commercial Kerbside Collection Services	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
240L Waste / 240L Recycling	RFC01	290.50	RFC201	310.50
140L Waste / 240L Recycling	RFC15	226.50	RFC215	292.50
240L Waste / 340L Recycling	RFC301	290.45	RFC218	310.50
140L Waste / 340L Recycling	RFC302	226.50	RFC219	292.50
140L Waste / 140L Recycling	RFC303	199.50	RFC220	272.50
240L Recycling (Stand Alone) Bin	RFC16	52.00	RFC216	63.00
340L Recycling (Stand Alone) Bin	RFC53	73.50	RFC253	89.50
240L Green Waste	RFG01	50.00	N/a	N/a
240L Additional Waste Bin	RFC09	186.50	RFC209	227.50

Residential Bulk Waste Bin Collection Service				
RedWaste Utility Charges - Size (m³)	Mainland		Bay Islands	
	Charge Code (RCC Use Only)	Annual Amount \$	Charge Code (RCC Use Only)	Annual Amount \$
Waste Service Bulk Bin size (m³) - 1 service per week				
1.10 m ³	RF23	1,755.00	N/a	N/a
1.50 m ³	RF26	1,137.00	RF106	2,406.00
2.25 m ³	RF29	1,678.00	RF109	3,431.00
3.00 m ³	RF32	2,182.50	RF112	4,472.00
4.00 m ³	RF35	2,800.50	RF115	5,629.00
Additional Waste Service Bulk Bin size (m³) - Lift only; 1 service per week	Charge Code (RCC Use)	Amount Per Lift \$	Charge Code (RCC Use)	Amount Per Lift \$
1.10 m ³	RF24	34.00	N/a	N/a
1.50 m ³	RF27	22.50	RF107	62.50
2.25 m ³	RF30	33.00	RF110	84.00
3.00 m ³	RF33	42.00	RF113	104.00
4.00 m ³	RF36	54.50	RF116	127.50
Temporary Waste Service (= < 3 months) Bulk Bin size (m³) - Bin and Lift; 1 service	Charge Code (RCC Use)	Amount Per Bin & Lift \$	Charge Code (RCC Use)	Amount Per Bin & Lift \$
1.10 m ³	RF25	64.50	N/a	N/a
1.50 m ³	RF28	54.50	RF108	77.50
2.25 m ³	RF31	52.50	RF111	98.50
3.00 m ³	RF34	63.00	RF114	118.50
4.00 m ³	RF37	74.00	RF117	142.00

Residential and Commercial Bulk Recycling Bin Service				
RedWaste Utility Charges – Size (m³)	Mainland		Bay Islands	
	Charge Code RCC Use Only	Annual Amount \$	Charge Code RCC Use Only	Annual Amount \$
Recycle Service Bulk Bin size (m³) - 1 service per fortnight				
1.10 m ³	RF63	5,263.50	N/a	N/a
1.50 m ³	RF66	723.50	RF136	1,572.00
2.25 m ³	RF69	1,050.00	RF139	2,285.50
3.00 m ³	RF72	1,337.00	RF142	2,879.00
4.00 m ³	RF75	1,660.00	RF145	3,514.50
Additional Recycling Service Bulk Bin size (m³) Lift only; 1 service	Charge Code (RCC Use)	Amount Per Lift \$	Charge Code (RCC Use)	Amount Per Lift \$
1.10 m ³	RF65	67.50	N/a	N/a
1.50 m ³	RF68	69.50	RF138	148.00
2.25 m ³	RF71	73.50	RF141	148.00
3.00 m ³	RF74	77.00	RF144	148.00
4.00 m ³	RF77	82.00	RF147	148.00
Temporary Recycling Service (= < 3 months) Bulk Bin Size (m³) - Bin and Lift; 1 service	Charge Code (RCC Use)	Amount Per Bin & Lift \$	Charge Code (RCC Use)	Amount Per Bin & Lift \$
1.10 m ³	RF64	220.50	N/a	N/a
1.50 m ³	RF67	159.00	RF137	338.00
2.25 m ³	RF70	164.50	RF140	338.00
3.00 m ³	RF73	175.50	RF143	338.00
4.00 m ³	RF76	188.00	RF146	338.00

Commercial Bulk Waste Bin Collection Service				
RedWaste Utility Charges - Size (m³)	Mainland		Bay Islands	
	Charge Code RCC Use Only	Annual Amount \$	Charge Code RCC Use Only	Annual Amount \$
Waste Service Bulk Bin size (m³) - 1 service per week				
1.10 m ³	RFC23	1,973.64	N/a	N/a
1.50 m ³	RFC26	1,449.55	RFC106	2,285.91
2.25 m ³	RFC29	2,146.82	RFC109	3,250.91
3.00 m ³	RFC32	2,808.18	RFC112	4,271.82
4.00 m ³	RFC35	3,635.91	RFC115	5,362.27
Additional Waste Service Bulk Bin size (m³) - Lift only; 1 service per week	Charge Code (RCC Use)	Amount Per Lift \$	Charge Code (RCC Use)	Amount Per Lift \$
1.10 m ³	RFC24	35.45	N/a	N/a
1.50 m ³	RFC27	26.36	RFC107	68.64
2.25 m ³	RFC30	39.09	RFC110	92.73
3.00 m ³	RFC33	50.91	RFC113	115.91
4.00 m ³	RFC36	66.36	RFC116	143.18
Temporary Waste Service (= < 3 months) Bulk Bin size (m³) - Bin and Lift; 1 service	Charge Code (RCC Use)	Amount Per Bin & Lift \$	Charge Code (RCC Use)	Amount Per Bin & Lift \$
1.10 m ³	RFC25	59.09	N/a	N/a
1.50 m ³	RFC28	54.09	RFC108	83.18
2.25 m ³	RFC31	57.73	RFC111	107.27
3.00 m ³	RFC34	69.55	RFC114	130.45
4.00 m ³	RFC37	85.00	RFC117	157.73

Water Charges

Water charges are set as a two part tariff – a fixed access charge and a consumption charge. This is a requirement of the *Local Government Act 1993* to satisfy National Competition Policy. The prices are set to eventually recover sufficient revenue so that the water supply business covers its costs including a contribution to Council and a return on the assets employed in the business. This full cost pricing is also a requirement of National Competition Policy.

Fixed Access Charges

Fixed Water Access charges will be applied on a per lot basis, except where adjoining residential lots in the same ownership name are amalgamated for rating purposes and either-

- the main roof structure of an occupied dwelling is constructed over the adjoining boundary line of those lots, or
- one of the adjoining lots would, if sold separately, be unable to lawfully accommodate a dwelling, or
- one of the adjoining lots would not be issued a building permit unless an existing approved structure was removed,

then Fixed Water Access charges will be applied against such adjoining lots as if they are one lot. All other adjoining lots will be charged Fixed Water Access charges on a per lot basis.

Fixed Water Access charges cover costs associated with asset replacement, administration, billing, replacement of water meters, and repair of the reticulation system.

Attribute Type (RCC Use)	Type of Charge	Charge Amount	Charge Basis
VBW01, VBW03, VBW04	Fixed Water Access (domestic)	\$252.25	per meter/lot
VBW02	Fixed Water Access (caravan parks)	\$63.05	per unit

Units, Flats, Guest Houses, Multiple Dwellings 20mm to 150mm and Residential 25mm to 150mm		
Attribute Type (RCC Use)	Meter Size	Charge
VBM20	20mm	\$252.25
VBM25	25mm	\$393.53
VBM32	32mm	\$645.77
VBM40	40mm	\$1,008.99
VBM50	50mm	\$1,576.55
VBM80	80mm	\$4,035.99
VBM100	100mm	\$6,306.25
VBM150	150mm	\$14,189.05
Commercial and Industrial		
	Meter Size	Charge
VBW20	20mm	\$327.93
VBW25	25mm	\$511.57
VBW32	32mm	\$839.49
VBW40	40mm	\$1,311.71
VBW50	50mm	\$2,049.54
VBW80	80mm	\$5,246.81
VBW100	100mm	\$8,198.13
VBW150	150mm	\$18,445.8

Consumption Charge

The consumption charge is calculated on a tiered basis for Residential and Concessional, and at a flat rate for Non-residential and Council. The consumption charge is made up of 2 components, the first is the State Government's Bulk Water Charge for the purchase of potable water and the second is Council's retail charge for distribution to the households which includes administration, billing, replacement of water meters, and repair of the reticulation system.

Attribute Type (RCC Use)	Charge Description	Charge Basis	Retail Water Price (RCC) Per Kilolitre	State Bulk Water Price Per Kilolitre	Total Price
VWC01	Residential (Domestic, Caravan Parks, Units, Flats, Guest Houses, Multiple Dwellings)	First 400 litres per day (146kl pa)	69.00¢	1.472376	2.162376
		Between 401 and 800 litres per day (146kl to 292kl pa)	112.00¢	1.472376	2.592376
VWC03	Concessional	Above 800 litres per day (292kl pa)	155.00¢	1.472376	3.022376
VWC02	Non-residential (Commercial, Industrial)		155.00¢	1.472376	3.022376
VWC04	Council		155.00¢	1.472376	3.022376

Wastewater Charges

The Wastewater Fixed Access charge is set as one tariff based on sewer units. Commercial and industrial properties are charged on a per lot and/or, per pedestal or equivalent pedestal (urinal) basis. The prices are set to eventually recover sufficient revenue so that the sewerage business covers its costs including a contribution to Council and a return on the assets employed in the business. This full cost pricing is also a requirement of National Competition Policy.

Developed residential and vacant residential properties are charged for 25 sewer units.

The residential Wastewater Fixed Access charge will be applied on a per lot basis, except where adjoining residential lots in the same ownership name are amalgamated for rating purposes and either-

- the main roof structure of an occupied dwelling is constructed over the adjoining boundary line of those lots, or
- one of the adjoining lots would, if sold separately, be unable to lawfully accommodate a dwelling, or
- one of the adjoining lots would not be issued a building permit unless an existing approved structure was removed,

then the Wastewater Fixed Access charge will be applied against such adjoining lots as if they are one lot. All other adjoining lots will be charged the Wastewater Fixed Access charge on a per lot basis.

Some sewered properties are required to pay Trade Waste charges if they discharge higher strength waste to the sewer. Trade Waste charges are comprised of three parts, one for access, one based on the volume and one based on strength and quantity of waste accepted by Council for treatment. The same philosophy for setting wastewater charges applies for Trade Waste charges.

Wastewater Fixed Access charge covers cost associated with asset replacement for seven treatment plants, approximately 120 pump stations, and the treatment of wastewater, administration, billing, and repair to mains and reticulation systems.

Attribute Type (RCC Use)	Charge Description		Charge Basis
VSW01	Wastewater Fixed Access Charge		\$29.2165 per unit
VTP01	Trade Waste Generator Charge		\$376.74 per annum
VTW01	Trade Waste Discharge – Volume:		\$2.09 per Kl
VTW01	Trade Waste Discharge - Quantity:	B.O.D	\$1.53 per kg
		C.O.D	\$1.53 per kg
		N.F.R	\$0.68 per kg
		Phosphorus	\$6.32 per kg
		Nitrogen	\$1.89 per kg
		Food waste disposal units based on power of motor.	\$32.61 as charge "C" (see policy)
		Constant "d" for use when determining "additional Charge" for excess strength waste.	1.2

Interest on Overdue Rates

Under section 67 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, interest, calculated on daily rests and applied as compound interest, may be charged on overdue rates from as soon as a rate becomes overdue. For 2012/2013 interest will be applied at the rate of 11% per annum as provided by the above section.

If a mutually agreed arrangement is in place on overdue rates and is honoured interest will not accrue. However, if an agreed arrangement defaults, it will be considered cancelled and interest charged as if the arrangement was never entered into.

Rates Concessions

Chapter 2, part 10 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* provides Council with the powers to grant concessions for individuals and classes of land owners. Council has determined that pensioners as defined by the *mentioned regulation* are entitled to receive a concession on rates. Other charitable organisations, community groups, sporting associations,

independent schools, and property owners who use their land for the business of farming may also be entitled to concessions or reduced charges under a Community Service Obligation.

Pensioner Concessions

Pensioner concessions on General Rates are provided to eligible pensioner ratepayers on the basis of Council's Policy POL-2557 Council Pensioner Rebate Policy.

The concessions available to eligible pensioners on the General Rate for 2012-13 are:

For ratepayers in receipt of a maximum pension	\$330.00 per financial year
For ratepayers NOT in receipt of maximum pension	\$165.00 per financial year

A Pensioner concession on Separate and Special charges (Canal, Environment, Landfill Remediation and Rural Fire charges) is available to pensioners who fulfill the eligibility criteria established in Council's Corporate Policy POL-2557 and are owner/occupiers of adjoining residential lots in the same ownership name, which are amalgamated for rating purposes, and either-

- the main roof structure of an occupied dwelling is constructed over the adjoining boundary line of those lots, or
- one of the adjoining lots would, if sold separately, be unable to lawfully accommodate a dwelling, or
- one of the adjoining lots would not be issued a building permit unless an existing approved structure was removed,

whereby only one of each separate and special charge that may be properly made and levied on the adjoining lots will be applied. All other adjoining lots will be charged Separate and Special charges on a per lot basis.

Farming Concessions

In accordance with section 54(f) of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, Council will provide a concession under section 55(a) of the *Local Government (Finance, Plans and Reporting) Regulation 2010* to property owners' who are carrying on a business of primary production where the land is used exclusively for the purpose of farming.

Council will remit all but one of each Water Fixed Access charge, Wastewater Fixed Access charge, Separate and Special charge that may be properly made and levied on the subject land parcels.

The farming concession is available to eligible land owners' with contiguous parcels of land in the same ownership name. Land will be considered as contiguous when separated by a road. Land will not be considered contiguous where water connections are made to separate parcels of land.

For the purposes of this concession farming includes activities such as aquaculture production, horticulture and agriculture production and the raising, breeding or production of poultry or livestock for the purpose of selling them or their bodily produce.

Other Matters

- For a period of 3 years under the 'maximum standard infrastructure charges' imposed by the State Government, Council will recover through developer contributions a fixed proportion of the cost of infrastructure needed to meet growth in the City.
- Council intends to increase its operating capability to provide a high level of services to an expanding population.
- Cost-Recovery fees are established under section 97 of the *Local Government Act 2009*. Council has set cost-recovery fees at a level to recover up to the full cost price of administering the fee. This includes direct and indirect costs, operating and maintenance overheads, and use of capital. Some cost-recovery fees may be subsidised by revenue representing community service obligations to achieve policy objectives and desired community outcomes.
- Pursuant to section 262 of the *Local Government Act 2009*, Council has the power to charge for a service or facility, other than a service or facility for which a cost-recovery fee may be fixed.