



SOUTH BURNETT
REGIONAL COUNCIL

Budget Document

2017/2018



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Mayor's Budget Address 2017/2018

I am pleased to present the South Burnett Regional Council's Budget for 2017/2018.

The main priority for this budget was to maintain the sound financial position achieved over the last nine (9) years and to continue to improve our sustainability in both the short and long term. The challenge for Councillors and staff has been to achieve this, when revenue streams are decreasing, operating costs continue to rise and large rate increases cannot be sustained by our community. All the time ensuring services and infrastructure are maintained and that key infrastructure projects are provided for in future planning.

The preparation of this budget has probably been one of the most difficult I have been involved with. A number of factors have combined this year to place enormous pressure on our ability to maintain a balanced budget. In affect we were facing a projected deficit of around \$2.2 million in our general operations. I am pleased to advise that through further cost reductions we have reduced our general operations deficit to \$250,000 and have achieved an overall organisational surplus of \$577,000 while maintaining a general rate increase of 2.5%.

I want to put on record that we have not sacked any employees. It is true that we need to downsize our organisation to continue to be sustainable into the future; however, this will be done through voluntary redundancies and natural attrition over the next 12 months.

While the budget is theoretically prepared by the Mayor in reality it is a joint effort by all Councillors. I would like to thank my fellow Councillors for their willingness to participate and to make some difficult decisions during the budget process over the last six (6) months. Your commitment and dedication to the residents of our community is obvious.

It is great to see the Federal Government announce a return to indexation of the Federal Financial Assistance Grant in their recent budget which will mean an increase in our grant for the first time in a number of years. In line with the Government's budget commitment we have already received the first two (2) quarter payments in advance. It appears our grant has increased by around \$220,000. However we are still awaiting final confirmation of this.

I would also like to thank the State Government for the *Works for Queensland Program* which provided a welcome economic stimulus to Local Governments across the state. Our allocation was \$4.26 million. Approximately \$1.91 million of works have been carried forward into this budget period and will be spent by November this year. This grant was unique in that it provided funds for maintenance and did not require a matching contribution from Council. I commend the State Government for this initiative and for their commitment to continue with this program over the next two (2) years.

Despite this welcome injection of funds, the South Burnett Regional Council continues to fund approximately 83% of its revenue from its own sources, which means you the ratepayer. For interest, 73% of our revenue comes from rates and charges, 10% from user fees and sundry income, 5% from Main Road contracts and private works, with only 12% now coming from grants.

As mentioned previously this budget provides for a 2.5% increase in our General Rate, while the Road Infrastructure Levy will continue as a flat charge on all ratepayers, but will remain at \$200 per annum.

Water, Sewerage and Waste Charges have all been increased by 2.5%, the lowest increase since amalgamation. Water consumption charges have not been increased.

Council will continue to provide its own rebate of \$200 to pensioners in addition to the State Government Rebate of \$200, providing pensioners with \$400 off their rate bills.

Council operates a portfolio system where each Councillor takes responsibility for a particular area of Council's operations. I will now give a breakdown of the major initiatives within each portfolio area.

Finance, ICT & Human Resources

– Cr Ros Heit

As mentioned above when preparing this budget we faced a potential deficit of around \$2.2 million. Some of the factors contributing to this daunting result were:

- A large portion of our cash reserves held from former Councils towards some large infrastructure projects like the Kingaroy Waste Water Treatment Plant have now been utilised. This had the effect of reducing the funds we have available to invest, together with the historically low interest rates has reduced our investment income by approximately \$775,000.
- Based on actual results from the last couple of years, forward projections for revenue from our development functions and tourist parks etc. have been revised downward, further reducing our income by around \$225,000.
- 2016/17 saw the finalisation of a review of our road asset register and identified a number of new assets etc. resulting in an increase in our depreciation expense of around \$775,000.

A number of measures have been undertaken to reduce this outcome but the most significant measure has been the decision to reduce our employee costs by around 5%. In plain terms we could not sustain our current level of employment. As mentioned previously, this has been a very difficult decision and one not taken lightly. As a Council we have prided ourselves on maintaining our workforce recognising we are a major contributor to our regional economy.

Following amalgamation the State Government appointed an external consultant to work with the newly formed South Burnett Regional Council in identifying avenues to move us from a weak financial position which we achieved to obtain a moderate rating. We have engaged this same consultant to undertake a similar exercise over the next couple of months. In addition we have also agreed to be part of a regional sustainability review of all Wide Bay Regional Councils by the Queensland Treasury Corporation.

The size, make up and utilisation rates of our plant fleet continue to be monitored and reviewed for improvements. One such improvement was contained in the road efficiency audit for Council to centralise all plant hire both internal and external under one Council officer. Provision has been made for this to be implemented as part of this budget; \$1.9 million has been allocated for the replacement of plant and fleet equipment.

This financial year Council will again undertake a review of all asset classes to ensure that the Asset Registers correctly reflect the estimate of the value of all assets. That review takes into account the key valuation elements being unit rates, condition, useful lives and componentisation.

The improvement in condition data for Council's road and drainage asset class will continue into this budget year as data is renewed and collected using the Road Asset Condition Assessment System (RACAS).

Data for all asset classes is used to develop 10 year investment and operational cost predictions to manage and operate all of Council's assets and to provide the appropriate service levels to our community. To facilitate this, Council will be continuing to develop the Strategic Asset Management System (SAM). A flow on outcome of this overall project is the higher level of confidence in ongoing budget requirements. All of this will assist in the renewal of Council's Asset Management Plans which is to commence in 2017/2018. Another key advancement this budget year will be the proposed implementation of mobility, which is basically taking technology into the field.

\$890,000 has been provided to continue with enhancements to our Business Software System and for replacement of computer hardware.

Community, Arts, Tourism and Health Services

– Cr Danita Potter

A lot has been made in the media recently about Council's decision to revert to its hall hire policy of providing a 50% subsidy on hire fees for not for profit community groups and so called reductions in Arts funding.

I make no apology for reviewing all aspects of our operations to reduce our costs and minimise rate increases particularly when as mentioned above we are downsizing our organisation and cost cutting in other core business areas.

However, the reality is that Council does support and value our community groups and sporting clubs. For interest, Council either contributes by way of grants or by remissions on rates, charges and various fees a total of approximately \$550,000 per year. This equates to around \$31 per ratepayer.

- Our Community Assistance Grants program will continue in a new format. Where Council previously provided an automatic annual grant, now groups or organisations will have to apply for their grant. This provides a more equitable distribution of funds and more rigor in the assessment process. \$246,500 has been allocated in this year's budget, an increase of \$20,000 over last year.
- Support for the Regional Arts Development Fund in partnership with Arts Queensland will continue. Our contribution of \$6,000 is matched by a contribution of \$9,000 from Arts Queensland providing a total of \$15,000 for skill development specifically for our local artists. Based on the funding provided to local artists by the RADF Management Advisory Committee since 2013, Council trialled the allocation of \$15,000 for 2016/17. During 2016/2017, this allocation successfully matched the approved applications received by the RADF Management Advisory Committee.
- Council will continue to support various events; however they will now also be assessed through the Community Grants Program Policy. There are numerous worthwhile events organised throughout the region during the year. Events such as the Bloomin' Beautiful Blackbutt Avocado Festival, Nanango Country Music Festival, Maidenwell Easter Running Festival, Kingaroy Wine & Food in the Park, Burrandowan Races, Wondai Sprints, Boondooma Homestead Spirit of the Bush Festival, South Burnett and Cherbourg on Show Weekend, to name a few. Currently not all these events receive or even ask for Council financial support. It is simply not feasible for us to financially support all events. Consequently it has been agreed that through the above policy Council will be able to sponsor three (3) community regionally significant events to the tune of \$10,000 each. Additionally Council has allocated \$105,000 for sponsorship of minor events and one-off projects, \$15,500 for healthy community projects and youth elite performance as well as \$30,000 to support community groups with in-kind services.
- Support will continue to be provided to the groups who manage and operate Council's various art and heritage facilities such as the Wondai & Kingaroy Art Galleries and Boondooma Homestead. Without these wonderful volunteer groups these facilities would most likely close.

It would be fair to say that tourism is at a cross roads at the moment. There has been wide spread criticism of how the promotion of tourism is currently structured and funded through our Regional Tourism Organisation, Southern Queensland Country Tourism (SQCT). This has galvanised local operators to create or be part of two (2) new Local Tourism Organisations, South Burnett Tourism and Darling Downs Tourism Board.

I have felt for some time that tourism has been very disjointed in our region, so I am pleased to see local operators banding together to sell South Burnett as a tourism destination.

Like Economic Development, tourism needs to be promoted by the operators themselves and our role is to assist and support their efforts. Over the next month or so we will be undertaking a review of this role including a decision on our membership of Southern Queensland Country Tourism and future funding models for Local Tourism Organisations.

Roads and Drainage

– Cr Gavin Jones

Roads remain a key priority in this year's budget, in particular improvement to our rural road network. Accordingly \$24.58 million has been provided for the design, maintenance and renewal of our road network which represents 51% of our general operations and capital works budget.

Last year we advised that we had changed our approach and reallocated funds normally provided for major capital roadwork projects towards gravel re-sheeting and sealed road pavement rehabilitation on our regions rural roads for two (2) budgets. While this has made a difference Council acknowledges that we also needed to change our approach to how we undertake our normal maintenance.

Consequently Council has agreed to set new defined service levels that relate to when works are engaged on unsealed roads. These service levels relate to when grading, resheeting and temporary works are completed on an unsealed road.

- Grading works will be undertaken on a road once the road has reached a certain roughness level. The roughness level is determined by using a formalised standard inspection process that measures the driveability and profile along a road. These inspection details produce an overall roughness value that is used to assess if the road requires grading or not.
- Gravel resheeting works will be undertaken once a road is below the set service level for that class of road. This service level is determined by the amount of gravel pavement remaining along the length of road.
- Temporary works will now be undertaken if the road overall is not due for grading but there are some urgent isolated repairs to be completed.

Details of our capital works program are included in the budget document. However as a brief summary approximately \$3.3 million will be spent on gravel maintenance, \$4.1 million on pavement rehabilitation and widening, \$2.7 million on reseals, \$682,000 on bridges and major culverts, \$742,000 on drainage, \$710,000 on footpaths and bikeways and \$270,000 on safe school (SafeST) projects.

Work will also commence this year on developing concepts, undertaking community consultation and some design work towards a project for the Revitalisation of Kingaroy CBD. \$4 million has been provided over the 2018/19 and 2019/20 budgets towards this project. It is also hoped to obtain matching grant funding through various State or Federal Grant Programs.

Water, Waste Water, Waste Management, Sport and Recreation

– Cr Roz Frohloff

Approximately \$7.08 million has been allocated towards the operations and maintenance of our water network with a further \$3.82 million towards the renewal or upgrades to our water infrastructure across the region. Some items for mention include:

- Commencement of the planning and design for an alternative water supply for Nanango Township. This project is listed in our forward plan to commence in 2019/2020.
- Construction of a new reservoir at Mount Wooroolin.
- Provision of a public access standpipe in Murgon.
- Approximately \$2 million for water main upgrades across the region.

Council's waste water business unit has been allocated \$4.9 million with \$3.56 million towards operations and maintenance and \$1.3 million in network renewals.

Council's waste management operations comprise of two (2) functions, waste collection and waste disposal. Our collection is undertaken by contractor JJ Richards and is funded by a collection charge levied on each ratepayer who receives a collection service.

The operations of the four (4) refuse tips and 13 transfer stations including an upgrade to the Home Creek Transfer Station are covered by the Waste Management Levy on all ratepayers across the region.

In collaboration with the North Burnett Regional Council and Cherbourg Aboriginal Shire Council, an application was lodged with the Department of Sport & Recreation for funding to develop a sport and recreation plan for the three (3) regions. The application was successful with \$100,000 being allocated to the project to be undertaken during 2017/2018. The key objectives were:

- Complete a full sport and recreational facilities audit including a current listing of sport and recreational facilities, assets and inventory in each of the three (3) Local Government regions.
- Obtain information regarding the current and future usage of these assets and facilities by community groups and clubs (through consultation), identifying methodologies ensuring sustainability in contemporary challenging environments.
- Identify opportunities for cross regional collaboration between the three (3) Local Government authorities to maximise usage of existing facilities and infrastructure and potential new developments.

This will assist each Council area in its decision making and investment processes for the future planning for sport and recreation.

Planning and Property

– Cr Terry Fleischfresser

Approximately \$2.58 million will be spent on maintaining Council's building infrastructure over the next 12 months. Some of the significant projects include:

- Provision of water and sewerage and construction of a sealed carpark to the newly relocated Blackbutt Memorial Hall. An application has been lodged under the State Government "*Building Better Regions Program*" to fund 50% of the cost of this project. We expect to know the outcome by early July on whether this has been successful.
- Money has been put aside to purchase the land on which "Ringsfield House" and "Brighthaven Units" are located in Nanango from the State Government. The original purpose of the reserve is no longer applicable and the Government is keen to freehold it back to Council.
- Swimming pools continue to be problematic for Council. Provision has been made to replace sand and filtration systems at both the Kingaroy and Murgon Pools, replace the expansion joints and repaint the South Burnett Aquatic Centre at Nanango and to repaint the learn to swim pool at Kingaroy. Funds have also been allocated to commence concept drawings and construction documents to replace the kiosk, dressing rooms and office at the Kingaroy Swimming Pool.
- Provision has also been made to commence the refurbishment of the Nanango Administration Building to address a number of existing maintenance issues. It is important to note that even if Council had proceeded with the purchase of the Ergon Building in Kingaroy the refurbishment of the Nanango Administration/Library Building would have still been required.

Natural Resource Management, Parks and Indigenous Affairs

– Deputy Mayor Kathy Duff

Natural Resource Management which primarily encompasses Council's pest management programs will receive around \$1 million in funding this year which is predominantly spent in the rural areas.

Our environmental levy will raise around \$505,000 and will be used for the following programs:

- Declared and environmental weed control.
- Firebreaks and prescribed burn activities.
- Rare and threatened species on Tessmanns Road.
- Water weed control.
- Landcare and landowner assistance programs.
- Development of a Regional Fire Management Plan.
- Undertake mapping and survey works.

Approximately \$3 million has been allocated for parks maintenance and capital works across the region during the next financial year.

Council parks crews currently look after numerous parks and reserves covering a total area of 8,748 ha plus town entrances and various traffic islands and median strips. A review of the efficiency of our parks operations will be undertaken during 2017/2018 and will include a look at the number of parks we currently maintain. This section also looks after 51 public conveniences and 13 cemeteries.

The final bitumen sealing of the South Burnett Rail Trail (part of the closed Kilkivan to Kingaroy rail line) will be completed within a few weeks leaving the final touches such as signage etc. to finish this project. An official opening is being planned for October to be held in conjunction with the South Burnett and Cherbourg on Show Weekend. It should be noted that the section of the trail from Youngman Street to Somerset Street behind the Peanut Silos has not been sealed at this stage as it has been included for a concrete surface under the "Cycle Network Local Government Grants Program" for 2018/2019.

The trail is already getting a lot of use and I look forward to watching how this develops over the next couple of years.

Council through the efforts of Deputy Mayor Cr Duff has forged strong relationships with the Cherbourg Community. Once again a small budget allocation has been provided to support initiatives such as the Reconciliation Fun Run and Cherbourg on Show. Also for the first time this year Council with community members will be holding an event in the Kingaroy Forecourt on 6 July to celebrate NAIDOC week.

Expressions of interests have been called for the lease of the Coolabunia Saleyards and/or our various dip facilities. This is not just a cost saving exercise but an opportunity for private investment to change and expand the services provided at these facilities.

As mentioned previously we have not achieved the growth projected in revenue from our tourist park operations at Yallakool and Lake Boondooma. Consequently a full review of the operations and marketing of these facilities is planned for later this year. Both these facilities are fantastic assets and it is important that we maximise their potential.

Economic Development, Governance and Communications

– Mayor Cr Keith Campbell

Economic Development is the cornerstone for prosperity and growth across our region. While Council has an important role to play, real growth can only be achieved by the business community themselves. Our role is to facilitate and assist business to reach their potential.

A new strategic plan is currently being formulated which has three (3) main components:

- Business Growth.
- Visitor Economy and
- Investment & Innovation.

We will also be developing our new Corporate Plan during 2017/2018. The Corporate Plan is a legislative requirement that demonstrates to the community how Council intends to achieve strategic outcomes over a five (5) year period. We will be consulting the community prior to the adoption of the plan to ensure the key performance indicators deliver sustainable outcomes for our community.

I would like to take this opportunity to thank the Chief Executive Officer Gary Wall and the Senior Executive Team Lester Schumacher, Stephen Hegedus and Peter O'May for their assistance and dedication in the preparation of this budget. I would also like to place on record my appreciation for the hard work of the finance team led by Manager Joy Manalo in the preparation of this budget.

In conclusion I believe we have achieved a budget that delivers the appropriate mix of financial restraint along with a works program that will progress economic growth and sustainability.

I am honoured and pleased to present the South Burnett Regional Council Budget for 2017/2018.

Mayor Keith Campbell

1. BUDGET OVERVIEW

1.1 *Financial Management Systems*

Council operates within a System set by legislation which requires it to prepare various documents to ensure that Local Governments remain financially sustainable.

The system of financial management must include the following:

Financial Planning Documents

- A 5-year corporate plan that incorporates community engagement;
- A long-term asset management plan;
- A long-term financial forecast;
- An annual budget including revenue statement;
- An annual operational plan; and the following:

Financial Accountability Documents

- General purpose financial statements;
- Asset registers;
- An annual report;
- A report on the results of an annual review of the implementation of the annual operational plan; and the following which are to be regularly updated:

Financial Policies

- Investment Policy
- Debt Policy
- Revenue Policy

1.2 *Strategic Plan Outcomes*

1.2.1 Corporate Plan

The Corporate Plan is Council's strategic business plan, providing framework for Council to develop strategies that deliver outcomes and achieve our vision. Our current Corporate Plan was adopted at the general Council meeting held on 5 August 2015. The strategic outcomes set out in the Corporate Plan and key strategies for achieving these outcomes are listed below:

Enhancing Our Communities

Building vibrant, healthy, supportive and inclusive communities

Growth and Opportunity

A strong and sustainable regional economy supported by diverse sectors and innovative planning mechanisms

Our Environment

A sustainable environment, proactively and responsibly managed in partnership with the community for future generations

Organisational Excellence

An organisation that is characterised by effective leadership, responsible management and quality service delivery

Service Delivery and Infrastructure

The provision of quality services and infrastructure for our growing community that is planned, provided and managed on sound asset management principles

1.2.2 Asset Management Plans

The sustainability of local governments in Queensland has been directly linked to the development and ongoing use of asset management plans to provide a basis for the renewal and maintenance of the infrastructure of the local government, together with the development and use of long-term financial forecasts to assess the ongoing financial viability of the local government.

For both financial capital and infrastructure capital, the emphasis is on maintaining the service capacity in the long-term.

Infrastructure Assets refer to those significant, long-life assets that provide ratepayers with access to social and economic facilities and services.

Examples of Infrastructure Assets include:

- water and sewerage treatment plants;
- roads, bridges and drainage (including flood mitigation networks);
- buildings and land improvements (including leasehold improvements);
- landfills and dump sites;
- parks, gardens, pools and sporting fields;
- wharves, jetties, pontoons and coastal infrastructure; and
- airports, and other community assets.

The table below summarises the key indicators of sustainability that have been adopted in Queensland of which Asset Management Planning is integral.

Sources of Funding	An appropriate reliance on the use of debt and own-source revenues.
Asset Management and Renewal	The long-term financial forecast incorporates the long-term asset management financial forecasts.
Infrastructure Capital Sustainability	<p>There are no apparent financial difficulties in funding the required long-term infrastructure asset renewals.</p> <p>The infrastructure asset base is being renewed at a rate that is consistent with its long-term consumption.</p>
Financial Capital Sustainability/Viability	Balanced budgets or consistent operating surpluses are expected on average, over the long-term.

Progression towards local government Sustainability is facilitated by:

- Long-term financial forecasting and asset management planning;
- Tighter integration between financial and asset management planning processes; and
- Transparency through requirements to review and report key Sustainability measures.

During 2011/2012 Council participated in a Local Government Asset Advanced Program managed by the Local Government Association of Queensland. The Asset Management Plans developed during that process have been earmarked for a comprehensive review during the 2018 Financial Year. Asset Management Working Groups for Roads and Drainage, Water and Waste Water, Waste and Buildings and Property were formed in 2017 and initial meetings commenced. The focus of these groups in 2018 will be the consolidation and validation of asset data review of the Asset Management Plans and establishment of the Strategic Asset Management database.

The minimum requirements for the Asset Management Plan included:

- consideration of the services;
- service levels expected for Council's assets;
- future demand derived from corporate planning and service planning;
- risk management;
- lifecycle management and financial considerations;
- asset management practices – information systems to be used and the standards and guidelines used to make decisions on asset management; and
- improvement and monitoring.

A comprehensive inspection of Water and Wastewater assets was conducted in the year 2017. Also during this process Council reviewed the key elements, unit rates, condition, useful lives and componentisation of those asset types.

A desktop review of the building, parks and garden assets was undertaken in the financial year 2017.

The asset registers for the Roads and Drainage asset class has been the subject of a field review by SBRC's consultants, APV, over three financial years; the third and final onsite inspection was completed in the financial year 2017. The comprehensive inspection resulted in the identification of new assets and focussed review of unit rates, condition, useful lives and componentisation.

1.2.3 Operational Plan

The Operational Plan supports the Corporate Plan and details the activities and projects planned during 2017/2018 to achieve the above key strategies.

1.2.4 Revenue Policy

The Revenue Policy sets out the principles to be used by the South Burnett Regional Council in 2017/2018 for the making of rates and charges, the levying of rates, the granting of concessions, the recovery of unpaid rates and charges and the purpose of any concession or deferral of rates and charges under Section 193 of the *Local Government Regulation 2012*.

1.2.5 Budget

The Annual Budget converts the strategies and initiatives contained in Council's Corporate and Operational Plans into financial terms to ensure that there are sufficient resources for their achievement while ensuring financial sustainability.

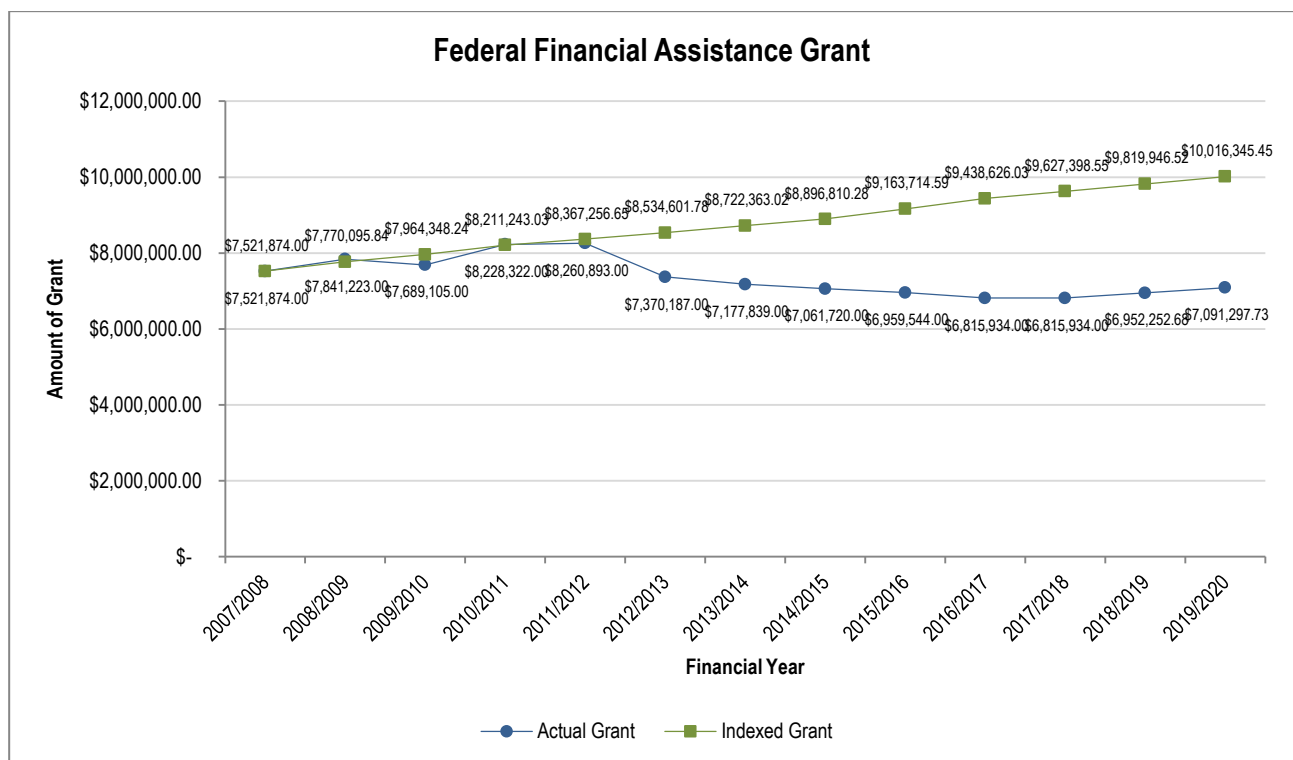
The budget must:

- be prepared on an accrual basis
- include the following statements for 2017/2018, 2018/2019 and 2019/2020;
 - Financial Position (Balance Sheet)
 - Cash Flow
 - Income and Expenditure
 - Changes in Equity
- include a Long-Term Financial Forecast
- be accompanied by its Revenue Statement
- include following measures of financial sustainability;
 - Asset sustainability ratio
 - Net financial liabilities ratio
 - Operating surplus ratio

- include total value of the change, expressed as a percentage, in the rates and utility charges levied for 2017/2018 compared with the rates and utility charges levied in the previous budget
- be consistent with the corporate plan and annual operational plan.

As mentioned in previous budgets, the continuing reductions in State and Federal Grants, in particular the Federal Financial Assistance Grant has meant that Council is relying more and more on its own revenue sources to sustain its operations. To that end, Council now funds 84% of its revenue from its own sources such as rates, fees, rents, et cetera, compared to 61% prior to amalgamation.

The Federal Financial Assistance Grant has been reduced on annual basis since 2012/2013. In 2015/2016 the grant received was \$6,959,544 while in 2016/2017 the grant received amounted to \$6,815,934. For 2017/2018, it is projected that there would be no increase in the grant and Council will receive \$6,815,934, similar to the grant received in 2016/2017.



Forecast budgets for the next three years project that Council will:

- Deliver an operating surplus in 2017/2018, 2018/2019 and 2019/2020.

The key priority of Council continues to focus on ground works that maintain and operate, upgrade or replace Council assets. Accordingly around 80% of the total projected operational and capital expenditure for 2017/2018 will be spent on these works.

1.2.6 Revenue Statement

The Revenue Statement is an explanatory statement that outlines and explains the revenue measures adopted in the budget. The document includes the following matters:

- how rates and charges are determined;
- details on all concessions;
- details on any limitations in increases on rates and charges;
- criteria used to decide the amount of the cost-recovery fees;
- criteria for approval of early payment discount for late payments;

- details on collection of outstanding rates including the process for arrangements to pay; and
- details of payment methods.

The document will be of particular interest to ratepayers, community groups, government departments and other interested parties who seek to understand the revenue policies and practices of the Council. The Revenue Statement has been included as an attachment to the Budget Document.

1.2.7 Long-Term Financial Forecast

A Long-Term Financial Plan for the years 2017/2018 to 2026/2027 has been developed by the Finance Team to assist Council in adopting its 2017/2018 to 2019/2020 budgets within a longer term financial framework. The key objective of the Financial Plan is to:

- deliver operational surpluses in the medium to long-term, whilst still achieving the Council's strategic outcomes as specified in the Corporate Plan.

While certain assumptions were made in preparing forecasts for the Financial Plan they are based on current knowledge available and are generally conservative in nature.

- Minimal growth in fees and charges revenue (projected development growth of 2%).
- General rate revenue has been based on a 2.5% increase in 2017/2018.
- Continuation of Road Infrastructure Levy at \$200.
- Continuation of Rural Fire Levy at \$25.
- \$2M borrowing each year in 2017/2018 and 2018/2019 for the Kingaroy Revitalisation Project and \$3M borrowing each year in 2018/2019 and 2019/2020 for the Nanango Alternative Water Supply.
- Service and utility charges are set to fully fund operations and provide sufficient revenue to deliver projected capital works and based on a 2.5% increase in 2017/2018.
- Federal Financial Assistance Grant remained static for 2017/2018 and indexed by 2% from 2018/2019.
- Federal Roads to Recovery new funding \$2.26M for 2017/2018; \$1.165M for 2018/2019 and \$1.16M for 2019/2020.
- No State Government Subsidies. Grants applied for where eligible.
- Staffing levels are under regular review in response to external funding assistance in forward budgets.
- Other operating costs to increase on average around 2%.

While the long-term forecast indicates Council delivering an operating surplus in 2017/2018 and maintaining that surplus in all future projections, it is mainly due to the operations of its business type units of water, waste water, plant and waste management. Council's General Operations Budget continues to operate with deficits in 2017/2018 through to 2020/2021 and with annual operating surpluses from 2021/2022 until the end of the ten year projection in 2026/2027. This will impact on projected forward capital works programs.

1.3 Budget Preparation

The budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018, and also includes two additional years forecast budgets. The budget includes an Income and Expenditure Statement, Statement of Financial Position (Balance Sheet), Statement of Cash Flows and Statement of Changes in Equity.

Other statements attached to this report to allow Council to make an informed decision about the adoption of the budget include:

- a schedule of the rates and charges to be levied
- detailed information on the capital works program to be undertaken
- detailed program of works to be undertaken from separate charges
- total expenditure on roads maintenance and replacement, including main roads works
- schedule of concessions on rates
- schedule of restricted cash
- revenue statement
- long term financial forecast
- value of change in rates and utility charges
- debt policy
- investment policy
- revenue policy

1.4 Budget Process

The key steps comprising the budget process are summarised below:

- In January 2017, budget worksheets were prepared by Finance Team based on the historical costs for the previous twelve months and incorporating the assumptions detailed above in clause [1.2.7 Long Term Financial Forecast](#).
- Each General Manager and Section Managers considered the projected budget worksheets for their relevant areas, amending them for extra ordinary operational requirements, special operational projects or maintenance and proposed capital works.
- The Mayor and Senior Management Team reviewed the combined budget worksheets adjusting as necessary to deliver a sustainable budget.
- A draft budget which was presented to Council over a number of workshops, providing opportunity for input, discussion and debate by Councillors.
- The Mayor presented budget documents to Councillors 14 days prior to formal budget meeting.
- A formal budget submitted to Council for adoption.

1.5 External Influences

In preparing the 2017/2018 budget a number of external influences have been taken into consideration because of their significant impact on Council's ability to fund the services delivered by the South Burnett Regional Council during the budget period.

- The freeze on the Federal Assistance Grant in prior years along with consequential annual reductions has had a real impact on the 2017/2018 budget as well as flowing into future budgets. Indications are that indexation on the grant will commence in the year 2017/2018.
- Price changes in the electricity industry.
- Enterprise bargain negotiations.
- Interest rates.

1.6 *Budget Principles*

In order to produce a balanced budget in response to these significant influences the following principles were utilised when preparing the budget.

- Fees and charges were reviewed and have generally been increased by 2% for 2017/2018.
- Grants are to be based on confirmed or likely funding levels.
- All staff vacancies to be reviewed with view to optimise use of current human resources.
- Overtime to be undertaken for efficiency and emergency work only.
- Initiatives or new projects are to be supported by a business case.
- Real savings in expenditure to be identified wherever possible.

2. BUDGET ANALYSIS

2.1 Analysis of 2017/2018 to 2019/2020 Operating Budgets

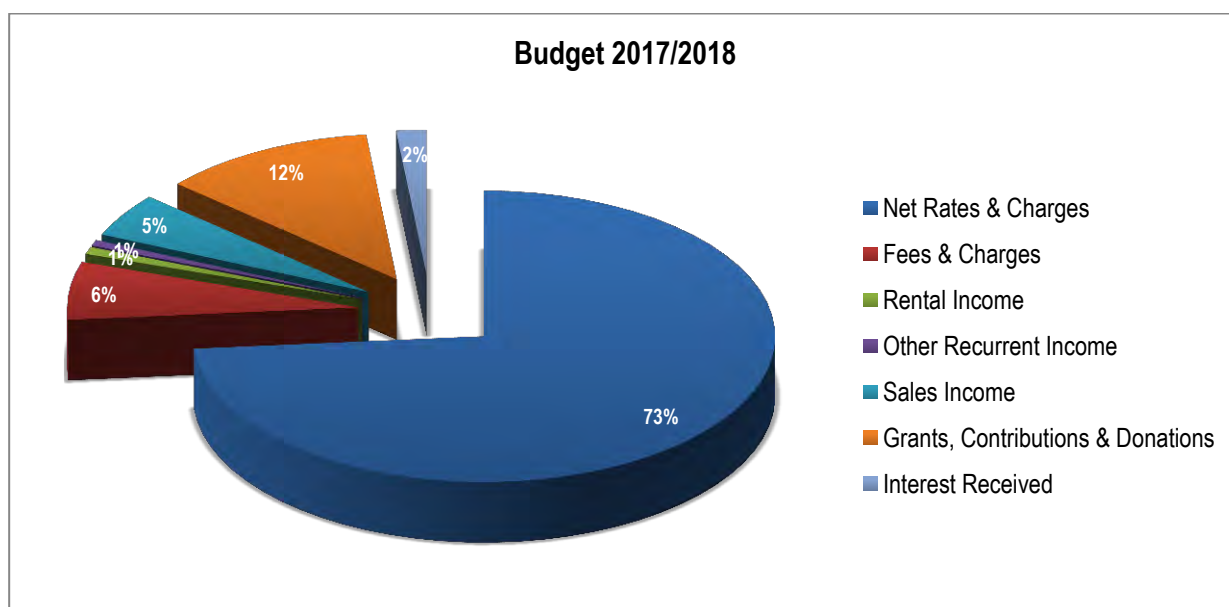
This section of the report analyses the expected revenues and expenses of the South Burnett Regional Council for the 2017/2018 to 2019/2020 year.

A projection of Council's operating deficit or surpluses for above budget periods is listed in the table below:

Projected Surplus			
Program	2017/2018	2018/2019	2019/2020
General Operations	(\$250,433)	(\$215,602)	(\$112,731)
Plant and Fleet	\$48,140	\$508,101	\$518,263
Water	\$88,723	\$155,955	\$268,418
Waste Water	\$513,466	\$663,114	\$714,412
Waste Management	\$177,769	\$275,014	\$272,564
Total Surplus	\$577,665	\$1,386,582	\$1,660,926

2.1.1 Operating Revenue

Revenue Type	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Net Rates and Charges	\$45,388,370	\$46,233,486	\$47,323,264
Fees and Charges	\$3,957,710	\$4,036,864	\$4,117,597
Rental Income	\$491,725	\$501,559	\$511,589
Other Recurrent Income	\$395,251	\$403,157	\$411,218
Sales Income	\$3,014,212	\$3,018,796	\$3,023,472
Grants, Contributions and Donations	\$7,357,573	\$7,377,645	\$7,524,599
Interest Received	\$1,036,586	\$1,056,958	\$1,077,738
Total Operating Revenue	\$61,641,427	\$62,628,465	\$63,989,477



2.1.1.1 Rates and Charges

While Council reviewed various options in developing its revenue strategy for 2017/2018, rate revenue is still Council's only major and reliable source of funding and equates to 73.6% of our overall revenue.

This item represents the South Burnett Regional Council's total net income from general rates, service charges (water, sewerage and garbage) and special charges.

Rate or Charge	2017/2018	2018/2019
General Rates	\$23,172,772	\$23,636,227
Water Charges	\$8,742,882	\$8,917,739
Sewerage Charges	\$5,272,625	\$5,378,079
Waste Collection Charges	\$2,022,660	\$2,063,113
Environmental Levy	\$505,149	\$515,252
Community Rescue and Evacuation Levy	\$72,164	\$73,607
Waste Management Levy	\$2,252,544	\$2,297,595
Road Infrastructure Levy	\$3,132,574	\$3,132,574
Memerambi Estate Levies	\$215,000	\$219,300
Total	\$45,388,370	\$46,233,486

Details of all Council's rates and charges are listed in the [4.1 Schedule of Rates and Charges](#) attached to this document.

Rate concessions for eligible pensioners have been maintained at \$200 and when combined with the State Government remission, eligible pensioners will receive up to \$400 off their rate bill. Council's concession reduces our revenue by approximately \$766,000 in 2017/2018.

2.1.1.2 User Fees and Charges

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users for Council services. Fees are determined in two categories:

- Regulatory Fees for services provided under legislation such as animal registrations, Health Act registrations and licences, development fees, et cetera.
- Commercial Fees for services provided by Council on a commercial basis such as hall rentals, caravan park fees, pool fees, et cetera.

Apart from rate revenue, another major source of self-generated revenue comes from Council's user fees and charges. It is generally accepted that user fees and charges should reflect the cost of providing that particular service.

For 2017/2018 there has been a general increase of around 2% for most Council services whilst some remained unchanged. However, the use of these services is influenced by external factors (e.g. regional economy).

2.1.1.3 Rental Income

Council operates various facilities from which it derives a rental income such as Commercial Premises, Caravan Parks, Community Housing and Airport, et cetera.

2.1.1.4 Other Recurrent Income

Recurrent income is sundry income derived from all other sources and includes items such as:

- | | |
|--|-----------|
| ▪ Agency Payments from QGap and Centrelink | \$41,850 |
| ▪ Visitor Information Centres, Museum & Art Gallery Income | \$112,873 |
| ▪ Mayor's Community Benefit Fund Income | \$125,925 |
| ▪ Sundry Waste Income | \$50,000 |
| ▪ Other Miscellaneous Income | \$64,603 |

2.1.1.5 Sales Income

Sales Income is income received from undertaking work for Main Roads, private works and recoverable works conducted by the Soil Laboratory. Some of key items are listed below:

▪ Soil Laboratory Recoverable Works	\$164,212
▪ General Private Works	\$85,000
▪ MRD Road Maintenance Contract	\$2,765,000

2.1.1.6 Operational Grants

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of South Burnett Regional Council services to ratepayers.

▪ Grants Commission Grant	\$6,815,638
▪ Natural Resource Management Grants	\$30,372
▪ Fuel Rebate	\$60,000
▪ Library Subsidy	\$200,188
▪ SES Operational Grant	\$30,000
▪ Trainee Subsidy	\$26,650
▪ RADF Grant	\$28,125
▪ Work for Queensland	\$124,000
▪ Community Service Grants (RADF)	\$9,000

2.1.1.7 Interest Revenue

Interest revenue includes interest on investments and rate arrears. Council monitors the market to obtain the best interest for the investment of surplus funds. SBRC uses an overnight facility offered by its banker, National Australia Bank, to minimise cash held in the general operating account.

The main factors affecting investment income are:

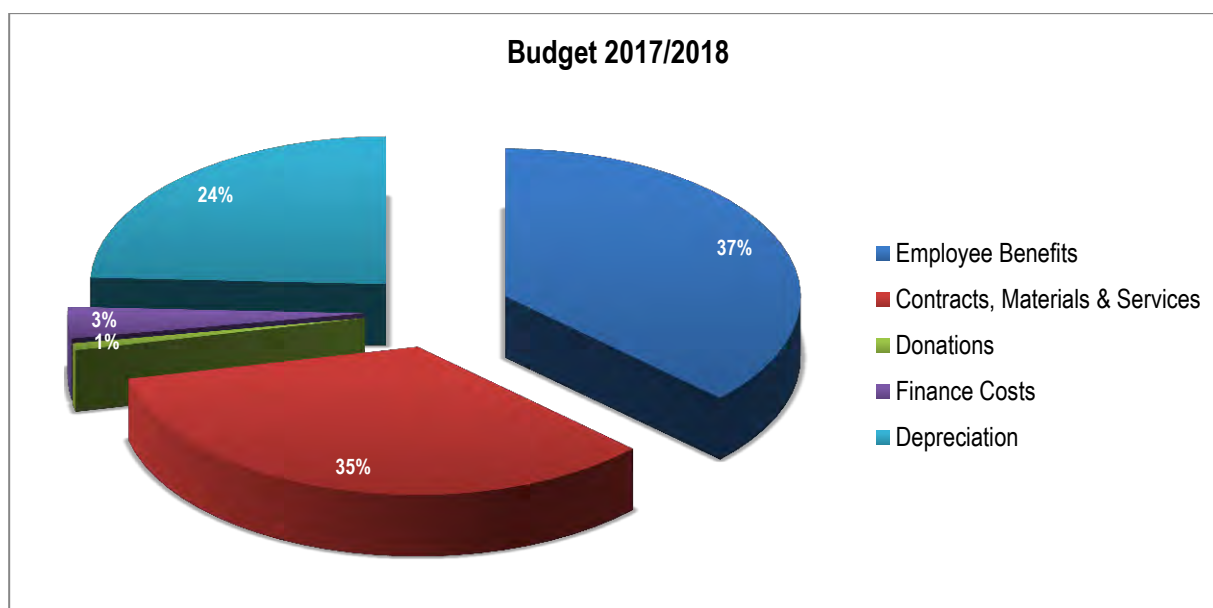
- Use of Council's cash reserves to fund capital works has reduced the surplus funds available for investment; and
- Current low returns on investments.

2.1.2 Operating Expenditure

The projected operating expenditure listed in the table below indicates a decrease over last year.

Apart from items which required more detailed review expenses were generally increased by 2%.

Operating Expenditure	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Employee Benefits	\$22,626,176	\$22,401,192	\$22,787,884
Contracts, Materials and Services	\$21,044,233	\$21,139,451	\$21,511,209
Donations	\$467,139	\$476,481	\$486,008
Finance Costs	\$2,093,111	\$2,166,759	\$2,256,760
Depreciation	\$14,833,103	\$15,058,000	\$15,286,690
Total Operating Expenditure	\$61,063,762	\$61,241,883	\$62,328,551

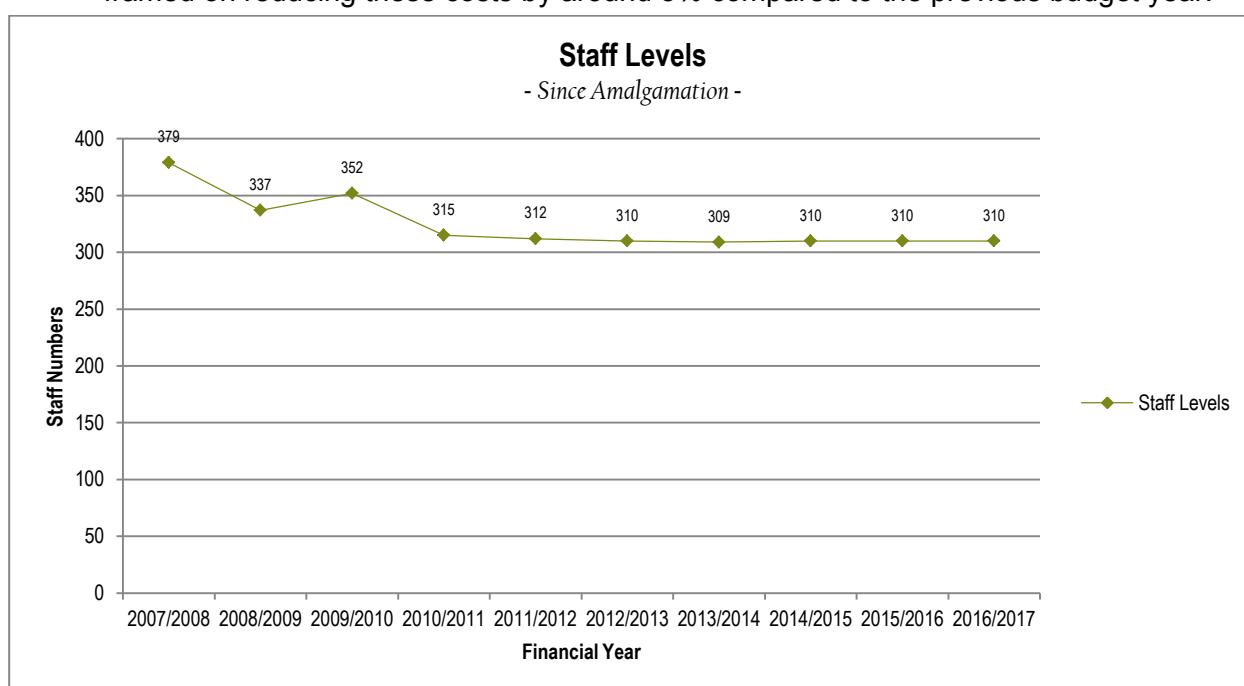


2.1.2.1 Employee Costs

Employee costs include all labour related expenditure such as wages, leave entitlements, workcover costs, superannuation, training, personal protective equipment, payroll and fringe benefits taxes, et cetera.

Some of the key points to note are:

- Realignment of Council services continued during 2016/2017, mainly to respond to organisational need. All staff vacancies are reviewed prior to any replacements being employed with natural attrition and use of the clauses within the Enterprise Agreement being the main strategies to make adjustments to staff numbers. Employee costs contribute to a significant portion of our budget 37%. The 2017/2018 budget has been framed on reducing these costs by around 3% compared to the previous budget year.



- The table indicates that staff levels have remained constant since 2011/2012.

2.1.2.2 Contracts, Materials and Services

Contracts, materials and services cover the purchases of consumables, payments to contractors for the provision of services and utility costs. The procurement policy is relevant to this category of expenditure.

2.1.2.3 Donations

Donations identified in budget fall into the following categories:

- Concession on Rates and Charges:
Council recognises that various groups or organisations provide a public service or community benefit throughout the region. In order to assist these groups or organisations Council has determined to provide a concession or an exemption from various rates and charges. These result in an overall revenue loss of approximately \$323,400.

A list of organisations that receive the above concessions and other exemptions from rates has been included in the attached statements.
- Contributions made from raising funds from Special Charges:
 - Community Rescue & Evacuation Levy:
RACQ Lifeflight Rescue \$71,000
- Grants made under Council's Community Assistance Policy:
 - Community Event Sponsorship – New and Emerging Events - provides sponsorship funding to assist not-for-profit community organisations to deliver community events which build community capacity. \$50,000 has been allocated for 2017/2018.
 - Community Events Sponsorship – Council Regional Signature - to provide sponsorship funding to assist incorporated not-for-profit community organisations to deliver Council considered regionally significant community events. For 2017/2018 a budget allocation of \$30,000 has been provided.
 - Project One-Off Sponsorship - provides funding for a project/program to assist not-for-profit community organisations to deliver one off projects that meet an identified need and build community capacity. \$55,000 has been allocated for 2017/2018.
 - Public Liability Insurance Grants - to provide funding to assist not-for-profit community organisations to pay the public liability insurance costs associated with the management of community halls. For 2017/2018 \$12,000 has been allocated.
 - Elite Performance Youth Grant - provided to encourage excellence in sport, the performing arts and education providing opportunities for the professional development for youth (up to 25 years). \$5,000 has been budgeted in 2017/2018.
 - In-Kind Sponsorship - this minor in-kind grant provides sponsorship to assist not-for-profit community organisation to deliver community activities and events which build community capacity. For 2017/2018 an allocation of \$30,000 has been provided.
 - Healthy Communities Sponsorship - to support projects and activities that increase the number of South Burnett residents engaged in physical and/or healthy programs and activities. A \$12,500 allocation has been provided in 2017/2018.
 - Regional Arts Development Fund (60% Arts Queensland funded) - provided to support skills development of South Burnett professional artists, emerging artists and art practitioners and increase local participation in the arts in the South

Burnett Region. For 2017/2018 an allocation of \$15,000 has been provided.

- Councillors Discretionary Fund - provides Council with the ability to approve small miscellaneous discretionary grants to eligible not-for-profit community organisations in response to requests which are received from time to time. \$32,000 has been allocated in the 2017/2018 budget.

2.1.2.4 Finance (Borrowing) Costs

Borrowing costs relate to interest charged by financial institutions on funds borrowed. All Council's borrowings are consolidated through the Queensland Treasury Corporation.

In 2014 Council started a significant loan borrowing program to undertake essential work, such as bridge replacements, water and sewerage infrastructure that could not be funded through normal Council revenue sources.

Finance costs represent 3.4% of the operating expenses in 2017/2018.

2.1.2.5 Depreciation

Depreciation is an accounting measure which estimates the usage of South Burnett Regional Council's property, infrastructure, plant and equipment assets. Significant work has been undertaken in identifying Council's assets across all classes and in determining appropriate asset valuations, unit rates, condition and useful lives. The increase in depreciation reflects the current valuations and is distributed as follows:

Asset Class	2017/2018	2018/2019
Buildings	\$2,073,688	\$2,115,162
Plant and ICT	\$2,142,000	\$2,184,840
Roads	\$7,035,899	\$7,104,851
Water	\$1,907,665	\$1,945,818
Waste Water (Sewerage)	\$1,272,696	\$1,298,151
Waste Management	\$121,155	\$123,578
Intangibles	\$280,000	\$285,600
Total	\$14,833,103	\$15,058,000

2.2 Analysis of Capital Budget

This section of the report analyses the planned capital expenditure budgets for the 2017/2018 to 2019/2020 years and the sources of funding for the capital budget.

2.2.1 Funding Sources

Funding for Capital Works can be split into two sources of funds:

- External Funds – Capital Grants and Developer Contributions
- Internal Sources – Proceeds from Sale of Assets, Restricted Cash, Loan Borrowings, Funded Depreciation and Operating Surpluses

Funding Sources	Projected 2017/2018	Projected 2018/2019	Projected 2019/2020
Retained Operational Surplus	\$142,791	\$181,956	\$695,138
Depreciation	\$11,820,455	\$11,964,905	\$10,909,216
Sale Proceeds	\$450,000	\$450,000	\$450,000
Grants Funds	\$5,304,921	\$2,951,608	\$2,579,575
Loan Borrowings (Unspent Prior Years)	\$2,682,000	\$6,800,000	\$7,500,000
Loan Borrowings (New)	\$200,000	\$750,000	\$750,000
Contributions	\$30,000	\$30,000	\$30,000
Restricted Cash	\$1,736,371	\$672,556	\$765,096
Asset Replacement Reserves	\$450,000	\$200,000	\$200,000
Total Funding Sources	\$22,816,538	\$24,001,025	\$23,879,025

Loan repayments for capital expenditures are partly funded through depreciation expense.

2.2.1.1 Grants - Capital

Capital grants and contributions include all monies predominantly received from State and Federal government sources for the purposes of funding the capital works program and include the following:

▪ TIDS Funding	\$776,677
▪ Roads to Recovery	\$2,260,000
▪ Work for Queensland	\$1,580,000

2.2.1.2 Contributions

Contributions are received from various sources to support the delivery of specific projects. Included in the budget for 2017/2018 are:

- contributions from developers held in restricted cash towards water assets \$30,000.

2.2.1.3 Proceeds from Sale of Assets

Included in the budget for 2017/2018 is the following anticipated income from the sale of assets:

▪ Sale of plant and equipment	\$475,475
-------------------------------	-----------

2.2.1.4 Restricted Cash

Council's cash and cash equivalents are subject to a number of internal restrictions that limit the amount that is available for discretionary or future use.

Restricted cash is an integral part of funding Council's current 10 Year Capital Works Program. It is therefore equally important that Council continues to set aside cash where possible to contribute to fund those works, to monitor the levels of cash held and to impose expenditure restrictions on those funds. Restricted cash was also utilised to assist in funding major infrastructure projects, Kingaroy Waste Water Treatment Facility and the Gordonbrook Water Treatment Plant.

During the budget preparation process, Council determines how much of its Restricted Cash will be used to fund its annual capital works program. For 2017/2018, \$5,011,162 will be used to fund part of the capital works program.

A detailed list of Council's restricted cash is included in the statements attached to this report.

2.2.1.5 Loan Funds

As mentioned in clause [2.1.2.4 Finance \(Borrowing\) Costs](#) of budget papers Council has undertaken significant work to identify future maintenance, renewal and replacement requirements for its various asset classes.

A number of major assets needed replacing or upgrading which were beyond the normal financial means of the Council. Accordingly, Council embarked on a significant loan borrowing program to undertake these crucial works that commenced in the 2013/2014 financial year.

The proposed three year borrowing program is shown in the table below and the full ten year borrowing program is included in Council's Debt Policy.

Purpose	2017/2018	2018/2019	2019/2020
Kingaroy CBD Development	\$2,000,000	\$2,000,000	-
Alternative Water Supply, Nanango	-	\$3,000,000	\$3,000,000
Nanango Transfer Station	-	-	-
	\$2,000,000	\$5,000,000	\$3,000,000

2.2.1.6 Revenue

In addition to the above funds, the Council also uses funded depreciation and any retained operating surpluses as the source of funds for the Capital Works program. As mentioned earlier in the report \$142,791 of retained operating surplus is being used for Capital Works in 2017/2018.

2.2.2 Capital Works

The Capital Works Program for next three years is summarised in the table below. A full listing of the 2017/2018 program is included with the attached statements.

Capital Works Areas	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Buildings Assets	\$2,176,000	\$2,705,000	\$2,851,000
Plant and ICT Assets	\$2,872,000	\$3,012,000	\$3,272,000
Roads Infrastructure	\$12,557,000	\$9,813,000	\$9,160,000
Water Supply Assets	\$3,820,000	\$6,570,000	\$7,070,000
Wastewater (Sewerage) Assets	\$1,300,000	\$1,300,000	\$1,300,000
Waste Management Assets	\$91,538	\$601,025	\$226,025
Total	\$22,816,538	\$24,001,025	\$23,879,025

3. BUDGETED FINANCIAL STATEMENTS

3.1 Income and Expenditure Statements 2017/2018-2019/2020

Budget Comprehensive Income Statement

	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020
REVENUE			
Recurrent Revenue			
Fees & Charges	- 3,957,710 -	4,036,864 -	4,117,597
Interest Received	- 1,036,586 -	1,056,958 -	1,077,738
Other Income	- 395,251 -	403,157 -	411,218
Rates, Levies & Charges	- 45,388,370 -	46,233,486 -	47,323,264
Rental Income	- 491,725 -	501,559 -	511,589
Sales Revenue	- 3,014,212 -	3,018,796 -	3,023,472
Grants, Subsidies, Contributions & Donations	- 7,357,573 -	7,377,645 -	7,524,599
Total Recurrent Revenue	- 61,641,427 -	62,628,465 -	63,989,477
Capital Revenue			
Grants, Subsidies, Contributions & Donations	- 4,616,677 -	1,957,211 -	1,996,355
Total Revenue	- 66,258,104 -	64,585,676 -	65,985,832
Capital Income			
Capital Income	- 475,475 -	484,985 -	494,685
TOTAL INCOME	- 66,733,579 -	65,070,661 -	66,480,517
EXPENSES			
Recurrent Expenses			
Depreciation	14,833,103	15,058,000	15,286,690
Donations	467,139	476,481	486,008
Employee Benefits	22,626,176	22,401,192	22,787,884
Finance Costs	2,093,111	2,166,759	2,256,760
Materials & Services	21,044,233	21,139,451	21,511,209
Total Recurrent Expenses	61,063,762	61,241,883	62,328,551
TOTAL EXPENSES	61,063,762	61,241,883	62,328,551
Net Operating Surplus	- 5,669,817 -	3,828,778 -	4,151,966

3.2 Financial Position 2017/2018-2019/2020

Statement of Financial Position

	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020
Current Assets			
Cash and Cash Equivalents	28,727,735	26,147,063	21,783,907
Trade and Other Receivables	6,005,083	6,116,135	6,252,182
Inventories	1,218,556	1,242,927	1,267,786
Total Current Assets	35,951,375	33,506,125	29,303,874
Non Current Assets			
Property, Plant & Equipment	905,224,735	913,968,375	922,357,337
Intangible Assets	8,084,869	7,799,269	7,507,957
Total Non Current Assets	913,309,604	921,767,644	929,865,294
TOTAL ASSETS	949,260,979	955,273,769	959,169,168
Current Liabilities			
Trade and Other Payables	- 4,832,251 -	- 4,965,452 -	- 4,992,926
Borrowings	- 2,387,352 -	- 2,488,576 -	- 2,814,213
Provisions	- 3,467,682 -	- 3,537,035 -	- 3,607,776
Total Current Liabilities	- 10,687,284 -	- 10,991,064 -	- 11,414,915
Non-Current Liabilities			
Borrowings	- 38,267,463 -	- 40,677,440 -	- 40,537,812
Provisions	- 12,081,756 -	- 12,323,391 -	- 12,569,859
Total Non-Current Liabilities	- 50,349,219 -	- 53,000,831 -	- 53,107,671
TOTAL LIABILITIES	- 61,036,504 -	- 63,991,895 -	- 64,522,587
NET COMMUNITY ASSETS	888,224,475	891,281,874	894,646,582
Community Equity			
Asset Revaluation Surplus	- 447,079,656 -	- 446,308,277 -	- 445,521,019
Retained Earnings Surplus/(Deficiency)	- 441,144,819 -	- 444,973,597 -	- 449,125,563
TOTAL COMMUNITY EQUITY	- 888,224,475 -	- 891,281,874 -	- 894,646,582

3.3 Cash Flow 2017/2018-2019/2020

Statement of Cash Flows

	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020
Cash Flows from Operating Activities			
Receipts from Customers	53,568,991.20	53,631,407.30	54,790,663.20
Payments to Suppliers & Employees	- 48,508,534.37	- 46,524,035.00	- 47,384,320.37
	5,060,456.83	7,107,372.30	7,406,342.83
Interest Received	1,036,586.00	1,056,958.00	1,077,738.00
Rental Income	442,552.50	451,403.10	460,430.10
Non Capital Grants & Contributions	7,357,573.00	7,377,645.00	7,524,599.00
Borrowing Costs	- 2,093,111.00	- 2,166,759.00	- 2,256,760.00
Net Cash Inflow (Outflow) from Operating Activities	6,743,600.50	6,719,247.10	6,806,007.10
Cash Flows from Investing Activities			
Payments for Property, Plant & Equipment	- 20,367,933.02	- 21,360,912.25	- 21,252,332.25
Payments for Intangible Assets	-	-	-
Advances (Repayments) of Loans and Advances	5,000.00	-	-
Proceeds from Sale of Property, Plant & Equipment	475,475.00	484,985.00	494,685.00
Grants, Subsidies, Contributions and Donations	4,616,677.00	1,957,211.00	1,996,355.00
Net Cash Inflow (Outflow) from Investing Activities	- 15,270,781.02	- 18,918,716.25	- 18,761,292.25
Cash Flows from Financing Activities			
Proceeds from Borrowings	2,000,000.00	5,000,000.00	3,000,000.00
Repayments from Borrowings	- 2,387,351.95	- 2,488,575.87	- 2,814,213.45
Net Cash Inflow (Outflow) from Financing Activities	- 387,351.95	2,511,424.13	185,786.55
Net Increase (Decrease) in Cash & Cash Equivalents Held	- 3,854,075.64	- 2,580,672.72	- 4,363,155.77
Cash & Cash Equivalents at the Beginning of Financial Year	32,581,811.00	28,727,735.36	26,147,062.64
Cash & Cash Equivalents at the End of Financial Year	28,727,735.36	26,147,062.64	21,783,906.87

3.4 Changes in Equity 2017/2018-2019/2020

Statement of Changes of Equity

Year 1	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2017	- 447,831,129 -	435,475,002 -	883,306,131
Net Operating Surplus	-	5,669,817 -	5,669,817
Other Comprehensive Income for the Year			-
Increase/Decrease in Asset Revaluation Surplus	751,473		751,473
Total Comprehensive Income for the Year	751,473 -	5,669,817 -	4,918,344
Balance as at 30 June 2018	- 447,079,656 -	441,144,819 -	888,224,475
Year 2	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2018	- 447,079,656 -	441,144,819 -	888,224,475
Net Operating Surplus	-	3,828,778 -	3,828,778
Other Comprehensive Income for the Year			-
Increase/Decrease in Asset Revaluation Surplus	771,379		771,379
Total Comprehensive Income for the Year	771,379 -	3,828,778 -	3,057,399
Balance as at 30 June 2019	- 446,308,277 -	444,973,597 -	891,281,874
Year 3	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2019	- 446,308,277 -	444,973,597 -	891,281,874
Net Operating Surplus	-	4,151,966 -	4,151,966
Other Comprehensive Income for the Year			-
Increase/Decrease in Asset Revaluation Surplus	787,258		787,258
Total Comprehensive Income for the Year	787,258 -	4,151,966 -	3,364,708
Balance as at 30 June 2020	- 445,521,019 -	449,125,563 -	894,646,582

4. STANDARD STATEMENTS

4.1 Schedule of Rates and Charges

Differential Minimum General Rates	2016/2017	2017/2018
	<i>Minimum General</i>	<i>Minimum General</i>
Residential Land Blackbutt	\$666.00	\$682.00
Residential Land Kingaroy	\$666.00	\$682.00
Residential Land Murgon	\$666.00	\$682.00
Residential Land Nanango	\$666.00	\$682.00
Residential Land Wondai	\$666.00	\$682.00
Village	\$666.00	\$682.00
Rural Residential Land – Blackbutt	\$666.00	\$682.00
Rural Residential Land – Kingaroy	\$666.00	\$682.00
Rural Residential Land – Murgon	\$666.00	\$682.00
Rural Residential Land – Nanango	\$666.00	\$682.00
Rural Residential Land – Wondai	\$666.00	\$682.00
Rural Residential Land – Other	\$666.00	\$682.00
Commercial Land – Blackbutt	\$882.00	\$904.00
Commercial Land – Kingaroy	\$882.00	\$904.00
Commercial Land – Murgon	\$882.00	\$904.00
Commercial Land – Nanango	\$882.00	\$904.00
Commercial Land – Wondai	\$882.00	\$904.00
Drive In Shopping Centre > 10,000m2	\$63,308.00	\$64,890.00
Drive In Shopping Centre 4,001m2 – 10,000m2	\$25,789.00	\$26,434.00
Drive In Shopping Centre 1,500m2 – 4,000m2	\$8,600.00	\$8,816.00
Industrial Land – Blackbutt	\$882.00	\$904.00
Industrial Land – Kingaroy	\$882.00	\$904.00
Industrial Land – Murgon	\$882.00	\$904.00
Industrial Land – Nanango	\$882.00	\$904.00
Industrial Land – Wondai	\$882.00	\$904.00
Extractive A	\$666.00	\$682.00
Extractive B	\$6,878.00	\$7,050.00
Extractive C	\$11,460.00	\$11,746.00
Coal Mine	\$91,680.00	\$93,972.00
Power Generation	\$324,320.00	\$332,438.00
Rural Land (Primary Production)	\$758.00	\$778.00
Other Land	\$666.00	\$682.00
Water, Storage & Pumping	\$666.00	\$682.00

Separate Charges	2016/2017 Charge	2017/2018 Charge
Environmental Levy	\$28.00	\$29.00
Waste Management Levy	\$125.00	\$128.00
Community Rescue & Evacuation Levy	\$4.00	\$4.00
Road Infrastructure Levy	\$200.00	\$200.00

Special Charge	2016/2017 Charge	2017/2018 Charge
Rural Fire Levy	\$25.00	\$25.00

Water Access Charges	2016/2017 Charge	2017/2018 Charge
<i>Blackbutt ,Kingaroy, Kumbia, Murgon, Nanango, Proston, & Wondai Water Supplies</i>		
Vacant	\$268.00	\$275.00
20mm Meter	\$535.00	\$549.00
25mm Meter	\$856.00	\$878.00
32mm & 40mm Meter	\$1,338.00	\$1,373.00
50mm & 80mm Meter	\$3,478.00	\$3,569.00
100mm	\$8,025.00	\$8,235.00
Fire Service	\$268.00	\$275.00
Additional Rural Service	\$268.00	\$275.00
<i>Wooroolin Water Supply</i>		
Vacant (available, but not connected)	\$268.00	\$275.00
20mm Meter	\$535.00	\$549.00
25mm Meter	\$856.00	\$878.00
32mm & 40mm Meter	\$1,338.00	\$1,373.00
50mm & 80mm Meter	\$3,478.00	\$3,569.00
100mm	\$8,025.00	\$8,235.00
Fire Service	\$268.00	\$275.00
Additional Rural Service	\$268.00	\$275.00
<i>Proston Rural Water Supply</i>		
20mm Meter	\$485.00	\$497.00
25mm Meter	\$776.00	\$795.00
32mm & 40mm Meter	\$1,213.00	\$1,243.00
50mm & 80mm Meter	\$3,153.00	\$3,231.00

Water Usage Charges	2016/2017 Per KI	2017/2018 Per KI
<i>Blackbutt, Kingaroy, Kumbia, Murgon, Nanango, Proston, Wondai & Wooroolin Water Supplies</i>		
Tier 1	\$1.42	\$1.42
Tier 2	\$1.90	\$1.90
Tier 3	\$2.20	\$2.20
Tier 4	\$2.40	\$2.40
Tiers 5 & 6	\$2.70	\$2.70
<i>Proston Rural</i>		
Tier 1	\$1.47	\$1.47
Tier 2	\$1.47	\$1.47
Tier 3	\$1.47	\$1.47
Tier 4	\$1.47	\$1.47
Tier 5 & 6	\$1.47	\$1.47

Sewerage Charges	2016/2017 Charge	2017/2018 Charge
<i>Blackbutt, Kingaroy, Murgon, Nanango & Wondai</i>		
1st Pedestal	\$650.00	\$667.00
Additional Pedestal (Commercial)	\$182.00	\$187.00
Vacant (available, but not connected)	\$455.00	\$466.00
<i>Proston CED</i>		
1 st Effluent Drainage	\$383.00	\$393.00
2 nd Effluent Drainage (Commercial)	\$120.00	\$123.00
Vacant (available, but not connected)	\$0.00	\$0.00

Domestic Refuse Collection	2016/2017 Charge	2017/2018 Charge
<i>Blackbutt, Bunya Mountains, Kingaroy, Murgon, Nanango, Prostons, Prostons Rural, Wondai, Tingoorra & Wooroolin</i>		
Domestic Refuse Service	\$153.00	\$157.00
Commercial Refuse Collection	2016/2017 Charge	2017/2018 Charge
<i>Blackbutt, Bunya Mountains, Kingaroy, Murgon, Nanango, Prostons, Prostons Rural, Wondai, Tingoorra & Wooroolin</i>		
Commercial Refuse Service	\$188.00	\$188.00
<i>Bulk Commercial Bins (All Areas)</i>		
1m ³ Bin	Not Applicable	Not Applicable
1.5m ³ Bin	Not Applicable	Not Applicable
2m ³ Bin	Not Applicable	Not Applicable
3m ³ Bin	Not Applicable	Not Applicable

4.2 Separate Charges Program of Works

4.2.1 Environmental Levy Program

In accordance with Chapter 4 Part 8 of *Local Government Regulation 2012* the following schedule details the program of works to be undertaken with the proceeds from the Separate Charge – Environmental Levy. An Environmental Levy of \$29 per rate assessment in 2017/2018 will raise \$505,149 and together with various government grants and carry over funds will be utilised as per the table below. For the projected years 2018/2019 and 2019/2020 the programs have been developed based on known funding sources.

Program	2017/2018	2018/2019	2019/2020
Source of Funds			
Estimated Carry Forward Funds	\$89,192	-	-
Environment Levy	\$505,149	\$515,252	\$525,557
	\$594,341	\$515,252	\$525,557
Expenditure			
Management	\$169,940	\$173,339	\$176,806
Biodiversity Program	\$296,186	\$251,206	\$262,341
Firebreaks & Prescribed Burning Activities			
Declared & Environmental Weeds Control			
Rare & Threatened Species	\$27,715	\$12,437	\$5,370
Tessmanns Road			
Riparian Areas	\$47,500	\$23,325	\$24,150
Water Weeds			
Environmental Partnership Programs	\$11,000	\$11,405	\$11,810
Landcare & Landholder Assistance			
Strategic Planning	\$15,000	\$15,550	\$16,100
Regional Fire Management Plan			
Mapping and Surveys	\$27,000	\$27,990	\$28,980
IT Licence			
Mapping & Survey Work			
Environmental Levy Program	\$594,341	\$515,252	\$525,557

4.2.2 Road Infrastructure Levy Program

In accordance with Chapter 4 part 8 of the *Local Government Regulation 2012* the following schedule details the program of works to be undertaken with the proceeds from the Separate Charge – Road Infrastructure Levy. A Road Infrastructure Levy of \$200 per rate assessment will raise \$3,132,574 and will be utilised as follows:

Program	2017/2018	2018/2019	2019/2020
Source of Funds			
Road Infrastructure Levy 2017/2018	\$3,132,574	\$3,132,574	\$3,132,574
Expenditure			
Road Maintenance			
Maintenance Program Across the Region	\$3,132,574	\$3,132,574	\$3,132,574
	\$3,132,574	\$3,132,574	\$3,132,574

4.2.3 Community Rescue and Evacuation Levy Program

In accordance with Chapter 4 Part 8 of *Local Government Regulation 2012* the following schedule details the contribution to aerial emergency rescue and evacuation transport providers from the proceeds from the Separate Charge – Community Rescue and Evacuation Levy. A Community Rescue and Evacuation Levy of \$4 per rate assessment will raise \$71,000 which will be distributed as follows:

- RACQ Lifeflight Rescue \$71,000

4.2.4 Waste Management Levy Program of Works

In accordance with Chapter 4 Part 8 of *Local Government Regulation 2012* the following schedule details the program of works to be undertaken with the proceeds from the Separate Charge – Waste Management Levy. A Waste Management Levy of \$128 per rate assessment will raise \$2,252,544, this together with revenue raised from fees, sale of scrap metal and surplus funds from waste collection activities will be utilised as follows:

Program	2017/2018	2018/2019	2019/2020
Source of Funds			
Carried Forward	-	\$41,956	\$130,842
Waste Management Levy	\$2,252,544	\$2,297,595	\$2,343,547
Revenue	-	\$465,752	-
	\$2,252,544	\$2,805,303	\$2,474,389
Expenditure			
Tip Operating Expenses			
Kingaroy Refuse Tip	\$763,667	\$778,940	\$794,519
Nanango Refuse Tip	\$417,760	\$426,115	\$434,638
Blackbutt Transfer Station	\$89,000	\$90,780	\$92,596
Murgon Refuse Tip	\$231,553	\$236,184	\$240,908
Wondai Transfer Station	\$226,056	\$230,577	\$235,189
Proston Transfer Station	\$27,000	\$27,540	\$28,091
Cloyna Refuse Tip	\$26,500	\$27,030	\$27,571
Maidenwell Refuse Tip	\$22,000	\$22,440	\$22,889
Brigooda Refuse Tip	\$37,000	\$37,740	\$38,495
Durong Refuse Tip	\$21,000	\$21,420	\$21,848
Hivesville Refuse Tip	\$45,000	\$45,900	\$46,818
Home Creek Transfer Station	\$12,000	\$12,240	\$12,485
Memerambi Transfer Station	\$22,000	\$22,440	\$22,889
Wattlecamp Transfer Station	\$28,500	\$29,070	\$29,651
Kumbia Transfer Station	\$60,000	\$61,200	\$62,424
Chahpingah Refuse Tip	\$7,000	\$7,140	\$7,283
Management Costs (Wages, Plant & Materials, Depreciation)	\$124,970	\$127,521	\$130,072
	\$2,161,002	\$2,204,278	\$2,248,364
Rehabilitation of Current Tips			
Liquid Waste Sites - Kingaroy	-	-	\$51,025
Liquid Waste Sites - Murgon	-	\$51,025	-
Liquid Waste Sites - Wondai	\$76,538	-	-
	\$76,538	\$51,025	\$51,025
Capital Works			
Nanango Leachate Collection Trench	-	\$200,000	-
Homecreek Transfer Station Upgrade	\$15,000	-	-
Super Landfill Land Purchase	-	\$350,000	-
Proposed Waste Management Land Purchases	-	-	\$175,000
	\$15,000	\$550,000	\$175,000
	\$2,252,544	\$2,805,303	\$2,474,389

4.3 Details of Capital Works Programs 2017/2018

Plant and Fleet Assets		
Plant and Fleet Assets		\$1,982,000
Sedan	Replace 2 Sedans	
Utility	Replace 15 Utilities	
Mower	Replace 2 Mowers	
Slasher	Replace 1 Slasher	
Tractor	Replace 1 Tractor	
Light Truck	Replace 1 Light Truck	
Heavy Truck	Replace 3 Heavy Trucks	
Hooklift and Trailer	Replace 1 Hooklift and Trailer	
Roller	Replace 1 Roller	

Information Services Assets		
Information Services Assets		\$890,000
User Hardware	Computer Replacement	
Business System	Continue Implementation of Business Software	
Server Hardware	Continue Implementation of Server Hardware	
Telecommunication	Upgrade 2 Way Radio & Phone Base Stations	
Photocopiers & Printers	Replacement	
Emergency Power	Gensets	
Wireless Access Points		
System Backup	Disaster Recovery Management	
Aerial Imagery		

Building and Property Assets		
Building and Property Assets		\$2,176,000
Administration Offices		\$145,000
Kingaroy Administration /Library /Economic Development Office	Repaint	
Nanango Administration Building	Staged Refurbishment	
Aerodromes		\$60,000
Nanango	Runway Slope Reconstruction	
Cemeteries		\$75,000
Murgon	Cemetery Redevelopment Stages 1,2 and 3	
Kingaroy	New Columbarium Wall	
Proston	Shade Shelter	
Depots		\$100,000
Kingaroy	Carpark, Cross Over, Fencing and Hydrant Extension	
Halls		\$565,000
Blackbutt Hall		
Kingaroy Town Hall	Speaker Upgrade	
Wondai Town Hall	Roof Painting	
Museums/Heritage		\$305,000
Ringsfield House	Purchase State Land	
Ringsfield House	Purchase of Brighthaven Units	
Parks		\$90,000
Les Muller Park	Softfall	
Lions Park	Drainage	
Hospital Park	Bridge	
Kingaroy BP Park	Walking Track, Exercise Equipment	
Private Hospital		\$100,000
Lady Bjelke-Petersen Community Hospital	Building Electrical Repairs, Switchboard Upgrade	
Lady Bjelke-Petersen Community Hospital	Building Repairs	
Public Conveniences		\$15,000
Kingaroy Lions Park	Toilet Block Refurbishment	
Saleyards		\$17,000
Coolabunia	Café Upgrade	
Sport and Recreation		\$7,000
Hivesville Sportsground	Toilets	
Swimming Pools		\$650,000
Murgon Pool	Replace Sand and Filtration System	
South Burnett Aquatic Centre	Expansion Joints & Repainting	
Kingaroy Pool	Concept Drawings, Reports & Construction Documents	
Kingaroy Pool	Replace Sand and Filtration System	
Kingaroy Pool	Repair & Repaint Learn to Swim Pool	
Tourist Facilities		\$47,000
Yallakool Tourist Park	Pool Repairs	

Road Infrastructure Assets		
Road Infrastructure Assets		\$12,557,000
Town Development		\$712,000
Blackbutt Town Development	Drainage and K&C	
Kingaroy CBD	Redevelopment	
Bridges		\$682,000
Stonelands	Replace with Culverts	
Ironpot	Replace with Culverts	
Rural Drainage		\$130,000
Pipes and Culverts Renewals	Various Roads	
Urban Drainage		\$100,000
Replacement of Gully Pits	Various Towns and Streets	
Pavement Rehabilitation		\$2,848,000
Unsealed Roads Gravel Resheeting	Various Roads	
Murphy Road	Sealing	
Footpaths & Bikeways		\$430,000
Drayton Street Nanango Cycleway	Chester Street – Cairns Street	
Cairns Street Nanango Cycleway	Drayton Street – Elk Street	
Gore Street Murgon Cycleway	Stephens Street – Dutton Street	
Reseals		\$2,000,000
Various Roads & Streets	Prep Work and Resealing	
TIDS Reseals	Prep Work and Resealing	
TIDS and R4R		\$1,475,000
Memerambi Barkers Creek Road	Bitumen Sealing	
Wondai State School	SafeST	
Taabinga State School	SafeST	
Kumbia State School	SafeST	
Kumbia Road	Widen and Overlay	
W4Q		\$1,910,000
Crumpton Drive	Pavement Rehabilitation	
Silverleaf Road	Pavement Rehabilitation	
Ellesmere Road	Shoulder Resheeting	
Kingaroy Town Hall Laneway	Resurfacing	
Fitzroy Street, Nanango	Concrete Footpath	
King Street, Nanango	Concrete Footpath	
Coulson Street, Blackbutt	Concrete Footpath	
Scott Street, Wondai	Concrete Footpath	
RTR		\$2,260,000
Sealed Roads Pavement Rehabilitation	Various Roads	
Wattlecamp Road	Widening and Overlay	
Materials Laboratory		\$10,000
Materials Laboratory Equipment	Replacement	

Water Supply Assets		
Water Supply Assets		\$3,820,000
Blackbutt Supply		\$100,000
Mains Replacements	Network Renewals	
Nanango Supply		\$320,000
Alternative Water Supply	Project Inception through to Completion	
Mains Replacement	Network Renewals	
Kingaroy Supply		\$2,700,000
Reservoir	New LLZ - 3 ML Reservoir Mt Wooroolin	
Reservoir	Replace Orana Reservoir Roof and Column	
Trunk Mains	Upgrade Healy Street Trunk Main	
Mains Replacement	Network Renewals	
Wondai Supply		\$200,000
Reservoir	Demolish Old Scott Street Reservoir	
Reservoir	Replace Roof on No. 2 Scott Street Reservoir	
Murgon Supply		\$150,000
New Standpipe	Credit Card Standpipe Facility	
Mains Replacement	Network Renewals	
Proston Supply		\$50,000
Mains Replacement	Network Renewals	
Proston Rural Supply		\$100,000
Pump Stations	Replace Hivesville Pumps	
Kumbia Supply		\$200,000
Rising Main	Replace Main from Stuart River	
Bores	Upgrade Electrical Systems	

Waste Water (Sewerage) Supply Assets		
Waste Water Supply Assets		\$1,300,000
Blackbutt		\$100,000
Mains & Manholes	Network Renewals	
Nanango		\$200,000
Mains & Manholes	Network Renewals	
Kingaroy		\$600,000
Mains & Manholes	Network Renewals	
Wondai		\$200,000
Mains & Manholes	Network Renewals	
Murgon		\$200,000
Mains & Manholes	Network Renewals	

Waste Assets		
Waste Assets		\$91,538
Waste Disposal		
Murgon		\$76,538
	Liquid Waste Facility	
Homecreek		\$15,000
	Transfer Station Upgrade	

4.4 Summary of Expenditure on Road Infrastructure 2017/2018

Road Maintenance	
Road & Drainage Administration (Road Inspections, Customer Complaints, et cetera.)	\$1,195,006
Road & Drainage Maintenance	\$5,750,401
Main Roads Maintenance Contract	\$2,763,115
	\$9,708,522
Roads Capital Works	
Roads Capital Works	\$12,557,000
	\$12,557,000

4.5 Schedule of Concessions and Exemptions on Rates and Charges

4.5.1 Concessions on Rates

Organisation	Location	Total Concession
Organisation – Queensland Country Women’s Association		
QCWA Kingaroy (Hall)	122 Kingaroy Street, Kingaroy	\$1,737
QCWA Kingaroy (Hostel)	103 Kingaroy Street, Kingaroy	\$1,737
QCWA Kumbia (Hall)	Bell Street, Kumbia	\$1,731
QCWA Wooroolin (Hall)	Bunya Highway, Wooroolin	\$1,578
QCWA Blackbutt	Coulson Street, Blackbutt	\$1,520
QCWA Nanango	59 Fitzroy Street, Nanango	\$1,338
QCWA Murgon	81 Macalister Street, Murgon	\$1,373
QCWA Hivesville	12 Main Street, Hivesville	\$485
QCWA Wondai	86 Mackenzie Street, Wondai	\$1,373
		\$12,872

Organisation	Location	Total Concession
Organisation – Scouts, Girl Guides, Blue Light		
Girl Guides Kingaroy	2 Mant Street, Kingaroy	\$2,802
Scouts Kingaroy	2-8 James Street, Kingaroy	\$3,912
Scouts Wooroolin	23-27 Kate Street, Wooroolin	\$1,578
Scouts Nanango	40 Henry Street, Nanango	\$1,373
Blue Light Skating Rink	George Street, Nanango	\$2,459
Girl Guides	Macalister Street, Murgon	\$1,373
Scouts and QCWA Combined	37 Rodney Street, Proston	\$1,829
		\$15,326

Organisation	Location	Total Concession
Organisation – Kindergarten, Child Care, Endeavour, Senior Citizen & Other Welfare Facilities		
(QHC) South Burnett CTC	<i>Youth Hostel</i> 38 Markwell Street, Kingaroy	\$4,680
Kingaroy and District Senior Citizens Association	<i>Senior Citizens</i> 90 Kingaroy Street, Kingaroy	\$4,533
South Burnett Child Care Association	<i>Child Care Centre</i> Pound Street, Kingaroy	\$5,118
Endeavour Foundation	<i>Workshop</i> 22 Kingaroy Street, Kingaroy	\$3,188
Endeavour Foundation	<i>Workshop</i> 17 Kingaroy Street, Kingaroy	\$8,927
South Burnett Jobmatch	<i>Employment & Training Centre</i>	\$2,869

Organisation	Location	Total Concession
	7 Glendon Street, Kingaroy	
Kingaroy Kindergarten Association	<i>Kindergarten</i> 90 First Avenue, Kingaroy	\$2,468
Kingaroy and District Senior Citizens Association	<i>Welfare Units</i> 12A James Street, Kingaroy	\$3,507
Endeavour Foundation	<i>Residence</i> 8 Windsor Circle, Kingaroy	\$3,958
South Burnett CTC	<i>CROSB House – Respite Services</i> 18 Gladys Street, Kingaroy	\$2,923
Trust Company Limited - Leased by Goodstart Early Learning	<i>Child Care Centre</i> 78-83 Ivy Street, Kingaroy	\$12,593
The Crèche and Kindergarten Association	<i>Kindergarten</i> 36 Sutton Street, Blackbutt	\$1,338
(Education Qld) South Burnett CTC	<i>CTC Child Care Centre and Community Hub</i> 42 Drayton Street, Nanango	\$3,086
South Burnett Regional Council	<i>Nanango Kindergarten Association</i> 34 Gipps Street, Nanango	\$1,491
South Burnett CTC	<i>Murgon Cherbourg Community Centre</i> 35 Lamb Street, Murgon	\$3,800
Queensland Rail or South Burnett Regional Council Leased by Murgon Men's Shed Inc.	<i>Men's Shed</i> 75 Macalister Street, Murgon	\$963
South Burnett CTC	<i>"Gumnut Place"</i> 22 Gore Street, Murgon	\$3,825
South Burnett Regional Council	<i>Murgon Kindergarten</i> 42 Macalister Street, Murgon	\$2,107
Qld Police Citizens Youth Welfare Association	<i>Murgon Pulse</i> 40 Macalister Street, Murgon	\$5,817
South Burnett Regional Council	<i>Murgon Lions Club</i> 40 Macalister Street, Murgon	\$723
Mercy Community Services	<i>Residential Care & Welfare Residence</i> 46 Watt Street, Murgon	\$2,716
(QHC) Graham House	<i>Community Centre</i> 21 Taylor Street, Murgon	\$3,801
Recreation Reserve - Trustee South Burnett Regional Council	<i>Proston Play Group</i> 5 Blake Street, Proston	\$1,106
South Burnett CTC	<i>Partners in Foster Care</i> 7 Bramston Lane, Wondai	\$2,830
Wondai Kindergarten Association	<i>Kindergarten</i> 60 Baynes Street, Wondai	\$2,090
Uniting Church in Australia	<i>Lifeline Community Care</i> 1 Victoria Street, Kingaroy	\$2,090
		\$92,547

Organisation	Location	Total Concession
Organisation – Showgrounds		
Kingaroy Show Society	49-59 Avoca Street, Kingaroy	\$6,364
Blackbutt Show Society	Hart Street, Blackbutt	\$5,402
Nanango Show Society	Drayton Street, Nanango	\$5,441
Murgon Show Society	38 Macalister Street, Murgon	\$1,025
Wondai Show Society	Kent Street, Wondai	\$3,292
		\$21,524

Organisation	Location	Total Concession
Organisation – Race Grounds		
Kumbia Race & Golf Club	Bunya Highway, Kumbia	\$1,070
Nanango Race Club	Racecourse Road, Nanango	\$4,129
		\$5,199

Organisation	Location	Total Concession
Organisation – Museums, Theatres		
Edward Carroll	<i>Carroll Cottage</i> 6 Edward Street, Kingaroy	\$723
(Queensland Rail) Blackbutt District Tourist Association	<i>Museum</i> Bowman Road, Blackbutt	\$1,185
Nanango Theatre Company	<i>Reserve</i> George Street, Nanango	\$1,884
Nanango Historical Society Inc.	<i>Masonic Hall</i> 42 Gipps Street, Nanango	\$2,480
Ringsfield House Historic Museum	<i>Reserve</i> 45 Alfred Street, Nanango	\$912
Reserve for Park- Trustee Queensland Dairy and Heritage Museum	<i>Queensland Dairy and Heritage Museum</i> 2 Sommerville Street, Murgon	\$2,278
		\$9,462

Organisation	Location	Total Concession
Organisation – Sporting Groups & Associations		
Kingaroy Bowls Club Inc.	<i>Kingaroy Bowls Club</i> 145 Kingaroy Street, Kingaroy	\$8,957
Reserve - Trustee South Burnett Regional Council	<i>Nanango Bowls Club</i> 2 Henry Street, Nanango	\$1,913
Trustees Murgon Bowls Club	<i>Murgon Bowls Club</i> 103 Macalister Street, Murgon	\$5,720
Durong Bowls Club Inc.	<i>Durong Bowls Club</i> 8951 Chinchilla Wondai Road, Durong	\$1,043
Proston Bowls Club Inc.	<i>Proston Bowls Club</i> 22 Murphy's Way, Proston	\$3,981
Wondai Country Club	<i>Wondai Bowls and Golf Club</i> Bunya Highway, Wondai	\$7,093
Kingaroy Golf Club Inc.	<i>Kingaroy Golf Club</i> Bunya Highway, Kingaroy	\$3,979
Nanango Golf Club Inc.	<i>Nanango Golf Club</i> 6 Wills Street, Nanango	\$3,350
Blackbutt Golf Club Inc.	<i>Blackbutt Golf Club</i> 51 Langtons Road, Blackbutt	\$3,009
Murgon Golf Club Inc.	<i>Murgon Golf Club</i> 192 Lamb Street, Murgon	\$5,960
Proston Golf Club	<i>Proston Golf Club</i> 81 Proston Boondooma Road, Proston	\$3,478
Recreation Reserve - Wooroolin Community Association Inc.	<i>Tennis Courts</i> 22 Alexander Street, Wooroolin	\$535
Kingaroy and District Lawn Tennis Association	<i>Tennis Courts</i> 1 Oliver Bond Street, Kingaroy	\$1,338
Blackbutt Tennis Club Inc.	<i>Tennis Club</i> 61 Hart Street, Blackbutt	\$2,410

Organisation	Location	Total Concession
Reserve for Recreation	<i>Tennis Club</i> 32 Gore Street, Murgon	\$2,887
The South Burnett Pistol Club	<i>Pistol Club</i> Redmans Road, Wondai	\$1,043
Reserve - Trustees Kingaroy Clay Target Club Inc.	<i>Rifle Club</i> Aerodrome Road, Kingaroy	\$2,260
Kingaroy Cricket and Sports Club	<i>Lyle Vidler Cricket Oval</i> 10 Youngman Street, Kingaroy	\$1,913
Wondai Rifle Club	<i>Rifle Range</i> Rifle Range Road, Wondai	\$1,043
Kingaroy Rugby League Football Club	<i>Rugby League Football Oval</i> 20 Youngman Street, Kingaroy	\$7,404
Kingaroy Soccer Club	<i>Senior Soccer Oval</i> 7 Oliver Bond Street, Kingaroy	\$2,534
Kingaroy Junior Soccer Club	<i>Soccer Oval</i> 2 Oliver Bond Street, Kingaroy	\$535
Trustee Kumbia Cricket Club	<i>Cricket Oval</i> Gordon Street, Kumbia	\$1,043
Recreation Reserve - Wooroolin Community Association Inc.	<i>Wooroolin Sports Ground</i> Sportsground Road, Wooroolin	\$535
Reserve - Trustees South Burnett Regional Council	<i>Timbertown Combined Sports Association</i> Railway and Charles Street, Blackbutt	\$1,731
Reserve - Trustee South Burnett Regional Council	<i>Nanango Sporting Club (Soccer)</i> Burnett Street, Nanango	\$3,133
South Burnett Regional Council	<i>Rugby League Club</i> 6 Wills Street, Nanango	\$3,369
Reserve - Proston Sports Ground Committee	<i>Proston Sports Ground (Showgrounds)</i> 41 Proston Boondooma Road, Proston	\$2,791
Reserve Recreation -Wondai Sportsground Advisory Committee	<i>Wondai Sportsground (Soccer, Football, Lions Club)</i> Bunya Highway, Wondai	\$10,616
Reserve - Trustees South Burnett Regional Council	<i>Kingaroy and District Motorcycle Track</i> Warren Truss Drive, Kingaroy	\$856
Nanango and District Darts Association	<i>Nanango Darts Club</i> George Street, Nanango	\$3,312
Reserve - Trustee South Burnett Regional Council	<i>Nanango Netball Association</i> 55 Appin Street, Nanango	\$1,913
Karate Union of Australia	<i>Wondai Karate Club</i> 2 Bunya Avenue, Wondai	\$1,367
South Burnett Western Performance Club Inc.	<i>South Burnett Western Performance Club Inc.</i> Racecourse Road, Nanango	\$1,623
Lions Club Nanango	<i>Lions Club</i> George Street, Nanango	\$1,693
Kingaroy Sporting Club	<i>Kingaroy Sporting Club</i> 1 Markwell Street, Kingaroy	\$3,324
Reserve for Recreation and Showground	<i>Murgon Sports</i> 38 Macalister Street, Murgon	\$16,882
Wondai Tennis, Netball and Cricket Club	<i>Wondai Tennis, Netball and Cricket</i> 14 South Street, Wondai	\$535
		\$127,108

Organisation	Location	Total Concession
Organisation – Haemodialysis Machines – Water Usage Charges		
Ronald P & Susan M Coster	14 Toomey Street, Kingaroy	\$323
		\$ 323

Organisation	Location	Total Concession
Organisation – Aged Care Facilities – Non Religious		
RSL Kingaroy Memerambi Sub Branch	<i>Retirement Villas</i> 81 Markwell Street, Kingaroy	\$1,958
Blackbutt Benarkin Aged Care Association Inc.	<i>Aged Care Residence</i> 47 Hart Street, Blackbutt	\$3,068
Southern Cross Care (Queensland)	<i>Karinya Aged Care</i> Brisbane Street, Nanango	\$4,641
Blackbutt Benarkin Aged Care Association Inc.	<i>Aged Care</i> Greenhills Drive, Blackbutt	\$2,204
Southern Cross Care (Queensland)	<i>Castra Retirement Home</i> 2 Coopers Street, Murgon	\$1,725
		\$13,596

Organisation	Location	Total Concession
Organisation – Charitable Organisations		
Kingaroy Masonic Lodge	<i>Masonic Lodge</i> 22 William Street, Kingaroy	\$1,043
St Vincent De Paul Society Queensland	<i>St Vinnie's Store</i> 48 King Street, Kingaroy	\$1,043
RSPCA South Burnett Branch	<i>RSPCA Centre</i> Warren Truss Drive, Kingaroy	\$1,043
Trustees Blackbutt Masonic Lodge	<i>Masonic Lodge</i> 37 Sutton Street, Blackbutt	\$1,043
St Vincent De Paul Society Queensland	<i>St Vinnie's Facility (NSHS Flexi School)</i> 53 Gipps Street, Nanango	\$1,145
Graham House Community Centre Inc.	<i>Graham House</i> – (vacant land used as car parking) 24 Pearen Street, Murgon	\$1,043
Wondai Masonic Lodge	<i>Masonic Lodge</i> 39 Cadell Street, Wondai	\$1,043
St Vincent De Paul Society Queensland	<i>St Vinnie's Shop</i> 63 Haly Street, Wondai	\$694
		\$8,097

Organisation	Location	Total Concession
Organisation – Community Owned Halls		
Kumbia and District Memorial School of Arts Inc.	<i>Kumbia Hall</i> Bell Street, Kumbia	\$1,043
Reserve for Memorial Hall	<i>Wooroolin Hall</i> 23 Alexander Street, Wooroolin	\$1,043
Reserve for Public Hall	<i>Goodger School</i> Kingaroy Cooyar Road, Kingaroy	\$1,043
The Ironpot Hall Association Inc.	<i>Ironpot Hall</i> Jarail Road, Kingaroy	\$1,043
Farmers Hall Inverlaw	<i>Inverlaw Hall</i> Burrandowan Road, Kingaroy	\$1,043

Organisation	Location	Total Concession
Tablelands Public Hall Association	<i>Tablelands Hall</i> 459 Crownthorpe Road, Crownthorpe	\$1,043
Brigooda Recreational Hall	<i>Brigooda Hall</i> 2473 Proston Boondooma Road, Proston	\$1,043
Trustee Proston Sub Branch RSSAILA	<i>Proston Hall</i> 23 Collingwood Street, Proston	\$1,043
RSL Blackbutt Sub Branch	<i>Blackbutt RSL</i> 17 Douglas Street, Blackbutt	\$912
Reserve - Wondai Sub Branch Returned Services League Australia	<i>RSL Club</i> 87 Mackenzie Street, Wondai	\$1,043
Reserve - Trustee South Burnett Regional Council	<i>Booie Hall</i> 1867 Booie Road, Booie	\$1,043
		\$11,342

Organisation	Location	Total Concession
Organisation – Aged Care Facilities – Owned by Religious Entities		
The Uniting Church in Australia	<i>Canowindra Nursing Home</i> 43-61 Windsor Circle, Kingaroy	\$4,279
Southern Cross Care (Queensland)	<i>Castra Retirement Home</i> 2 Coopers Street, Murgon	\$1,725
		\$6,004
		\$323,400

4.6 Schedule of Restricted Cash

The projected balance at the 30 June 2017 is an estimate only and may not reflect the actual balance available to be brought forward at the 1 July 2017. The budget papers do not include carry over capital works projects from 2016/2017; consequently the movement of cash does not reflect any funds that may be required for carry over works.

External & Internal Restricted Cash	Projected Balance 01-Jul-2017	Movement In	Movement Out	Projected Balance 30-Jun-2018
Unspent Government Grants and Subsidies	\$439,192	\$1,724,000	\$2,123,192	\$40,000
Unspent Developer Contributions	\$4,441,833	\$100,000	\$542,000	\$3,999,833
Unspent Loan Monies	\$3,476,761	\$2,000,000	\$3,407,461	\$2,069,300
Future Capital Works	\$6,804,551	\$828,098	\$1,624,371	\$6,008,278
Future Recurrent Expenditure	\$1,289,400	\$90,000	-	\$1,379,400
Total Unspent Restricted Cash	\$16,451,737	\$4,742,098	\$7,697,024	\$13,496,811

5. ADDITIONAL STATEMENTS

5.1 Revenue Statement

South Burnett Regional Council

Revenue Statement 2017/2018

Introduction

Sections 169 and 172 of the *Local Government Regulation 2012* require a local government to prepare a revenue statement each financial year. The revenue statement must state:

- (a) If the local government levies differential general rates:
 - (i) The rating categories for rateable land in the local government area; and
 - (ii) A description of each rating category; and
- (b) If the local government levies special rates or charges for a joint government activity, a summary of the terms of the joint government activity; and
- (c) If the local government fixes a cost-recovery fee, the criteria used to decide the amount of the cost-recovery fee; and
- (d) If the local government conducts a business activity on a commercial basis, the criteria used to decide the amount of the charges for the activities goods and services.

The revenue statement for a financial year must include the following information for the financial year:

- (a) An outline and explanation of the measures that the local government has adopted for raising revenue, including an outline and explanation of:
 - (i) The rates and charges to be levied in the financial year; and
 - (ii) The concessions for rates and charges to be granted in the financial year;
- (b) Whether the local government has made a resolution limiting an increase of rates and charges.

Generally, this statement does not deal with specific dollar amounts. The Statement deals with the reasoning applied by Council in fixing rates and charges and if applicable, how the Council applies user pays principles to utility and general charges.

The revenue measures adopted are determined at the budget meeting and are based on the Council's Revenue Policy.

Revenue Raising Matters Adopted in the Budget Concerning the Making and Levying of Rates and Charges

Rates and Charges

1. General Principle

The general principle adopted by Council in determining rates and charges shall be that wherever possible, charges shall relate directly to the services provided, e.g. Water Supply, Waste Water Collection, Refuse Collection, et cetera. Costs which are not able to be recovered by cost recovery fees, business activity fees or utility charges shall be met by the levying of a general rate as hereinafter described.

It is therefore evident from this Revenue Statement that Council will use a combination of specific user charges, separate charges, special charges and differential general rates, as a

means of spreading the rating burden in the most equitable and rational way possible.

2. Differential General Rates

(a) *Reasons*

In determining its general rating strategies, the Council recognises that:

- The valuation of the South Burnett Regional Council area which became effective from 1 July 2016 would lead to rating inequities and a distortion of the relativities in the amount of rates paid in the various parts of the local government area if only one general rate were adopted;
- The level of services provided to that land and the cost of providing services compared to the rate burden that would apply under a single general rate; and
- The differing levels of demand that some land uses place on the services which Council is required to provide.

Having regard to the above matters, and pursuant to Section 92 of the *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*, it is considered that differential rating should form the basis of Council's general revenue raising.

For differential rating purposes it is proposed that rateable lands be divided into broad categories, these categories are:

- Residential Lands
- Commercial Lands
- Industrial Lands
- Rural Lands
- Other Lands

The commercial, industrial and residential categories are further subdivided to reflect differing classes of land within those broader categories. This will allow a more equitable distribution of the cost of operations given that the unimproved value of the land does not fully reflect operational demands and service levels in various sectors of the community.

Pursuant to Section 81 of the *Local Government Regulation 2012*, all rateable lands contained in the South Burnett Regional Council have been categorised into one of the following categories:

Category	Differential Category	Description	Intention of Description
1	Residential - Kingaroy	All properties in this category are located within the Kingaroy Urban Locality and are used solely for residential purposes, or if vacant land, is zoned for residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for residential purposes only. Urban Localities are defined in "Individual Urban Locality" maps series. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9 when determining the properties that fit into this category.	The intention of this description is: 1. That this category will cover all land within the Kingaroy Urban locality, where the dominant purpose for which that land is used, or intended for use, is a residential purpose and not included in any other category. 2. That such land in this category will in the main be owner occupied and where tenanted, the revenue earned is limited to rental income solely. 3. That in the case of land on which there is erected a single unit domestic dwelling to the extent that the dominant use of the land is residential, it will fall into this category regardless of the zoning of the land.

Category	Differential Category	Description	Intention of Description
201	Residential - Nanango	All properties in this category are located within the Nanango Urban Locality and are used solely for residential purposes, or if vacant land, is zoned for residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for residential purposes only. Urban Localities are defined in "Individual Urban Locality" maps series. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9 when determining the properties that fit into this category.	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Nanango Urban locality, where the dominant purpose for which that land is used, or intended for use, is a residential purpose and not included in any other category. 2. That such land in this category will, in the main, be owner occupied and where tenanted, the revenue earned is limited to rental income solely. 3. That in the case of land on which there is erected a single unit domestic dwelling to the extent that the dominant use of the land is residential, it will fall into this category regardless of the zoning of the land.
203	Residential - Blackbutt	All properties in this category are located within the Blackbutt Urban Locality and are used solely for residential purposes, or if vacant land, is zoned for residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for residential purposes only. Urban Localities are defined in "Individual Urban Locality" maps series. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9 when determining the properties that fit into this category.	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Blackbutt Urban locality, where the dominant purpose for which that land is used, or intended for use, is a residential purpose and not included in any other category. 2. That such land in this category will in the main be owner occupied and where tenanted, the revenue earned is limited to rental income solely. 3. That in the case of land on which there is erected a single unit domestic dwelling to the extent that the dominant use of the land is residential, it will fall into this category regardless of the zoning of the land.
301	Residential - Murgon	All properties in this category are located within the Murgon Urban Locality and are used solely for residential purposes, or if vacant land, is zoned for residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for residential purposes only. Urban Localities are defined in "Individual Urban Locality" maps series. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9 when determining the properties that fit into this category.	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Murgon Urban locality, where the dominant purpose for which that land is used, or intended for use, is a residential purpose and not included in any other category. 2. That such land in this category will in the main be owner occupied and where tenanted, the revenue earned is limited to rental income solely. 3. That in the case of land on which there is erected a single unit domestic dwelling to the extent that the dominant use of the land is residential, it will fall into this category regardless of the zoning of the land.

401	Residential - Wondai	All properties in this category are located within the Wondai Urban Locality and are used solely for residential purposes, or if vacant land, is zoned for residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for residential purposes only. Urban Localities are defined in "Individual Urban Locality" maps series. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9 when determining the properties that fit into this category.	The intention of this description is: 1. That this category will cover all land within the Wondai Urban locality, where the dominant purpose for which that land is used, or intended for use, is a residential purpose and not included in any other category. 2. That such land in this category will in the main be owner occupied and where tenanted, the revenue earned is limited to rental income solely. 3. That in the case of land on which there is erected a single unit domestic dwelling to the extent that the dominant use of the land is residential, it will fall into this category regardless of the zoning of the land.
3	Village	The property is used for any purpose; and located in any of the following villages: - Benarkin, Brooklands, Cloyna, Coolabunia, Crawford, Dandabah, Hivesville, Kumbia, Maidenwell, Memerambi, Moffatdale, Proston, Taabinga, Tingoorra, Winderera, Wooroolin. Village areas are defined in "Individual Village" maps series.	The intention of this description is: 1. To cover all land used for any purpose that is situated in any of the villages located in the South Burnett Regional Council area and is not included in any other category.
910	Rural Residential - Blackbutt	All properties in this category are situated outside the Blackbutt Urban Locality and nearby village localities, but are used for residential purposes. Or if vacant land, it is zoned for rural residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for rural residential purposes. It includes all land used for rural residential purposes as defined on the map marked Rural Residential – Blackbutt. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9, and 94 when determining the properties that fit into this category.	The intention of this description is:- 1. To cover all land used for rural residential purposes that is shown on the map marked Rural Residential – Blackbutt and is not included in any other category.
920	Rural Residential - Nanango	All properties in this category are situated outside the Nanango Urban Locality and nearby village localities, but are used for residential purposes. Or if vacant land, it is zoned for rural residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for rural residential purposes. It includes all land used for rural residential purposes as defined on the map marked Rural Residential – Nanango. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9, and 94 when determining the properties that fit into this category.	The intention of this description is: 1. To cover all land used for rural residential purposes that is shown on the map marked Rural Residential – Nanango and is not included in any other category.

930	Rural Residential - Kingaroy	All properties in this category are situated outside the Kingaroy Urban Locality and nearby village localities, but are used for residential purposes. Or if vacant land, it is zoned for rural residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for rural residential purposes. It includes all land used for rural residential purposes as defined on the map marked Rural Residential – Kingaroy. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9, and 94 when determining the properties that fit into this category.	The intention of this description is: 1. To cover all land used for rural residential purposes that is shown on the map marked Rural Residential – Kingaroy and is not included in any other category.
940	Rural Residential - Wondai	All properties in this category are situated outside the Wondai Urban Locality and nearby village localities, but are used for residential purposes. Or if vacant land, it is zoned for rural residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for rural residential purposes. It includes all land used for rural residential purposes as defined on the map marked Rural Residential – Wondai. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9, and 94 when determining the properties that fit into this category.	The intention of this description is: 1. To cover all land used for rural residential purposes that is shown on the map marked Rural Residential – Wondai and is not included in any other category.
950	Rural Residential - Murgon	All properties in this category are situated outside the Murgon Urban Locality and nearby village localities, but are used for residential purposes. Or if vacant land, it is zoned for rural residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for rural residential purposes. It includes all land used for rural residential purposes as defined on the map marked Rural Residential – Murgon. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9, and 94 when determining the properties that fit into this category.	The intention of this description is: 1. To cover all land used for rural residential purposes that is shown on the map marked Rural Residential – Murgon and is not included in any other category.

960	Rural Residential - Other	<p>All properties in this category are located anywhere within the South Burnett Regional Council area and are outside any Urban Locality or nearby village localities or other defined Rural Residential Categories but are used for residential purposes. Or if vacant land, it is zoned for rural residential use under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for rural residential purposes. It includes all land used for rural residential purposes as defined on the map marked Rural Residential – Other. Council will be guided by the Department of Natural Resources and Mines land use codes between 1 and 9, and 94 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. To cover all land used for rural residential purposes that is shown on the map marked Rural Residential – Other and is not included in any other category.
2	Commercial - Kingaroy	<p>All properties in this category are located within the Kingaroy Urban Locality and are used for business and commercial purposes, or if vacant land, is zoned for business and commercial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes. Urban Localities are defined in “Individual Urban Locality” maps series.</p> <p>This category includes properties that are used for a combined residential and a business or commercial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 10 and 15, 17 and 27, and 41 and 49 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Kingaroy Urban locality, where the property is used for a business and commercial purpose; or 2. If vacant land, is zoned for a business and commercial purpose under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes; and 3. Is not included in any other category.
202	Commercial - Nanango	<p>All properties in this category are located within the Nanango Urban Localities and are used for business and commercial purposes, or if vacant land, is zoned for business and commercial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes. Urban Localities are defined in “Individual Urban Locality” maps series.</p> <p>This category includes properties that are used for a combined residential and a business or commercial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 8 and 15, 17 and 27, and 41 and 49 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Nanango Urban locality, where the property is used for a business and commercial purpose; or 2. If vacant land, is zoned for a business and commercial purpose under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes; and 3. Is not included in any other category.

204	Commercial - Blackbutt	<p>All properties in this category are located within the Blackbutt Urban Localities and are used for business and commercial purposes, or if vacant land, is zoned for business and commercial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and a business or commercial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 10 and 15, 17 and 27, and 41 and 49 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Blackbutt Urban locality, where the property is used for a business and commercial purpose; or 2. If vacant land, is zoned for a business and commercial purpose under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes; and 3. Is not included in any other category.
302	Commercial - Murgon	<p>All properties in this category are located within the Murgon Urban Locality and are used for business and commercial purposes, or if vacant land, is zoned for business and commercial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and a business or commercial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 10 and 15, 17 and 27, and 41 and 49 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Murgon Urban locality, where the property is used for a business and commercial purpose; or 2. If vacant land, is zoned for a business and commercial purpose under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes; and 3. Is not included in any other category.
402	Commercial - Wondai	<p>All properties in this category are located within the Wondai Urban Locality and are used for business and commercial purposes, or if vacant land, is zoned for business and commercial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and a business or commercial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 10 and 15, 17 and 27, and 41 and 49 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Wondai Urban locality, where the property is used for a business and commercial purpose; or 2. If vacant land, is zoned for a business and commercial purpose under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for business and commercial purposes; and 3. Is not included in any other category.

9	Drive-In Shopping Centre > 10,000m ²	All properties in this category are classified as a Drive in Shopping Centre (a retail shopping and commercial complex) with more than 10,000 square metres of gross floor area and on-site parking for more than 500 vehicles.	
10	Drive-In Shopping Centre 4,001m ² to 10,000m ²	All properties in this category are classified as a Drive in Shopping Centre (a retail shopping and commercial complex) with a gross floor area of more than 4,000 square metres and less than 10,000 square metres and/or more than 150 on-site car parks or adjacent car parks which are maintained to service the specific shopping centre.	
99	Drive-In Shopping Centre 1,500m ² to 4,000m ²	All properties in this category are classified as a Drive in Shopping Centre (a retail shopping and commercial complex) with a gross floor area of more than 1,500 square metres and less than 4,000 square metres and/or more than 40 on-site car parks or adjacent car parks which are maintained to service the specific shopping centre.	
8	Industrial - Kingaroy	<p>All properties in this category are located within the Kingaroy Urban Locality and are used for industrial purposes, or if vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and an industrial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 28 and 39 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Kingaroy Urban locality, where the property is used for industrial purposes; or 2. If vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes; and 3. Is not included in any other category.
208	Industrial - Nanango	<p>All properties in this category are located within the Nanango Urban Locality and are used for industrial purposes, or if vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and an industrial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 28 and 39 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Nanango Urban Locality, where the property is used for industrial purposes; or 2. If vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes; and 3. Is not included in any other category.

209	Industrial - Blackbutt	<p>All properties in this category are located within the Blackbutt Urban Locality and are used for industrial purposes, or if vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and an industrial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 28 and 39 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Blackbutt Urban Locality, where the property is used for industrial purposes; or 2. If vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes; and 3. Is not included in any other category.
308	Industrial - Murgon	<p>All properties in this category are located within the Murgon Urban Locality and are used for industrial purposes, or if vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and an industrial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 28 and 39 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Murgon Urban locality, where the property is used for industrial purposes; or 2. If vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes; and 3. Is not included in any other category.
408	Industrial - Wondai	<p>All properties in this category are located within the Wondai Urban Locality or Wondai Industrial Estate and are used for industrial purposes, or if vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes. Urban Localities are defined in "Individual Urban Locality" maps series.</p> <p>This category includes properties that are used for a combined residential and an industrial purpose. Council will be guided by the Department of Natural Resources and Mines land use codes between 28 and 39 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. That this category will cover all land within the Wondai Urban locality or Wondai Industrial Estate, where the property is used for industrial purposes; or 2. If vacant land, is zoned for industrial purposes under the Planning Schemes relevant to South Burnett Regional Council, and intended for use for industrial purposes; and 3. Is not included in any other category.
211	Extractive C	<p>All properties in this category are used for extractive industry purposes such as quarries and mining operations with between 51 and 300 workers (employees and/or contractors) and/or extraction volumes of between 1 million and 2 million tonnes per year.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. To cover all land used for the purpose of extracting resources from the ground, with operations that have between 51 and 300 workers (employees and/or contractors) and/or extraction volumes of between 1 million and 2 million tonnes per year.

212	Extractive A	<p>All properties in this category are used for extractive industry purposes and include:</p> <ul style="list-style-type: none"> (a) Mining leases with no activity; (b) Gravel Pits that operate only sporadically; and (c) Small extractive operations such as quarries and mines which operate with an employee base of up to and including 5 workers (employees and/or contractors). <p>Council will be guided by the Department of Natural Resources and Mines land use code 40 when determining the properties that fit into this category.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. to cover all land used for the purpose of extracting resources from the ground and include: <ul style="list-style-type: none"> (a) Mining leases with no activity; (b) Gravel Pits that operate only sporadically; and (c) Small extractive operations such as quarries and mines which operate with an employee base of up to and including 5 workers (employees and/or contractors).
213	Extractive B	<p>All properties in this category are used for extractive industry purposes, and include:</p> <ul style="list-style-type: none"> (a) Operational Gravel Pits; and (b) Extractive operations such as quarries and mining operations with an employee base of between 6 and 50 workers (employees and/or contractors) and/or extraction volumes of less than 1 million tonnes per annum. (c) Council will be guided by the Department of Natural Resources and Mines land use code 40 when determining the properties that fit into this category. 	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. To cover all land used for the purpose of extracting resources from the ground and include: <ul style="list-style-type: none"> (a) Operational Gravel Pits; and (b) Extractive operations such as quarries and mining operations with an employee base of between 6 and 50 workers (employees and/or contractors) and/or extraction volumes of less than 1 million tonnes per annum.
414	Coal Mine	<p>All properties in this category are used for the purpose of an Integrated Coal Mining operation with more than 300 workers (employees and/or contractors) and/or production greater than 2 million tonnes per year.</p>	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. To cover all land used for the purpose of an Integrated Coal Mining operation, with operations that have greater than 300 workers (employees and/or contractors) and/or extraction volumes of greater than 2 million tonnes per year. <p>A Coal Mine is defined as land that is the subject of a coal mining lease (issued pursuant to the <i>Mineral Resources Act 1989</i>) or other form of tenure that was used, is used, or intended to be used:</p> <p style="padding-left: 40px;">as a coal mine (or for purposes ancillary or associated with coal mining such as, for example, washing down, stockpiling, haulage, water storage and rehabilitation); or in conjunction with other land (the subject of a coal mining lease) as part of an integrated coal mining operation.</p> <p>An integrated coal mining operation is defined as land contained in more than one coal mining lease (issued pursuant to the <i>Mineral Resources Act 1989</i>) or other form of tenure which land was used, is used, or intended to be used in an</p>

			integrated manner for the purposes of coal mining or purposes ancillary or associated with coal mining such as, for example, washing down, stockpiling, haulage, water storage and rehabilitation.
215	Power Generation	All properties in this category are located anywhere within the South Burnett Regional Council area and are used for the purpose of electricity generation by way of coal, gas or a combination of both coal and gas fired power station with a total maximum generating capacity greater than 400 megawatts.	
6	Rural	All properties in this category are located anywhere within the South Burnett Regional Council area, and are used for the business of primary production. Council will be guided by the Department of Natural Resources and Mines land use codes between 60 and 71, 73 and 89, and 93 when determining the properties that fit into this category.	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. To cover all land in the region that is used for the business of primary production, including agricultural, grazing, horticulture, aquaculture and similar purposes; 2. Is not included in any other category; and 3. Properties in this category must qualify for the Department of Natural Resources and Mines primary producers' concession, and are identified by the land use codes above.
419	Water - Pumping & Storage	All properties in this category are used for the purpose of water storage or water pumping. Council will be guided by the Department of Natural Resources and Mines land use code of 95 when determining the properties that fit into this category.	<p>The intention of this description is:</p> <ol style="list-style-type: none"> 1. To cover all land used for the purpose of water storage or water pumping and not included in any other category.
7	Other	Any land that cannot be included in any other category.	

(a) ***Basis on Which Amounts Calculated***

General Rates are principally allocated to rateable properties in the Regional area based on the Unimproved Value (UV) of the land under the *Valuation of Land Act*, as supplied by the Land and Property Division of the Department of Natural Resources and Mines. General Rates are used to fund the general operations of Council after allowing for the income from all other rates and charges and grants and subsidies. The term "rateable land" is defined by Section 93(2) of the *Local Government Act 2009*.

3. Minimum General Rate

(a) ***Reason***

The Council recognises that all parcels of land will receive a benefit from services provided and that, in some instances; the levying of a rate based on the valuation will result in some lands not contributing to the cost of such services in proportion to the benefit received.

(b) ***Basis on Which Minimum General Rate Calculated***

In accordance with Chapter 4, Part 4 of the *Local Government Regulation 2012*, minimum general rates will be determined in each year based on the level of services provided in the

budget for that year.

4. Averaging of Land Values Over 3 Years

(a) Reason

The Council recognises that as a result of the recent revaluation, some property owners face large increases in General Rates, as their property valuation has increased significantly higher than the average. In order to minimise the impact of significant valuation increases for these property owners, Council has decided to utilise the averaging tool set out in Chapter 4, Part 3 of the *Local Government Regulation 2012*.

(b) Basis on Which Averaging of Land Values is Calculated

In accordance with Sections 74 and 76 of the *Local Government Regulation 2012*, differential general rates will be calculated based on a three year averaged valuation.

For properties that do not have three valuations on which to base an average, a 3-year averaging number will apply in accordance with Section 76 of the *Local Government Regulation 2012*.

5. Limitation of Increase in Amount of General Rates

(a) Reason

The Council recognises that as a result of the previous revaluations, some property owners face large increases in General Rates, as their property valuation has increased above the average. In order to minimise the impact of significant valuation increases for these property owners, Council has decided to place a limit on the increase in general rates applicable to each rate assessment as set out in Section 116 of the *Local Government Regulation 2012*.

(b) Basis on Which Limitation is Calculated

In accordance with Section 116 of the *Local Government Regulation 2012*;

- (i) For land on which the rate levied for the previous financial year was for a full year the amount of the rate levied for the previous financial year plus 30%.
- (ii) For land on which the rate was levied for the previous financial year was for a period less than the full year the corresponding annual amount for the rate levied for the previous financial year plus 30%.
- (iii) For land which was not levied for a period of twelve (12) months the preceding financial year or to any separately valued parcel of land that is of different areas as to the time of rating for the immediately preceding financial year the limitation shall not apply.

6. Special Charges

6.1 Special Charge – Rural Fire Levy

(a) Reason

In accordance with the *Fire and Emergency Services Act 1990* and the *Fire and Emergency Services Regulation 2011*, allowing Local Governments to make and levy a charge on all parcels of rateable land serviced by a Rural Fire Brigade, the Council decided to impose such a charge on all rateable land not situated in an urban fire brigade area, as defined by

the Queensland Fire & Emergency Service.

(b) **Basis on Which Special Rural Fire Charge Calculated**

In accordance with Section 92(3) of the *Local Government Act 2009* and Chapter 4 Part 6 of the *Local Government Regulation 2012* and Section 128A of the *Fire and Emergency Services Act 1990*, Council will make and levy a special charge of \$25, on all rateable land within the region, other than rateable land that is liable to pay an urban fire district levy (pursuant to Section 107 of the *Fire and Emergency Services Act 1990*), to fund the ongoing provision and maintenance of rural fire-fighting equipment for the rural fire brigades that operate throughout the rural areas of the region.

The overall plan for the Rural Fire Levy is as follows:

- The rateable land to which the plan applies is all rateable land within the region, other than rateable land that is liable to pay an urban district fire levy (pursuant to Section 107 of the *Fire and Emergency Services Act 1990*).
- The service, facility or activity for which the plan is made is the ongoing provision and maintenance of rural fire-fighting equipment for the rural fire brigades that operate throughout the rural areas of the region.
- The time for implementing the overall plan is 1 year commencing 1 July 2017 and ending 30 June 2018.
- The estimated cost of implementing the overall plan is \$220,000.
- The level of contribution each brigade receives will be decided by the Local Area Rural Fire Services Committee.

The Council is of the opinion that the rateable land to be levied with the special charge specially benefits from the fire emergency response capability that is provided by the rural fire brigades, which capability would be substantially diminished if the rural fire brigades did not receive the funding provided to them by Council as a direct consequence of the levying of the special charge.

7. Separate Rates or Charges

7.1 Separate Charge – Environmental Levy

(a) **Reason**

In accordance with Section 92(5) of the *Local Government Act 2009* and Chapter 4, Part 8 of the *Local Government Regulation 2012*, the Council has determined that a separate charge will be levied equally on all rateable lands in the Region to enable Council to fund issues specifically for the protection of the environment.

- To design and implement natural resource management strategies or plans at a local or regional scale.
- To implement on ground works for the enhancement and protection of areas identified as having significant environmental values within the South Burnett Region such as reserves, waterways, flora and fauna habitats, remnant vegetation, cultural or heritage significant sites, et cetera.
- To design and implement renewable energy initiatives to address climate change issues.
- To address salinity and water quality issues in the South Burnett Region.
- To address declining remnant vegetation issues in the South Burnett Region.
- To research control measures, carry out field trials and eradication works for

environmental weeds identified in Council's Pest Management Plan.

- To deliver Natural Resource Management training to Council Staff and community organisations.
- To develop education and awareness materials relevant to Natural Resource Management and Sustainable communities within the region.
- To purchase land for conservation purpose.
- The time for implementing the overall plan is 1 year commencing 1 July 2017 and ending 30 June 2018.
- The estimated cost of implementing the overall plan in 2017/2018 is \$505,149.

(b) ***Basis on Which Special Environmental Charge Calculated***

Revenue raised from this charge will only be used to fund either all or part of the costs associated with issues specifically for the protection of the environment. It is considered to be more appropriate to raise funds by a separate charge rather than from general funds to ensure the community is aware of the Council's commitment to the long-term sustainability of our environment. It also considers the benefit is shared equally by all parcels of land regardless of their value. Full particulars of the environmental initiatives funded by the levy are set out in Council's budget papers.

7.2 Separate Charge – Waste Management Levy

(a) ***Reason***

In accordance with Section 92(5) of the *Local Government Act 2009* and Chapter 4, Part 8 of the *Local Government Regulation 2012*, the Council has determined that a separate charge will be levied equally on all rateable lands in the Region to enable Council to fund issues specifically for the provision, improvement and management of waste management facilities.

(b) ***Basis on Which Waste Management Charge Calculated***

Revenue raised from this charge will only be used to fund either all or part of the costs associated with provision, improvement and management of waste management facilities. It is considered to be more appropriate to raise funds by a separate charge rather than from general funds to ensure the community is aware of the Council's commitment to the long-term appropriate management of waste. It also considers the benefit is shared equally by all parcels of land regardless of their value. Full particulars of the waste management initiatives funded by the levy are set out in Council's budget papers.

7.3 Separate Charge – Community Rescue and Evacuation Levy

(a) ***Reason***

In accordance with Section 92(5) of the *Local Government Act 2009* and Chapter 4, Part 8 of the *Local Government Regulation 2012*, the Council has determined that a separate charge will be levied equally on all rateable lands in the Region to enable Council to provide funds for the purpose of sponsoring the aerial emergency rescue and evacuation transport providers that service the South Burnett Region.

(b) ***Basis on Which Special Medical Evacuation Calculated***

Revenue raised from this charge will only be used to fund sponsorship of the aerial emergency rescue and evacuation transport providers that service the South Burnett Region. In Council's opinion, it is more appropriate to raise funds by a separate charge rather than from general funds to ensure the community is aware of the Council's commitment to ensure

ongoing support for this vital community service. It also considers the benefit is shared equally by all parcels of land regardless of their value.

7.4 Separate Charge – Road Infrastructure Levy

(a) Reason

In accordance with Section 92(5) of the *Local Government Act 2009* and Chapter 4, Part 8 of the *Local Government Regulation 2012*, the Council has determined that a separate charge will be levied equally on all rateable lands in the region to enable Council to defray part of the cost of maintaining and upgrading its road network including associated infrastructure such as:

- kerb and channelling
- road signage & linemarking
- footpaths and bikeways
- bridges & culverts
- causeways & floodway's
- drainage

(b) Basis on Which Special Road Infrastructure Costs Calculated

Revenue raised from this charge will only be used to fund part of the costs associated with maintaining and upgrading Council's road network and associated infrastructure. It is considered to be more appropriate to raise funds by a separate charge rather than from general funds to ensure the community is aware of the Council's commitment to the long-term appropriate management of its road assets. It also considers the benefit is shared equally by all parcels of land regardless of their value. Full particulars of the initiatives funded by the levy are set out in Council's budget papers.

8. Utility Charges

8.1 Wastewater Utility Charges

(a) Reason

The Council operates separate waste water and common effluent schemes set out in Schedule A and determines that the net cost of providing wastewater services to lands, including operating and maintenance costs, capital costs and debt servicing charges will be fully funded by a charge on those lands receiving the service or to which the service is deemed to be available.

(b) Basis on Which Wastewater Charges Calculated

Until otherwise determined by the Council the basis and principles of assessing charges to be levied under Section 92(4) of the *Local Government Act 2009* and Chapter 4, Part 7 of the *Local Government Regulation 2012* for the purpose of defraying the interest and redemption charges to loan liability incurred by the Council for Wastewater services (including Common Effluent Disposal Systems) and the cost of operating and maintaining wastewater systems (including common effluent disposal) in the declared wastewater areas set out in Schedule A shall in respect of all land and premises in the area, whether the land on which any structure, building or place is situated, is or is not rateable under the *Local Government Act 2009*, shall be as follows:

- (i) In respect of all lands and premises which are connected with Council's Wastewater Systems (including common effluent systems):

- A charge to be fixed by the Council, for each pedestal connected to the wastewater system, other than extra pedestals installed in a private residence for the sole use of the occupier and their family.
- (ii) In respect of each allotment of Vacant Land (land not connected to the wastewater system) rateable under the *Local Government Act 2009* situated within the declared wastewater areas:
 - A charge to be fixed by the Council.
- (iii) Where any premises not connected to the Council's wastewater system, become connected during the year, the charges under Clause (i) shall become operative from the date of connection, with proportionate rebate from that date, of those made under Clause (ii).

8.2 Refuse Collection Charges – Residential and Commercial

(a) Reason

Council determines that the net cost of providing refuse collection services including operation and maintenance costs, capital costs and debt servicing costs will be funded by those lands receiving the service. Details of the areas receiving a refuse service are set out in Schedule B.

(b) Basis on Which Refuse Collection Charges Calculated

Until otherwise determined by the Council the basis and principles of assessing charges to be levied under Section 92(4) of the *Local Government Act 2009* and Chapter 4, Part 7 of the *Local Government Regulation 2012*, for the purpose of defraying the cost of supplying a cleansing service for the removal of garbage or refuse in respect of all lands and premises as defined in the schedule of declared refuse areas set out in Schedule B and those lands and premises outside the declared refuse areas where an optional cleansing service is requested shall be as follows:

- (i) In respect of all lands and premises contained within the declared refuse area:
 - A charge to be fixed by the Council for each domestic refuse service for the declared refuse collection area, or for the Bunya Mountains only, a charge equivalent to the domestic refuse service where Council provides shared communal bulk bins for residents.
- (ii) In respect of all lands and premises outside the declared refuse areas where an optional cleansing service is requested:
 - A charge to be fixed pursuant to section (i).
- (iii) In respect of all lands and premises either contained within a declared refuse area or outside a declared refuse area where garbage and refuse are removed other than in accordance with Clause (i) and (ii) (i.e. Commercial Waste Collection).
 - A charge fixed pursuant to section (i) for each equivalent 240 litre container provided.

8.3 Water Supply Charges

(a) Reason

The Council operates separate water supply schemes set out in Schedule C, and determines that the net cost of providing a water supply including operation and maintenance costs, capital costs and debt servicing costs will be fully funded by charges on those lands receiving a supply or to which a supply is deemed to be available.

(b) ***Basis on which Water Supply Charges Calculated***

- (i) *Access Charge*: In accordance with Section 92(4) of the *Local Government Act 2009* and Chapter 4, Part 7 of the *Local Government Regulation 2012*, the costs of administration, costs associated with the source of supply and depreciation will be funded by a fixed charge on those lands receiving the service or to which the service is deemed to be available in each scheme.

Council believes that it is logical and equitable for all users to contribute to the fixed costs of the water supply operation. The basis of apportionment of this cost shall be the supply capacity made available to the connected premises, as a measure of the proportionate share of the capacity of the system utilised by the connected property.

Meter Size	Capacity Factor
20mm	1.0
25mm	1.6
32mm and 40mm	2.5
50mm and 80mm	6.5
100mm	15.0
Vacant (not connected)	0.5

This direct correlation is varied as follows:

- (a) All connections below 25mm are deemed to be the same capacity;
 - (b) Domestic properties which due to low pressure related matters only, require the installation of a larger than normal (20 mm) water meter, are to be charged the equivalent of a 20mm connection base charge;
 - (c) Domestic properties which due to low pressure related matters only, require the installation of an additional water meter, are to be charged the equivalent of a single 20mm connection base charge only;
 - (d) In the case of units as defined under the *Body Corporate and Community Management Act 1997* where the complex has a main meter, and individual units do not have an individual meter, then the base water charge for each unit will be levied as if the unit had a 20mm service connected;
 - (e) In the case where there are 2 or more lots and an improvement is constructed across a property boundary, provided that a connected access charge is being levied for one lot, then vacant charges will not apply to the other vacant (land not connected to the water system) lot;
 - (f) In the case of properties defined as "Rural" except for properties connected to the Proston Rural Water Scheme under Council's differential rating criteria where multiple services are connected a charge for each additional connection shall be 50% of a single 20mm base charge;
 - (g) In the case of properties on the Proston Rural Supply Scheme an access charge for each connection will apply; and
 - (h) In the case where a specifically dedicated metered service connection is provided for fire-fighting capability a charge for each service shall be 50% of a single 20mm access charge.
- (ii) *Usage Charge*: In Accordance with Section 92(4) of the *Local Government Act 2009* and Chapter 4, Part 7 of the *Local Government Regulation 2012*, the cost of reticulation of water supply will be funded by a per kilolitre charge for every

kilolitre of water used as measured by a meter. Meters shall be read as near as practicable to June 30 and December 31 each year. Water Consumption charges will be included on each Half Yearly Rate Notice.

This charge for all schemes excluding Proston Rural Water Supply Scheme is based on a tier system, calculated on the volume of water used in kilolitres (1000's of litres). The step system rewards households with low water usage, and penalises households with high water usage. Council believes that the higher consumption charge for higher steps will be a significant incentive for residents to conserve water.

In the case of the water used by the Proston Rural Water Supply Scheme a flat per kilolitre charge for every kilolitre of water used as measured by a meter will apply.

The tiers or steps that apply to all size connections are shown in the table below.

For connections greater than 20mm, the steps are increased proportionally with the capacity factor mentioned in (b) (i) above.

Meter Size	Capacity Factor	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
20mm	1.0	0 - 80	81 – 120	121 – 300	301 – 500	501 – 1,700	>1,700
25mm	1.6	0 - 128	129 – 192	193 – 480	481 – 800	801 – 2,720	>2,720
32mm & 40mm	2.5	0 – 320	321 – 480	481 – 1,200	1,201 – 2,000	2,001 – 6,800	>6,800
50mm & 80mm	6.5	0 – 520	521 – 780	781 – 1,950	1,951 – 3,250	3,251 – 11,050	>11,050
100mm	15.0	0 – 1,200	1,201 – 1,800	1,801 – 4,500	4,501 – 7,500	7,501 – 25,500	>25,500

9. Discount and Other Benefits for Prompt Payment of Rates

(a) Reason

To encourage early payment of rates, Council will offer ratepayers a discount on payments received during the nominated discount period in accordance with Section 130 of the *Local Government Regulation 2012*.

For discount to be allowed, full payment of all rates, (including overdue rates), charges, interest, fees and levies appearing on the rate notice must be received by Council or approved agency by the close of business on or before the due date.

Property owners who have entered into a Deferred Payment Arrangement (Concession Agreement) approved by Council to pay off Memerambi Special Charges (Roadworks and Drainage) and have paid all necessary instalments (excluding future instalments not yet due for payment) in accordance with the Deferred Payment Arrangement will qualify for discount on general rates and utility charges but will not qualify for discount on the special charges.

This is conditional upon the full payment of all other rates (including overdue rates), charges, interest, fees and levies appearing on the rate notice being received by Council or approved agency by the close of business on or before the due date.

In the case of electronic payments, discount will be allowed if full payment as described above, is received and recorded on Council's accounts on or before the due date.

The discount period will be a period of at least thirty (30) clear days commencing from the issue date shown on the rate notice and concluding on the due date shown on the rate notice.

(b) ***Basis on Which Discount Calculated***

For payments made during the discount period – a period of at least thirty (30) clear days commencing from the issue date shown on the rate notice and concluding on the due date shown on the rate notice.

Discount will apply to the following rates and charges:

- General Rates levied – 10%
- Wastewater charge levied – 10%
- Water access charge levied – 10%
- Garbage charge levied – 10%

However, discount does not apply to the following charges, which may appear on the rate notice:

- State Emergency (Urban) Fire Levy
- Rural Fire Brigade Levy
- Water Consumption charges
- Environmental Levy
- Community Rescue and Evacuation Levy
- Waste Management Levy
- Road Infrastructure Levy
- Road & Drainage Works Memerambi Estate Levy
- Any property charge relating to the carrying out of works (e.g. Slashing/Grass cutting or eradication of noxious weeds)
- Legal costs incurred by Council in rate collection
- Interest charges on overdue rates

(c) ***Approval of Early Payment Discount for Late Payments***

There are occasions when payment by the due date is not able to be achieved through circumstances beyond the control of the ratepayer. The *Local Government Regulation 2012* provides Council with the discretionary power to allow discount in such circumstances.

Payments Made After the Due Date

Discount may be allowed, if the full payment of the overdue rates and charges has been made or will be made within the period specified by Council AND the applicant provides proof of any of the following:

- (a) Illness involving hospitalization and/or incapacitation of the ratepayer at or around the time of the rates being due for discount.
- (b) The death or major trauma (accident/life threatening illness/emergency operation) of the ratepayer and/or associated persons (spouse/children/parents) at or around the time of the rates being due for discount.
- (c) The loss of records resulting from factors beyond their control (fire/flood, et cetera).

Further, that Council is satisfied that the event is the cause of the applicants' failure to make full payment by the due date.

Late Payments Due to Postal Difficulties

Discount will be approved if the non-receipt of the rate notice or rate payment or late

receipt of the payment by Council where the reason for such non-receipt or late payment is separately substantiated by:

- (a) Written concurrence of the applicable mail carrier that problems existed with the mail deliveries; or
- (b) Written evidence that a mail re-direction was current at that location at the time that the rate notice was issued, or when the rates were due for payment; or
- (c) The return of the rate notice to Council although correctly addressed; or
- (d) Other evidence that payment of the rates was made by the ratepayer at that time, but did not reach Council due to circumstances beyond the control of the ratepayer. In such circumstances, Council will consider the past payment history of the ratepayer, and whether such circumstances have been claimed before; or
- (e) Where an administrative error occurred at the Department of Natural Resources and Mines that resulted in the rate notice being incorrectly addressed by Council.

Discount will **NOT** be allowed if the circumstances above are:

- As a result of the failure of the ratepayer to ensure that Council was given the correct notification of the address for service of notices prior to the issue of the rate notice; or
- As a result of a change of ownership, where Council received notification of the change of ownership after the issue of the rate notice.

Administrative Errors

An extended discount period will be allowed if Council has failed to correctly issue the rate notice in sufficient time to permit the ratepayer to make payment before the expiration of the discount period. The extended discount period will be equivalent to that period provided to other ratepayers and will commence from the date of the replacement notice.

Other Errors

Where there is an apparent accidental short payment of the rates resulting from a miscalculation of the net amount due on the part of the ratepayer, arising from the payment of a number of rate notices at one time (i.e. Addition error) OR the tendering of an incorrect amount for a single rate notice (i.e. transposition error) THEN discount will be allowed in the following manner:

- a. Where the amount of the error is \$50 or less:
Full discount will be allowed and the underpaid amount will be treated as 'Arrears of Rates'.
- b. Where the amount of the error is more than \$50:
The ratepayer will be advised in writing of the error and given 14 days to pay the shortfall. If the shortfall is paid by the extended due date, then full discount will be allowed.

The allowing of discount under these circumstances will **NOT** be allowed if any transposition error or addition error exceeds 20% of the total net rates payable on a single rate notice, or the number of rate notices paid at one time.

10. Interest on Overdue Rates

(a) Reason

The Council has determined that all rates and charges will be determined as overdue for the

charging of interest if they remain unpaid after thirty (30) days from the due date of the relevant rate notice. (i.e. sixty (60) days from the issue date of the relevant rate notice).

(b) *Basis on Which Interest Calculated*

Interest will be charged on all overdue rates in accordance with Section 133 of the *Local Government Regulation 2012*. The interest shall be compound interest, calculated on daily rests. The interest rate shall be 11% per annum.

11. Collection of Outstanding Rates and Charges

Council requires payment of rates and charges within the specified period and it is Council's policy to diligently pursue the collection of overdue rates and charges. However, Council will take into account individual circumstances or the financial hardships faced by relevant ratepayers.

To cater for this, Council has established balanced administrative processes that allow flexibility in ratepayer payment options including payment by regular instalments. At the same time, these processes include a variety of options, including legal action, that allow the effective recovery of overdue rates, depending on the level of resistance experienced.

(a) *Arrangements to Pay*

Pursuant to Chapter 4, Part 10 of the *Local Government Regulation 2012*, arrangements to pay will be entered into where the ratepayer and Council agree that such arrangements will allow the outstanding rates and charges to be paid in full by the end of the current half year.

While a ratepayer maintains an arrangement to pay, Council will suspend all legal action, and will suspend all interest charges.

Council may also agree to enter into arrangements to pay where the outstanding rates and charges will not be paid in full by the end of the current half yearly period. These arrangements will be considered by Council on a case by case basis, and may require the ratepayer to make an initial lump sum payment of up to 50% of the outstanding rates.

Where a ratepayer defaults on an arrangement to pay, in the first instance, Council will attempt to make contact with the ratepayer, and negotiate for the return of the arrangement to an "up to date" position.

If the ratepayer fails to rectify the arrangement, or repeatedly defaults on the arrangement, then the arrangement to pay will be cancelled, and the suspension on interest charges and legal action will be lifted. Additionally, Council will not enter into any further rate arrangements until such time as all outstanding rates and charges are paid in full.

12. Payment Methods

Council offers ratepayers a wide and varied range of payment methods to pay rates. This includes Cash, Cheque or Money Order; Credit and Debit Card via EFTPOS at Council's Administration Offices; Credit Card or Debit Card over the telephone or internet via BPAY, or payment by cash, cheque, Credit Card or Debit Card at any Australia Post outlet in Australia, or payment by Credit Card or Debit Card via Telephone or Internet via Australia Post Bill Pay.

Other additional payment options will be considered and implemented where appropriate.

12.1 Payments in Advance

Council does accept payments in advance – either the estimated amount of future rate levies or smaller amounts paid by instalments. Credit interest is not payable to ratepayers on any credit balances held.

12.2 Issue of Rate Notices

(a) *Half Yearly Rate Notices*

Council will issue separate rate notices (half yearly) for each six months of the year. The rate notice for the first six months of the financial year (July to December) will generally be issued in August each year. The rate notice for the second six months of the financial year (January to June) will generally be issued in February each year. Each half yearly notice will also include water consumption charges for the previous six month period.

(b) *Monthly Water Consumption Notices*

For selected large water consumers, where the cumulative cost of water consumed for the regular six month period would be prohibitive and cause undue hardship, Council will consider the monthly issue of rate notices for this purpose.

(c) *Pro Rata/Supplementary Rate Notices*

Council will issue Supplementary Rate Notices for adjustments and variations in rates and charges on an “as required” basis during the year.

In accordance with Section 92(4) of the *Local Government Act 2009* and Chapter 4 Part 7 of the *Local Government Regulation 2012*, where the use made of particular land varies (e.g. vacant land has a building constructed, or an existing building is altered), utility charges will be amended as follows:

i. *Garbage Services*

Where the garbage charge payable in respect of a particular premises is situated inside a declared garbage collection area, then the new service, or alteration/reduction to an existing service, shall be charged (or refunded as the case may be) on a pro rata basis and become operative from the date of commencement/alteration to the service.

ii. *Water Supply Services*

In the case of a new service being connected to a property situated within a declared water area, the new service shall be charged on a pro rata basis and become operable from the date of installation of the service.

In the case of an alteration to an existing service to a property situated within a declared water area, the addition/reduction of the service shall be charged on a pro rata basis and become operable from the date of installation/disconnection of the service.

In the case of land being subdivided (including Group Title) within a declared water area, the water charge shall be charged on a pro rata basis and become operable from the date of the sales of the new lots.

In the case where there has been an identified problem with a water meter, the

consumption charge shall be calculated on a pro rata basis according to the average daily consumption over the previous three (3) years, or for whatever period is applicable to the current owner if less than three (3) years. Otherwise, it will be at the discretion of the Chief Executive Officer or his delegate.

In the case there has been an undetected water leak, plumbing failure or actions outside of the control of the ratepayer, the amount of relief from payment of the measured water consumption charge will be calculated on a pro rata basis according to the average daily consumption over the previous three (3) years, or for whatever period is applicable to the owner if less than three (3) years. However, the amount of relief cannot be more than 50% of the difference between the average consumption and the consumption actually registered for the relevant period.

iii. **Wastewater Services**

In the case of a new building constructed on a property situated within a declared wastewater area, the new service shall be charged on a pro rata basis and become operable from the date of connection/connection (final inspection) of the service to the wastewater scheme.

In the case of an alteration to an existing building on a property situated within a declared wastewater area, the addition/reduction of the service shall be charged on a pro rata basis and become operable from the date of connection/disconnection of the service to the wastewater scheme.

In the case of land being subdivided (including Group Title) within a declared wastewater area, the wastewater charge shall be charged on a pro rata basis and become operable from the date of the sales of the new lots.

13. Cost Recovery Fees and Business Activity Fees

13.1 Cost Recovery Fees

Council imposes cost recovery fees for services and facilities supplied by it under the Local Government Act and Local Laws for things such as applications, approvals, consents, licenses, permission, registration, information given, admission to certain structures or places or inspection made.

These Cost Recovery Fees are set at or below a level which is based as far and accurately as possible on the actual cost of providing the particular service to which the fee relates. All Cost Recovery Fees are listed in Council's Register of Fee and Charges.

13.2 Business Activity Fees

Council has the power to conduct business activities and make business activity fees for services and facilities it provides on this basis. Business activity fees are made where Council provides a service and the other party to the transaction can choose whether or not to avail itself of the service. Business activity fees are a class of charge, which are purely commercial in application and are subject to the Commonwealth's Goods and Services Tax.

Business activity fees include but are not confined to the following: rents, plant hire, private works and hire of facilities.

14. Concessions on Rates and Charges

14.1 Pensioner Concession

It is Council's policy to provide assistance by way of a concession of rates to pensioners who meet the administrative guidelines for the Queensland Government pensioner rate subsidy scheme.

The Council concession is in addition to the State Government approved pensioner rate subsidy.

For 2017/2018, Council provides two types of concessions to approved pensioners:

- (a) A general concession of 10% of the rate levy (excluding the Road Infrastructure Levy) to a maximum of \$100 per annum.
- (b) A concession of \$100 off the Road Infrastructure Levy.

This concession is granted pursuant to Section 96 of the *Local Government Act 2009* and Chapter 4, Part 10 of the *Local Government Regulation 2012*. The concession will be distributed equally across each of the Half Yearly Rate Notices issued.

In summary, applications for the Pensioner Concession are to be made on the appropriate application form. Approved Pension cards include a current Centre link Queensland Pensioner Concession Card; a Department of Veterans' Affairs Gold Card or a Department of Veterans' Affairs Pensioner Concession Card.

The dwelling for which the concession is claimed shall be the principal place of residence for the applicants. Where an eligible pensioner/s resides some or all of the time in a Nursing Home or with family due to ill health, the residence may be regarded as the principal place of residence, as long as it is not occupied on a paid tenancy basis.

Applications should be received by 30 June in each year to be considered for the forthcoming year.

In the case of an approved pensioner/s that buys, sells or becomes deceased, a pro rata adjustment shall be made from the date of the transfer or death.

Where the property is held in joint ownership, then a pro rata concession shall be granted in proportion to the share of ownership, except where the co-owners are an approved pensioner and his/her spouse (including defacto relationships as recognised by Commonwealth Legislation).

In the case of exclusive occupancy or life tenancy granted by a will, a certified copy of same must be furnished to Council before a full concession will be granted.

14.2 Concession on Vacant Water and Wastewater Charges for Developers

The Council has determined that where developers are required to reticulate water and sewerage to a subdivision, an exemption from vacant water and sewerage charges will apply for a period of up to five (5) years unless there is a prior sale of such allotments and will apply from the date of registration of the plan.

14.3 Concession on Special, Separate and Utility Charges

The Council has determined that certain rateable land held in the ownership of groups or organizations, which provide a public service or community benefit, will be exempted from the requirement to pay certain special, separate and utility charges. Organisations qualifying

for exemption from utility charges are listed in Schedule D. The exemption is granted in accordance with the provisions of the *Local Government Act 2009* Section 96 and Chapter 4 Part 10 of the *Local Government Regulation 2012*.

14.4 Waiving of Water Usage Charges – Haemodialysis Machines

The Council has determined that where ratepayers or residents require the use of a Haemodialysis machine for health reasons, then Council will grant a concession of water consumption charges.

For compassionate reasons, Council will allow an annual concession of 190kl on the water usage to any patient who qualifies for and operates a home Haemodialysis machine supplied by Queensland Health.

This concession is granted in accordance with Chapter 4 Part 10 of the *Local Government Regulation 2012*.

14.5 Waiving of Minimum General Rate – Bore and Pump Sites, Small Parcels, et cetera

The Council has determined that the following classes of land will be exempted from the requirement to pay the minimum general rate levy, but will pay a valuation based differential general rate which will be less than the minimum.

- (a) Any rateable land held as a Permit to Occupy for water facility purposes, namely bore and pump site and associated purposes only.
- (b) Properties that are small parcels of land worked in conjunction with properties held in the same ownership and identified in Schedule E.

This concession is granted in accordance with Chapter 4 Part 10 of the *Local Government Regulation 2012*.

14.6 Deferral of Liability to Pay Memerambi Special Charges (Roadworks and Drainage) in Full

The Council acknowledges that for property owners that have been levied Memerambi Special Charges, having to pay these charges in full by the due date shown on the rate notice, will cause property owners hardship.

Consequently, Council is prepared to enter into a concession agreement with each property owner, under which the property owner is permitted, under certain conditions, to pay their Memerambi Special Charges by instalments over a ten (10) year period.

In the event that the property owner has entered into a concession agreement to pay the Memerambi Special Charges and fails to make the special charges instalment payments in accordance with the concession agreement, then interest will be applied to those overdue rates and charges at the rate set by Council for the prevailing financial year, like any other overdue rates and charges. Interest will be charged until the instalment payment has been made or until the concession agreement has been adhered to. Further action may also be undertaken in accordance with Council's Rate Recovery Policy.

A property owner wishing to enter into a concession agreement must do so in accordance with the terms and conditions set out in the section 7.10 of the Infrastructure Agreement [*Memerambi Village Roads and Drainage*].

This concession is granted in accordance with Chapter 4 Part 10 (Section 125) of the *Local Government Regulation 2012*.

14.7 Concession on Memerambi Special Charges (Roadworks and Drainage) for Borrowing Expenses and Interest Charges

The Council has determined that where a property owner pays their entire Memerambi Special Charges in full by the due date displayed on the rate notice, the property owner will be eligible for a pro rata concession on the Council borrowing expenses and interest charges that have been factored into the Memerambi Special Charges.

This concession is granted in accordance with Chapter 4 Part 10 of the *Local Government Regulation 2012*.

15. Land Exempted from Rating

15.1 Exemption from General Rating

In accordance with the provisions of Section 93 of the *Local Government Act 2009* and Chapter 4 Part 10 of the *Local Government Regulation 2012*, the Council has determined that land held in the ownership of groups or organizations which provide a public service or community benefit will be exempted from the requirement to pay general rates. Details are listed in Schedule D.

16. Limitations on Increases in Rates and Charges

Pursuant to Section 116 of the *Local Government Regulation 2012*, the Council will limit rate increases for all differential rating categories as follows:

- (a) For land on which the rate levied for the previous financial year was for the full year the amount of the rate levied for the previous financial year plus 30%; or
- (b) For land on which the rate levied for the previous financial year was for a period less than the full year the corresponding annual amount for the rate levied for the previous financial year plus 30%.

17. Schedules:

Schedule A – Defined Sewerage Areas

Scheme	Evidence
Nanango	Each parcel of land: i) Contained within the contribution area for Nanango identified in the Nanango IPA Planning Scheme Policy Map PSP-4-1a. ii) Determined by Council resolution from time to time as being within the defined sewerage area for Nanango and being capable of being connected to the relevant sewerage system.
Blackbutt	Each parcel of land: i) Contained within the contribution area for Blackbutt identified in the Nanango IPA Planning Scheme Policy Map PSP-4-1b. ii) Determined by Council resolution from time to time as being within the defined sewerage area for Blackbutt and being capable of being connected to the relevant sewerage system.
Kingaroy	Each parcel of land: i) Contained within the contribution area for Kingaroy identified in the Kingaroy IPA Planning Scheme Policy Map PSP-4-1.or ii) Determined by Council resolution from time to time as being within the defined sewerage area for Kingaroy and being capable of being connected to the relevant sewerage system.
Wondai	Each parcel of land: i) Contained within the contribution area for Wondai identified in the Wondai IPA Planning Scheme Policy Map PSP-4-1a. ii) Determined by Council resolution from time to time as being within the defined sewerage area for Wondai and being capable of being connected to the relevant sewerage system.
Proston CED	Each parcel of land: i) Contained within the contribution area for Proston identified in the Wondai IPA Planning Scheme Policy Map PSP-4-1b. ii) Determined by Council resolution from time to time as being within the defined CED area for Proston and being capable of being connected to the relevant sewerage system.
Murgon	Each parcel of land: i) Contained within the contribution area for Murgon identified in the Murgon IPA Planning Scheme Policy Map PSP-4-1. ii) Determined by Council resolution from time to time as being within the defined sewerage area for Murgon and being capable of being connected to the relevant sewerage system.

Schedule B – Defined Refuse Collection Areas

Area	Evidence
Kingaroy	Each parcel of occupied land or land containing a structure that is i) located in the town of Kingaroy as identified in the Kingaroy Shire IPA Planning Scheme - Locality and Zoning Map 1B ii) determined by Council resolution from time to time within the defined refuse area for Kingaroy
Nanango	Each parcel of occupied land or land containing a structure that is i) located in the town of Nanango as identified in the Nanango Shire IPA Planning Scheme - Locality and Zoning Map 1B ii) determined by Council resolution from time to time within the defined refuse area for Nanango
Murgon	Each parcel of occupied land or land containing a structure that is i) located in the town of Murgon as identified in the Murgon Shire IPA Planning Scheme - Locality and Zoning Map 1A ii) determined by Council resolution from time to time within the defined refuse area for Murgon
Wondai	Each parcel of occupied land or land containing a structure that is i) located in the town of Wondai as identified in the Wondai Shire IPA Planning Scheme - Locality and Zoning Map 1 ii) determined by Council resolution from time to time within the defined refuse area for Wondai
Blackbutt	Each parcel of occupied land or land containing a structure that is i) located in the town of Blackbutt as identified in the Blackbutt Shire IPA Planning Scheme - Locality and Zoning Map 1B ii) determined by Council resolution from time to time within the defined refuse area for Blackbutt
Villages	Each parcel of occupied land or land containing a structure that is i) located in the villages of Kumbia, Wooroolin, Memerambi, Crawford, Coolabunia, Maidenwell, Brooklands, Dandabah, Taabinga or Boondooma as identified in the "Individual Villages" map series ii) determined by Council resolution from time to time within the defined refuse area

Schedule C – Defined Water Area

Water Area	Evidence
Nanango	Each parcel of land: i) Contained within the contribution area for Nanango identified in the Nanango IPA Planning Scheme Policy Map PSP-3-1a;.or ii) Determined by Council resolution from time to time as being within the defined water area for Nanango and capable of being connected to the relevant water scheme.
Blackbutt	Each parcel of land: i) Contained within the contribution area for Blackbutt identified in the Nanango IPA Planning Scheme Policy Map PSP-3-1b;.or ii) Determined by Council resolution from time to time as being within the defined water area for Blackbutt and capable of being connected to the relevant water scheme.
Kingaroy	Each parcel of land: i) Contained within the contribution area for Kingaroy identified in the Kingaroy IPA Planning Scheme Policy Map PSP-3-1; or ii) Determined by Council resolution from time to time as being within the defined water area for Kingaroy and capable of being connected to the relevant water scheme.
Kumbia	Each parcel of land: i) Contained within the contribution area for Kumbia identified in the Kingaroy IPA Planning Scheme Policy Map PSP-3-1.or ii) Determined by Council resolution from time to time as being within the defined water area for Kumbia and capable of being connected to the relevant water scheme.
Wooroolin	Each parcel of land: i) Contained within the contribution area for Wooroolin identified in the Kingaroy IPA Planning Scheme Policy Map PSP-3-1; or ii) Determined by Council resolution from time to time as being within the defined water area for Wooroolin and capable of being connected to the relevant water scheme.
Wondai/ Tingoora	Each parcel of land: i) Contained within the contribution area for Wondai/Tingoora identified in the Wondai IPA Planning Scheme Policy Map PSP-3-1a;.or ii) Determined by Council resolution from time to time as being within the defined water area for Wondai/Tingoora and capable of being connected to the relevant water scheme.
Proston/ Proston Rural	Each parcel of land: i) Contained within the contribution area for Proston identified in the Wondai IPA Planning Scheme Policy Map PSP-3-1b;.or ii) determined by Council resolution from time to time as being within the defined water area for Proston or Proston Rural Water Supplies and capable of being connected to the relevant water scheme.
Boondooma Dam	Each parcel of land: i) contained within the Boondooma Dam Special Development Area under Wondai IPA Planning Scheme; or ii) Determined by Council resolution from time to time as being within the defined water area for Boondooma Dam and capable of being connected to the relevant water scheme.

Schedule C – Defined Water Area

Water Area	Evidence
<i>Murgon</i>	Each parcel of land: i) Contained within the contribution area for Murgon identified in the Murgon IPA Planning Scheme Policy Map PSP-3-1;.or ii) Determined by Council resolution from time to time as being within the defined water area for Murgon and capable of being connected to the relevant water scheme.

Schedule D – Exemptions from General Rates, Special, Separate and Utility Charges

Section 93 of the *Local Government Act 2009* and Chapter 4 part 10 of the *Local Government Regulation 2012* exempts certain classes of land from being charged General and Other Rates. Council has determined the following exemptions or rate concessions:

Land Owned by a Religious Entity:

(a) Churches, Church Halls and Pastor's Residences

- Exempted from General Rates by Section 93 of *Local Government Act 2009* and Chapter 4 of *Local Government Regulation 2012*.
- Exempted from Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy under Section 93 of *Local Government Act 2009* and Chapter 4 of *Local Government Regulation 2012*.

(b) Schools (including Vacant Land Used in Conjunction with School)

- Exempted from General Rates by Section 93 of the *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Exempted from Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy under Section 93 of *Local Government Act 2009* and Chapter 4 of *Local Government Regulation 2012*.

(c) Aged Care Facilities

- Exempted from General Rates by Section 93 of the *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.

Identified Properties

Owner	Property Description and Location
Uniting Church in Australia	<i>Canowindra Nursing Home</i> 43 Windsor Circle, Kingaroy
Corporation of Trustees of Roman Catholic Archdiocese	<i>Centacare</i> 14 Mary Street, Kingaroy
Lutheran Church of Australia (Qld District)	<i>Orana Nursing Home</i> 18 Macdiarmid Street, Kingaroy

Land Owned by a Community Entity:

(a) Queensland Country Women Associations

- Exempted from General Rates by Section 93 of the *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of Water Access Charges, Sewerage Charges and Waste Collection Charges.

Owner	Property Description and Location
QCWA (Hall) Kingaroy	122 Kingaroy Street, Kingaroy
QCWA (Hostel) Kingaroy	103 Kingaroy Street, Kingaroy
QCWA (Hall) Kumbia	Bell Street, Kumbia
QCWA (Hall) Wooroolin	Bunya Highway, Wooroolin
QCWA Blackbutt	Coulson Street, Blackbutt
QCWA Nanango	59 Fitzroy Street, Nanango
QCWA Murgon	81 Macalister Street, Murgon
QCWA Hivesville	12 Main Street, Hivesville
QCWA Wondai	86 Mackenzie Street, Wondai

(b) Scout Associations, Girl Guides Associations and Blue Light Organisations

- Exempted from General Rates by Section 93 of the *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of Water Access Charges, Sewerage Charges and Waste Collection Charges.

Owner	Property Description and Location
Girl Guides Kingaroy	2 Mant Street, Kingaroy
Scouts Kingaroy	2-8 James Street, Kingaroy
Scouts Wooroolin	23-27 Kate Street, Wooroolin
Scouts Nanango	40 Henry Street, Nanango
Blue Light Skating Rink	George Street, Nanango
Girl Guides	Macalister Street, Murgon
Scouts and QCWA Combined	37 Rodney Street, Proston

(c) Kindergarten, Child Care, Endeavour, Senior Citizen and other Welfare Facilities (Identified in Table Below)

- Exempted from General Rates by Section 93 of the *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of Water Access Charges, Sewerage Charges and Waste Collection Charges.

Identified Properties

Owner	Property Description and Location
(QHC) South Burnett CTC	<i>Youth Hostel</i> 38 Markwell Street, Kingaroy
Kingaroy and District Senior Citizens Association	<i>Senior Citizens</i> 90 Kingaroy Street, Kingaroy
South Burnett Child Care Association	<i>Child Care Centre</i> Pound Street, Kingaroy
Endeavour Foundation	<i>Workshop</i> 22 Kingaroy Street, Kingaroy
Endeavour Foundation	<i>Workshop</i> 17 Kingaroy Street, Kingaroy
South Burnett Jobmatch	<i>Employment & Training Centre</i> 7 Glendon Street, Kingaroy
Kingaroy Kindergarten Association	<i>Kindergarten</i> 90 First Avenue, Kingaroy
Kingaroy and District Senior Citizens Association	<i>Welfare Units</i> 12A James Street, Kingaroy
Endeavour Foundation	<i>Residence</i> 8 Windsor Circle, Kingaroy
South Burnett CTC	<i>CROSB House – Respite Services</i> 18 Gladys Street, Kingaroy
Trust Company Limited - Leased by Goodstart Early Learning	<i>Child Care Centre</i> 78-83 Ivy Street, Kingaroy
The Crèche and Kindergarten Association	<i>Kindergarten</i> 36 Sutton Street, Blackbutt
(Education Qld) South Burnett CTC	<i>CTC Child Care Centre and Community Hub</i> 42 Drayton Street, Nanango
South Burnett Regional Council	<i>Nanango Kindergarten Association</i> 34 Gipps Street, Nanango
South Burnett CTC	<i>Murgon Cherbourg Community Centre</i> 35 Lamb Street, Murgon
Queensland Rail or South Burnett Regional Council Leased by Murgon Men's Shed Inc.	<i>Men's Shed</i> 75 Macalister Street, Murgon
South Burnett CTC	<i>"Gumnut Place"</i> 22 Gore Street, Murgon
South Burnett Regional Council	<i>Murgon Kindergarten</i> 42 Macalister Street, Murgon
Qld Police Citizens Youth Welfare Association	<i>Murgon Pulse</i> 40 Macalister Street, Murgon
South Burnett Regional Council	<i>Murgon Lions Club</i> 40 Macalister Street, Murgon
Mercy Community Services	<i>Residential Care & Welfare Residence</i> 46 Watt Street, Murgon
(QHC) Graham House	<i>Community Centre</i> 21 Taylor Street, Murgon
Recreation Reserve - Trustee South Burnett Regional Council	<i>Proston Play Group</i> 5 Blake Street, Proston
South Burnett CTC	<i>Partners in Foster Care</i> 7 Bramston Lane, Wondai
Wondai Kindergarten Association	<i>Kindergarten</i> 60 Baynes Street, Wondai
Uniting Church in Australia	<i>Lifeline Community Care</i> 1 Victoria Street, Kingaroy

Land Used for Showgrounds or Horseracing:

(a) Showgrounds

- Exempted from General Rates by Section 93 of the *Local Government Act 2009*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of 75% of cost of water access, sewerage and waste collection charges provided to showground's facility. Services provided to commercial activities such as caravan parks, sub-leases or recreational facilities are not exempt.

(b) Race Grounds

- Exempted from General Rates by Section 93 of the *Local Government Act 2009*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of Water Access Charges, Sewerage Charges and Waste Collection Charges.

Land Used for Charitable Purposes:

(a) Aged Care Facilities – Non Religious (Identified in Table Below)

- Exempted from General Rates by Section 93 of *Local Government Act 2009*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.

Identified Properties

Owner	Property Description and Location
RSL Kingaroy Memerambi Sub Branch	<i>Retirement Villas</i> 81 Markwell Street, Kingaroy
Southern Cross Care (Qld)	<i>Karinya Aged Care</i> Brisbane Street, Nanango
Southern Cross Care (Qld)	<i>Castra Retirement Home</i> 2 Coopers Street, Murgon
South Burnett Regional Council	<i>Proston Aged Home Units</i> 24 Beresford Street, Proston
Wondai District Homes for the Aged	<i>Aged Care Units</i> 33 Bramston Street, Wondai
Reserve - Trustees South Burnett Regional Council	<i>Barambah Accommodation Support Service</i> 25 Pring Street, Wondai
Blackbutt Benarkin Aged Care Association Inc.	<i>Aged Care</i> Greenhills Drive, Blackbutt
Blackbutt Benarkin Aged Care Association Inc.	<i>Aged Care</i> 47 Hart Street, Blackbutt

(b) Charitable Organisations (Identified in Table Below)

- Exempted from General Rates by Section 93 of the *Local Government Act 2009*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.

Identified Properties

Owner	Property Description and Location
Kingaroy Masonic Lodge	<i>Masonic Lodge</i> 22 William Street, Kingaroy
St Vincent De Paul Society Qld	<i>St Vinnie's Store</i> 48 King Street, Kingaroy
RSPCA South Burnett Branch	<i>RSPCA Centre</i> Warren Truss Drive, Kingaroy
Trustees Blackbutt Masonic Lodge	<i>Masonic Lodge</i> 37 Sutton Street, Blackbutt
Graham House Community Centre Inc.	<i>Graham House</i> – (vacant land used as car parking) 24 Pearen Street, Murgon
Wondai Masonic Lodge	<i>Masonic Lodge</i> 39 Cadell Street, Wondai
St Vincent De Paul Society Qld	<i>St Vinnie's Facility (NSHS Flexi School)</i> 53 Gipps Street, Nanango
St Vincent De Paul Society Qld	<i>St Vinnie's Shop</i> 63 Haly Street, Wondai

Land Used for Other Community Purposes:

(a) Community Owned Halls (Identified in Table Below)

- Exempted from General Rates by Section 93 *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.

Identified Properties

Owner	Property Description and Location
Kumbia and District Memorial School of Arts Inc.	<i>Kumbia Hall</i> Bell Street, Kumbia
Reserve for Memorial Hall	<i>Wooroolin Hall</i> 23 Alexander Street, Wooroolin
Reserve for Public Hall	<i>Goodger School</i> Kingaroy Cooyar Road, Kingaroy
The Ironpot Hall Association Inc.	<i>Ironpot Hall</i> Jarail Road, Kingaroy
Farmers Hall Inverlaw	<i>Inverlaw Hall</i> Burrandowan Road, Kingaroy
Reserve - Trustee South Burnett Regional Council	<i>Booie Hall</i> 1867 Booie Road, Booie
Tablelands Public Hall Association	<i>Tableland Hall</i> 459 Crownthorpe Road, Crownthorpe
Reserve - Brigooda Recreation Hall	<i>Brigooda Hall</i> 2473 Proston Boondooma Road, Proston
Reserve - The Trustees Proston Sub Branch RSSAILA	<i>Proston Hall</i> 23 Collingwood Street, Proston
Reserve - Wondai Sub Branch Returned Services League Australia	<i>RSL Club</i> 87 Mackenzie Street, Wondai
RSL Blackbutt Sub Branch	<i>Blackbutt RSL</i> 17 Douglas Street, Blackbutt

(b) Museums, Theatres, et cetera (Identified in Table Below)

- Exempted from General Rates by Section 93 *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of Water Access Charges, Sewerage Charges and Waste Collection Charges.

Identified Properties

Owner	Property Description and Location
Edward Carroll	<i>Carroll Cottage</i> 6 Edward Street, Kingaroy
Nanango Theatre Company	<i>Reserve</i> George Street, Nanango
Nanango Historical Society Inc.	<i>Masonic Hall</i> 42 Gipps Street, Nanango
Reserve for Park - Trustee Queensland Dairy and Heritage Museum	<i>Qld Dairy and Heritage Museum</i> 2 Sommerville Street, Murgon
Ringsfield House Historic Museum	<i>Reserve</i> 45 Alfred Street, Nanango
Blackbutt and District Tourism and Heritage Association	<i>Museum</i> Bowman Road, Blackbutt

(c) Sporting Groups and Associations (Identified in Table Below)

- Exempted from General Rates by Section 93 *Local Government Act 2009* and Chapter 4 of the *Local Government Regulation 2012*.
- Concession of Environmental Levy, Waste Management Levy, Road Levy and Community Rescue and Evacuation Levy.
- Concession of Water Access and Sewerage Charges.

Owner	Property Description and Location
Kingaroy Bowls Club Inc.	<i>Bowls Club</i> 145 Kingaroy Street, Kingaroy
Reserve - Trustee South Burnett Regional Council	<i>Bowls Club</i> 2 Henry Street, Nanango
Trustee Murgon Bowls Club	<i>Bowls Club</i> 103 Macalister Street, Murgon
Durong Bowls Club Inc.	<i>Durong Bowls Club</i> 8951 Chinchilla Wondai Road, Durong
Proston Bowls Club Inc.	<i>Proston Bowls Club</i> 22 Murphys Way, Proston
Wondai Country Club	<i>Wondai Bowls and Golf Club</i> Bunya Highway, Wondai
Kingaroy Golf Club Inc.	<i>Golf Club</i> Bunya Highway, Kingaroy
Nanango Golf Club Inc.	<i>Golf Club</i> 6 Wills Street, Nanango
Blackbutt Golf Club Inc.	<i>Golf Club</i> 51 Langtons Road, Blackbutt
Murgon Golf Club Inc.	<i>Golf Club</i> 192 Lamb Street, Murgon
Proston Golf Club	<i>Proston Golf Club</i> 81 Proston Boondooma Road, Proston
Recreation Reserve - Wooroolin Community Association Inc.	<i>Tennis Courts</i> 22 Alexander Street, Wooroolin
Kingaroy and District Lawn Tennis Association	<i>Tennis Courts</i> 1 Oliver Bond Street, Kingaroy
Blackbutt Tennis Club Inc.	<i>Tennis Club</i> 61 Hart Street, Blackbutt
Reserve for Recreation	<i>Tennis Club</i> 32 Gore Street, Murgon
Reserve - Trustees South Burnett Regional Council	<i>Wondai Tennis Club, Netball Courts, Cricket Oval</i> 14 South Street, Wondai
The South Burnett Pistol Club	<i>Pistol Club</i> Redmans Road, Kingaroy
Reserve - Trustees Kingaroy Clay Target Club Inc.	<i>Rifle Club</i> Aerodrome Road, Kingaroy
Reserve - Wondai Rifle Club Inc.	<i>Rifle Range</i> Rifle Range Road, Wondai
Kingaroy Cricket and Sports Club	<i>Lyle Vidler Cricket Oval</i> 10 Youngman Street, Kingaroy
Kingaroy Rugby League Football Club	<i>Rugby League Football Oval</i> 20 Youngman Street, Kingaroy
Kingaroy Soccer Club	<i>Senior Soccer Oval</i> 7 Oliver Bond Street, Kingaroy
Kingaroy Junior Soccer Club	<i>Soccer Oval</i> 2 Oliver Bond Street, Kingaroy
Reserve - Trustees Kumbia Cricket Club	<i>Cricket Oval</i> Gordon Street, Kumbia
Recreation Reserve - Wooroolin Community Association Inc.	<i>Wooroolin Sports Ground</i> Sportsground Road, Wooroolin
Reserve - Trustees South Burnett Regional Council	<i>Timbertown Combined Sports Association</i> Railway and Charles Street, Blackbutt
Reserve - Trustee South Burnett Regional Council	<i>Nanango Sporting Club (Soccer)</i> Burnett Street, Nanango
South Burnett Regional Council	<i>Rugby League Club</i> 6 Wills Street, Nanango
Reserve - Proston Sports Ground Committee	<i>Proston Sports Ground (Showgrounds)</i> 41 Proston Boondooma Road, Proston

Owner	Property Description and Location
Reserve Recreation -Wondai Sportsground Advisory Committee	<i>Wondai Sportsground (Soccer, Football, Lions Club)</i> Bunya Highway, Wondai
Reserve - Trustees South Burnett Regional Council	<i>Kingaroy and District Motorcycle Track</i> Warren Truss Drive, Kingaroy
Nanango and District Darts Association	<i>Nanango Darts Club</i> George Street, Nanango
Reserve - Trustee South Burnett Regional Council	<i>Nanango Netball Association</i> 55 Appin Street, Nanango
Karate Union of Australia	<i>Wondai Karate Club</i> 2 Bunya Avenue, Wondai
South Burnett Western Performance Club Inc.	<i>South Burnett Western Performance Club Inc.</i> Racecourse Road, Nanango
Kingaroy Sporting Club	<i>Kingaroy Sporting Club</i> 1 Markwell Street, Kingaroy
Lions Club, Nanango	<i>Lions Club</i> George Street, Nanango
Reserve for Recreation and Showground	<i>Murgon Sports</i> 38 Macalister Street, Murgon

Schedule E - Exemptions from Minimum Rating

In accordance with Chapter 4 of the *Local Government Regulation 2012* the Council has determined that certain classes of land will be exempted from the requirement to pay the minimum general rate levy, but will pay a valuation based differential general rate which will be less than the minimum.

- (i) Properties that are small parcels of land worked in conjunction with properties held in the same ownership and identified in table hereunder:

Owner	Property Description and Location
J Otto	L155 New England Highway, Neumgna
S Silburn	Boundary Road, Tablelands
B & P Markwell	Roses Road, Moffatdale
A Bradley & C Ewart & J & I Hinricks	Bradleys Road, Wooroonden
M Woolrych	Morgans Road, Windera

5.2 Long-Term Financial Forecasts

5.2.1 Income and Expenditure Statements 2017/2018-2026/2027

Budget Comprehensive Income Statement

	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
REVENUE					
Recurrent Revenue					
Fees & Charges	- 3,957,710 -	4,036,864 -	4,117,597 -	4,199,946 -	4,283,939
Interest Received	- 1,036,586 -	1,056,958 -	1,077,738 -	1,098,933 -	1,120,552
Other Income	- 395,251 -	403,157 -	411,218 -	419,443 -	427,829
Rates, Levies & Charges	- 45,388,370 -	46,233,486 -	47,323,264 -	48,207,079 -	49,108,569
Rental Income	- 491,725 -	501,559 -	511,589 -	521,819 -	532,255
Sales Revenue	- 3,014,212 -	3,018,796 -	3,023,472 -	3,028,242 -	3,033,107
Grants, Subsidies, Contributions & Donations	- 7,357,573 -	7,377,645 -	7,524,599 -	7,674,491 -	7,827,381
Total Recurrent Revenue	- 61,641,427 -	62,628,465 -	63,989,477 -	65,149,953 -	66,333,632
Capital Revenue					
Grants, Subsidies, Contributions & Donations	- 4,616,677 -	1,957,211 -	1,996,355 -	2,036,282 -	2,077,007
Total Revenue	- 66,258,104 -	64,585,676 -	65,985,832 -	67,186,235 -	68,410,639
Capital Income					
Capital Income	- 475,475 -	484,985 -	494,685 -	504,579 -	514,670
TOTAL INCOME	- 66,733,579 -	65,070,661 -	66,480,517 -	67,690,814 -	68,925,309
EXPENSES					
Recurrent Expenses					
Depreciation	14,833,103	15,058,000	15,286,690	15,519,244	15,755,730
Donations	467,139	476,481	486,008	495,726	505,639
Employee Benefits	22,626,176	22,401,192	22,787,884	23,243,638	23,708,506
Finance Costs	2,093,111	2,166,759	2,256,760	2,282,381	2,221,683
Materials & Services	21,044,233	21,139,451	21,511,209	21,891,327	22,280,012
Total Recurrent Expenses	61,063,762	61,241,883	62,328,551	63,432,316	64,471,570
TOTAL EXPENSES	61,063,762	61,241,883	62,328,551	63,432,316	64,471,570
Net Operating Surplus	- 5,669,817 -	3,828,778 -	4,151,966 -	4,258,498 -	4,453,739

	Year 6 2022/2023	Year 7 2023/2024	Year 8 2024/2025	Year 9 2025/2026	Year 10 2026/2027
REVENUE					
Recurrent Revenue					
Fees & Charges	- 4,369,613 -	4,457,004 -	4,546,147 -	4,637,071 -	4,729,811
Interest Received	- 1,142,602 -	1,165,095 -	1,188,036 -	1,211,437 -	1,235,307
Other Income	- 436,385 -	445,111 -	454,011 -	463,091 -	472,349
Rates, Levies & Charges	- 50,028,089 -	50,966,002 -	51,922,669 -	52,898,469 -	53,893,784
Rental Income	- 542,900 -	553,757 -	564,832 -	576,128 -	587,651
Sales Revenue	- 3,038,069 -	3,043,130 -	3,048,293 -	3,053,559 -	3,058,930
Grants, Subsidies, Contributions & Donations	- 7,983,329 -	8,142,397 -	8,304,644 -	8,470,137 -	8,638,940
Total Recurrent Revenue	- 67,540,987 -	68,772,496 -	70,028,632 -	71,309,892 -	72,616,772
Capital Revenue					
Grants, Subsidies, Contributions & Donations	- 2,118,547 -	2,160,918 -	2,204,136 -	2,248,219 -	2,293,183
Total Revenue	- 69,659,534 -	70,933,414 -	72,232,768 -	73,558,111 -	74,909,955
Capital Income					
Capital Income	- 524,963 -	535,462 -	546,172 -	557,096 -	568,238
TOTAL INCOME	- 70,184,497 -	71,468,876 -	72,778,940 -	74,115,207 -	75,478,193
EXPENSES					
Recurrent Expenses					
Depreciation	15,996,227	16,240,802	16,489,527	16,742,479	16,999,738
Donations	515,752	526,066	536,690	547,321	558,267
Employee Benefits	24,182,686	24,666,343	25,159,674	25,662,867	26,176,120
Finance Costs	2,060,840	1,892,009	1,723,098	1,547,972	1,535,788
Materials & Services	22,677,486	23,083,937	23,499,633	23,924,718	24,359,503
Total Recurrent Expenses	65,432,991	66,409,157	67,408,522	68,425,357	69,629,416
TOTAL EXPENSES	65,432,991	66,409,157	67,408,522	68,425,357	69,629,416
Net Operating Surplus	- 4,751,506 -	5,059,719 -	5,370,418 -	5,689,850 -	5,848,777

5.2.2 Financial Position 2017/2018-2026/2027

Statement of Financial Position

	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
Current Assets					
Cash and Cash Equivalents	28,727,735	26,147,063	21,783,907	21,534,679	20,959,206
Trade and Other Receivables	6,005,083	6,116,135	6,252,182	6,368,174	6,486,485
Inventories	1,218,566	1,242,927	1,267,786	1,293,142	1,319,004
Total Current Assets	35,951,375	33,506,125	29,303,874	29,195,995	28,764,696
Non Current Assets					
Property, Plant & Equipment	905,224,735	913,968,375	922,357,337	926,625,677	927,665,836
Intangible Assets	8,084,869	7,799,269	7,507,957	7,210,819	6,907,738
Total Non Current Assets	913,309,604	921,767,644	929,865,294	933,836,496	934,573,574
TOTAL ASSETS	949,260,979	955,273,769	959,169,168	963,032,491	963,338,270
Current Liabilities					
Trade and Other Payables	- 4,832,251 -	- 4,966,452 -	- 4,992,926 -	- 4,607,499 -	- 4,321,624
Borrowings	- 2,387,352 -	- 2,488,576 -	- 2,814,213 -	- 3,030,525 -	- 3,373,279
Provisions	- 3,467,682 -	- 3,537,035 -	- 3,607,776 -	- 3,679,932 -	- 3,753,530
Total Current Liabilities	- 10,687,284 -	- 10,991,064 -	- 11,414,915 -	- 11,317,955 -	- 11,448,433
Non-Current Liabilities					
Borrowings	- 38,267,463 -	- 40,677,440 -	- 40,537,812 -	- 40,790,976 -	- 37,074,944
Provisions	- 12,081,756 -	- 12,323,391 -	- 12,569,859 -	- 12,821,256 -	- 13,077,681
Total Non-Current Liabilities	- 50,349,219 -	- 53,000,831 -	- 53,107,671 -	- 53,612,232 -	- 50,152,625
TOTAL LIABILITIES	- 61,036,504 -	- 63,991,895 -	- 64,522,587 -	- 64,930,187 -	- 61,601,058
NET COMMUNITY ASSETS	888,224,475	891,281,874	894,646,582	898,102,304	901,737,212
Community Equity					
Asset Revaluation Surplus	- 447,079,656 -	- 446,308,277 -	- 445,521,019 -	- 444,718,243 -	- 443,899,412
Retained Earnings Surplus/(Deficiency)	- 441,144,819 -	- 444,973,597 -	- 449,125,563 -	- 453,384,061 -	- 457,837,800
TOTAL COMMUNITY EQUITY	- 888,224,475 -	- 891,281,874 -	- 894,646,582 -	- 898,102,304 -	- 901,737,212
	Year 6 2022/2023	Year 7 2023/2024	Year 8 2024/2025	Year 9 2025/2026	Year 10 2026/2027
Current Assets					
Cash and Cash Equivalents	22,540,586	24,771,412	27,871,326	35,558,876	36,467,005
Trade and Other Receivables	6,607,163	6,730,256	6,855,811	6,983,877	7,114,503
Inventories	1,345,385	1,372,292	1,399,738	1,427,733	1,456,288
Total Current Assets	30,493,134	32,873,960	36,126,875	43,970,486	45,037,796
Non Current Assets					
Property, Plant & Equipment	926,797,325	925,467,938	923,376,162	921,156,418	923,164,059
Intangible Assets	6,598,595	6,283,269	5,961,636	5,633,570	5,298,943
Total Non Current Assets	933,395,920	931,751,207	929,337,798	926,789,988	928,463,002
TOTAL ASSETS	963,889,054	964,625,167	965,464,673	970,760,474	973,500,798
Current Liabilities					
Trade and Other Payables	- 4,182,312 -	- 4,203,704 -	- 4,193,412 -	- 4,254,413 -	- 4,796,054
Borrowings	- 3,535,328 -	- 3,588,943 -	- 3,759,057 -	- 3,587,871 -	- 3,877,185
Provisions	- 3,828,601 -	- 3,905,173 -	- 3,983,276 -	- 4,062,942 -	- 4,144,201
Total Current Liabilities	- 11,546,241 -	- 11,697,819 -	- 11,935,745 -	- 11,905,226 -	- 12,817,440
Non-Current Liabilities					
Borrowings	- 33,377,567 -	- 29,735,009 -	- 25,805,836 -	- 26,289,151 -	- 23,122,653
Provisions	- 13,339,235 -	- 13,606,020 -	- 13,878,140 -	- 14,155,703 -	- 14,438,817
Total Non-Current Liabilities	- 46,716,802 -	- 43,341,029 -	- 39,683,977 -	- 40,444,854 -	- 37,561,470
TOTAL LIABILITIES	- 58,263,043 -	- 55,038,848 -	- 51,619,722 -	- 52,350,080 -	- 50,378,909
NET COMMUNITY ASSETS	905,626,011	909,586,319	913,844,951	918,410,394	923,121,889
Community Equity					
Asset Revaluation Surplus	- 443,036,705 -	- 441,937,294 -	- 440,825,508 -	- 439,701,101 -	- 438,563,819
Retained Earnings Surplus/(Deficiency)	- 462,589,306 -	- 467,649,025 -	- 473,019,443 -	- 478,709,293 -	- 484,558,070
TOTAL COMMUNITY EQUITY	- 905,626,011 -	- 909,586,319 -	- 913,844,951 -	- 918,410,394 -	- 923,121,889

5.2.3 Cash Flow 2017/2018-2026/2027

Statement of Cash Flows

	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
Cash Flows from Operating Activities					
Receipts from Customers	53,568,991.20	53,631,407.30	54,790,663.20	55,790,899.20	56,788,358.55
Payments to Suppliers & Employees	- 48,508,534.37	- 46,524,035.00	- 47,384,320.37	- 48,215,570.77	- 48,650,854.40
	5,060,456.83	7,107,372.30	7,406,342.83	7,575,328.43	8,137,504.15
Interest Received	1,036,586.00	1,056,958.00	1,077,738.00	1,088,933.00	1,120,552.00
Rental Income	442,552.50	451,403.10	460,430.10	469,637.10	479,029.50
Non Capital Grants & Contributions	7,357,573.00	7,377,845.00	7,524,599.00	7,674,491.00	7,827,381.00
Borrowing Costs	- 2,093,111.00	- 2,166,759.00	- 2,256,760.00	- 2,282,381.00	- 2,221,683.00
Net Cash Inflow (Outflow) from Operating Activities	6,743,600.50	6,719,247.10	6,806,007.10	6,960,680.10	7,205,279.50
Cash Flows from Investing Activities					
Payments for Property, Plant & Equipment	- 20,367,933.02	- 21,360,912.25	- 21,252,332.25	- 17,795,572.25	- 15,136,855.42
Payments for Intangible Assets	-	-	-	-	-
Advances (Repayments) of Loans and Advances	5,000.00	-	-	-	-
Proceeds from Sale of Property, Plant & Equipment	475,475.00	484,965.00	494,685.00	504,579.00	514,670.00
Grants, Subsidies, Contributions and Donations	4,616,677.00	1,957,211.00	1,996,355.00	2,036,282.00	2,077,007.00
Net Cash Inflow (Outflow) from Investing Activities	- 15,270,781.02	- 18,918,716.25	- 18,761,292.25	- 15,254,711.25	- 12,544,978.42
Cash Flows from Financing Activities					
Proceeds from Borrowings	2,000,000.00	5,000,000.00	3,000,000.00	3,500,000.00	-
Repayments from Borrowings	- 2,387,351.95	- 2,488,575.87	- 2,814,213.45	- 3,030,524.86	- 3,373,278.57
Net Cash Inflow (Outflow) from Financing Activities	- 387,351.95	2,511,424.13	185,786.55	469,475.14	3,373,278.57
Net Increase (Decrease) in Cash & Cash Equivalents Held	- 3,854,075.64	- 2,580,672.72	- 4,363,155.77	240,227.58	575,473.34
Cash & Cash Equivalents at the Beginning of Financial Year	32,581,811.00	28,727,735.36	26,147,062.64	21,783,906.87	21,534,679.29
Cash & Cash Equivalents at the End of Financial Year	28,727,735.36	26,147,062.64	21,783,906.87	21,534,679.29	20,959,205.95
	Year 6 2022/2023	Year 7 2023/2024	Year 8 2024/2025	Year 9 2025/2026	Year 10 2026/2027
Cash Flows from Operating Activities					
Receipts from Customers	57,805,768.00	58,843,530.15	59,902,047.95	60,981,736.70	62,083,013.15
Payments to Suppliers & Employees	- 49,230,524.44	- 50,166,925.35	- 51,057,477.05	- 51,934,677.05	- 52,901,983.65
	8,575,243.56	8,676,604.80	8,844,570.90	9,047,059.65	9,181,029.50
Interest Received	1,142,602.00	1,165,095.00	1,188,036.00	1,211,437.00	1,235,307.00
Rental Income	488,610.00	498,381.30	508,348.80	518,515.20	528,885.00
Non Capital Grants & Contributions	7,983,329.00	8,142,397.00	8,304,644.00	8,470,137.00	8,638,940.00
Borrowing Costs	- 2,080,840.00	- 1,892,009.00	- 1,723,098.00	- 1,547,972.00	- 1,535,788.00
Net Cash Inflow (Outflow) from Operating Activities	7,553,701.00	7,913,864.30	8,277,930.80	8,652,117.20	8,867,344.90
Cash Flows from Investing Activities					
Payments for Property, Plant & Equipment	- 13,655,747.04	- 13,467,080.39	- 13,013,838.10	- 13,129,070.85	- 17,124,481.10
Payments for Intangible Assets	-	-	-	-	-
Advances (Repayments) of Loans and Advances	-	-	-	-	-
Proceeds from Sale of Property, Plant & Equipment	524,963.00	535,482.00	546,172.00	557,096.00	568,238.00
Grants, Subsidies, Contributions and Donations	2,118,547.00	2,160,918.00	2,204,136.00	2,248,219.00	2,293,183.00
Net Cash Inflow (Outflow) from Investing Activities	- 11,012,237.04	- 10,770,700.39	- 10,263,530.10	- 10,323,755.85	- 14,263,060.10
Cash Flows from Financing Activities					
Proceeds from Borrowings	-	-	-	3,900,000.00	1,000,000.00
Repayments from Borrowings	- 3,535,327.73	- 3,588,942.93	- 3,759,057.37	- 3,587,871.14	- 3,877,184.73
Net Cash Inflow (Outflow) from Financing Activities	- 3,535,327.73	- 3,588,942.93	- 3,759,057.37	312,128.86	- 2,877,184.73
Net Increase (Decrease) in Cash & Cash Equivalents Held	1,581,379.79	2,230,825.78	3,099,914.23	7,687,549.86	908,129.57
Cash & Cash Equivalents at the Beginning of Financial Year	20,959,205.95	22,540,585.74	24,771,411.52	27,871,325.75	35,558,875.61
Cash & Cash Equivalents at the End of Financial Year	22,540,585.74	24,771,411.52	27,871,325.75	35,558,875.61	36,467,005.18

5.2.4 Changes in Equity 2017/2018-2026/2027

Statement of Changes of Equity

Year 1	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2017	- 447,831,129 -	435,475,002 -	883,306,131
Net Operating Surplus	-	5,669,817 -	5,669,817
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	751,473	-	751,473
Total Comprehensive Income for the Year	751,473 -	5,669,817 -	4,918,344
Balance as at 30 June 2018	- 447,079,656 -	441,144,819 -	888,224,475
Year 2	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2018	- 447,079,656 -	441,144,819 -	888,224,475
Net Operating Surplus	-	3,828,778 -	3,828,778
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	771,379	-	771,379
Total Comprehensive Income for the Year	771,379 -	3,828,778 -	3,057,399
Balance as at 30 June 2019	- 446,308,277 -	444,973,597 -	891,281,874
Year 3	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2019	- 446,308,277 -	444,973,597 -	891,281,874
Net Operating Surplus	-	4,151,966 -	4,151,966
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	787,258	-	787,258
Total Comprehensive Income for the Year	787,258 -	4,151,966 -	3,364,708
Balance as at 30 June 2020	- 445,521,019 -	449,125,563 -	894,646,582
Year 4	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2020	- 445,521,019 -	449,125,563 -	894,646,582
Net Operating Surplus	-	4,258,498 -	4,258,498
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	802,776	-	802,776
Total Comprehensive Income for the Year	802,776 -	4,258,498 -	3,455,722
Balance as at 30 June 2021	- 444,718,243 -	453,384,061 -	898,102,304
Year 5	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2021	- 444,718,243 -	453,384,061 -	898,102,304
Net Operating Surplus	-	4,453,739 -	4,453,739
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	818,831	-	818,831
Total Comprehensive Income for the Year	818,831 -	4,453,739 -	3,634,908
Balance as at 30 June 2022	- 443,899,412 -	457,837,800 -	901,737,212

Statement of Changes of Equity

Year 6	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2022	- 443,899,412 -	457,837,800 -	901,737,212
Net Operating Surplus	-	4,751,506 -	4,751,506
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	862,707	-	862,707
Total Comprehensive Income for the Year	862,707 -	4,751,506 -	3,888,799
Balance as at 30 June 2023	- 443,036,705 -	462,589,306 -	905,626,011
Year 7	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2023	- 443,036,705 -	462,589,306 -	905,626,011
Net Operating Surplus	-	5,059,719 -	5,059,719
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	1,099,411	-	1,099,411
Total Comprehensive Income for the Year	1,099,411 -	5,059,719 -	3,960,308
Balance as at 30 June 2024	- 441,937,294 -	467,649,025 -	909,586,319
Year 8	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2024	- 441,937,294 -	467,649,025 -	909,586,319
Net Operating Surplus	-	5,370,418 -	5,370,418
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	1,111,786	-	1,111,786
Total Comprehensive Income for the Year	1,111,786 -	5,370,418 -	4,258,632
Balance as at 30 June 2025	- 440,825,508 -	473,019,443 -	913,844,951
Year 9	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2025	- 440,825,508 -	473,019,443 -	913,844,951
Net Operating Surplus	-	5,689,850 -	5,689,850
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	1,124,407	-	1,124,407
Total Comprehensive Income for the Year	1,124,407 -	5,689,850 -	4,565,443
Balance as at 30 June 2026	- 439,701,101 -	478,709,293 -	918,410,394
Year 10	Asset Revaluation Surplus	Retained Earnings	Total
Balance as at 1 July 2026	- 439,701,101 -	478,709,293 -	918,410,394
Net Operating Surplus	-	5,848,777 -	5,848,777
Other Comprehensive Income for the Year	-	-	-
Increase/Decrease in Asset Revaluation Surplus	1,137,282	-	1,137,282
Total Comprehensive Income for the Year	1,137,282 -	5,848,777 -	4,711,495
Balance as at 30 June 2027	- 438,563,819 -	484,558,070 -	923,121,889

5.3 Financial Sustainability Ratios

Section 169 of the *Local Government Regulation 2012* requires the budget to include relevant measures of financial sustainability for the financial year 2016/2017 and the next 9 financial years. The relevant measures of financial sustainability are the following measures as described in the financial management (sustainability guideline).

5.3.1 Asset Sustainability Ratio

Assets sustainability ratio is amount of capital expenditure on the replacement of assets (renewals) divided by the depreciation expense expressed as a percentage.

This ratio is an approximation of the extent to which the infrastructure assets managed by the local government are being replaced as these reach the end of their useful lives.

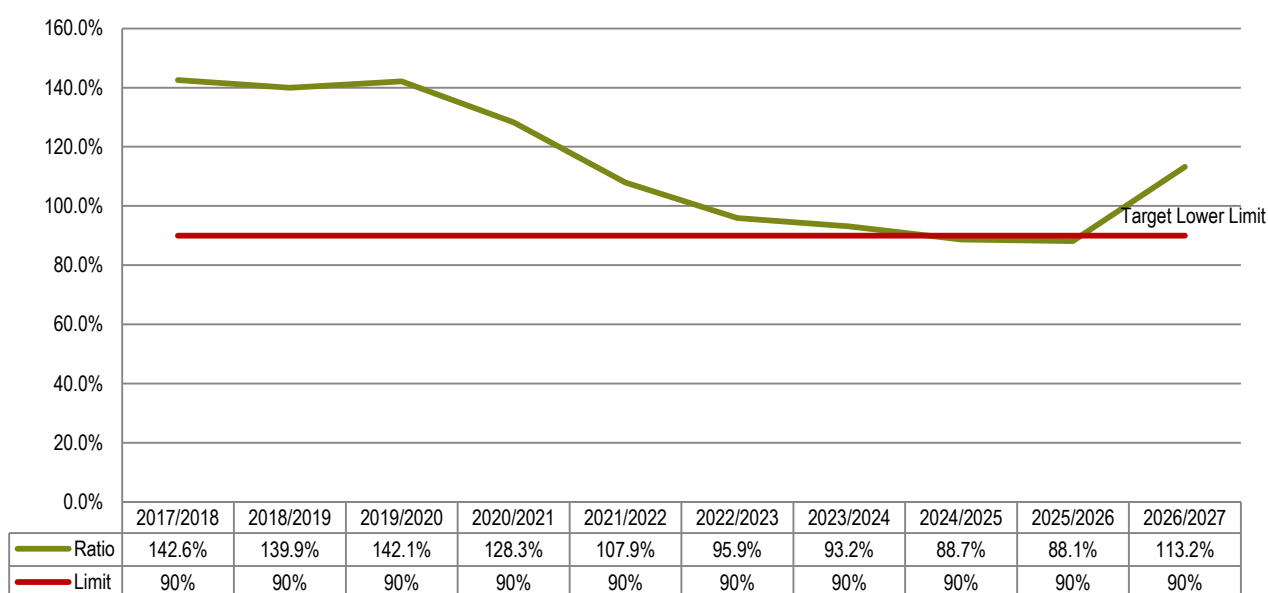
Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period. Capital expenditure on renewals (replacing assets that a local government already has) is an indicator of the extent to which infrastructure assets are being replaced.

This ratio indicates whether a local government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.

The asset sustainability ratios for the budget years 2017/2018 until 2023/2024 are all above the 90% target. While the ratios for 2024/2025 and 2025/2026 are slightly lower than the 90% target, a significant increase in the ratio is expected in 2026/2027 due to the projected capital expenditure for the super landfill. The average asset sustainability ratio for the ten year forecast is 114%.

Measure of Financial Sustainability	How the measure is calculated	Target	Account	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022	Year 6 2022/2023	Year 7 2023/2024	Year 8 2024/2025	Year 9 2025/2026	Year 10 2026/2027
Asset Sustainability Ratio	Capital expenditure on the replacement cost of assets (all asset renewals) divided by depreciation expense	Greater than 90%	Capital Expenditure on Renewals	21,148,318	21,068,025	21,718,025	19,905,025	17,007,478	15,343,536	15,131,551	14,622,290	14,751,765	19,240,990
			Depreciation	14,833,103	15,058,000	15,286,690	15,519,244	15,755,730	15,996,227	16,240,802	16,489,527	16,742,479	16,999,738
				142.6%	139.9%	142.1%	128.3%	107.9%	95.9%	93.2%	88.7%	88.1%	113.2%
Does Asset Sustainability Ratio fall above the lower limit?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes

Asset Sustainability Ratio (Forecast)



5.3.2 Net Financial Liabilities Ratio

Net financial liabilities Ratio measures Council's total liabilities less its current assets divided by its total operating revenue expressed as a percentage.

This ratio is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues.

A ratio less than zero (negative), indicates that current assets exceed total liabilities and therefore the local government appears to have significant financial capacity and the ability to increase its loan borrowings if necessary.

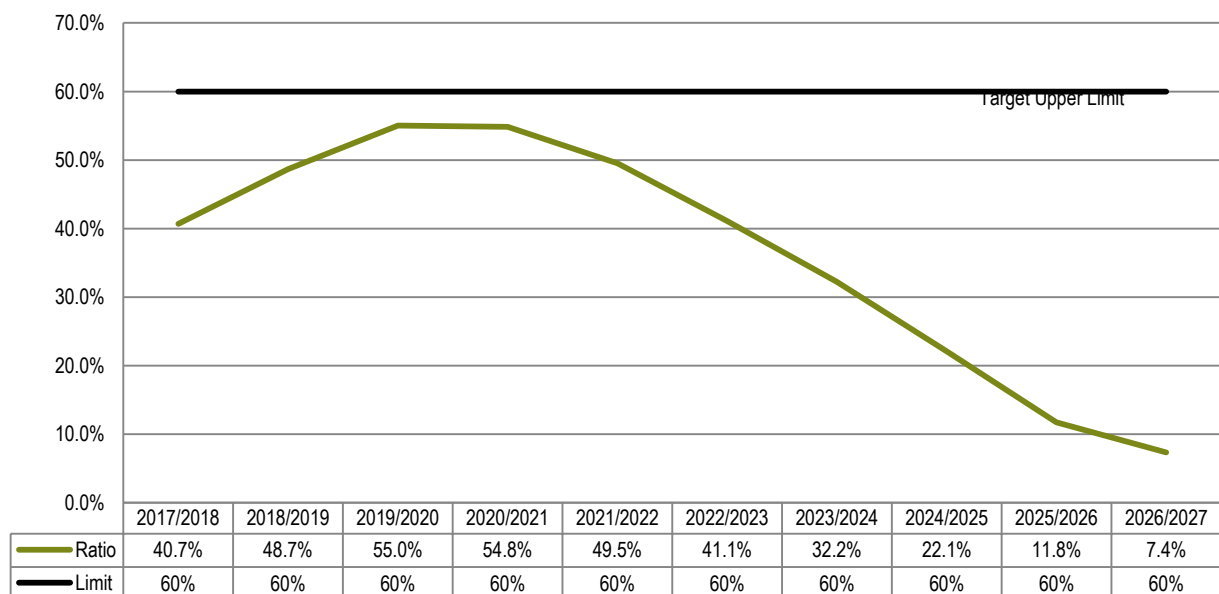
A ratio greater than zero (positive), indicates that the total financial liabilities exceed current assets. These net financial liabilities must be serviced using available operating revenue.

A positive value less than 60% indicates the local government has the capacity to fund the financial liabilities and appears to have the capacity to increase its loan borrowings if required.

A positive value greater than 60% indicates the local government has limited capacity to increase its loan borrowings.

Measure of Financial Sustainability	How the measure is calculated	Target	Account	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Year 6 2021/2022	Year 7 2022/2023	Year 8 2023/2024	Year 9 2024/2025	Year 10 2025/2026
Net Financial Liabilities Ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	Total Liabilities - Current Assets	- 25,085,129	- 30,485,770	- 35,218,712	- 35,734,192	- 32,836,362	- 27,769,909	- 22,164,888	- 15,492,847	- 8,379,594	- 5,341,113
			Total Operating Revenue	- 61,641,427	- 62,628,465	- 63,989,477	- 65,149,953	- 66,333,632	- 67,540,987	- 68,772,496	- 70,028,632	- 71,309,892	- 72,616,772
				40.7%	48.7%	55.0%	54.8%	49.5%	41.1%	32.2%	22.1%	11.8%	7.4%
Does Net Financial Liabilities Ratio fall below the upper limit?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

Net Financial Liabilities Ratio (Forecast)



5.3.3 Operating Surplus Ratio

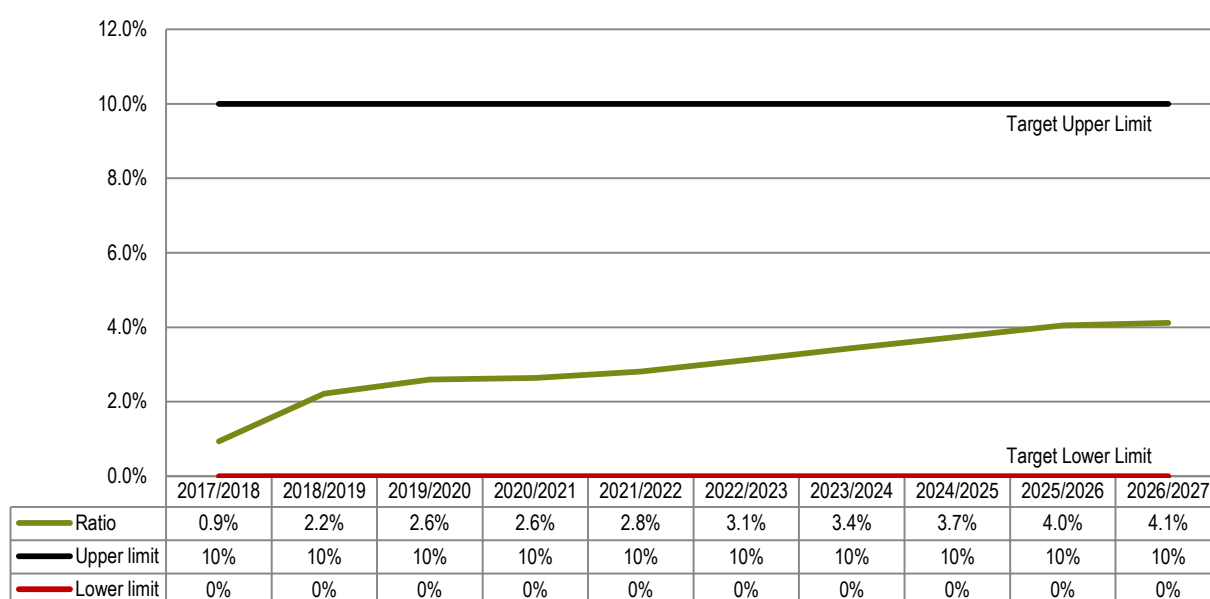
An operating surplus ratio is the net result divided by total operating revenue expressed as a percentage.

This ratio is an indicator of the extent to which revenue raised covers operational expenses only or is available for capital funding purposes or other purposes. The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of total operating revenue.

A positive ratio indicates that surplus revenue is available which may be used to support the funding of capital expenditure or used to offset past or future operating deficits. If the surplus is not required for this purpose in a particular year, it can be held to support future capital expenditure funding as a financial asset, used to offset past deficit funding or, where possible, used to reduce current debt levels.

Measure of Financial Sustainability	How the measure is calculated	Target	Account	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022	Year 6 2022/2023	Year 7 2023/2024	Year 8 2024/2025	Year 9 2025/2026	Year 10 2026/2027
Operating Surplus Ratio	Net Result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	Net Operating Surplus	- 577,665	- 1,386,582	- 1,660,926	- 1,717,637	- 1,862,062	- 2,107,996	- 2,363,339	- 2,620,110	- 2,884,535	- 2,987,356
			Operating Revenue	- 61,641,427	- 62,628,465	- 63,989,477	- 65,149,953	- 66,333,632	- 67,540,987	- 68,772,496	- 70,029,632	- 71,309,892	- 72,616,772
				0.9%	2.2%	2.6%	2.6%	2.8%	3.1%	3.4%	3.7%	4.0%	4.1%
			Does Operating Surplus Ratio fall between the target band?				Yes	Yes	Yes	Yes	Yes	Yes	Yes

Operating Surplus Ratio (Forecast)



5.4 Value of Change in Rates and Utility Charges

In accordance with Section 169 of *Local Government Regulation 2012*:

- 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, and
- For calculating the rates and utility charges levied for a financial year, any discounts and concessions must be excluded.

Council's rates and utility charges revenue is projected to increase through a combination of natural growth and general increase by 2.56% in 2017/2018 compared with rates and charges levied in 2016/2017.

5.5 Debt Policy 2017/2018



South Burnett
Regional Council

IR NUMBER: 23668 12
MINUTE NUMBER: [Minute Number]
ADOPTED ON/SIGN OFF DATE: [Date]

Debt Policy 2017/2018

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1. POLICY STATEMENT

Purpose of the Borrowings

Loan funds can be raised to finance a range of infrastructure assets over the maximum time frames stated.

Borrowings will only be used to finance current and future capital works. No borrowings will be used to finance recurrent expenditure and the operational activities of the Council.

Inter-Generational Projects – spreading the cost of these capital projects over a long term will minimise the revenue impact on the community, as well as addressing the need and cost benefit of providing for infrastructure development immediately to meet expected future demographic needs. Council, when required, will increase existing debt levels through additional borrowings to fund these projects.

Asset Management – The *Local Government Regulation 2012* requires Councils to effectively plan and manage their infrastructure assets, focusing particularly on ensuring the sustainable management of the assets mentioned in the local government's asset register and infrastructure of the local government. This may require the Council to consider borrowings to fund identified priority infrastructure projects.

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. Council will take into account the adopted Risk Management Framework. Long Term Financial Forecast and relevant Financial Sustainability Ratios and Measures.

Debt Pool Payments

Debt Service Payments for existing and new debt will be repaid to the Queensland Treasury Corporation (QTC) Debt Pool annually in advance in September each year.

Loan Repayment Term proposed for New Loans

<i>Roads:</i>	10 - 20 years
<i>Waste:</i>	15 – 20 years dependent on asset
<i>Water:</i>	15 – 20 years
<i>Sewerage:</i>	15 – 20 years
<i>General:</i>	Between 6 and 20 years dependent on asset

All external borrowings will be raised at the most competitive rates available, in accordance with the requirements of the State Government with the Queensland Treasury Corporation the primary provider of loan funding.

When seeking long-term funding for the construction of infrastructure assets, Council will, wherever possible, use cash which is restricted for specific purposes as determined by Council.

Proposed New Borrowings

New borrowings planned for the current year and the following nine (9) financial years are as per *Attachment A*.

Loan Drawdowns

Queensland Treasury Corporation (QTC) and the Department of Infrastructure, Local Government and Planning (DILGP) approve proposed borrowing for a particular financial year. In order to minimise finance costs, loan drawdowns should be deferred as long as possible after taking into consideration Council's overall cash flow requirements.

Existing Loans

All existing loans are held by the QTC within the appropriate Debt Pool to minimise exposure and to ensure optimal performance of the loans for repayment timeframe and interest rate. The Debt Pool is revised at least annually to take into account new and existing loans.

2. SCOPE

Not applicable.

3. POLICY OBJECTIVES

To ensure the sound management of Council's existing and future debt as well as the prudent use of debt to meet community demand for infrastructure and sustainable service delivery after assessing and minimising all associated risks in accordance with the annually revised and adopted Long Term Financial Forecast.

4. BACKGROUND AND/OR PRINCIPLES

The *Local Government Regulation 2012* requires a Local Government's Debt Policy to state details of new borrowings planned for the current financial year and the next nine (9) financial years and the period over which the local government plans to repay existing and new borrowings.

5. GENERAL INFORMATION

Not applicable.

6. DEFINITIONS

The Act means the *Local Government Act 2009*.

7. LEGISLATIVE REFERENCE

- *Local Government Act 2009 Section 104 (5) (c)*
- *Local Government Regulation 2012 Section 192*
- *Local Government Financial Management (Sustainability) Guideline 2013*
- *Statutory Bodies Financial Arrangements Act 1982*

Section 104 of the *Local Government Act 2009 (Qld) (the Act)* requires a Local Government to develop a Debt Policy as part of its financial management system. The Act also defines Council as a statutory body and subsequently Council's borrowing activities continue to be governed by the *Statutory Bodies Financial Arrangements Act 1982 (Qld)*.

8. RELATED POLICIES/PROCEDURES

Investment Policy and Revenue Policy, and Revenue Statement.

9. NEXT REVIEW

30 June 2018

Gary Wall
CHIEF EXECUTIVE OFFICER

Date

Attachment A – Projected Borrowings 2017/2018 – 2026/2027

	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	Total
Roads											
Kingaroy CBD Development	\$ 2,000,000	\$ 2,000,000									\$ 4,000,000
Nanango Water											
Alternative Water Supply		\$ 3,000,000	\$ 3,000,000	\$ 3,000,000							\$ 9,000,000
Waste Management											
Nanango Transfer Station				\$ 500,000							\$ 500,000
Murgon Waste Water Treatment Facility											
									\$ 1,000,000		\$ 1,000,000
Kingaroy Super Tip									\$ 3,900,000		\$ 3,900,000
Total Loan Borrowings	\$ 2,000,000	\$ 5,000,000	\$ 3,000,000	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -	\$ 3,900,000	\$ 1,000,000	\$ 18,400,000

5.6 Investment Policy 2017/2018



South Burnett
Regional Council

IR NUMBER: 2359298
MINUTE NUMBER: [Minute Number]
ADOPTED ON/SIGN OFF DATE: [Date]

Investment Policy 2017/2018

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1. POLICY STATEMENT

1.1. Ethics and Conflicts of Interest

1.1.1. Prudent Person Standard

The standard of prudence is to be used by Investment Officers when managing the portfolio. Investments will be managed with the care, diligence and skill that a prudent person would exercise in managing the affairs of other persons. This includes having in place appropriate reporting requirement that ensure the investments are being reviewed and overseen regularly.

Investment Officers are to manage the portfolios not for speculation, but for investment and in accordance with the principle of this Investment Policy. Investment Officers are to avoid any transaction that might prejudice South Burnett Regional Council. They will consider the safeguarding of capital and the achievement of income objectives when making an investment decision.

1.1.2. Conflicts of Interest

The Investment Officer shall refrain from personal activities that would conflict with the proper execution and management of South Burnett Regional Council's Investment Portfolio and declare to the Chief Executive Officer any conflict of interest that may arise. This includes activities that would impair the Investment Officer's ability to make impartial decisions.

1.1.3. Delegation of Authority

Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer in accordance with the *Local Government Act 2009*, Section 259 (1) (d) – Delegation by Local Government. Authority for the day to day management of Council's Investment Portfolio is to be delegated by the Chief Executive Officer to the Manager Finance and subject to regular reviews with the General Manager Finance and Chief Executive Officer.

2. SCOPE

For the purpose of this policy, investments are defined as financial or monetary arrangements that are undertaken or acquired to generate income or favourable future returns and pertain to the cash investments of South Burnett Regional Council. This policy applies to the investment of all surplus cash funds held by South Burnett Regional Council.

3. POLICY OBJECTIVES

3.1. Investment Objectives

To set guidelines and boundaries for the investment of South Burnett Regional Council surplus cash balances which meet the requirements of the Statutory Bodies Financial Arrangements (SBFA) Act 1982 and its regulation, support Council's investment and risk philosophy and provide a sequential process to be followed in undertaking investment activities.

Investment activities will focus on preservation of capital, liquidity, and return.

3.1.1. Preservation of Capital

Preservation of capital shall be the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security of principal of the overall portfolio. This would include managing credit and interest rate risk with given risk management parameters and avoiding any transactions that would prejudice confidence in Council.

3.1.2. Credit Risk

The Investment Officer will evaluate and assess credit risk prior to investment.

3.1.3. Interest Rate Risk

The Investment Officer shall seek to minimise the risk of a change in the market value of the portfolio due to a change in interest rates.

3.1.4. Maintenance of Liquidity

The Investment Officer shall maintain sufficient liquidity to meet all reasonable anticipated operational cash flow requirements of Council.

3.1.5. Return on Investments

The portfolio is expected to achieve a market average rate of return and take into account South Burnett Regional Council's risk tolerance.

4. BACKGROUND AND/OR PRINCIPLES

The intent of this document is to outline South Burnett Regional Council's policy and guidelines regarding the investment of surplus cash funds, with the objective of maximising earnings within the approved investment guidelines and ensure the security of funds invested.

5. GENERAL INFORMATION

5.1. Portfolio Implementation

5.1.1. Authorised Personnel

The Manager Finance and Delegated Investment Officers are authorised to invest South Burnett Regional Council's operational funds in investments consistent with this Investment Policy and legislation.

The Manager Finance will report as required on the status of investments and their performance.

5.1.2. Internal Controls

The General Manager Finance of South Burnett Regional Council shall establish internal controls and processes that will ensure investment objectives are met and that the investment portfolios are protected from loss, theft or inappropriate use.

The internal controls will address the following:

- control of collusion;
- separate the transaction authority from accounting and record keeping;
- clearly delegate authority to Investment Officers;
- compliance and oversight of investment parameters; and
- reporting of breaches.

5.2. Investment Parameters

5.2.1. Funds Available for Investment

For the purposes of this policy, funds available for investment are the cash or cash equivalent funds available at any time excluding any moneys held by Council in trust on behalf of external parties.

The funds available for investment should match the cash flow needs of Council allowing for working capital requirements. The investment strategy takes into account the Council's operating needs. Once the Manager Finance has determined that the cash flow forecast is achievable and can meet operational requirements, then the surplus cash funds may be invested for a specified term.

It is the responsibility of the Manager Finance to assess the cost of direct investment management by Council relative to the return generated. This should be compared with the cost of investing funds with a capital guaranteed cash fund for example the QTC Capital Guaranteed Cash Fund.

A minimum of \$5 million is to be invested in a capital guaranteed cash fund or an approved cash management product. Category 1 investment power allows for investment with QTC Capital Guaranteed Cash Fund or QIC's Cash Fund without further approval.

5.2.2. Authorised Investments

Without specific approval from Council or the Treasurer, investments are limited to those prescribed by Part 6 of the Act for local governments with Category 1 investment power, which include:

- interest bearing deposits
- QIC Cash Fund, and
- QTC Capital Guaranteed Cash Fund, debt offset facility, fixed rate deposit (up to 12 months and QTC Working Capital Facility).

5.2.3. Prohibited Investments

This Investment Policy prohibits any investment carried out for speculative purposes.

The following investments are prohibited by this investment policy:

- derivative based instruments (excluding floating rate notes);
- principal only investments or securities that provide potentially nil or negative cash flow;
- stand-alone securities issued that have underlying futures, options, forward contracts and swaps of any kind; and
- securities issued in non-Australian dollars.

5.2.4. Portfolio Investment Parameters and Credit Requirements

The following table shows the credit ratings and counterparty limits for South Burnett Regional Council:

Short Term Rating (Standard & Poor's) or equivalent	Individual Counterparty Limit	Total Limit (Max % of Portfolio)	Maximum Funds (any one institution)
A1+	25% - 35%	100%	\$ 20M
A1	10% - 20%	50%	\$ 20M
A2 – Financial Institutions only	5% - 15%	30%	\$ 10M
A3 – Financial Institutions only	2% - 7%	10%	\$ 10M
Unrated	Nil	Nil	Nil
QIC/QTC Pooled Cash Management Fund	100%	100%	No Limit

A Financial Institution is defined as an authorised deposit taking institution within the meaning of the *Banking Act 1959 (Cwlth)*, Section 5.

It is noted that for the purpose of this above portfolio investment parameter, the percentage limits apply effective from the date of purchase as a percentage of the total value of the portfolio.

5.2.5. Maturity

The Maturity structure of the portfolio will reflect a maximum term to maturity of one year and includes an interest rate reset of no longer than six months (185 days).

5.2.6. Liquidity Requirement

Given the nature of the funds invested, no more than 20 per cent of the investment portfolio will be held in non-liquid securities and at least \$5 million of the portfolio is to be on call or will mature within 0 – 7 days.

The Manager Finance shall prepare and maintain the following approved counterparty lists for the investment of funds:

- Approved Banks; and
- Approved Credit Unions.

5.2.7. Breaches

Any breach of this Investment Policy is to be reported to the General Manager Finance and Chief Executive Officer and, if required, rectified as soon as practicable. The Finance Portfolio Chair will report any breach that needs to be rectified to Council at the next meeting.

Where Council holds an investment that is downgraded below the minimum acceptable rating level, as prescribed under regulation for the investment arrangement, Council shall within 28 days after the change becomes known to the local government, either obtain Treasurer's approval for continuing with the investment arrangement or sell the investment arrangement (including, for example, withdrawing a deposit).

5.3. Investment Guidelines

Council's investment portfolio should be realisable, without penalty, in a reasonable time frame. The term to maturity of Council's fixed term investments should not exceed 1 year. The Manager Finance may reduce these maturity limits to a shorter period.

Treasury and Council approval is required for investments with a period of greater than 12 months. This means approval is required from Council prior to submission to the Treasurer for approval.

5.3.1. Short Term Debt Ratings

Short term refers to investments with an initial maturity of less than 1 year.

S & P short term ratings or equivalents to Moody's & Fitch.

	Standard & Poor	Moody's	Fitch
Superior	A1+	P-1	F1+
	A1		F1
Strong	A2	P-2	F2
Acceptable	A3	P-3	F3

5.4. Reporting

The Manager Finance will prepare a monthly report and evaluation of the transactions, performance and compliance of the investment portfolio. The report will include:

- interest rate of all deposits; and
- list of all deposits and the Financial Institution where held.

On a quarterly basis, the Manager Finance will provide a detailed report on the investment portfolio. The report is to list deposits held by institute, maturity date, interest rate and dollar amount invested.

On an annual basis, the Investment Policy will be reviewed and amended where required; any amendments are to be approved by Council prior to the implementation of the revised investment policy.

6. DEFINITIONS

At Call	Where the investment can be redeemed and the money invested can be retrieved by the investor from the financial institution within thirty (30) days without penalty.
Capital Guaranteed	An investment fund that guarantees return of the full capital value of the investment.
Category 1	Investment power that permits a local government to invest in a range of highly secure investments either at call or for a fixed time of not more than one year.
Conflict of Interest	A situation where an official's private interests may benefit from decisions or actions that they are entrusted to take.
Investment Officer	Individual responsible for the management of the investment portfolio. Could be an employee of Council or an external fund manager.
Investment Portfolio	Pool of investments held by Council.
Market Risk	The risk that the value of an investment will decrease due to movements in market factors such as interest rates, foreign exchange rates, equity prices and commodity prices.

Preservation of Capital An investment strategy with the primary goal of preventing losses in an investment's total value. In modern portfolio theory terms, it refers to a guaranteed investment of principal, which would provide a return of at least inflation.

Yield The annual rate of return on an investment.

7. LEGISLATIVE REFERENCE

All investments are to be made in accordance with:

- *Local Government Act 2009* Section 104 (5) (c)
- *Local Government Regulation 2012* Section 191
- *Statutory Bodies Financial Arrangements Act 1982*
- *Statutory Bodies Financial Arrangements Regulation 2007*

8. RELATED POLICIES/PROCEDURES

Revenue Policy and Revenue Statement.

9. NEXT REVIEW

30 June 2018

Gary Wall
CHIEF EXECUTIVE OFFICER

Date

5.7 Revenue Policy 2017/2018



South Burnett
Regional Council

IR NUMBER: 2351282
MINUTE NUMBER: [Minute Number]
ADOPTED ON/SIGN OFF DATE: [Date]

Revenue Policy 2017/2018

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1. POLICY STATEMENT

1.1. Introduction

Under the *Local Government Act 2009*, the Council is required to have a system of financial management that includes a Revenue Policy. Further, under the *Local Government Regulation 2012*, Council must review its Revenue Policy annually in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year. The Revenue Policy is a component of System of Financial Management. Its adoption, in advance of setting the budget, allows Council to set out the principles that it will use to set its budget and to identify in broad terms the general strategy to be used for raising revenue.

Section 193 of the Local Government Regulation 2012 requires a Local Government to adopt a Revenue Policy for each financial year. The Revenue Policy must state:

- Details of the principles that Council intends to apply for:
 - Levying rates and charges;
 - Granting concessions for rates and charges;
 - Recovering overdue rates and charges; and
 - Cost-recovery methods.
- If the Local Government intends to grant concessions for rates and charges – the purpose for the concessions; and
- The extent to which physical and social infrastructure costs for new development are to be funded by charges for the development.

This Revenue Policy will specifically address the legislative requirements in respect of those policy matters detailed above. The Policy will clearly state the principles used in making, levying and recovery of rates and charges, as well as the principles governing any rebates and concessions provided, and any limitations on these matters.

1.2. Levying of Rates and Charges

Rates and charges are determined after due consideration of the following:

- Council's legislative obligations.
- The needs and expectations of the general community as determined by formal and informal consultation and survey processes.
- The cost of maintaining existing facilities and necessary services.
- The need for additional facilities and services.

- Equity by ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

In levying rates and charges, Council will apply the principles of:

- Making clear what is the Council's and each ratepayers responsibility to the rating system;
- Making the levying process, granting discount and any refund of rates and charges as simple and efficient to administer as possible;
- Timing the levy rate notices to take into account the financial cycle to which the ratepayers are accustomed or may adapt to; and
- Flexibility by providing payment arrangements to ratepayers with a demonstrated lower capacity to pay, along with a wide array of payment options.

Council will also have regard to the principles of:

- Transparency of process.
- Simplicity and efficient administration.
- Flexibility to take account of changes in the local economy, extraordinary circumstances and impacts that different industries may have on Council's infrastructure.

1.2.1. General Rates

General Rates 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.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the Region as a whole. In deciding how that revenue is raised, Council has formed the opinion that the differential general rating scheme provides the most equitable basis for the distribution of the general rate burden.

In formulating the differential general rating scheme Council has considered equity by implementing distribution of the general rate based on the land use. Where necessary a particular class of land use is further 'subdivided' on a geographic basis.

The Unimproved Valuation/Site Value for each property is the basis for determining the amount of the general rate levied. Council recognises that significant valuation fluctuations may have an adverse effect on customers. Council considers that this impact should be smoothed so that the impact in any one year is reduced. Council may achieve this by establishing new differential rating categories, averaging the valuation in accordance with *Sections 74 to 76 of the Local Government Regulation 2012* or by limiting rate increases in accordance with *Section 116 of the Local Government Regulation 2012*.

1.2.2. Separate or Special Rates

Where appropriate, Council will fund certain services and facilities by means of separate or special rate or charge in accordance with *Part 6 and Part 8 of the Local Government Regulation 2012*. Council will levy special rates and charges on certain properties that are considered to be specially benefited by the provision of specific services, facilities or activities.

Special rates are based on the Unimproved Valuation/Site Value of the land and special charges are a flat charge per property, where this is considered to provide a more equitable basis for the sharing of the cost.

1.2.3. Other Charges

In general, Council will be guided by the principle of user pays where it can easily identify the cost associated with supplying a particular service. In particular Council may use this principle for water supply, sewerage, refuse collection, et cetera. Provided however that where Council considers that moving to full cost recovery for a particular service may cause undue hardship Council will "phase in" the full cost recovery over a period of time.

1.3. Recovery of Rates and Charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- **Transparency** – by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- **Simplicity** – by making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
- **Capacity to Pay** – by determining appropriate arrangements for different sectors of the community;
- **Equity** – by providing the same treatment for ratepayers with similar circumstances; and
- **Flexibility** – by responding where necessary to changes in the local economy.

1.4. Concessions for Rates and Charges

Statutory provision exists for the Council to rebate or postpone rates in certain circumstances. These provisions are detailed in *Part 10 of the Local Government Regulation 2012*.

In considering the application of concessions, Council will be guided by the principles of:

- **Equity** – by having regard to the different levels of capacity to pay within the local community;
- **Consistency** – by applying the same treatment for ratepayers with similar circumstances;
- **Transparency** – by making clear the requirements necessary to receive concessions; and
- **Flexibility** – by allowing Council to respond to local economic issues.

The predominant purpose for which Council grants concessions is to:

- Assist pensioners (who are on very limited incomes), in meeting their obligations to pay Council's rates and charges; and
- Assist various Religious Organisations, Community Groups and Sporting Organisations who provide a public service or community benefit throughout the region in meeting their obligations to pay Council's rates and charges.

1.5. 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, environmental and other corporate goals. This is considered to be the most equitable and effective revenue approach, and is founded on the basis the Region's rating 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 action to which the fee applies.

1.6. Commercial Charges

Sections 9 (Powers of local governments generally) and 262 (Powers in support of responsibilities) of the Local Government Act 2009 provide the Council, as a legal entity, with

powers to charge for services and facilities it supplies other than a service or facility for which a cost recovery fee may be fixed.

Such commercial charges are for transactions where the Council is prepared to provide a service and the other party to the transaction can choose whether or not to avail itself of the service.

The nature, level and standard of the entitlement, facility or service is considered by the Council in the setting of commercial charges. Central to deliberations on these matters is the Council's community service obligation and the principle of social equity. The Council may set such a charge with the aim of achieving a profit from the service or facility provided.

The principle of "user pays" is considered where the provision of a service, entitlement or facility may be in direct competition with private enterprise.

1.7. Funding of Physical and Social Infrastructure Costs

Council requires developers to pay reasonable and relevant contributions towards the cost of infrastructure required to support the development. Specific charges are detailed in "Adopted Infrastructure Charges" resolution adopted by Council.

These charges are based on normal anticipated growth rates. Where a new development is of sufficient magnitude to accelerate the growth rate of a specific community within the region, it may be necessary to bring forward social infrastructure projects. Where this occurs, Council expects developers to meet sufficient costs so that the availability of facilities is not adversely affected and so that existing ratepayers are not burdened with the cost of providing the additional infrastructure.

2. SCOPE

Applies to all revenue raising undertaken by Council.

3. POLICY OBJECTIVES

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

- The making and levying of rates and charges;
- The recovery of rates and charges; and
- Exercising of its power to grant rebates and concessions for rates and charges.

4. BACKGROUND AND/OR PRINCIPLES

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

- The making and levying of rates and charges;
- The recovery of rates and charges; and
- Exercising of its power to grant rebates and concessions for rates and charges.

5. GENERAL INFORMATION

Not applicable.

6. DEFINITIONS

The Act means the *Local Government Act 2009*.

7. LEGISLATIVE REFERENCE

Section 193 of the *Local Government Regulation 2012*.

8. RELATED POLICIES/PROCEDURES

Investment Policy, Debt Policy, Rate Recovery Policy and Revenue Statement.

9. NEXT REVIEW
1 May 2018

Gary Wall
CHIEF EXECUTIVE OFFICER

Date