

BUILDING

A better

FUTURE



Bundaberg Regional Council
BUDGET 2016/2017





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MAYOR'S MESSAGE

The raft of projects that are funded in the adopted 2016/2017 budget ensure every corner of the Bundaberg Region receives its fair share of capital expenditure targeted at improving infrastructure and services.

The rate rise of 3.5% represents the lowest adopted rate rise in the eight years of the amalgamated Bundaberg Regional Council.

The overarching message of this budget rests with the economic stimulus it provides for our region as we emerge from the challenging economic times of the recent past.

The whole of Council operation within this budget is tied to a \$244 million spend on capital and recurrent items.

Of that \$244 million, this budget provides for \$124 million in capital expenditure which is only bettered by the \$152 million invested during 2013/2014 following the natural disasters of January 2013.

The rate rise of 3.5% is a simple figure easily understood by our ratepayers. However, I wish to impress on everyone the importance of the investment we are making in the Rubyanna Wastewater Treatment Plant and the Multi-purpose Sports and Community Centre at the old showgrounds site and what these two projects can deliver for our communities.

Investment in local projects and infrastructure are key financial drivers for the Bundaberg Region. Council, through today's budget, is clearly planning to play its role in delivering this economic boost.

Council will allocate in excess of \$38 million to the Rubyanna project and more than \$10 million to the Multi-purpose Centre Stage 1 construction. More than \$28.7 million will be injected directly into the region's roads through rehabilitation, resurfacing and reconstruction programs.

This budget provides a strong focus on Council's engagement with the digital economy and our requirement for upgraded information technology assets. To this end, Council is investing around \$4.7 million in a systems upgrade and the rollout of additional and enhanced closed-circuit television (CCTV) coverage in community and Council locations.

The equality of our capital expenditure will be reflected in our region wide investment in water, sewerage, roads and pathway projects. Additionally, Council is committed to supporting a strategic approach to drainage, parks and natural areas, animal welfare, sporting, social, community and cultural activities.

The speed at which we can continue to drive change across this beautiful region will be tied to some degree to the willingness of State and Federal Governments to partner with us in delivering projects that create jobs and drive the growth of our community.

We have a vibrant region full of promise and potential. I urge all levels of government to assist us in exploring that potential because a well-supported Bundaberg Region has the capability of being a major contributor to the economic growth of our State and our nation.

Cr. Jack Dempsey
Mayor, Bundaberg Regional Council



SIGNIFICANT 2016/2017 BUDGET POINTS

Council Rates

The average Council rate notice will increase by 3.5%, which is inclusive of all general, utility and separate rate charges. A portion of these increases relate to the various utility charges: waste, water and wastewater.

Waste Pricing

Waste charges will be increasing by \$10 from \$325 per annum to \$335 per annum, for the standard 240 litre weekly waste and 240 litre fortnightly recycling bins.

Water Pricing

A small increase of \$4 per annum will be incurred on 20mm domestic water access charges. This water access fee is now \$412.

Water consumption prices have increased by 3 cents per 1,000 litres, now costing \$1.15 per 1,000 litres consumed for the first 150 kilolitres of consumption per half year, with \$1.88 per kilolitre for additional water consumed above 150 kilolitres per half year.

Wastewater Pricing

The domestic wastewater charge has increased from \$678 per annum to \$705, a rise of \$27 per annum. Council is upgrading its ageing sewerage infrastructure. These wastewater treatment plants have had significant upgrades over the past few years or are in the process of being upgraded, these include the new Rubyanna plant, Thabeban plant, Gin Gin plant as well as the Woodgate vacuum system.

Debt

Council is budgeting to increase debt in 2016/2017 by \$24 million to fund major projects such as the Rubyanna Wastewater Treatment Plant, the Multi-purpose Sports and Community Centre and the new Animal Pound facility.

Council's cash balances remain above the sustainable target range and Council intends only to borrow funds for significant major projects in the absence of other funding alternatives. Should Council be successful in obtaining further grant funding from either the State or Federal Governments, this would reduce Council's need to borrow these funds.

Council's Long Term Financial Forecast estimates that \$39 million will be sourced in new loans over the following nine (9) financial years.

Council's debt balances as outlined in the 10 year loan schedule, are expected to be \$80 million by the end of 2016/2017 and \$47 million by the end of 2025/2026, indicating reducing debt levels and a responsible financial management strategy.

Investments

Council strives to get the best possible returns on its investments in accordance with its current Investment Policy, whilst ensuring funds are readily available to fund the operational spend.

Council invests with a range of financial institutions, but predominately with the Queensland Treasury Corporation (QTC) which has an AA rating and utilises funds invested to finance the Queensland Government's capital investment program.

Constrained Cash Reserves

Each financial year Council collects revenue from rates and utility charges, grants, fees and other forms of revenue and allocates these funds towards the specific purposes outlined in the budget.

Council plans to utilise its reserves to fund major infrastructure. Reviews of the constrained reserves are undertaken to ensure the funds have been utilised appropriately in accordance with the purpose for which they were reserved.

Capital Works

Council has implemented a new Project Decision Framework providing further assurance that projects are being clearly scoped, appropriately funded and delivered to meet the community's needs.

FINANCIAL STATEMENTS

The Budgeted Financial Statements (page 13) have been prepared in accordance with legislative requirements and reflect the anticipated operational activities of Council over the 2016/2017 financial year, plus forecasts for the ensuing nine (9) years. The anticipated financial position of Council remains strong over the duration of the budget, as confirmed by the QTC Credit Review, completed in May 2015.

The QTC credit rating of Council reflects:

- Council's operating result with historical and forecast operating surpluses;
- Council's willingness to implement regular rate increases;
- Borrowing capacity with an adequate debt servicing capacity;
- Moderate liquidity and financial flexibility; and
- Significant investment in its asset base to support the community.

Financial Statements contained within this report include:

- Statement of Comprehensive Income – presents Council's consolidated operational revenues and expenses (where money comes from and how it is spent); along with a summary of capital expenditure.
- Statement of Financial Position – identifies the predicted financial position of Council, including Assets (what we own); Liabilities (what we owe); and Equity (our net worth).
- Statement of Cash Flows – reports how revenue received and expenses paid, impact on Council's cash balances.
- Statement of Capital Funding – identifies the predicted sources of capital funding, and identifies capital expenditure items by asset class (where the capital project money comes from and what it is spent on).
- Statement of Changes in Equity – reports all changes to equity (Council's assets net of liabilities) during the financial period.
- Financial Sustainability Ratios – key financial indicators that measure Council's financial performance.

Statement of Comprehensive Income

Council's Operating Result

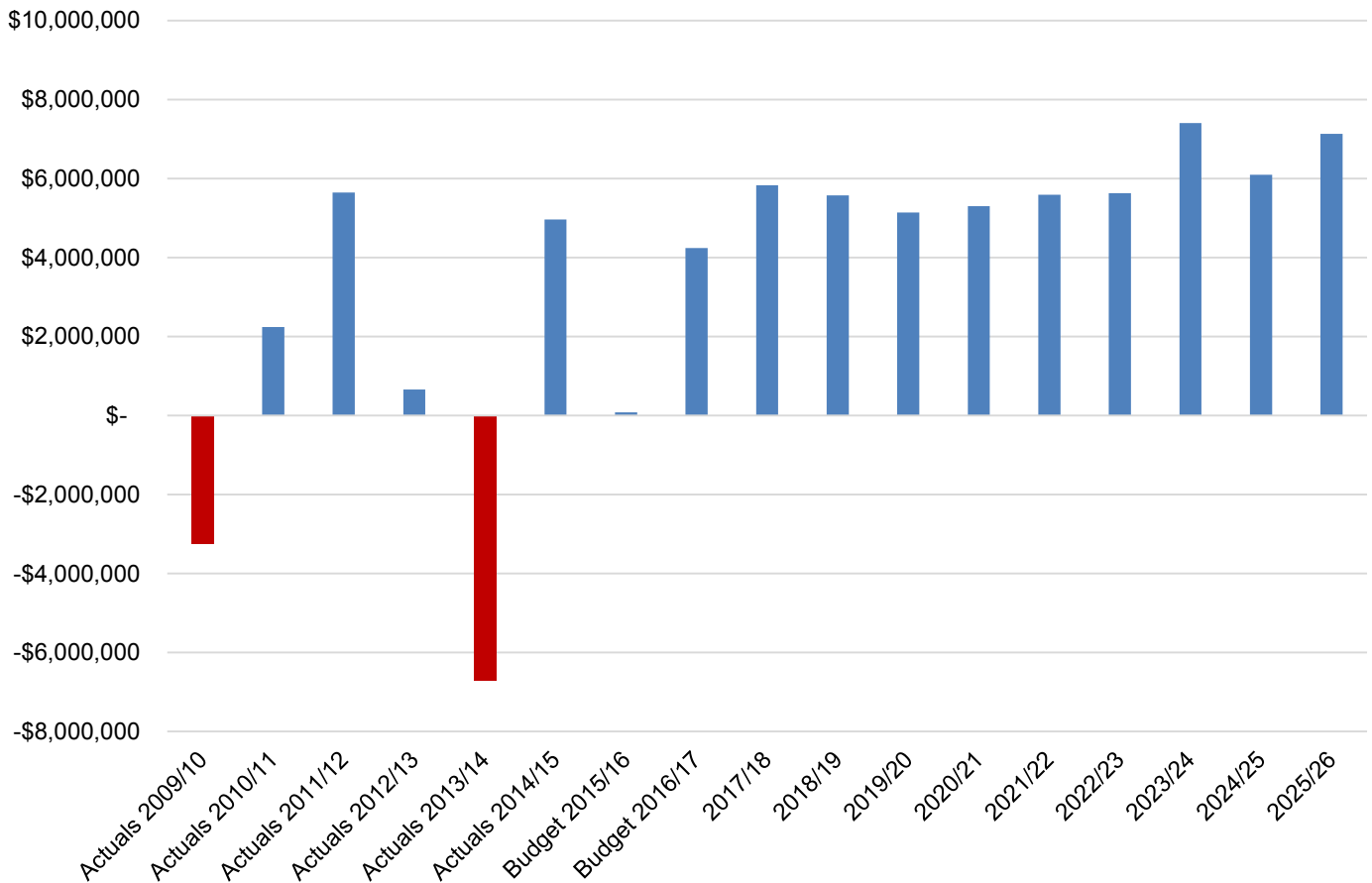


Figure 1 – Operating Result

Figure 1 above shows that Council is forecasting a positive operating result in each year going forward from 2016/2017. Any business that consistently spends more than it earns by running an operating deficit is living beyond its means. For Council, any surplus generated in the budget is reinvested back into the Bundaberg region via the capital works program, thereby providing necessary funds for investment in regional growth.

The 2013/2014 year was the year that expenditure was impacted as a result of the 2012/2013 floods in the Bundaberg region and it is noteworthy how well and how quickly Council has recovered financially (and otherwise) since those events.

2016/2017 Recurrent Revenue Budget

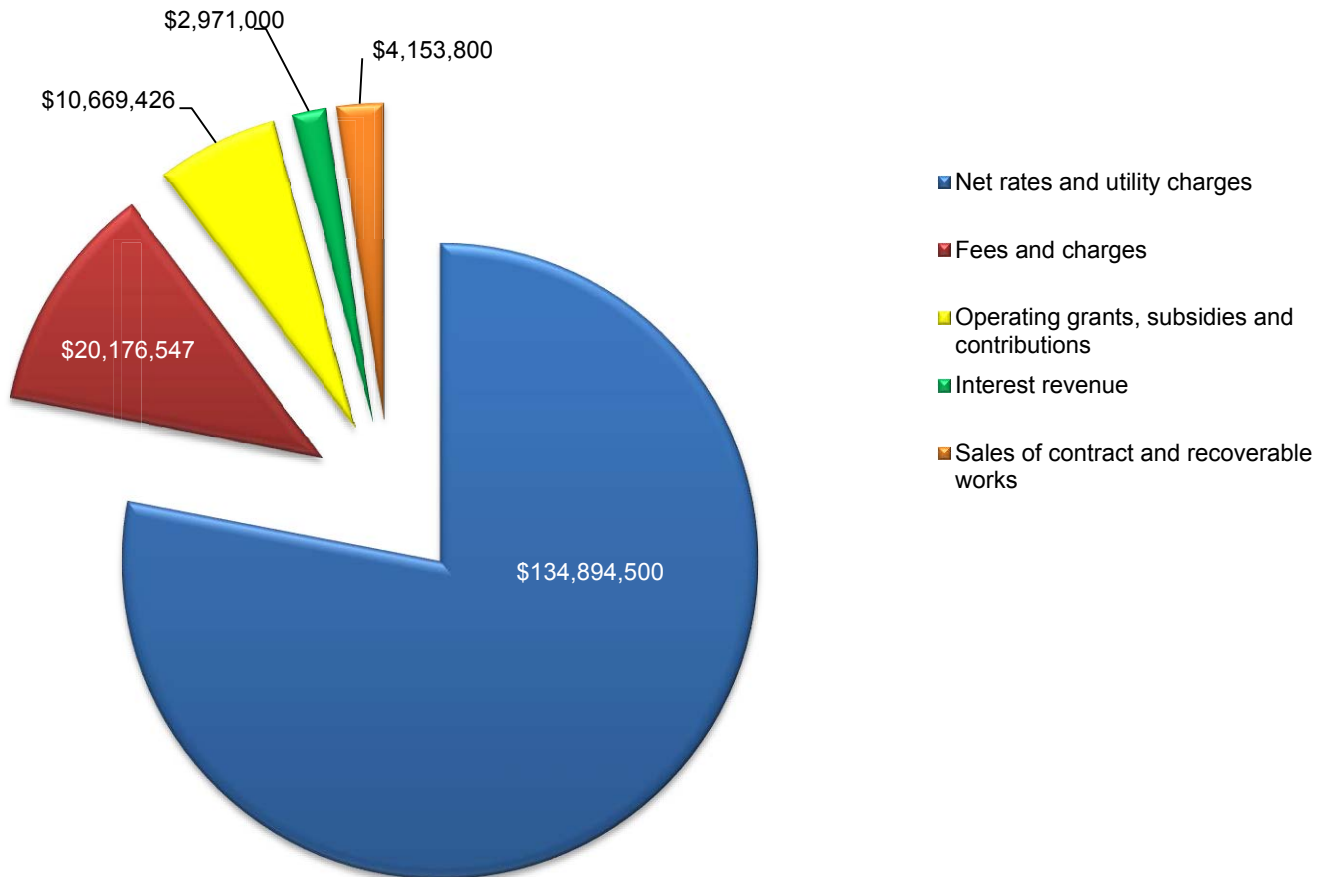


Figure 2 – Recurrent Revenue Budget

Figure 2 above, shows the breakdown of Council revenue. It is important to note that Council does not rely heavily on funds from other tiers of government, and therefore has a high level of control over funding sources.

Council continues to invest in the Bundaberg Regional Airport and Holiday Parks, with revenue from these businesses returning a small profit, thereby reducing reliance on rates as well as supporting the local economy. Total operating revenue for Council is forecast to be \$172 million in 2016/2017.

In addition to the above operating revenue, Council receives capital contributions from developers and specific capital grants from both State and Federal Governments. Capital revenue from these sources represents a further \$34 million in this budget.

2016/2017 Recurrent Budgeted Expenditure

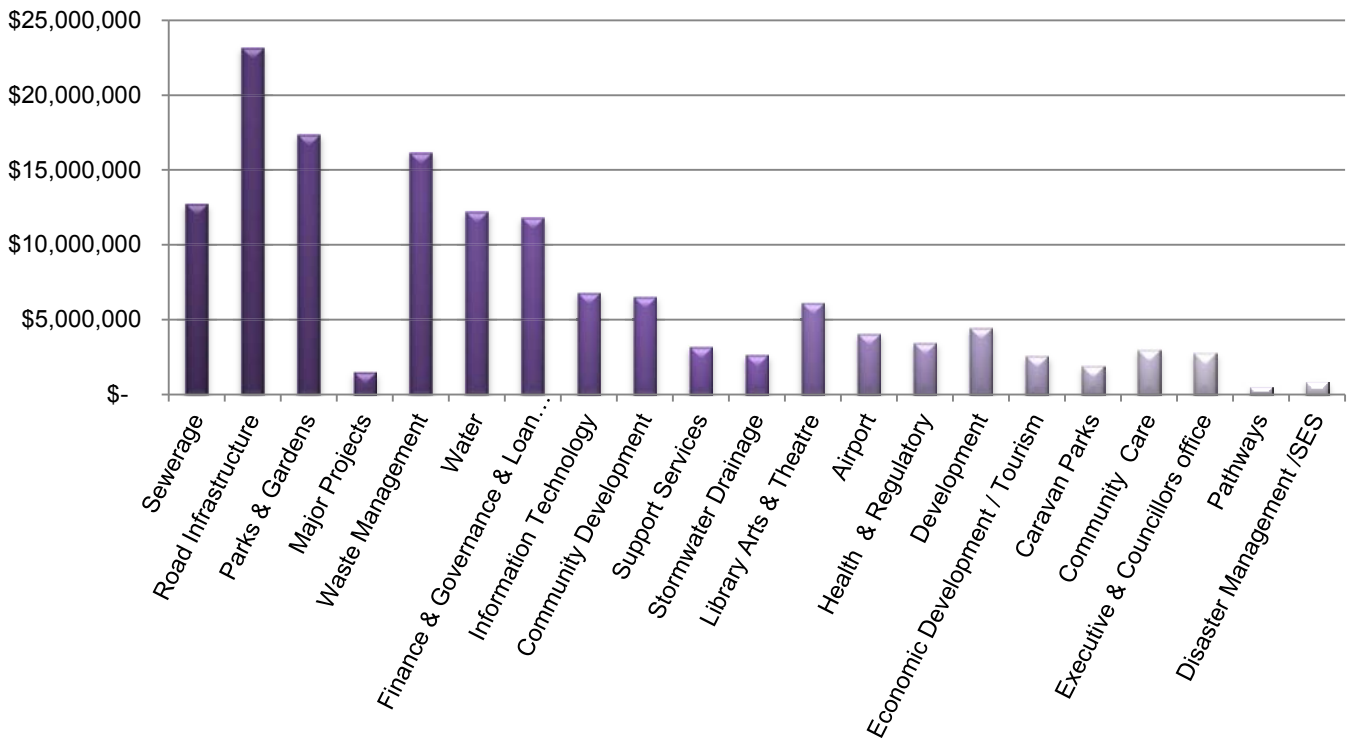


Figure 3 – Recurrent Budgeted Expenditure

Figure 3 above depicts where Council spends its funds within the service areas of Council. As can be seen within the Statement of Comprehensive Income (shown on page 14), the material and services portion of recurrent expenses (\$47 million) represents payments to external agencies and contractors for the provision of services to the community. Council’s *Purchasing Policy – Acquisition of Goods & Services (GP-3-048)* has an underlying principle to encourage the development of competitive local business and industry and this leads to a significant investment in the regional economy by Council.

Council is also the region’s largest employer, employing some 800 people. As members of our community these families contribute considerably to the region’s social, sporting and economic development.

Total operating expenses are forecast to be \$168 million for 2016/2017.

Statement of Financial Position

The 2016/2017 Statement of Financial Position (shown on page 15) shows a healthy bank balance consistent with past years, and a steadily increasing asset base. Council’s liabilities, being at 6.5% of the value of its assets, shows Council has a very low debt to equity ratio, which means Council has significantly greater assets than it does debt.

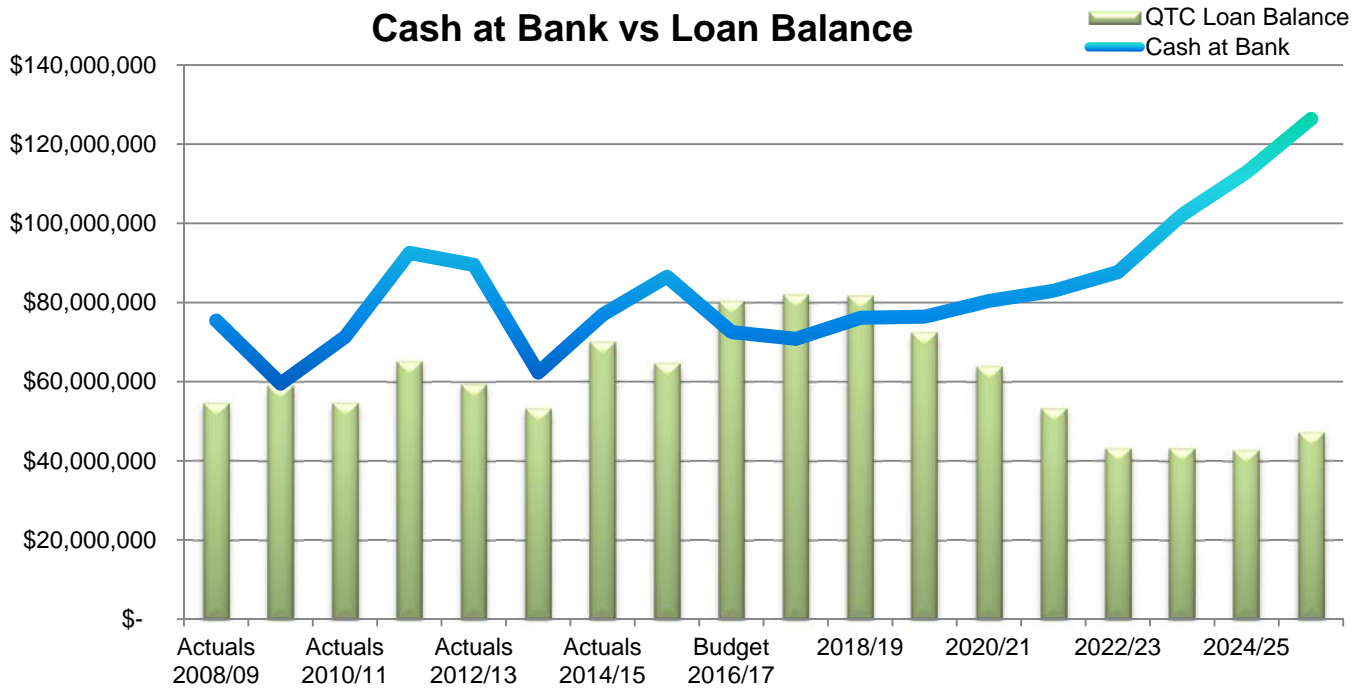


Figure 4 – Cash at bank to Loan Balances

The line in Figure 4 above represents the cash at bank while the columns are the forecast debt position. Council having debt greater than cash in the 2016-2020 period raises no issues or concerns with Council as having more debt than cash is standard business practice.

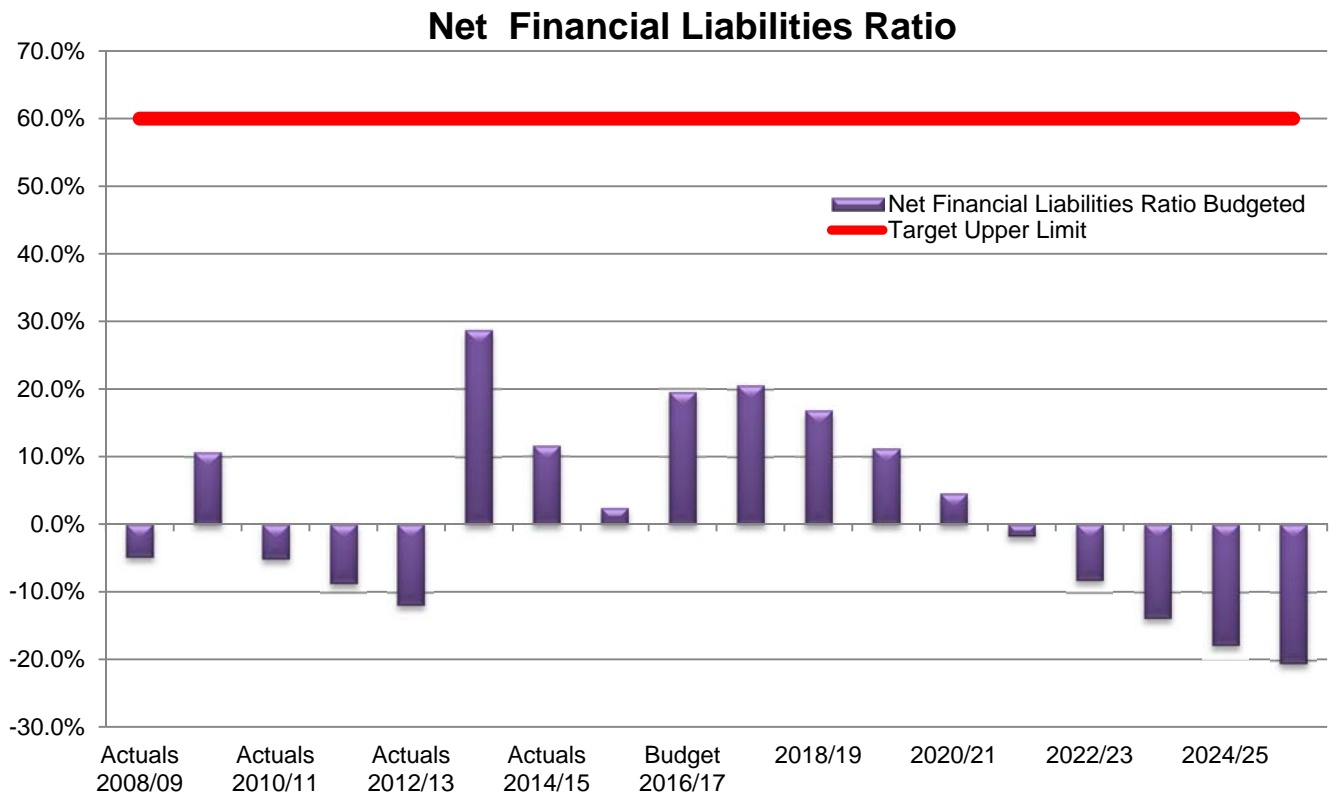


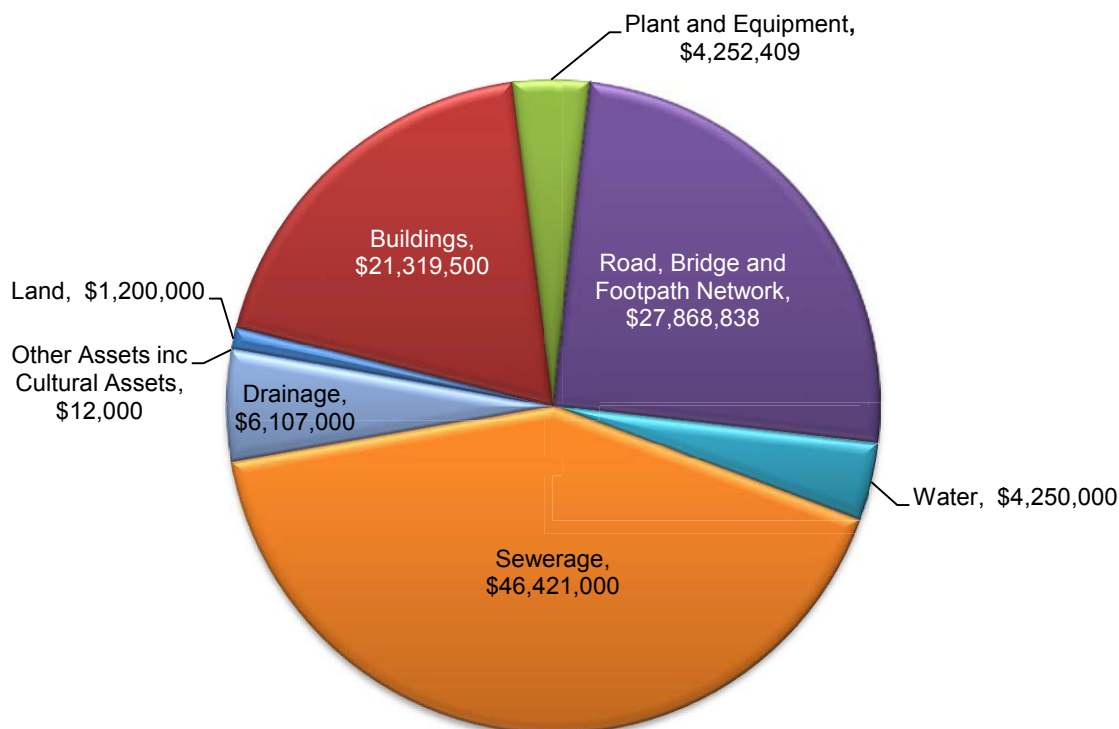
Figure 5 – Net Financial Liabilities Ratio

Figure 5 above is one of the financial ratios that assists Council in forecasting its long term sustainability. This shows that Council’s debt profile is well under the target upper limit recommended by the State Government following the Queensland Commission of Audit by the Honourable Peter Costello AC on Queensland’s finances.

Statement of Capital Funding

The 2016/2017 budget includes the adoption of a 10-year indicative Capital Works Program. Since 2008 as Bundaberg Regional Council this represents an investment of almost \$1.5 billion in community infrastructure assets, establishing a platform for regional growth and providing a sustained boost to local economic activity.

2016/2017 Capital Expenditure Budget by Asset Type



Capital expenditure by business section of Council is shown below.

▪ Sewerage	\$ 46,421,000
▪ Road Infrastructure	\$ 23,784,000
▪ Major Projects	\$ 15,650,000
▪ Stormwater Drainage	\$ 6,107,000
▪ Information Technology	\$ 4,780,909
▪ Water	\$ 4,250,000
▪ Support Services - Fleet	\$ 4,111,000
▪ General loan repayments	\$ 4,055,000
▪ Pathways	\$ 1,851,338
▪ Parks and Gardens	\$ 1,592,500
▪ Health and Regulatory	\$ 1,550,000
▪ Caravan Parks	\$ 1,387,500
▪ Economic Development / Tourism	\$ 1,355,000
▪ Airport loan repayments	\$ 1,303,000
▪ Community Development	\$ 1,108,500
▪ Waste Management	\$ 736,000
▪ Library Arts and Theatre	\$ 227,000
▪ Community Care	\$ 61,000

Financial Sustainability Ratios

The Queensland Government has adopted a range of sustainability ratios that assist in providing a snapshot of Council's relative performance against other regions, as well as against accepted industry benchmarks.

The minimum measures required are:

Ratio	Target
Asset sustainability ratio	Being greater than 90%
Net financial liabilities ratio	Being less than 60%
Operating surplus ratio	Being between 0% and 10%

The following additional measures are also included to further demonstrate Council's long term financial sustainability:

- Interest coverage ratio; and
- Working capital ratio.

These ratios are detailed on page 79 and show Council with a sound long term financial future.

BUDGET AT A GLANCE

The 2016/2017 budget has been developed to ensure long term financial sustainability for the Bundaberg Regional Council. The 2016/2017 budget totals capital and recurrent expenditure of \$244 million with some of the more significant highlights being:

- A budget which includes a positive operating result of \$4.2 million;
- An overall rate increase of 3.5%;
- A \$4 a year increase in water access charges;
- Continuation of pensioner concessions, estimated at \$1.4 million for the 2016/2017 year;
- Maintaining the early payment discount of 10%, estimated at \$6.4 million for the 2016/2017 year;
- A total capital works program of \$123 million, with the major items listed below:
 - \$38.25 million for the continuation of the Rubyanna Wastewater Treatment Plant (\$71 million project);
 - \$10 million for completion of stage 1 of the Multi-purpose Sports and Community Centre with \$5 million allocated for stage 2 if grant funding is successful (\$32 million total project).
- Public realm assets such as roads, parks, drainage, pathways and community infrastructure as part of the capital works program are highlighted below:
 - \$1.5 million for Parks including:
 - Hummock lookout improvements;
 - Christsen Park (the 'Basin'), Bargara foreshore (Stage 1 roadworks);
 - Woodgate foreshore hub;
 - ANZAC Park improvements;
 - Botanical Gardens upgrades.
 - \$20 million for Roads including:
 - Region-wide resurfacing and resealing;

- Eggmolesse Street construction;
- Kay McDuff Drive extension to Ring Road (Stage 1);
- Winfield Road, Winfield, widening of narrow sections;
- Presslers Road, Rubyanna widening;
- Improvements to Wonbah Road, Gaeta;
- Scotland and Eastgate Streets, Bundaberg East safety improvements;
- Walla and George Streets safety improvements;
- Widening of Moore Street, Elliott Heads;
- Wawoon Road, Woongarra realignment at Wallace Street end;
- Martins Road, Gooburrum culvert upgrade;
- Extension of gravel road at Church Street, Horton;
- Voss Road, Elliott bitumen seal to Isis Highway
- Various creek crossing improvements, as required.
- \$3 million for the Monduran bridge reconstruction.
- \$4 million for Drainage projects including:
 - Next stage of Thabeban drainage;
 - Langbeckers Road, Thabeban drainage improvements;
 - Stage 8 of Port Drainage;
 - One Mile Road, Bundaberg North – further works;
 - Aquarius Drive, Bargara culvert works;
 - Rail crossing drainage at Clayton Road, Alloway;
 - Tara Street and Reid Crescent, Innes Park staged drainage improvements;
 - Clayton Road drainage improvements
 - Drainage works at the northern end of Sharon Road, Sharon.
- Pathway projects (\$2 million), including multi-modal and safety pathway improvements:
 - Moore Park Road to Murdochs Road;
 - Baldwin Swamp cycle/path improvements (staged);
 - Causeway Drive, Bargara pathway;
 - Multimodal pathway extensions;
 - Crescent Street, Childers footpath extension;
 - Hughes Road, Bargara (child care area) footpath;
 - Safe grant funding – approved pathways for schools etc.
 - Avoca Street pathway extensions.
- Replacement of Council’s core IT system (stage 1) \$4 million;
- \$1 million for water treatment plant improvements for Gin Gin plant, Kalkie plant, and Childers plant investigations;
- \$1.8 million for new Animal Pound facility;
- Water and Wastewater mains and pipeline upgrades, as they are identified;
- \$1.3 million for Woodgate vacuum sewer extension;
- CCTV upgrades as grant funding becomes available.



BUDGET STATEMENTS

BUNDABERG REGIONAL COUNCIL**Budgeted Statement of Comprehensive Income**

For the period ending 30 June 2017	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Revenue				
Rates, levies and charges	137,010,950	142,680,500	148,102,359	153,730,249
Less: Discounts & Pensioner remissions	-7,443,000	-7,786,000	-8,081,868	-8,388,979
Net rates and utility charges	129,567,950	134,894,500	140,020,491	145,341,270
Fees and charges	19,523,756	20,176,548	21,749,755	23,102,235
Interest received	3,644,373	2,971,000	2,471,000	2,361,000
Sales - contract and recoverable works	3,454,933	4,153,800	4,313,288	4,529,000
Operating grants, subsidies, contributions and donations	11,951,965	10,669,426	11,510,158	11,854,000
Profit on sale of developed land held for sale	387,000	0	0	0
TOTAL OPERATING REVENUES	168,529,977	172,865,274	180,064,692	187,187,505
Expenses				
Employee benefits	-70,047,715	-71,353,247	-73,137,078	-74,965,505
Materials and services	-50,841,200	-47,051,050	-48,962,582	-53,481,459
Finance costs	-4,085,750	-3,473,000	-4,275,159	-4,195,655
Depreciation and amortisation	-43,471,718	-46,749,432	-47,862,000	-48,974,568
TOTAL OPERATING EXPENSES	-168,446,383	-168,626,729	-174,236,819	-181,617,187
Operating surplus (deficit)	83,594	4,238,545	5,827,873	5,570,318
Capital income and expenditure:				
Cash capital grants, subsidies and contributions	21,224,582	28,663,913	19,903,131	13,403,000
Donated physical capital assets	5,500,000	5,500,000	5,500,000	5,792,640
Net result	26,808,176	38,402,458	31,231,004	24,765,958

BUNDABERG REGIONAL COUNCIL

Budgeted Statement of Financial Position

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Current Assets				
Cash and cash equivalents	86,548,673	72,530,816	70,841,481	76,138,401
Trade and other receivables	12,872,683	12,872,683	12,872,683	12,872,683
Inventories	4,147,768	4,147,768	4,147,768	4,147,768
Non-current assets held for sale	982,164	982,164	982,164	982,164
	<u>104,551,288</u>	<u>90,533,431</u>	<u>88,844,096</u>	<u>94,141,016</u>
Non-Current Assets				
Property, plant and equipment	1,742,044,969	1,807,503,855	1,841,186,578	1,859,755,511
Intangible assets	6,899,261	10,361,690	13,064,680	12,997,745
	<u>1,748,944,230</u>	<u>1,817,865,545</u>	<u>1,854,251,258</u>	<u>1,872,753,256</u>
TOTAL ASSETS	<u>1,853,495,518</u>	<u>1,908,398,976</u>	<u>1,943,095,354</u>	<u>1,966,894,272</u>
Current Liabilities				
Trade and other payables	16,369,963	16,369,963	16,369,963	16,369,963
Borrowings	8,274,000	8,316,000	7,334,626	8,787,040
Provisions	915,000	915,000	915,000	915,000
Other liabilities	435,964	435,964	435,964	435,964
	<u>25,994,927</u>	<u>26,036,927</u>	<u>25,055,553</u>	<u>26,507,967</u>
Non-Current Liabilities				
Borrowings	56,395,853	72,079,853	74,745,227	72,958,187
Provisions	26,168,058	26,168,058	26,168,058	26,168,058
	<u>82,563,911</u>	<u>98,247,911</u>	<u>100,913,285</u>	<u>99,126,245</u>
TOTAL LIABILITIES	<u>108,558,838</u>	<u>124,284,838</u>	<u>125,968,838</u>	<u>125,634,212</u>
NET COMMUNITY ASSETS	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>
Community Equity				
Capital	1,358,374,080	1,397,312,993	1,428,497,498	1,447,060,724
Asset revaluation surplus	334,761,325	334,761,325	334,761,325	334,761,325
Retained surplus/(deficiency)	51,801,275	52,039,820	53,867,693	59,438,011
	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>
TOTAL COMMUNITY EQUITY	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>

BUNDABERG REGIONAL COUNCIL**Budgeted Statement of Cash Flows**

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts from customers	<u>152,546,639</u>	<u>159,224,848</u>	<u>166,083,534</u>	<u>172,972,505</u>
Payments to suppliers and employees	<u>-120,888,915</u>	<u>-118,404,297</u>	<u>-122,099,660</u>	<u>-128,446,964</u>
	<u>31,657,724</u>	<u>40,820,551</u>	<u>43,983,874</u>	<u>44,525,541</u>
Interest received	<u>3,644,373</u>	<u>2,971,000</u>	<u>2,471,000</u>	<u>2,361,000</u>
Proceeds from sale of developed land held for resale	<u>500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Non-capital grants, subsidies, contributions and donations	<u>11,951,965</u>	<u>10,669,426</u>	<u>11,510,158</u>	<u>11,854,000</u>
Finance costs	<u>-4,085,750</u>	<u>-3,473,000</u>	<u>-4,275,159</u>	<u>-4,195,655</u>
Net Cash Inflow/(Outflow) from Operating Activities	<u>43,668,312</u>	<u>50,987,977</u>	<u>53,689,873</u>	<u>54,544,886</u>
Cash Flow from Investing Activities :				
Payments for property, plant and equipment	<u>-50,354,797</u>	<u>-105,930,747</u>	<u>-75,247,713</u>	<u>-60,933,926</u>
Payments for intangible assets	<u>-642,265</u>	<u>-4,240,000</u>	<u>-3,500,000</u>	<u>-750,000</u>
Proceeds from sale of property, plant and equipment	<u>1,375,587</u>	<u>817,000</u>	<u>800,000</u>	<u>820,000</u>
Capital grants, subsidies, contributions and donations	<u>21,224,582</u>	<u>28,663,913</u>	<u>19,903,131</u>	<u>13,403,000</u>
Net Cash Inflow/(Outflow) from Investing Activities	<u>-28,396,893</u>	<u>-80,689,834</u>	<u>-58,044,582</u>	<u>-47,460,926</u>
Cash Flow from Financing Activities :				
Proceeds from borrowings	<u>2,617,100</u>	<u>24,000,000</u>	<u>10,000,000</u>	<u>7,000,000</u>
Repayment of borrowings	<u>-8,274,000</u>	<u>-8,316,000</u>	<u>-7,334,626</u>	<u>-8,787,040</u>
Net Cash Inflow/(Outflow) from Financing Activities	<u>-5,656,900</u>	<u>15,684,000</u>	<u>2,665,374</u>	<u>-1,787,040</u>
Net Increase (Decrease) in Cash Held	<u>9,614,519</u>	<u>-14,017,857</u>	<u>-1,689,335</u>	<u>5,296,920</u>
Cash at beginning of reporting period	<u>76,934,154</u>	<u>86,548,673</u>	<u>72,530,816</u>	<u>70,841,481</u>
Cash at end of Reporting Period	<u>86,548,673</u>	<u>72,530,816</u>	<u>70,841,481</u>	<u>76,138,401</u>

BUNDABERG REGIONAL COUNCIL

Budgeted Statement of Capital Funding

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Sources of Capital Funding				
Appropriation from general revenue sources, funds expended for capital purposes in the period				
Proceeds from the sale of non current assets	1,375,587	817,000	800,000	820,000
Future capital works reserve	33,644,544	47,589,834	48,479,208	49,247,966
Funds from loan borrowings expended in the period	2,617,100	29,000,000	10,000,000	7,000,000
Infrastructure Charges	5,500,000	5,500,000	5,500,000	5,792,640
Constrained grants and developer contributions	21,531,757	28,879,913	19,903,131	13,403,000
Asset Acquisition Reserve / Sewerage Reserve	102,074	12,200,000	6,900,000	0
	<u>64,771,062</u>	<u>123,986,747</u>	<u>91,582,339</u>	<u>76,263,606</u>
Application of Capital Funding				
Non current assets :				
Land purchased for development and sale	27,000	0	0	
Land and improvements	117,537	1,200,000	250,000	300,000
Buildings and structures	8,953,228	21,319,500	17,400,713	7,995,236
Investment Properties	15,000	0	0	0
Plant and equipment	4,352,835	4,252,409	5,955,000	5,108,000
Cultural assets	12,000	12,000	12,000	13,000
Roads, footpaths and bridges	22,253,022	27,868,838	30,697,000	30,268,000
Stormwater drainage	2,791,237	6,107,000	5,200,000	5,200,000
Sewerage infrastructure	13,724,271	46,421,000	14,825,000	5,967,580
Water infrastructure	3,608,667	4,250,000	6,408,000	11,874,750
Intangible assets	642,265	4,240,000	3,500,000	750,000
	<u>56,497,062</u>	<u>115,670,747</u>	<u>84,247,713</u>	<u>67,476,566</u>
Loan redemption	8,274,000	8,316,000	7,334,626	8,787,040
	<u>8,274,000</u>	<u>8,316,000</u>	<u>7,334,626</u>	<u>8,787,040</u>
Total capital expenditure	<u>64,771,062</u>	<u>123,986,747</u>	<u>91,582,339</u>	<u>76,263,606</u>

BUNDABERG REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Opening Balance - Retained Surplus	51,717,681	51,801,275	52,039,820	53,867,693
Increase / decrease in Net Result	26,808,176	38,402,458	31,231,004	24,765,958
Movement to Capital and Reserves	-26,724,582	-34,163,913	-25,403,131	-19,195,640
Movement from Capital and Reserves	0	-4,000,000	-4,000,000	0
Closing Balance - Retained Surplus	<u>51,801,275</u>	<u>52,039,820</u>	<u>53,867,693</u>	<u>59,438,011</u>
Opening Balance - Asset Revaluation Reserve	334,761,325	334,761,325	334,761,325	334,761,325
Asset Revaluation Adjustments	0	0	0	0
Closing Balance - Asset Revaluation Reserve	<u>334,761,325</u>	<u>334,761,325</u>	<u>334,761,325</u>	<u>334,761,325</u>
Opening Balance - Capital Account	1,330,428,308	1,358,374,080	1,397,312,993	1,428,497,498
Movement to Capital and Reserves	27,945,772	34,938,913	27,184,505	18,563,226
Movement from Capital and Reserves	0	4,000,000	4,000,000	0
Closing Balance - Capital Account	<u>1,358,374,080</u>	<u>1,397,312,993</u>	<u>1,428,497,498</u>	<u>1,447,060,724</u>
Total Community Equity	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>



REVENUE POLICY

1. INTENT

Pursuant to Section 193 of the *Local Government Regulation 2012*, which is detailed on page 3 of this Policy, the purpose of this Revenue Policy is to set the principles which Council intends to apply in the financial year for:

- Making and levying rates and charges;
- Recovering of rates and charges;
- Granting Concessions for rates and charges;
- Making Cost-recovery Fees;
- Funding physical and social infrastructure for new development.

2. SCOPE

2.1 Principles used for the making and levying of Rates and Charges

- Equity - ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations;
- Transparency - openness in the processes involved in the making of rates and charges;
- Simplicity - a rating regime that is simple and cost effective to administer;
- Consistency - by scheduling the issue of rates notices on a regular basis;
- Fiscal responsibility - levying an amount sufficient to allow Council to meet its budgetary responsibilities;
- Clarity - by providing meaningful information on rate notices to enable ratepayers to clearly understand their responsibilities;
- Flexibility - responding where possible to unforeseen changes in the local economy and providing a wide range of payment options; and
- Sustainability - revenue decisions support the financial strategies for the delivery of infrastructure and services identified in Council's long term planning.

2.2 Principles used for the recovery of Rates and Charges

Statutory provision exists for the Council to recover overdue rates and charges. These provisions are detailed in Chapter 4, Part 12 of the *Local Government Regulation 2012*.

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

- Making the obligations clear to ratepayers and the processes used by Council to assist ratepayers to meet these obligations;
- Making the processes used to recover outstanding rates and charges clear and simple to administer and cost effective;
- Flexibility by responding where necessary to changes in the local economy;
- Having regard to providing the same treatment for ratepayers with similar circumstances.

Council's Debt Recovery Policy sets out the detail of the processes used to recover outstanding rates and charges.

2.3 Rebates and Concessions for Rates and Charges

In considering the application of concessions, under Section 120 of the *Local Government Regulation 2012*, Council will be guided by the principles of:

- Equity by having regard to the different types of ratepayers/organisations within the local community;
- Consistent treatment for ratepayers/organisations with similar circumstances; and
- Transparency by making clear the requirements necessary to receive concessions.

In accordance with the above principles, Council has developed policies in respect of the following:

Remission of rates and charges for pensioners

Council accepts that certain classes of pensioners have contributed rates over a period of time and/or are restricted by a fixed income and should be afforded a concession in respect of rates and charges.

Concessions for community, sporting and welfare groups

Council also recognises that there are organisations which operate for the general benefit of the community with limited financial resources including schools, churches, welfare and youth organisations, emergency services, aged care and sporting organisations. Such organisations may receive a concession on their rates and charges in accordance with Sections 119 to 123 of the *Local Government Regulation 2012*.

Utility charges rebates

Council provides rebates on utility charges on the basis set out in Council's Revenue Statement.

2.4 The making of Cost-recovery Fees

By resolution, Council will for any financial year, fix cost-recovery and commercial charges for services and facilities supplied by Council pursuant to Sections 97 and 262 (3) (c) of the *Local Government Act 2009*. In accordance with the Act, the public may inspect the Fees & Charges Register at Council's administration offices.

In making Cost-recovery Fees, Council will apply the principles of:

- Full Cost Recovery, endeavouring to recover the full cost of the service for which the fee is remitted to minimise the effect on ratepayers;
- Simplicity and Efficiency, to make the levying of cost-recovery fees simple, efficient, and inexpensive to administer in order to minimise costs;
- Clarity in the method of calculating the amounts payable by the recipient of the service.

2.5 Infrastructure Charges for new development

In the provision of Infrastructure Charges for new development Council will apply the principles of:

- Transparency by making clear the process undertaken in the determination of Infrastructure Charges;
- Flexibility to allow Council to respond to local economic issues;
- Equity by having regard to the different levels of capacity to pay within the local community.

3. CONTROLS

Section 193 of the *Local Government Regulation 2012* requires the following in regard to a Local Government's Revenue Policy:

193 – Revenue Policy

- 1) *A local government's revenue policy for a financial year must state:*
 - (a) *The principles that the local government intends to apply in the financial year for -*
 - i) Levying rates and charges; and*
 - ii) Granting concessions for rates and charges; and*
 - iii) Recovering overdue rates and charges; and*
 - iv) Cost-recovery fees; and*
 - (b) *If the local government intends to grant concessions for rates and charges, the purpose for the concessions; and*
 - (c) *The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.*
- 2) *The revenue policy may state guidelines that may be used for preparing the local government's revenue statement.*
- 3) *A local government must review its revenue policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.*

4. EFFECTIVE FROM

This Policy was adopted by Council on 17 May 2016.

This Policy is effective from 17 May 2016.

5. REFERENCES/ASSOCIATED DOCUMENTS

[Local Government Act 2009](#)

[Local Government Regulation 2012](#)

[Fire and Emergency Services Act 1990](#)

[GP-3-038 Revenue Statement](#)



REVENUE STATEMENT

1. INTENT

To establish:

- How rates and charges are determined, including the extent that rates and charges relate to relevant costs;
- Details on all rebates and concessions; and
- Details on any limitations on rates and charges.

2. SCOPE

This Statement applies to the making of rates and charges, the levying of rates, the recovery of rates and charges, and concessions for rates and charges.

3. POLICY OBJECTIVES

This Statement deals with the reasoning applied by Council for raising revenue, including the fixing of rates and charges and if applicable, how Council applies user-pays principles to utility and general charges. Generally, this Statement does not deal with specific dollar amounts.

This Statement specifically addresses the legislative requirements in respect of those matters detailed above. The Statement provides reasons why Council levies its rates and charges, why and how rebates and concessions are provided and any limitations on these matters. Where appropriate, the basis for calculation of the various rates and charges may be shown.

4. POLICY

4.1 The determination of rates and charges:

Bundaberg Regional Council (Council) for any financial year will, as properly planned to meet requirements, make and levy:

- Differential general rates;
- Minimum general rates;
- Special rates and charges (generally across specific benefited or serviced areas of the Region); and
- Utility charges.

In respect of utility charges, Council will, as properly planned to meet requirements, make and levy such charges for supplying:

- Water services;
- Sewerage services;
- Waste and recycling collection services; and
- Trade waste processing services.

By resolution, Council will for any financial year, fix cost-recovery and commercial charges for services and facilities supplied by Council pursuant to Sections 97 and 262 (3) (c) of the *Local Government Act 2009*. In accordance with the Act, the public may inspect the Fees & Charges Register at Council's Administration Office at 186—190 Bourbong Street, Bundaberg Central, and it's Service Centres at 190 Hughes Road, Bargara; 45 Churchill Street, Childers and 4 Dear Street, Gin Gin.

In determining rates and charges, Council will have regard to reserves held or desired to be held in respect of asset replacement and/or specific purpose reserve funds. Reserves will be used for designated purposes, funding of internal loans when surplus reserves are available and balancing of under or over expenditure against the original budget estimates.

4.2 General rates / differential general rates:

General rates are levied on all rateable properties in the regional area, and are calculated on the basis of the value of land. The value of land is determined by the State Government Department of Natural Resources & Mines according to:

- in the case of rural land, its unimproved capital value; and
- in all other cases, its site value.

The term '*rateable land*' is defined by Section 93(2) of the *Local Government Act 2009* as: "*any land or building unit, in the local government area, that is not exempted from rates.*"

Other relevant terms used in Council's differential rating criteria are defined as follows:

- '**Primary Council land use code**' shall mean a four (4) character code recorded in Council's rating files as a Council code which identifies the principal use of the land or the potential predominant use by virtue of its improvements or activities conducted upon the land.
- '**Secondary Council land use code**' shall mean a code used in conjunction with the primary Council land use code to indicate a particular land use or the potential predominant use by virtue of its improvements or activities conducted upon the land.
- '**Strata title residential and commercial property**' and '**Strata title residential and commercial use**' shall mean – Lots, which have a primary Council land use code of 1008 or 1009, created under the provisions of the *Building Units and Group Titles Act 1980* or the *Body Corporate and Community Management Act 1997*.
- '**Subdivided land**' is defined in Chapter 2, Part 2, Subdivision 3, Section 49-51 of the *Land Valuation Act 2010* as follows:

Subdivision applies to a parcel (the relevant parcel) if:

- (a) the relevant parcel is one of the parts into which land has been subdivided; and*
- (b) the person who subdivided the land (the "subdivider") is the owner of the parcel; and*
- (c) the relevant parcel is not developed land.*

Council will make and levy differential general rates for the financial year ending 30 June 2017, on all rateable land in the Council area.

The following table, in accordance with Sections 80 and 81 of the *Local Government Regulation 2012*, Council:

1. categorises all rateable land into 12 categories listed in Column 1; and
2. by Column 2 provides a description for each of those 12 categories.

Where Council makes a determination that a parcel of land is intended to be used for a particular purpose, or has the potential to be used for such a purpose, it will have regard to, amongst other things, any improvements to, or activities being undertaken on, the land.

Further, Council delegates to the Chief Executive Officer the power (contained in Section 81(4) and (5) of the *Local Government Regulation 2012*) to identify the rating category to which each parcel of rateable land in Council's area belongs. In this regard, Column 3 is used to assist the Chief Executive Officer in identifying the categories in which rateable parcels of land are included.

Column 1 CATEGORY	Column 2 DESCRIPTION	Column 3 IDENTIFICATION
1 Urban Residential Land	Land that is used, or has the potential to be used, for urban residential purposes, other than land included in category 5.	Land to which any of the following primary Council land use codes apply: <u>Code</u> <u>Description</u> 1001 Vacant Land 1002 Single Unit Dwelling 1003 Multi-Unit Dwelling – Flats, Dual Occupancy 1006 Outbuildings 1009 Strata Title – Residential Use 1021 Residential Institution – Non Medical 1072 Section 49-51 Valuation
2 Rural Residential Land	Land that is used, or has the potential to be used, for rural residential purposes.	Land to which any of the following primary Council land use codes apply: <u>Code</u> <u>Description</u> 1003 Multi-Unit Dwelling – Flats, Dual Occupancy 1004 Vacant – Large House site 1005 Dwelling – Large House site 1006 Outbuildings 1021 Residential Institution – Non Medical 1072 Section 49-51 Valuation 1094 Other Rural Land
3	Intentionally left blank.	
4	Intentionally left blank.	
5 Coastal Towns	Land that: (a) is used, or has the potential to be used, for residential purposes; and (b) is located within the townships of Bargara, Burnett Heads, Buxton, Coonarr, Coral Cove, Elliott Heads, Innes Park, Moore Park Beach, Walkers Point, Winfield and Woodgate Beach; and (c) does not have frontage to the Pacific Ocean or frontage to a road which, in turn, has frontage to the Pacific Ocean.	Land to which any of the following primary Council land use codes apply: <u>Code</u> <u>Description</u> 1001 Vacant Land 1002 Single Unit Dwelling 1003 Multi-Unit Dwelling – Flats, Dual Occupancy 1004 Vacant – Large House site 1005 Dwelling – Large House site 1006 Outbuildings 1009 Strata Title – Residential Use 1021 Residential Institution – Non Medical 1072 Section 49-51 Valuation
6	Intentionally left blank.	

Column 1 CATEGORY	Column 2 DESCRIPTION	Column 3 IDENTIFICATION
7 Urban Oceanfront	Land that: (a) is used, or has the potential to be used, for residential purposes; and (b) is located within the townships of Bargara, Burnett Heads, Coonarr, Coral Cove, Elliott Heads, Innes Park, Moore Park Beach, and Woodgate Beach; and (c) has frontage to the Pacific Ocean or has frontage to a road which, in turn, has frontage to the Pacific Ocean.	Land to which any of the following primary Council land use codes apply: <u>Code</u> <u>Description</u> 1001 Vacant Land 1002 Single Unit Dwelling 1003 Multi-Unit Dwelling – Flats, Dual Occupancy 1004 Vacant – Large House site 1005 Dwelling – Large House site 1006 Outbuildings 1009 Strata Title – Residential Use 1021 Residential Institution – Non Medical 1072 Section 49-51 Valuation
8	Intentionally left blank.	
9 Agricultural Land	Land that is used, or has the potential to be used, for agricultural purposes.	Land to which any of the following primary Council land use codes apply: <u>Code</u> <u>Description</u> 1060 Sheep Grazing – Dry 1061 Sheep Breeding 1064 Cattle Grazing & Breeding 1065 Cattle Breeding & Fattening 1066 Cattle Fattening 1067 Goats 1068 Milk – Quota 1069 Milk – No Quota 1070 Cream 1071 Oil Seeds 1073 Grains 1074 Turf Farms 1075 Sugar Cane 1076 Tobacco 1077 Cotton 1078 Rice 1079 Orchards 1080 Tropical Fruits 1081 Pineapple 1082 Vineyards 1083 Small Crops & Fodder Irrigated 1084 Small Crops & Fodder – Non Irrigated 1085 Pigs 1086 Horses 1087 Poultry 1088 Forestry & Logs 1089 Animals – Special 1090 Stratum 1093 Peanuts
10	Intentionally left blank.	
11	Intentionally left blank.	

Column 1 CATEGORY	Column 2 DESCRIPTION	Column 3 IDENTIFICATION																																																																
<p>12 Bundaberg Commercial Land</p>	<p>Land located within the area of Bundaberg City that is used, or has the potential to be used, for commercial purposes, other than land included in category 15.</p>	<p>Land to which any of the following primary Council land use codes apply:</p> <table border="0"> <thead> <tr> <th data-bbox="842 230 922 264"><u>Code</u></th> <th data-bbox="978 230 1129 264"><u>Description</u></th> </tr> </thead> <tbody> <tr><td>1007</td><td>Guest House/Private Hotel</td></tr> <tr><td>1008</td><td>Strata Title – Non Residential Use</td></tr> <tr><td>1010</td><td>Combined Multi Dwelling and Shops</td></tr> <tr><td>1011</td><td>Shop – Single</td></tr> <tr><td>1012</td><td>Shop Group (more than 6 shops)</td></tr> <tr><td>1013</td><td>Shopping Group (2 to 6 shops)</td></tr> <tr><td>1014</td><td>Shopping – Main Retail (Central Business District)</td></tr> <tr><td>1015</td><td>Shopping – Secondary Retail (Fringe Central Business District)</td></tr> <tr><td>1016</td><td>Drive-In Shopping Centre</td></tr> <tr><td>1017</td><td>Restaurant</td></tr> <tr><td>1018</td><td>Tourist Attraction</td></tr> <tr><td>1020</td><td>Marina</td></tr> <tr><td>1022-1</td><td>Car Park – Commercial</td></tr> <tr><td>1023</td><td>Retail Warehouse</td></tr> <tr><td>1024</td><td>Sales Area (Outdoor)</td></tr> <tr><td>1025</td><td>Offices</td></tr> <tr><td>1026</td><td>Funeral Parlour</td></tr> <tr><td>1027</td><td>Private Hospital/ Convalescent Home (Medical Private)</td></tr> <tr><td>1028-1</td><td>Warehouse and Bulk Stores</td></tr> <tr><td>1030</td><td>Service Station</td></tr> <tr><td>1038</td><td>Advertising Hoarding</td></tr> <tr><td>1041</td><td>Child Care excluding Kindergarten</td></tr> <tr><td>1042</td><td>Tavern/Hotel</td></tr> <tr><td>1043</td><td>Motel</td></tr> <tr><td>1044</td><td>Nursery (Plants)</td></tr> <tr><td>1045</td><td>Theatres and Cinemas</td></tr> <tr><td>1046</td><td>Drive-In Theatre</td></tr> <tr><td>1047</td><td>Club – Sport/Run as a business</td></tr> <tr><td>1049</td><td>Caravan Park</td></tr> <tr><td>1053</td><td>Employment Agency/Training</td></tr> <tr><td>1054</td><td>Marketplace</td></tr> </tbody> </table>	<u>Code</u>	<u>Description</u>	1007	Guest House/Private Hotel	1008	Strata Title – Non Residential Use	1010	Combined Multi Dwelling and Shops	1011	Shop – Single	1012	Shop Group (more than 6 shops)	1013	Shopping Group (2 to 6 shops)	1014	Shopping – Main Retail (Central Business District)	1015	Shopping – Secondary Retail (Fringe Central Business District)	1016	Drive-In Shopping Centre	1017	Restaurant	1018	Tourist Attraction	1020	Marina	1022-1	Car Park – Commercial	1023	Retail Warehouse	1024	Sales Area (Outdoor)	1025	Offices	1026	Funeral Parlour	1027	Private Hospital/ Convalescent Home (Medical Private)	1028-1	Warehouse and Bulk Stores	1030	Service Station	1038	Advertising Hoarding	1041	Child Care excluding Kindergarten	1042	Tavern/Hotel	1043	Motel	1044	Nursery (Plants)	1045	Theatres and Cinemas	1046	Drive-In Theatre	1047	Club – Sport/Run as a business	1049	Caravan Park	1053	Employment Agency/Training	1054	Marketplace
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<p>15 Major Shopping Centre</p>	<p>Land that is used, or has the potential to be used for the purposes of a shopping centre with a gross floor area of more than 20,000m².</p>	<p>Land to which any of the following primary Council land use codes apply:</p> <table border="0"> <thead> <tr> <th><u>Code</u></th> <th><u>Description</u></th> </tr> </thead> <tbody> <tr><td>1016-16</td><td>Drive-In Shopping Centre with more than 20,000m² gross floor area.</td></tr> </tbody> </table>	<u>Code</u>	<u>Description</u>	1016-16	Drive-In Shopping Centre with more than 20,000m ² gross floor area.																																																												
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<p>16 Industrial Land</p>	<p>Land that is:</p> <p>(a) used, or has the potential to be used for industrial purposes; and</p> <p>(b) not included in category 18 or 19.</p>	<p>Land to which any of the following primary Council land use codes apply:</p> <table border="0"> <thead> <tr> <th><u>Code</u></th> <th><u>Description</u></th> </tr> </thead> <tbody> <tr><td>1028-2</td><td>Warehouse & Bulk Stores</td></tr> <tr><td>1029</td><td>Transport Terminal</td></tr> <tr><td>1031</td><td>Oil/Fuel Depot and Refinery</td></tr> <tr><td>1032</td><td>Wharves, Jetties and barge landing</td></tr> <tr><td>1033</td><td>Outdoor Storage Area</td></tr> <tr><td>1034</td><td>Cold Stores – Iceworks</td></tr> <tr><td>1035</td><td>General Industry</td></tr> <tr><td>1036</td><td>Light Industry</td></tr> <tr><td>1037</td><td>Noxious/Offence Industry</td></tr> <tr><td>1039</td><td>Harbour Industry</td></tr> </tbody> </table>	<u>Code</u>	<u>Description</u>	1028-2	Warehouse & Bulk Stores	1029	Transport Terminal	1031	Oil/Fuel Depot and Refinery	1032	Wharves, Jetties and barge landing	1033	Outdoor Storage Area	1034	Cold Stores – Iceworks	1035	General Industry	1036	Light Industry	1037	Noxious/Offence Industry	1039	Harbour Industry																																										
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Column 1 CATEGORY	Column 2 DESCRIPTION	Column 3 IDENTIFICATION
18 Extractive / Transformers / Substations	Land that is used, or has the potential to be used for extractive industry or transformers or substation purposes.	Land to which any of the following primary Council land use codes apply: <u>Code</u> <u>Description</u> 1040 Extractive Industry. 1091 Transformers / Substations.
19 Heavy Industry	Land that is used, or has the potential to be used for: (a) a sugar mill; (b) a co-generation plant; or (c) any heavy industrial purpose.	Land to which any of the following primary Council land use codes and secondary Council land use codes apply: <u>Code</u> <u>Description</u> 1251 Co-generation plant 1252 Sugar Cane / Sugar Mill
20 Other	Land that is not included in any other rating category.	This criteria will only apply where the land is not included in any other rating category, including the following specific land use codes which are not included in any other category: <u>Code</u> <u>Description</u> 1019 Walkway 1022-2 Car Parks – Ancillary Use 1050 Other Clubs (Non-Business) 1051 Religious 1052 Cemetery 1055 Library 1056 Showgrounds/Racecourse/Airfield 1057 Parks, Gardens 1058 Educational – Including Kindergarten 1059 Local Authority (Secondary Use Only) 1092 Defence Force Establishments 1095 Reservoirs, Dams, Bores, Channels 1096 Public Hospitals 1097 Welfare Homes/Institutions 1099 Community Purposes 1100 Driver Education Training

Subdivisions have a primary Council land use code of 1072 and will be placed into the general rating category in which they would normally be situated. The value of subdivisions will be discounted by 40% for rating purposes in accordance with Section 50(2) of the *Land Valuation Act 2010*.

Advice of Rating Category: In accordance with Sections 88 and 90 of the *Local Government Regulation 2012*, owners of rateable land will be informed of the general rating category in which their land has been included and that they have the right of objection to the category to which their land is allocated. All objections shall be submitted to the Chief Executive Officer, Bundaberg Regional Council, and the only basis for objection shall be that at the date of issue of the rate notice, having regard to the descriptions adopted by Council, the land should be in another rating category.

4.3 Minimum general rates:

Council will adopt a minimum general rate for each of the aforementioned rating categories. The purpose of adopting a minimum general rate is to:

- set a minimum contribution to be made from all properties situated within the region; and
- ensure that general rate revenue from lower valued properties within the region results in a more equitable contribution from such properties towards the cost of services funded from general rates.

4.4 Separate rates and charges:

Each year Council will determine the necessity to make and levy a separate rate or charge which will be applied across the whole regional area for the general benefit of the community of the region, to separately identify funds required for the aforementioned benefit.

Council discount is not applicable to separate rates and charges.

4.5 Special rates and charges:

Each year Council will determine the necessity to make and levy a special rate or charge which will be applied across specific benefited areas for the sole benefit of such areas.

For the 2016/2017 financial year, Council will levy a special charge for the purchase, maintenance and operation of rural firefighting equipment to specified Rural Fire Brigade areas within the region.

Council discount is not applicable to special rates and charges.

4.6 State Emergency Management Levy:

In accordance with the *Fire and Emergency Services Act 1990*, Council is required to collect a State Emergency Management Levy on all rateable properties on behalf of the Queensland Fire and Emergency Services. The Levy is not a Council charge and the funds collected are remitted to the Queensland Fire and Emergency Services. However, Council is entitled to an administration fee for collecting this Levy, as prescribed by the *Fire and Emergency Services Regulation 2011*. Rate assessments with multiple properties are levied per parcel, in accordance with the State's legislation, excluding contiguous agricultural parcels in the same ownership.

Council discount is not applicable to the State Emergency Management Levy.

4.7 Utility Charges:

4.7.1 Water charges

(1) Declared service area — water: For the financial year 1 July 2016 to 30 June 2017, the declared service areas (water) to which water charges apply, shall be as per the declared service area (water) maps which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, are available for inspection at Council offices or on Council's website.

(2) Service provider (water): The service provider within the declared service area/s (water) shall be Bundaberg Regional Council through its Infrastructure & Planning Services Department, Water and Wastewater Section.

(3) Water charges: Council levies water rates on properties in the defined water supply areas to recover the full costs of the water supply operation including a return to the community on the assets employed.

(4) Water access charge: A common access charge, for same sized meters, applies in all areas receiving a potable and non-potable water supply.

A water access charge is levied to connected properties and non-connected properties within the defined water area. The reason for this is that the major portion of Council's costs associated with providing a water service is in the provision and maintenance of capital infrastructure (pipes, processing plant etc.) and these costs must be financed whether or not a property is actually connected to the water system.

Vacant lands situated in the water area and not serviced with a water connection are charged 100% of the basic 20mm charge.

Single residential properties are levied a 100% charge based on the size of the water meter serving the property, since the meter size determines the potential volume of water used.

Where multiple lots are included on one (1) rate assessment, Council does not levy a water access charge for each allotment, e.g.:

- house and vacant lot together — only one (1) water access charge equal to 100% based on the size of the water meter servicing the property is levied; or
- multiple vacant lots on the one (1) rate assessment — only one (1) water access charge equal to 100% is levied.

Non Strata Flats

Non strata flats, where water consumption is not separately metered for each unit, will be levied with a single water access charge based on the size of the meter/s servicing the block of flats.

Non strata flats where water consumption is separately metered for each unit, will be levied with a water access charge for each of the sub metered units, based on the size of each meter.

Properties with multiple connections

Properties with multiple connections are levied a water access charge for each connection.

Land in a community titles scheme

Land in a community titles scheme, where water consumption is not separately metered for each lot, will be levied with a single water access charge equal to the basic 20mm charge.

Land in a community titles scheme, where water consumption is separately metered for each lot, will be levied a single water access charge based on the size of the meter connected to that lot.

Concessional situations

A concessional water access charge equal to a 20mm service is levied for each registered dedicated fire service connection even though the actual size of the connection is usually larger.

Section 95 of the *Housing Act 2003* provides that all government portfolio properties are deemed to be non-rateable in accordance with Section 93 of the *Local Government Act 2009*. Services to State land that are capped are deemed to be disconnected and will not attract the relevant vacant service charges.

Council will charge unlicensed/restricted sporting clubs a water access charge for their largest connection on each assessment and no access charge will be levied for additional meters.

For the reduced service areas of Burnett Downs and Sylvan Woods the following special arrangements will apply:

- **Burnett Downs** — Council identifies Burnett Downs yard water supply properties as a separate class of consumers, where consumers are provided with water and services at an amount below full cost as per the declared service area water map which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, is available for inspection at Council offices or on Council's website.
- **Sylvan Woods** — Council identifies Sylvan Woods non—potable constant flow water supply properties as a separate class of consumers, where consumers are provided with water and services which are restricted in volume and pressure of supply as per the declared service area water map which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, is available for inspection at Council offices or on Council's website.

A water access charge shall apply to all premises on metered connection according to the water meter size/s serving the premises.

(5) Water consumption charge: Water consumption is levied half-yearly for the readings undertaken prior to 31 December and prior to the 30 June. Generally, the consumption within each six (6) month reading period will be levied on a tiered charging system as set out hereunder:

- A charge per kilolitre will be set by Council each year for the water supply to properties in the benefited area and for Burnett Downs and Sylvan Woods water supply.
- For land, other than land in a community titles scheme, which has multiple water meters, the consumption charge shall be determined as follows:
 - (a) where the land is being used for a single use, the consumption recorded by each of the meters shall be totalised and the applicable tariff for that use shall be applied;
 - (b) where the land is being used for two (2) or more discrete uses, and the water is separately metered for each use, the applicable tariff for each use shall be applied.
- For land in a community titles scheme, Council will charge for water consumption as per the provisions of the *Body Corporate and Community Management Act 1997*.
- For measurement of water use for charging purposes for the half-year periods from 1 July 2016 to 31 December 2016 and from 1 January 2017 to 30 June 2017, Section 102 of the *Local Government Regulation 2012* shall apply to the reading of meters based on the nominal initial meter reading date of 30 June 2016 and the nominal final reading date of 30 June 2017.
- Council reserves the right to read and levy water consumption at intervals other than six (6) monthly for specific connections as required.

(6) Dedicated fire services: Water from registered dedicated fire services is for fire emergencies and testing purposes only and no charge will be levied for the first 10 kilolitres in each six (6) month reading period. However, to prevent misuse of these services, Council will impose a penalty charge per kilolitre, for consumption greater than 10 kilolitres in each six (6) month reading period, of 10 times the normal residential charge per kilolitre at the 2nd tier rate, unless evidence is provided proving the water was used in a fire emergency, in which case consumption will be charged at the applicable step 1 or step 2 charge per kilolitre.

(7) Community Service Obligations: Pursuant to Sections 120 to 122 of the *Local Government Regulation 2012*, Council will grant concessions for water charges in certain circumstances.

Council delegates to the Chief Executive Officer the power pursuant to Part 5, Chapter 7 of the *Local Government Act 2009* to determine applications made for a concession in the circumstances set out below:

(i) Unlicensed and restricted sporting clubs

- (a) Council recognises unlicensed / restricted sporting clubs are not for profit entities and provide a community service, namely the provision of recreational services and contribution to the region's aesthetics.
- (b) In recognition of this, Council will charge unlicensed / restricted sporting clubs a water access charge for its largest connection on each assessment and no access charge will be levied for additional meters.

For water meters above 20mm, if unlicensed sporting clubs reduce their current largest water meter size to a smaller size, their Water Access Charge will be reduced accordingly to the Water Access Charge applicable to the revised water meter size. Where it is impractical to do so, Council will charge the equivalent of a 2014/2015 40mm Water Access Charge plus the applicable annual percentage increases, regardless of the actual size of the club's water meter connection.

Unlicensed / restricted sporting clubs with an area:

- up to 3.3 hectares will be entitled to 3,600 kilolitres of water per annum, free of consumption charges; and
- greater than 3.3 hectares will be entitled to 6,000 kilolitres of water per annum, free of consumption charges.

(c) The following clubs, identified as requiring higher water allocations based on area and level of use, be entitled to the following kilolitres of water per annum, free of consumption charges:

Association	Kilolitres	Location
Bundaberg Cricket Association	9,600	Kendall Flat
Football Bundaberg Inc.	9,600	Martens Oval
Trustees Hinkler Park (Hockey)	9,600	Hinkler Park
Trustees Hinkler Park (Hockey)	3,600	Special Lease 1209
Bundaberg Rugby League Ltd	9,000	Salter Oval (*)
Bundaberg Cricket Association	9,000	Salter Oval (*)
Bundaberg Touch Association	9,600	Touch Association Grounds

Note*: Provided the Bundaberg Rugby League Ltd., and the Bundaberg Cricket Association combine their entitlements at Salter Oval and be levied on one rates notice.

- (d) Water consumption per assessment in excess of these entitlements be levied for the first 300 kilolitres at the 1st tier rate, and any consumption in excess of 300 kilolitres will be levied at the 2nd tier rate.
- (e) Unused entitlements are not carried forward into the following financial year.

(ii) Moore Park Rural Fire Brigade

Council recognises the Moore Park Rural Fire Brigade as providing a community service in protecting the community against fire and related hazards. As such, Council will charge the Moore Park Rural Fire Brigade the equivalent of a 20mm Water Access Charge for its largest meter connection regardless of the size of the Brigade's water meter connection.

(iii) Water meters registering inaccurately

If Council is satisfied that a water meter ceases to register, or is reported to be out of order or registering inaccurately (through no fault of the ratepayer), Council will consider granting a concession. This concession can be applied by using a water consumption charge equal to the quantity of water used during the immediately prior corresponding accurate period of water use measurement and, if applicable, to remit the difference between the actual charge and the charge based on the prior water consumption.

Council grants this concession on the basis that, to require the ratepayer to pay full charges for consumption in circumstances where a water meter ceases to register, or is reported to be out of order, or registering inaccurately (through no fault of the ratepayer), would result in hardship.

(8) Extended area of application of charges: These charges apply to the declared service areas (water) maps and also to:

- All new lots created under a development approval for which all approval conditions have been completed, and which, as part of their conditions of approval, included a requirement for connection to a reticulated water supply;
- Any other lot which is connected to a reticulated water supply; and
- Any other lot, where Council resolves that the lot becomes capable, by reason of extension of the water supply system, of being connected to a reticulated water supply i.e. to all lots within any extension, of any of the areas serviced by reticulated water supply, where such areas are approved by Council. The charges apply in every case where service is provided or available, regardless of whether or not, or the time at which, formal amendment is made to the declared service area.

(9) Service connections outside declared service areas (water): Any approved water service connections, which are located outside the declared service area (water), will have access and use charges applied in the same manner and at equivalent charges to the use as would apply were they to be situated within the declared service area to which they are connected.

Council discount is not applicable to water charges.

4.7.2 Sewerage Charges

(1) Declared service area – sewerage: The declared service areas (sewerage) to which sewerage charges apply, shall be as per the declared service area (sewerage) maps which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, are available for inspection at Council offices or on Council's website.

(2) Service provider (sewerage): The service provider within the declared service area/s (sewerage) shall be Bundaberg Regional Council through its Infrastructure & Planning Services Department, Water and Wastewater Section.

(3) Sewerage Charges: Sewerage Charges are levied on all properties within the defined sewerage area to cover the cost of:

- sewage collection and treatment; and
- the disposal of effluent and bio-solids.

The same sewerage charge is levied to connected properties and non-connected properties within the defined sewerage area. The reason for this is that the major portion of Council's costs associated with providing a sewerage service is in the provision and maintenance of capital infrastructure (pipes, processing plant etc.) and these costs must be financed whether or not a property is actually connected to the sewerage system.

Pursuant to Sections 99 and 100 of *the Local Government Regulation 2012*, the following sewerage charges shall be made and levied for each financial year:

- Single residential properties are levied a 100% charge for the first pedestal only. No additional charges apply for extra pedestals.
- Residential flats, units, granny flats, dual occupancy and residential strata title properties are levied a 100% charge per flat, unit, granny flat or dual occupancy or strata title unit, for the first pedestal only. No additional charges apply for extra residential pedestals.
- Where multiple lots are included on one (1) rate assessment, Council does not levy a sewerage charge for each allotment, e.g.:
 - house and vacant lot together — only one (1) sewerage charge equal to 100% is levied; or

- multiple vacant lots on one (1) rate assessment — only one (1) sewerage charge equal to 100% is levied.
- Non-residential properties that are not body corporate/strata title entities will be charged on a per pedestal basis.
- Non-residential body corporate/strata title properties are levied a minimum of one (1) sewerage charge to each strata unit, regardless of whether or not they have an individual sewer connection. Where units have more than one (1) pedestal, sewerage charges are levied in accordance with the number of pedestals serving the unit. Each unit owner is levied separately for sewerage charges.
- Waste dump points at caravan parks are charged 100% pedestal charge.

(4) Extended area of application of charges: These charges apply to the declared service areas (sewerage) maps and also to:

- All new lots created under a development approval for which all approval conditions have been completed, and which, as part of their conditions of approval, included a requirement for connection to the reticulated sewerage system;
- Any other lot which is connected to the reticulated sewerage system; and
- Any other lot, where Council resolves that the lot becomes able, by reason of extension of the sewerage system, to be connected to the reticulated sewerage system.

That is, to all lots within any extension of any of the areas serviced by the reticulated sewerage system where such areas are approved by Council. The charges apply in every case where service is provided or available, regardless of whether or not, or the time at which, formal amendment is made to the declared service area.

(5) Multi accommodation self-contained residential units for the aged under the control of charitable/church organisations: Pursuant to Sections 120 to 122 of the *Local Government Regulation 2012*, multi accommodation self-contained residential units for the aged under the control of charitable/church organisations (excluding care centres); and pedestals installed in the Department of Housing & Public Works units for the aged, including those identified in the following table, be granted a concession of 60% of the sewerage rates.

Property Owner and Location
The State Of Queensland (Represented by Department of Housing & Public Works), 11 Mulgrave Street, Bundaberg West
The State Of Queensland (Represented by Department of Housing & Public Works), 30 Sugden Street, Bundaberg South
East Haven, 1 Ann Street, Bundaberg East
East Haven, 49 Victoria Street, Bundaberg East
East Haven, 51 Victoria Street, Bundaberg East
The Corporation of The Synod of The Diocese of Brisbane, 4 Mezger Street, Kalkie
The Baptist Union of Queensland, 9 Kepnock Road, Kepnock
The State Of Queensland (Represented by Department of Housing & Public Works), 9 Griffith Street, Bundaberg South
Churches of Christ Care, 71 & 83 Dr Mays Road, Svensson Heights
The Uniting Church in Australia Property Trust (Q), (part) 341 Bourbong Street, 1 River Terrace, Millbank
The Uniting Church in Australia Property Trust (Q), (balance) 341 Bourbong Street, Millbank
The State of Queensland (Represented by Department of Housing & Public Works), 181 Barolin Street, Avenell Heights

Property Owner and Location

The State Of Queensland (Represented by Department of Housing & Public Works), 147 Barolin Street, Avenell Heights

Forest View Childers Inc., 3 Morgan Street, Childers

Forest View Childers Inc., 4 Morgan Street, Childers

Kolan Centenary Seniors Village, 3 Tirroan Road, Gin Gin

Council grants this concession on the basis that multi accommodation self-contained residential units for the aged, under the control of charitable/church organisations, are entities whose objects do not include the making of a profit.

Council delegates to the Chief Executive Officer the power, pursuant to Part 5, Chapter 7 of the *Local Government Act 2009*, to determine applications made for this concession.

Council discount is not applicable to sewerage charges.

4.7.3 Waste Collection Charge

(1) Declared service area – waste: The declared service areas (waste) to which Waste Collection Charges apply, shall be as per the declared service area (waste) maps which are available for inspection at Council offices or on Council's website.

(2) Service provider (waste): The service provider within the declared service area/s (waste) shall be Bundaberg Regional Council through its Environment, Regulatory, and Public Health Department, Waste & Recycling Section.

Council makes and levies utility charges for the provision of waste management services, which are calculated to recover the full cost of providing the service. Waste management utility charges incorporate the cost of providing and maintaining refuse tips and transfer stations and the cost of implementing waste management and environment protection strategies. The type or level of service to be supplied to each property in the waste area will be determined by Council as is appropriate to the premises, and in accordance, where relevant, with the *Environmental Protection Act 1994*, *Environmental Protection Regulation 2008* and *Waste Reduction & Recycling Regulation 2011*.

Council will levy waste and recycling collection charges on the owner of each residential property and/or habitable structure within the waste collection areas, regardless of whether ratepayers choose to use the domestic general waste collection and/or recycling services provided by Council. Council will refer to the Building Classification Code for determination, if required. The service is available to non-residential properties on application. Requests for services to body corporate common areas will need to comprise a written formal agreement between the service provider (Council) and the body corporate as per the *Body Corporate Community Management Act 1997*.

Where there is more than one (1) structure on land capable of separate occupation, a charge will be made for each structure.

A waste collection charge will apply to each house, strata titled unit, granny flat, flat or other dwelling designed for separate residential occupation, whether it is occupied or not.

Retirement Villages may be residential or commercial enterprises and as such waste services requirements will be reviewed on an individual basis by Council's Waste & Recycling Section.

A summary of the waste and recycling services is as follows:

Service level – Removal, transport and disposal of waste
Residential properties
240 litre refuse weekly / 240 litre recycling fortnightly (minimum service)
Additional Services
240 litre refuse weekly / 240 litre recycling fortnightly
240 litre recycling fortnightly – only available if in receipt of a minimum service
240 litre refuse weekly – only available if in receipt of a minimum service
Non-Residential Properties
240 litre refuse / 240 litre recycling (minimum service)
240 litre refuse weekly
240 litre recycling fortnightly

Note: The bin sizes mentioned above may be substituted by Council however the service and levy will remain the same as a 240 litre refuse / 240 litre recycling bin service

Where insufficient space is available for the storage of multiple bins at strata titled properties, these properties may apply to Council for approval to make private arrangements to receive an alternative service, in which case a Council waste collection charge will not apply.

The charges for the service are annual charges and credits cannot be allowed for periods of time when the premises are unoccupied.

Council discount is not applicable to waste and recycling charges.

4.7.4 Trade Waste Charge

Pursuant to Section 99 of the *Local Government Regulation 2012*, trade waste charge/s be made and levied by Council upon all non-residential properties discharging trade waste to Council's sewer.

The following is adopted as the basis for making and levying the trade waste charge:

- (i) The volume of trade waste effluent discharged into Council's sewerage system;
- (ii) The content/strength of the trade waste; and
- (iii) The type and capacity of the pre-treatment device required by the ratepayer to treat trade waste before it is discharged into Council's sewerage system.

The content/strength level of the trade waste will be based on the level of Biochemical Oxygen Demand (BOD₅), Chemical Oxygen Demand (COD) and Suspended Solids which are defined in Council's Trade Waste Management Plan:

- Minor: compliant discharge up to 150 kL or Best Practice pre-treatment device.
- Category 1: low strength/low volume discharge up to 500 kL.
- Category 2: low strength/high volume discharge over 500 kL;
- Category 3: contains a high strength/any volume discharge.

Discharge category criteria is determined by level and strength of content of trade waste:

Parameter	Minor	Low Volume	High Volume	High Impact
BOD5 mg/L	Compliant Discharge* Refer to sewer admission limits.	<300mg/L	<300 mg/L	High Impact Discharge Refer to sewer admission limits.
COD mg/L		<1,500 mg/L	<1,500 mg/L	
Suspended Solids mg/L		<300mg/L	<300 mg/L	
Volume (kL/Annum)	<150kL	<500kL	>500 kL	Any volume

*Effluent meets the stated quality and quantity limits without additional treatment or monitoring.

The properties discharging trade waste to Council's sewer be categorised as follows:

- Category 1.0 – Minor trade waste discharge into Council's sewer, with nil or best practice device.
- Category 1.1 – a property with Low Volume trade waste discharge into Council's sewer, through a best practice, up to 1000 litre device.
- Category 1.2 – a property with Low Volume trade waste discharge into Council's sewer, through a 1,000 litre device.
- Category 1.3 – a property with Low Volume trade waste discharge into Council's sewer, through a 1,500 litre device.
- Category 1.4 – a property with Low Volume trade waste discharge into Council's sewer, through a 2,000 litre device.
- Category 1.5 – a property with Low Volume trade waste discharge into Council's sewer, through a 2,500 litre device.
- Category 1.6 – a property with Low Volume trade waste discharge into Council's sewer, through a 3,000 litre device.
- Category 2.1 – a property with High Volume trade waste discharge into Council's sewer, through a 550 litre best practice, up to 1000 litre device.
- Category 2.2 – a property with High Volume trade waste discharge into Council's sewer, through a 1,000 litre device.
- Category 2.3 – a property with High Volume trade waste discharge into Council's sewer, through a 1,500 litre device.
- Category 2.4 – a property with High Volume trade waste discharge into Council's sewer, through a 2,000 litre device.
- Category 2.5 – a property with High Volume trade waste discharge into Council's sewer, through a 2,500 litre device.
- Category 2.6 – a property with High Volume trade waste discharge into Council's sewer, through a 3,000 litre device.
- Category 3.1 – a property with High Impact trade waste discharge into Council's sewer, through a 550 litre to 1000 litre device.
- Category 3.2 – a property with High Impact trade waste discharge into Council's sewer, through a 1,000 litre device.
- Category 3.3 – a property with High Impact trade waste discharge into Council's sewer, through a 1,500 litre device.
- Category 3.4 – a property with High Impact trade waste discharge into Council's sewer, through a 2,000 litre device.
- Category 3.5 – a property with High Impact trade waste discharge into Council's sewer, through a 2,500 litre device.

- Category 3.6 – a property with High Impact trade waste discharge into Council’s sewer, through a 3,000 litre device.

Council discount is not applicable to trade waste charges.

4.8 Cost-recovery fees and commercial charges:

Council fixes cost-recovery fees and commercial charges for services and facilities supplied by Council in accordance with Sections 97 and 262 (3)(c) of the *Local Government Act 2009* respectively.

In accordance with the provisions of the Act, a copy of the register of cost-recovery fees and commercial charges is available for inspection at Council’s Administration Office at 186—190 Bourbong Street, Bundaberg, and its Service Centres at 160 Hughes Road, Bargara; 45 Churchill Street, Childers and 4 Dear Street, Gin Gin.

The criteria, used to determine the amount of cost-recovery fees, are the costs of the service or facility being provided, which comprise labour, material, equipment, and overhead costs.

In determining the level of all cost-recovery fees and commercial charges, Council places a major emphasis on user-pays principles.

4.9 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 (GST).

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

4.10 Rebates and concessions:

Part 10 of the *Local Government Regulation 2012* empowers Council to grant a concession in certain circumstances.

4.10.1 Pensioners

Council’s *Pensioner Rate Remission Policy* provides an annual rate rebate to approved pensioners. A copy of this policy, together with the necessary application forms, are available from Council offices or at www.bundaberg.qld.gov.au. The definition of pensioner is an ‘approved pensioner’ as provided under the State Government Pensioner Rebate Subsidy Scheme.

For the 2016/2017 financial year, Council grants a total rebate of up to \$140 per annum (\$70 per half year levy) on rates and charges for approved pensioners. This remission is provided in addition to any Pension Subsidy Scheme operated by the Queensland Government.

Where the property is in joint ownership, a pro rata remission shall be granted in proportion to the share of ownership, except where the co-owners are an approved pensioner and his/her spouse, (including de facto relationships as recognised by Commonwealth Legislation), in which case a full remission will apply. However, in the case where the pensioner/s has/have rights to exclusive occupancy (life tenancy by way of a will which must be provided to Council by way of proof) a full remission will be granted.

4.10.2 Community Service Obligations

Council will grant a rebate up to a maximum \$1,700 per annum for the financial year 2016/2017, towards the payment of rates and charges, with the exception of water consumption charges, for the following:

- Apple Tree Creek Memorial Hall
- Bucca Hall
- Bullyard Hall
- Drinan Hall
- Gin Gin & District Historical Society Hall
- Pine Creek Hall
- Sharon Hall
- Tegege Hall
- Avenell Heights Progress Association Hall
- Burnett Heads Progress Hall
- Kepnock Progress Association Hall
- North Bundaberg Progress Association Hall
- CWA Hall Bargara
- CWA Hall Bundaberg
- CWA Hall Yandaran
- CWA Hall Childers
- CWA Oakwood
- CWA Wallaville
- Bundaberg Kindergarten, Electra Street
- Burnett Heads Kindergarten
- Childers Kindergarten, Pizzey Street
- Forestview Community Kindergarten
- Gin Gin Kindergarten
- South Kolan Kindergarten
- Wallaville Kindergarten
- Trustees Booyal Memorial Hall
- Bundaberg & District Air Sea Rescue
- Sandy Hook Ski Club
- Avondale Football Club
- Bundaberg Railway Historical Society

Council will grant a full concession for all rates and charges, except water consumption charges, for the following properties:

- Bundaberg Surf Life Saving Club
- Elliott Heads Surf Life Saving Club
- Moore Park Surf Life Saving Club

This community service obligation is applicable to the 2016/2017, 2017/2018 and 2018/2019 financial years, to be reviewed prior to the formulation of the 2019/2020 Budget.

4.11 Discount on rates and charges:

A discount of 10% of the current year's Council general rates is conditional on the payment of current rates, service charges and all arrears by the due date stated on the rate notice which is at least 30 clear days from the issue date of the rate notice. In addition, pursuant to Section 130 of the *Local Government Regulation 2012*, a grace period of two (2) days will be allowed to provide for the receipt of payments made remotely to payment agencies. Proof of payment may be requested. Council's pension remission is not a payment and is therefore deducted from the General Rate before discount is applied.

For the sake of clarity, the discount for the prompt payment of rates applies only to general rates levied by Council. No discount shall apply for any other rate or charge levied by Council, including special rates and charges and utility charges.

4.12 Recovery of overdue rates:

Council's *Rates Recovery Policy* (available at www.bundaberg.qld.gov.au) has been prepared in respect of the recovery of overdue rates to reinforce Council's practice and intentions in this regard. Council will actively pursue all available options under the *Local Government Act 2009* and *Local Government Regulation 2012* including the sale of the land for arrears of rates, to ensure overdue rates are not a burden on the region's ratepayers.

4.13 Interest on overdue rates:

Council determines this matter from time to time by resolution, in accordance with the provisions of Section 133 of the *Local Government Regulation 2012*. Currently, compound interest is charged at 11% per annum on overdue rates and charges, calculated on daily rests as from the seventh day following the due date stated on the rate notice.

4.14 Levying and payment of rates and charges:

Council currently levies rates twice in each financial year. The first rates levy is issued as soon as possible after the annual budget has been approved by Council. The second rates levy is issued as soon as possible in the second half of the financial year after 1 January. Rates are due and payable by the due date stated on the rates notice.

4.15 Payment in advance:

Ratepayers can prepay their rates at any time. Interest is not paid by Council to ratepayers on any credit balances.

4.16 Limitation of increase in rates and charges levied:

In the 2016/2017 financial year, Council will not, pursuant to Section 116 of the *Local Government Regulation 2012*, be limiting any increases to proposed rates or charges.

5. CONTROLS

The *Local Government Act 2009* and Section 172 of the *Local Government Regulation 2012* require that Council's Revenue Statement includes the aforementioned provisions.

6. EFFECTIVE FROM

This Revenue Statement was adopted by Council on, and is effective from, 1 July 2016.

7. REFERENCES/ASSOCIATED DOCUMENTS

[Body Corporate and Community Management Act 1997](#)

[Environmental Protection Act 1994](#)

[Environmental Protection Regulation 2008](#)

[Fire and Emergency Services Act 1990](#)

[Fire and Emergency Services Regulation 2011](#)

[GP-3-001 Revenue Policy](#)

[Housing Act 2003](#)

[Land Valuation Act 2010](#)

[Local Government Act 2009](#)

[Local Government Regulation 2012](#)

[Waste Reduction and Recycling Regulation 2011](#)

[Water Supply \(Safety and Reliability\) Act 2008](#)



RATES & CHARGES

In accordance with Sections 104 and 107 of the *Local Government Regulation 2012*, Council will issue two (2) six-monthly rates notices to reduce the financial burden on the local economy. The levy for each notice will be one-half of the annual rates and charges, except for water consumption, which will be based on actual water consumed as determined by water meter readings at approximately six-monthly intervals.

1. DEFINITIONS

'Rateable land' is defined by Section 93(2) of the *Local Government Act 2009* as any land or building unit, in the local government area, that is not exempted from rates.

2. DIFFERENTIAL GENERAL RATES

General rates are levied on all rateable properties in the regional area, and are calculated on the basis of the value of land. The value of land is determined by the Department of Natural Resources & Mines according to:

- in the case of rural land, its unimproved capital value; and
- in all other cases, its site value.

Council will make and levy differential general rates for the financial year ending 30 June 2017, on all rateable land in the Local Government area.

Further, Council delegates to the Chief Executive Officer the power (contained in Section 81(4) and (5) of the *Local Government Regulation 2012*) to identify the rating category to which each parcel of rateable land in Council's area belongs. In this regard, Column 3 is used to assist the Chief Executive Officer in identifying the categories in which rateable parcels of land are included.

In accordance with Section 88 of the *Local Government Regulation 2012*, owners of rateable land will be informed of the general rating category in which the land has been included and that they have the right of objection to the category in which their land is included.

All objections shall be submitted to the Chief Executive Officer, Bundaberg Regional Council, and the only basis for objection shall be that at the date of issue of the rate notice having regard to the criteria adopted by Council, the land should be in another rating category.

3. MINIMUM GENERAL RATES

Council will adopt a minimum general rate for each of the aforementioned rating categories. The purpose of adopting a minimum general rate is to:

- set a minimum contribution to be made from all properties situated within the region; and
- ensure that general rate revenue from lower valued properties within the region results in a more equitable contribution from such properties towards the cost of services funded from general rates.

Minimum general rates do not apply to subdivided land with a land use code of 1072.

4. DIFFERENTIAL GENERAL RATE LEVIES

In accordance with Sections 92 and 94 of the *Local Government Act 2009* and Section 77 to 82 of the *Local Government Regulation 2012*, Council makes and levies differential general rates and corresponding minimum general rates for the year ending 30 June 2017, against rateable land categories as follows:

Category	Description	Rate in the Dollar of Property Value	Minimum General Rate
1	Urban Residential	1.2325	\$994
2	Rural Residential	1.0270	\$998
3	<i>Intentionally left blank</i>		
4	<i>Intentionally left blank</i>		
5	Coastal Towns	0.9659	\$1,104
6	<i>Intentionally left blank</i>		
7	Urban Oceanfront	0.8809	\$1,251
8	<i>Intentionally left blank</i>		
9	Agricultural	1.5411	\$1,104
10	<i>Intentionally left blank</i>		
11	<i>Intentionally left blank</i>		
12	Bundaberg Commercial	2.2445	\$1,314
13	<i>Intentionally left blank</i>		
14	Other Commercial	1.3739	\$1,314
15	Major Shopping Centre	3.8144	\$533,712
16	Industrial	1.6906	\$1,595
17	<i>Intentionally left blank</i>		
18	Extractive/Transformers/Substation	2.2545	\$2,501
19	Heavy Industry	2.1552	\$106,849
20	Other	1.1077	\$998

Pursuant to Section 90 of the *Local Government Regulation 2012*, the Chief Executive Officer will consider objections from ratepayers to their property's rating categorisation. The only basis for objection shall be that at the date of issue of the rate notice having regard to the criteria adopted by Council, the land should be in another rating category.

Where the rateability of any land alters during the year, adjustment to the differential general rate shall be made from the date such changes become effective.

5. SPECIAL RATES AND CHARGES

For the 2016/2017 financial year, Council shall levy a special charge for Rural Fire Services. Council thereby resolves that:

- (1) Pursuant to Section 94 of the *Local Government Regulation 2012* and Section 128A of the *Fire and Emergency Services Act 1990* it shall make and levy a special charge to be known as the "Special (Rural Fire Services) Charge" of \$30 on each rateable assessment in the local government area which is situated within a Class E Levy Area under the *Fire and Emergency Services Regulation 2011*. Multiple Charges will apply on one (1) rateable assessment if it comprises multiple rural fire brigade areas, with one (1) charge of \$30 per rural fire brigade area.

- (2) The special charge shall fund the ongoing provision and maintenance of rural firefighting equipment for the rural fire brigades that operate throughout Class E Levy areas under the *Fire and Emergency Services Regulation 2011*.
- (3) Land within the local government area which is situated within a Class E Levy area under the *Fire and Emergency Services Regulation 2011* is not serviced by urban firefighting services and, as such, specially benefits from the fire emergency response capability that is provided by the rural fire brigades.
- (4) The overall plan for the special charge will be as follows:
 - (a) The rateable land to which the plan applies is each rateable assessment in the local government area which is situated within a Class E Levy area under the *Fire and Emergency Services Regulation 2011*.
 - (b) The service, facility or activity for which the plan is made is the ongoing provision and maintenance of rural firefighting equipment for the rural fire brigades that operate throughout Class E Levy areas under the *Fire and Emergency Services Regulation 2011*.
 - (c) The time for implementing the overall plan is one (1) year.
 - (d) The estimated cost of implementing the overall plan is \$387,000.

6. UTILITY CHARGES

6.1 Water rates:

6.1.1 Declared service area – water

For the financial year 1 July 2016 to 30 June 2017, the declared service areas (water) to which water charges apply, shall be as per the declared service area (water) maps which, in accordance with Section 163 of the *Water Supply (Safety & Reliability) Act 2008*, are available for inspection at Council offices or on Council's website.

6.1.2 Service provider (water)

The service provider within the declared service area/s (water) shall be Bundaberg Regional Council through its Infrastructure & Planning Services Department, Water and Wastewater Section.

6.1.3 Water charges

Council levies water rates on properties in the defined water supply areas to recover the full costs of the water supply operation including a return to the community on the assets employed.

Pursuant to Sections 92(4) and 94 of the *Local Government Act 2009* and Sections 99 to 102 the *Local Government Regulation 2012*, the following water charges shall be made and levied for the financial year 1 July 2016 to 30 June 2017:

- (a) Water access charge: A common access charge, for same sized meters, applies in all areas receiving a potable and non-potable water supply.

Vacant lands situated in the water area and not serviced with a water connection are charged 100% of the basic 20mm charge. The reason for this is that the major portion of Council's costs associated with providing a water service is in the provision and maintenance of capital infrastructure (pipes, processing plant etc.) and these costs must be financed whether or not a property is actually connected to the water system.

Single residential properties are levied a 100% charge based on the size of the water meter serving the property, since the meter size determines the potential volume of water used.

Where multiple lots are included on one (1) assessment, Council does not levy a water access charge for each allotment, e.g.:

- house and vacant lot together – only one (1) water access charge equal to 100% based on the size of the water meter servicing the property is levied; or
- multiple vacant lots on the one (1) assessment – only one (1) water access charge equal to 100% is levied.

Non Strata Flats

Non strata flats, where water consumption is not separately metered for each unit will be levied with a single water access charge based on the size of the meter/s servicing the block of flats.

Non strata flats where water consumption is separately metered for each unit, will be levied with a water access charge for each of the sub metered units, based on the size of each meter.

Properties with multiple connections

Properties with multiple connections are levied a water access charge for each connection.

Land in a community titles scheme

Land in a community titles scheme, where water consumption is not separately metered for each lot, will be levied with a single water access charge equal to the basic 20mm charge.

Land in a community titles scheme, where water consumption is separately metered for each lot, will be levied a single water access charge based on the size of the meter connected to that lot.

Concessional situations

A concessional water access charge equal to a 20mm service is levied for each registered dedicated fire service connection even though the actual size of the connection is usually larger.

Council will charge unlicensed/restricted sporting clubs a water access charge for their largest connection on each assessment and no access charge will be levied for additional meters.

Section 95 of the *Housing Act 2003* provides that all government portfolio properties are deemed to be non-rateable in accordance with Section 93 of the *Local Government Act 2009*. Services to State land that are capped are deemed to be disconnected and will not attract the relevant vacant service charges.

For the reduced water service areas of Burnett Downs and Sylvan Woods the following special arrangements will apply:

- Burnett Downs – Council identifies Burnett Downs Yard water supply properties as a separate class of consumers, where consumers are provided with water and services at an amount below full cost as per the declared service area (water) map which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, is available for inspection at Council offices or on Council's website.
- Sylvan Woods – Council identifies Sylvan Woods non-potable constant flow water supply properties as a separate class of consumers, where consumers are provided with water and services which are restricted in volume and pressure of supply as per the declared service area (water) map which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, is available for inspection at Council offices or on Council's website.

An Access Charge shall apply to all premises or metered connection for the period 1 July 2016 to 30 June 2017, according to the water meter size/s serving the premises in accordance with the following:

Water Access Charge Description	Potable Water Unrestricted flow	Non-potable Water / Restricted Flow
Vacant and non-metered	\$412	\$330
20mm meter connection	\$412	\$330
25mm meter connection	\$643	\$514
32mm meter connection	\$927	\$742
40mm meter connection	\$1,103	\$882
50mm meter connection	\$1,644	\$1,315
80mm meter connection	\$3,915	\$3,132
100mm meter connection	\$6,109	\$4,887
150mm meter connection	\$13,492	\$10,794

(b) Water consumption charge: Water consumption is levied half-yearly for the readings undertaken prior to the 31 December 2016, and prior to the 30 June 2017. Generally, the consumption within each six (6) month reading period will be levied on a two (2) tiered charging system (Steps 1 and 2) as set out hereunder:

(i) Charge per Kilolitre

Step 1: \$1.15 per kilolitre – for the first 150 kilolitres of consumption per half year;

Step 2: \$1.88 per kilolitre – for each kilolitre of consumption thereafter per half year.

(ii) Charge per kilolitre for the Burnett Downs Yard water supply reticulation group or service area, Sylvan Woods non-potable supply:

Step 1: \$0.92 per kilolitre – for the first 150 kilolitres of consumption per half year;

Step 2: \$1.50 per kilolitre – for each kilolitre of consumption thereafter per half year.

For land, other than land in a community titles scheme, which has multiple water meters, the consumption charge shall be determined as follows:

- where the land is being used for a single use, the consumption recorded by each of the meters shall be totalised and the applicable tariff for that use shall be applied;
- where the land is being used for two (2) or more discrete uses, and the water is separately metered for each use, the applicable tariff for each use shall be applied.

For land in a community titles scheme, Council will charge for water consumption as per the provisions of the *Body Corporate and Community Management Act 1997*.

For measurement of water use for charging purposes for the period 1 July 2016 to 30 June 2017, Section 102 of the *Local Government Regulation 2012* shall apply to the reading of meters based on the nominal initial meter reading date of 30 June 2016 and nominal final reading date of 30 June 2017.

Council reserves the right to read and levy water consumption at intervals other than six-monthly for specific connections as required.

6.1.4 Dedicated fire services

Water from registered dedicated fire services is for fire emergencies and testing purposes only and no charge will be levied for the first 10 kilolitres in each six (6) month reading period.

However to prevent misuse of these services, Council will impose a penalty charge per kilolitre for consumption greater than 10 kilolitres in each six (6) month reading period of 10 times the step 2 charge per kilolitre applicable to its area, unless evidence is provided proving that the water was used in a fire emergency.

6.1.5 Community service obligations

Pursuant to Sections 120 to 122 of the *Local Government Regulation 2012*, Council will grant concessions for water charges in certain circumstances.

Council delegates to the Chief Executive Officer the power pursuant to Part 5, Chapter 7 of the *Local Government Act 2009* to determine applications made for a concession in the circumstances set out below.

(i) Unlicensed and restricted sporting clubs

- (a) Council recognises unlicensed / restricted sporting clubs are not for profit entities and provide a community service, namely the provision of recreational services and contribution to the region's aesthetics.
- (b) In recognition of this, Council will charge unlicensed / restricted sporting clubs a water access charge for its largest connection on each assessment and no access charge will be levied for additional meters.

For water meters above 20mm, if unlicensed sporting clubs reduce their current largest water meter size to a smaller size, their Water Access Charge will be reduced accordingly to the Water Access Charge applicable to the revised water meter size. Where it is impractical to do so, Council will charge the equivalent of a 2014/2015 40mm Water Access Charge plus the applicable annual percentage increases, regardless of the actual size of the club's water meter connection.

Unlicensed / restricted sporting clubs with an area:

- up to 3.3 hectares will be entitled to 3,600 kilolitres of water per annum, free of consumption charges; and
- greater than 3.3 hectares will be entitled to 6,000 kilolitres of water per annum, free of consumption charges.

- (c) The following clubs, identified as requiring higher water allocations based on area and level of use, be entitled to the following kilolitres of water per annum, free of consumption charges:

Association	Kilolitres	Location
Bundaberg Cricket Association	9,600	Kendall Flat
Football Bundaberg Inc.	9,600	Martens Oval
Trustees Hinkler Park (Hockey)	9,600	Hinkler Park
Trustees Hinkler Park (Hockey)	3,600	Special Lease 1209
Bundaberg Rugby League Ltd	9,000	Salter Oval (*)
Bundaberg Cricket Association	9,000	Salter Oval (*)
Bundaberg Touch Association	9,600	Touch Association Grounds

Note*: Provided the Bundaberg Rugby League Ltd., and the Bundaberg Cricket Association combine their entitlements at Salter Oval and be levied on one rates notice.

- (d) Water consumption per assessment in excess of these entitlements be levied for the first 300 kilolitres at the 1st tier rate, and any consumption in excess of 300 kilolitres will be levied at the 2nd tier rate.
- (e) Unused entitlements are not carried forward into the following financial year.

(ii) Moore Park Rural Fire Brigade

Council recognises the Moore Park Rural Fire Brigade as providing a community service in protecting the community against fire and related hazards. As such, Council will charge the Moore Park Rural Fire Brigade the equivalent of a 20mm Water Access Charge for its largest meter connection regardless of the size of the Brigade's water meter connection.

6.1.6 Water meters registering inaccurately

If Council is satisfied that a water meter ceases to register, or is reported to be out of order or registering inaccurately (through no fault of the ratepayer), Council will consider granting a concession. This concession can be applied by using a water consumption charge equal to the quantity of water used during the immediately prior corresponding accurate period of water use measurement and, if applicable, to remit the difference between the actual charge and the charge based on the prior water consumption.

Council grants this concession on the basis that, to require the ratepayer to pay full charges for consumption in circumstances where a water meter ceases to register, or is reported to be out of order, or registering inaccurately (through no fault of the ratepayer), would result in hardship.

6.1.7 Extended area of application of charges

These charges apply to the declared service areas (water) maps and also to:

- All new lots created under a development approval for which all approval conditions have been completed, and which as part of their conditions of approval included a requirement for connection to a reticulated water supply;
- Any other lot which is connected to a reticulated water supply; and
- Any other lot, where Council resolves that the lot becomes capable, by reason of extension of the water supply system, of being connected to a reticulated water supply; i.e. to all lots within any extension of any of the areas serviced by reticulated water supply where such areas are approved by Council. The charges apply in every case where service is provided or available, regardless of whether or not, or the time at which, formal amendment is made to the declared service area.

6.1.8 Service connections outside declared service areas (water)

Any approved water service connections, which are located outside the declared service area (water), will have access and use charges applied in the same manner and at equivalent charges to the use as would apply were they to be situated within the declared service area to which they are connected.

6.1.9 Standpipes

Standpipes will be charged \$3.10 per kilolitre of recorded consumption.

Council discount is not applicable to water charges.

6.2 Sewerage rates:

6.2.1 Declared service area – sewerage

For the financial year 1 July 2016 to 30 June 2017, the declared service areas (sewerage) to which sewerage charges apply, shall be as per declared service area (sewerage) maps which, in accordance with Section 163 of the *Water Supply (Safety and Reliability) Act 2008*, are available for inspection at Council offices or on Council's website at www.bundaberg.qld.gov.au.

6.2.2 Service Provider (Sewerage)

The service provider within the declared service area/s (sewerage) shall be Bundaberg Regional Council through its Infrastructure & Planning Services Department, Water and Wastewater Section.

6.2.3 Sewerage Charges

Sewerage charges are levied on all properties within the defined sewerage area to cover the cost of:

- Sewage collection and treatment; and
- The disposal of effluent and bio–solids.

The same sewerage charge is levied to connected properties and non–connected properties within the defined sewerage area. The reason for this is that the major portion of Council’s costs associated with providing a sewerage service is in the provision and maintenance of capital infrastructure (pipes, processing plant etc.) and these costs must be financed whether or not a property is actually connected to the sewerage system.

Pursuant to Sections 99 and 100 of the *Local Government Regulation 2012*, the following sewerage charges shall be made and levied for the financial year 1 July 2016 to 30 June 2017:

- Single residential properties are levied \$705 for the first pedestal only. No additional charges apply for extra pedestals.
- Residential flats, units, granny flats, dual occupancy and residential strata title properties are levied \$705 per flat, unit, granny flat or dual occupancy or strata title unit, for the first pedestal only. No additional charges apply for extra residential pedestals.
- Where multiple lots are included on the one (1) rate assessment, Council does not levy a sewerage charge for each allotment, e.g.:
 - house and vacant lot together – only one (1) sewerage charge of \$705 is levied; or
 - multiple vacant lots on the one (1) rate assessment – only one (1) sewerage charge of \$705 is levied.
- Non-residential properties that are not body corporate/strata title entities will be charged \$705 per pedestal.
- Non-residential body corporate/strata title properties are levied a minimum of one (1) sewerage charge of \$705 to each strata unit, regardless of whether or not they have an individual sewer connection. Where units have more than one (1) pedestal, a sewerage charge will be levied for each pedestal serving the unit. Each unit owner is levied separately for sewerage charges.
- Waste dump points at caravan parks are charged \$705 per dump point.

6.2.4 Multi accommodation self-contained residential units for the aged under the control of charitable/church organisations:

Pursuant to Sections 120 to 122 of the *Local Government Regulation 2012*, multi accommodation self-contained residential units for the aged under the control of charitable/church organisations (excluding care centres); and pedestals installed in Department of Housing & Public Works units for the aged, including those identified in the table below, be granted a remission of 60% of the sewerage rates.

Property Owner and Location
The State Of Queensland (Represented by Department of Housing & Public Works), 11 Mulgrave Street, Bundaberg West
The State Of Queensland (Represented by Department of Housing & Public Works), 30 Sugden Street, Bundaberg South
East Haven, 1 Ann Street, Bundaberg East

<i>Property Owner and Location</i>
East Haven, 49 Victoria Street, Bundaberg East
East Haven, 51 Victoria Street, Bundaberg East
The Corporation of The Synod of The Diocese of Brisbane, 4 Mezger Street, Kalkie
The Baptist Union of Queensland, 9 Kepnock Road, Kepnock
Churches of Christ Care, 71 & 83 Dr Mays Road, Svensson Heights
The State of Queensland (Represented by the Department of Housing & Public Works), 9 Griffith Street, Bundaberg South
The Uniting Church in Australia Property Trust (Q), (balance) 341 Bourbong Street, Millbank
The Uniting Church in Australia Property Trust (Q), (part) 1 River Terrace, Millbank
The State of Queensland (Represented by Department of Housing & Public Works), 181 Barolin Street, Avenell Heights
The State Of Queensland (Represented by Department of Housing & Public Works), 147 Barolin Street, Avenell Heights
Forest View Childers Inc., 3 Morgan Street, Childers
Forest View Childers Inc., 4 Morgan Street, Childers
Kolan Centenary Seniors Village, 3 Tirroan Road, Gin Gin

Council grants this remission on the basis that multi accommodation self-contained residential units for the aged, under the control of charitable/church organisations, are entities whose objects do not include the making of a profit.

Council delegates to the Chief Executive Officer the power, pursuant to Part 5, Chapter 7 of the *Local Government Act 2009*, to determine applications made for this remission.

6.2.5 Extended area of application of charges

These charges apply to the declared service areas (sewerage) maps and also to:

- All new lots created under a development approval for which all approval conditions have been completed and which, as part of their conditions of approval, included a requirement for connection to the reticulated sewerage system;
- Any other lot which is connected to the reticulated sewerage system;
- Any other lot, where Council resolves that the lot becomes able, by reason of extension of the sewerage system, to be connected to the reticulated sewerage system.

That is, to all lots within any extension of any of the areas serviced by reticulated sewerage system where such areas are approved by Council. The charges apply in every case where service is provided or available, regardless of whether or not, or the time at which, formal amendment is made to the declared service area.

Council discount is not applicable to sewerage charges.

6.3 Waste collection charge:

6.3.1 Declared service area – waste

The declared service areas (waste) to which Waste Collection Charges apply, shall be as per the declared service area (waste) maps which are available for inspection at Council offices or on Council's website at www.bundaberg.qld.gov.au.

6.3.2 Service provider (waste)

The service provider within the declared service area/s (waste) shall be Bundaberg Regional Council through its Environment, Regulatory, and Public Health Department, Waste & Recycling Section.

Council makes and levies utility charges for the provision of waste management services, which are calculated to recover the full cost of providing the service. Waste management utility charges incorporate the cost of providing and maintaining refuse tips and transfer stations and the cost of implementing waste management and environment protection strategies. The type or level of service to be supplied to each property in the waste area will be determined by Council as is appropriate to the premises, and in accordance, where relevant, with the *Environmental Protection Act 1994*, *Environmental Protection Regulation 2008* and *Waste Reduction & Recycling Regulation 2011*.

Council will levy a waste and recycling collection charge of \$335 per annum to the owner of residential property and/or structure within the waste collection areas, regardless of whether ratepayers choose to use the domestic general waste collection and/or recycling services provided by Council. Council will refer to the Building Classification Code for determination, if required. The service is available to non-residential properties on application. Requests for services to a body corporate common area will need to comprise a written agreement between the service provider (Council) and the body corporate as per the *Body Corporate & Community Management Act 1997*.

Where there is more than one (1) structure on land capable of separate occupation a charge of \$335 will be made for each structure. A waste collection charge of \$335 will apply to each house, strata titled unit, granny flat, flat or other dwelling designed for separate residential occupation, whether it is occupied or not.

Retirement Villages may be residential or commercial enterprises and as such waste services requirements will be reviewed on an individual basis by Council's Waste & Recycling Section.

A summary of the waste and recycling services/levies is as follows:

Service level – Removal, transport and disposal of waste	2016/2017 Levy
Residential Properties	
240 litre refuse weekly / 240 litre recycling fortnightly (minimum service)	\$335
Additional Services	
240 litre refuse weekly / 240 litre recycling fortnightly	\$335
240 litre refuse weekly – only available if in receipt of a minimum service	\$242
240 litre recycling fortnightly – only available if in receipt of a minimum service	\$93
Non-Residential Properties	
240 litre refuse / 240 litre recycling (minimum service)	\$335
240 litre refuse weekly service	\$242
240 litre recycling fortnightly service	\$93

Note: The bin sizes mentioned above may be substituted by Council however the service and levy will remain the same as a 240 litre refuse / 240 litre recycling bin service.

Where insufficient space is available for the storage of multiple bins at strata titled properties, these properties may apply to Council for approval to make private arrangements to receive an alternative service, in which case a Council waste collection charge will not apply.

The charges for the service are annual charges and credits cannot be allowed for periods of time when the premises are unoccupied.

Council discount is not applicable to waste and recycling charges.

6.4 Trade Waste Charge

6.4.1 Pursuant to Section 99 of the *Local Government Regulation 2012*, trade waste charge/s be made and levied by the Council upon all non-residential discharging trade waste to Council's sewer.

6.4.2 The following be adopted as the basis for making and levying the trade waste charge:

- (i) The volume of trade waste effluent discharged into Council's sewerage system;
- (ii) The content/strength of the trade waste; and
- (iii) The type or capacity of the pre-treatment device required by the ratepayer to treat trade waste before it is discharged into Council's sewerage system.

The content/strength level of the trade waste will be based on the level of Biochemical Oxygen Demand (BOD₅), Chemical Oxygen Demand (COD) and Suspended Solids which are defined in Appendix 2 – sewer admission limits - of Council's Trade Waste Management Plan.

The level of BOD₅, COD and Suspended Solids determines, in accordance with Section 5.3 of Council's Trade Waste Management Plan, if the trade waste discharge is a Category Minor, 1,2, or 3 in terms of concentration and volume as follows:

- Minor: Compliant discharge, up to 150 kL, nil or Best Practice device.
- Category 1: contains a low strength/low volume, discharge up to 500 kL, 1000L or Best Practice device
- Category 2: contains a low strength/high volume; discharge over 500 kL.
- Category 3: contains a high strength/any volume, discharge.

Discharge category criteria is determined by level and strength of content of trade waste, as shown below:

Parameter	Minor	Low Volume	High Volume	High Impact
BOD ₅ mg/L	Compliant Discharge * Refer to sewer admission limits	<300mg/L	<300 mg/L	High Impact Discharge Refer to sewer admission limits
COD mg/L		<1500 mg/L	<1500 mg/L	
Suspended Solids mg/L		<300 mg/L	<300 mg/L	
Volume (kL/Annum)	<150kLs	<500kLs	>500 kLs	Any volume

*Effluent meets the stated quality and quantity limits prior to treatment or monitoring.

The following charge/category will apply to all non-residential discharging trade waste to Council's sewer for 2016/2017:

Trade Waste connection/ Capacity of Pre-treatment Device Litres	Category 0 Minor =150kls	Category 1 (Low Strength/Low Volume <=500 Kilolitres Per Financial Year)	Category 2 (Low Strength/High Volume >500 Kilolitres Per Financial Year)	Category 3 (High Strength/Any Volume Per Financial Year)
Nil Required or Best Practice	\$158 1.0	N/A	N/A	N/A
Best Practice <=1000	N/A	\$276 1.1	\$551 2.1	\$827 3.1
<=1000	N/A	\$551 1.2	\$827 2.2	\$1,103 3.2
<=1500	N/A	\$827 1.3	\$1,103 2.3	\$1,381 3.3
<=2000	N/A	\$1,103 1.4	\$1,381 2.4	\$1,654 3.4
<=2500	N/A	\$1,381 1.5	\$1,654 2.5	\$1,932 3.5
<=3000*	N/A	\$1,654 1.6	\$1,932 2.6	\$2,205 3.6

* For properties with trade waste connection capacity >3,000 litres the charge will be calculated by multiplying the relevant category charge.

Council discount is not applicable to trade waste charges.

7. STATE EMERGENCY MANAGEMENT LEVY

In accordance with the *Fire and Emergency Services Act 1990*, Council is required to collect a State Emergency Management Levy on all rateable properties on behalf of the Queensland Fire and Emergency Services. The Levy is not a Council charge and the funds collected are remitted to the Queensland Fire and Emergency Services. However, Council is entitled to an administration fee for collecting this levy, as prescribed by the *Fire and Emergency Services Regulation 2011*. Rate assessments with multiple properties are levied per parcel, in accordance with the State's legislation, excluding contiguous agricultural parcels in the same ownership.

Council discount is not applicable on the State Emergency Management Levy.

8. REBATES AND CONCESSIONS

Part 10 of the *Local Government Regulation 2012* empowers Council to grant a concession in certain circumstances.

Pensioners

Council's *Pensioner Rate Remission Policy* provides an annual rate rebate to approved pensioners. A copy of this policy, together with the necessary application forms, are available from Council offices or www.bundaberg.qld.gov.au. The definition of pensioner is an 'approved pensioner' as provided under the State Government Pensioner Rebate Subsidy Scheme, that is a pensioner who is either a registered owner or life tenant of their principal place of residence and who hold a Queensland Pensioner Concession Card or a DVA Health Card (All Conditions within Australia) or a DVA Health Card (Totally & Permanently Incapacitated) issued by either Centrelink or the Department of Veteran Affairs.

For the 2016/2017 financial year, Council grants a total rebate of up to \$140 per annum (\$70 per half year levy) on rates and charges for approved pensioners. This remission is provided in addition to any Pension Subsidy Scheme operated by the Queensland Government.

Where the property is in joint ownership, a pro rata remission shall be granted in proportion to the share of ownership, except where the co-owners are an approved pensioner and his/her spouse, (including de facto relationships as recognised by Commonwealth Legislation), in which case a full remission will apply. However, in the case where the pensioner/s has/have rights to exclusive occupancy (life tenancy by way of a will which must be provided to Council by way of proof) a full remission will be granted.

The State Government Pensioner Rate Subsidy is not a Council remission. This subsidy is provided by the State Government and does not affect the rates and charges determination. The subsidy is a 20% rebate of Council rates and charges up to a maximum of \$200 per annum, calculated at \$100 per half year, plus 20% rebate of the State Emergency Management Levy.

Community Service Obligations

Council will grant a rebate up to a maximum \$1,700 per annum for the financial year 2016/2017, towards the payment of rates and charges, with the exception of water consumption charges, for the following:

- Apple Tree Creek Memorial Hall
- Bucca Hall
- Bullyard Hall
- Drinan Hall
- Gin Gin & District Historical Society Hall
- Pine Creek Hall
- Sharon Hall
- Tegege Hall
- Avenell Heights Progress Association Hall
- Burnett Heads Progress Hall
- Kepnock Progress Association Hall
- North Bundaberg Progress Association Hall
- CWA Hall Bargara
- CWA Hall Bundaberg
- CWA Hall Yandaran
- CWA Hall Childers
- CWA Oakwood
- CWA Wallaville
- Bundaberg Kindergarten, Electra Street
- Burnett Heads Kindergarten
- Childers Kindergarten, Pizzey Street
- Forestview Community Kindergarten
- Gin Gin Kindergarten
- South Kolan Kindergarten
- Wallaville Kindergarten
- Trustees Booyal Memorial Hall
- Bundaberg & District Air Sea Rescue
- Sandy Hook Ski Club
- Avondale Football Club
- Bundaberg Railway Historical Society

Council will grant a full concession for all rates and charges, except water consumption charges, for the following properties:

- Bundaberg Surf Life Saving Club
- Elliott Heads Surf Life Saving Club
- Moore Park Surf Life Saving Club

This community service obligation is applicable to the 2016/2017, 2017/2018 and 2018/19 financial years, to be reviewed prior to the formulation of the 2019/2020 Budget.

9. DISCOUNT ON GENERAL RATES

A discount of 10% of the current year's Council general rates is conditional on the payment of current rates, service charges and all arrears by the due date stated on the rate notice which is at least 30 clear days from the issue date of the rate notice. In addition, pursuant to Section 130 of the *Local Government Regulation 2012*, a grace period of two (2) days will be allowed to provide for the receipt of payments made remotely to payment agencies. Proof of payment may be requested. Discount is granted for prompt payment. Council's pension remission is not a payment and is therefore deducted from the general rate before discount is applied.

For the sake of clarity, the discount for the prompt payment of rates applies only to general rates levied by Council. No discount shall apply for any other rate or charge levied by Council, including special rates and charges and utility charges.

10. RECOVERY OF OVERDUE RATES

Council's adopted *Rates Recovery Policy* (available at www.bundaberg.qld.gov.au) has been prepared in respect of the recovery of overdue rates, to reinforce Council's practice and intentions in this regard. Council will actively pursue all available options under the *Local Government Act 2009*, including the sale of land for arrears of rates, to ensure that overdue rates are not a burden on the region's ratepayers.

11. INTEREST ON OVERDUE RATES

Council determines this matter from time to time by resolution in accordance with the provisions of Section 133 of the *Local Government Regulation 2012*. Currently compound interest is charged at 11% per annum on overdue rates and charges, calculated on daily rests as from the seventh day following the due date stated on the rate notice.

12. LEVYING AND PAYMENT OF RATES AND CHARGES

Council currently levies rates twice in each financial year. The first rates levy is issued as soon as possible after the annual budget has been approved by Council. The second rates levy is issued as soon as possible in the second half of the financial year after 1 January. Rates are due and payable by the due date stated on the rate notice.

13. PAYMENT IN ADVANCE

Ratepayers can prepay their rates at any time. Interest is not paid by Council to ratepayers on any credit balances.



DEBT POLICY

1. INTENT

This policy outlines Council's debt strategy and provides for responsible financial management on loan funding by ensuring the level of Council indebtedness is within acceptable limits.

2. SCOPE

For the purpose of this policy, borrowings of all funds are to be made in accordance with:

- *Local Government Act 2009*, Section 104;
- *Local Government Regulation 2012*, Section 192;
- *Statutory Bodies Financial Arrangement Act 1982*;
- *Financial Management (Sustainability) Guideline 2013*.

The Schedule of Future Borrowings details the amount of borrowings proposed for the current budget and is projected outwards for nine (9) financial years.

3. POLICY OBJECTIVES

The purpose of this Policy is to disclose Council's planned financial management for existing and future debt. The Policy applies to the 2016/2017 financial year and may be amended as budget assumptions change during the year.

4. POLICY

Council recognises that loan borrowings for capital works are an important funding source and that the full cost of infrastructure should not be borne entirely by present day ratepayers, but be contributed to by future ratepayers who will also benefit.

Council will restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority and which cannot be fully funded by revenue, grants and subsidies.

Council should not borrow funds for recurrent expenditure.

Council should not place undue reliance upon loans as a source of income.

Loans used to acquire assets for business activities, which generate income of net worth, be limited to a maximum loan term of 20 years.

Loans used to acquire assets for social and other non-business activities, which do not generate income of net worth, be limited to a maximum loan term of five (5) years.

Loan borrowings in relation to water, wastewater and waste are maintained in separate accounts to more accurately reflect the cost of the provision of this infrastructure.

Council intends maintaining a repayment schedule consistent with an interest and principal repayment calculation so that the exposure to interest rate fluctuations are minimised.

Council will review the net financial liabilities ratio for the period covered by this Policy.

Council should continually evaluate its financing options to ensure it assesses the relative risks and benefits, including the performance of its finances.

4.1 Delegation of Authority

The Chief Executive Officer, General Manager Organisational Services, Chief Financial Officer, Sustainable Finance Manager, Governance Manager, Manager Revenue, Financial Accounting Coordinator and Financial Accounting and Taxation Officers are delegated authorised signatories for all loan accounts held by Council.

5. CONTROLS

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation (QTC).

The *Financial Management (Sustainability) Guideline 2013* includes one (1) financial sustainability indicator relating to debt. Council will calculate and review this indicator for the 10 year forecast period during budget deliberations each year.

Net Financial Liabilities Ratio - indicates that Council has the capacity to fund its liabilities and appears to have the capacity to increase its loan borrowings. Target is < 60%.

$$\frac{\text{Total Liabilities less Current Assets}}{\text{Total Operating Revenue}}$$

This Policy is to be reviewed at intervals of no more than one (1) year in conjunction with the budget.

6. EFFECTIVE FROM

This Policy was adopted by Council on, and is effective from, 1 July 2016.

7. REFERENCES/ASSOCIATED DOCUMENTS

[Department of Infrastructure, Local Government & Planning Financial Management \(Sustainability\) Guideline 2013](#)

[Local Government Act 2009](#)

[Local Government Regulation 2012](#)

MD-2-008 Schedule of Future Borrowings

[Statutory Bodies Financial Arrangements Act 1982](#)



SCHEDULE OF FUTURE BORROWINGS

Year	Proposed Borrowings	Borrowing Purpose	Total Debt	Net Financial Liabilities Ratio
2016/2017	\$24,000,000	Capital Works Projects as outlined in the adopted Budget Capital Funding Statement	\$80,395,853	19.5%
2017/2018	\$10,000,000		\$82,079,853	20.6%
2018/2019	\$7,000,000		\$81,745,227	16.8%
2019/2020	\$0		\$72,578,296	11.2%
2020/2021	\$0		\$63,996,926	4.6%
2021/2022	\$0		\$53,274,843	-1.8%
2022/2023	\$0		\$43,118,195	-8.3%
2023/2024	\$7,000,000		\$43,240,420	-13.9%
2024/2025	\$5,000,000		\$42,811,510	-17.8%
2025/2026	\$10,000,000		\$47,164,222	-20.5%

The *Department of Infrastructure, Local Government & Planning Financial Management (Sustainability) Guideline 2013* defines a Net Financial Liabilities Ratio (expressed as a percentage) as “an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues”.

The Department has set an upper target of 60% for this ratio.



INVESTMENT POLICY

1. INTENT

This Policy outlines Council's surplus cash investment strategy and provides guidelines for the prudent investment of surplus funds with the aim of maximising investment returns within the approved risk profile.

2. SCOPE

For the purpose of this Policy, investments are defined as arrangements that are undertaken or acquired for producing income and apply to the cash investments of Council. Investment of all surplus funds held by Council are to be made in accordance with:

- *Local Government Act 2009*, Chapter 4, Part 3, Section 101;
- *Local Government Regulation 2012*, Chapter 5;
- *Statutory Bodies Financial Arrangement (SBFA) Act 1982*, Part 2B, Section 10;
- *Statutory Bodies Financial Arrangement (SBFA) Regulation Act 2007*.

For the purpose of the appointment of an external fund manager pursuant to Section 59 of the SBFA Act, to operate in a manner consistent with this policy will constitute compliance.

3. POLICY OBJECTIVES

To establish a framework to:

- Invest Council funds not immediately required for financial commitments.
- Maximise earnings via capitalising on potential rate of returns, subject to acceptable levels of risk as determined by the SBFA Act.
- Ensure that appropriate records are kept.
- Ensure that adequate procedures are in place to safeguard public monies.
- Maintain sufficient levels of diversification.

4. POLICY

- 4.1** Council, using the powers under the above mentioned Acts will invest all surplus monies with the view to a return on investment, subject to Council's risk profile and liquidity requirements.
- 4.2** A level of prudence is to be used by Investment Officers when managing the overall investment portfolio. It is to be managed with care, diligence, skill and not for speculation, but for investment in accordance with the spirit of this Policy. This includes having in place appropriate reporting requirements that ensure the investments are reviewed regularly.
- 4.3** Investment Officers are to avoid any transaction that may harm confidence in Council. This includes refraining from personal activities that conflict with the proper execution and

management of Council's investment portfolio. This includes activities that impair the investment officer's ability to make impartial decisions.

The Policy requires that investment officers disclose to the Chief Executive Officer any conflict of interest or any holding of investment positions that could be related to the investment portfolio.

4.4 As authorised by the *Local Government Act 2009*, Council is allocated Category 1 investment power. This is the power to invest in all or any of the following:

- Deposits with a financial institution;
- Investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- Other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- Investment arrangements, managed or offered by Queensland Investment Corporation (QIC) or Queensland Treasury Corporation (QTC), namely QIC Cash Fund, QTC Capital Guaranteed Cash Fund, QTC Debt Offset Facility, QTC Fixed Rate Deposit (up to 12 months), QTC Working Capital Facility;
- An investment arrangement with a Standard and Poor's (Australia) Pty Ltd rating of A-1+, A-1, AAAm or AAm (Short Term) or equivalent.

A financial institution for the purposes of the Act is any Authorised Deposit Taking Institution.

4.5 Investment Policy:

- Council shall endeavor, at all times, to invest funds at the most advantageous interest rate available to it at the time of investment of the proposed type;
- Not less than three (3) quotations shall be obtained from authorised institutions whenever an investment is proposed;
- When placing investments, consideration will be given to the interest rate offered, the credit rating of the institution, the term of investment and funds currently held in a particular financial institution;
- Sufficient funds should be held to meet the day to day operations and capital expenditures of Council without incurring a penalty;
- The term of maturity of any investments may range from "At Call" to 12 months; is dependent on future cash flow requirements, credit risk guidelines and the prevailing outlook regarding interest rates;
- The amount invested with financial institutions will be in accordance with the percentages of average funds invested at any time and the short-term credit rating as prescribed by Council's risk profile listed hereunder:

Long Term Rating (Standard and Poor's)	Short Term Rating (Standard and Poor's)	Investment Quality	Minimum Percentage / Amount of Total Investments	Maximum Percentage of Total Investments	Maximum Percentage Invested with any one Financial Institution
QTC	A-1+	Capital Guaranteed	10%	50%	100%
AAA	A-1+	Prime	50%	75%	50%
AA+	A-1+	High Grade			

Long Term Rating (Standard and Poor's)	Short Term Rating (Standard and Poor's)	Investment Quality	Minimum Percentage / Amount of Total Investments	Maximum Percentage of Total Investments	Maximum Percentage Invested with any one Financial Institution
AA			(including QTC)		
AA-					
A+	A-1	Upper Medium Grade	0%	50%	50%
A					
A-	A-2	Lower Medium Grade	0%	25%	50%
BBB+					
BBB					
BBB-	A-3				

Short Term Debt Ratings			
GRADE	S & P	Moody's	Fitch
Superior	A1+	P-1	F1+
	A1		F1
Strong	A2	P-2	F2
Acceptable	A3	P-3	F3

It is noted that for the purpose of this Investment Portfolio, the percentage limits are effective at the date of purchase.

4.6 Return on Investments

Council's minimum return on investment key performance indicator (KPI) is 1% above the target cash rate.

KPI's are recorded quarterly in Performance Manager and a report will be prepared for Council by the Coordinator Corporate Planning and Performance Management.

Investments are placed in accordance with Council's Purchasing Policy – Acquisition of Goods & Services (GP-3-048).

4.7 Delegation of Authority

New investment accounts must be approved by the Chief Executive Officer or General Manager Organisational Services.

The Chief Executive Officer, General Manager Organisational Services, Chief Financial Officer, Sustainable Finance Manager, Governance Manager, Manager Revenue, Financial Accounting Coordinator and Financial Accounting and Taxation Officers are delegated authorised signatories for all investment accounts held by Council.

Financial Accounting and Treasury Officers are authorised dealers to invest Council's surplus funds at their discretion in investments consistent with this Policy. The deal must be authorised by an account signatory.

5. CONTROLS

- A daily surplus cash calculation will be prepared by Treasury Officers to determine the balance available to invest. This will be verified and signed-off by an authorised signatory.
- Approved financial institutions, investment transactions and quotes must be recorded in Council's online Investment Register.
- Documentary evidence must be held for each investment and details thereof maintained in Council's Investment Register.
- Certificates must be obtained for each investment to fulfill audit requirements at 30 June each year.
- A monthly investment balance reconciliation will be undertaken by Treasury Officers.
- A monthly internal audit will be performed; ensuring investments undertaken are in compliance with this Policy.
- Records will be kept to show that Council has invested in the most appropriate manner and in accordance with this policy.
- Appropriate separation of duties with regards to reporting, selection, approval and execution of investment transactions will be maintained at all times.
- When 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, either obtain approval from the General Manager Organisational Services for continuing with the investment arrangement, or sell/withdraw the investment arrangement.
- A managed document will be maintained to list the approved Financial Institutions that the Financial Accounting and Treasury Officers may deal with.

6. EFFECTIVE FROM

This Policy was adopted by Council on, and is effective from, 1 July 2016.

7. REFERENCES/ASSOCIATED DOCUMENTS

[Department of Infrastructure, Local Government & Planning Financial Management \(Sustainability\) Guideline 2013](#)

[Local Government Act 2009](#)

[Local Government Regulation 2012](#)

MD-2-008 Schedule of Future Borrowings

[Statutory Bodies Financial Arrangements Act 1982](#)



NATIONAL COMPETITION POLICY

1. INTENT

To ensure compliance with the relevant National Competition Policy (NCP) provisions of the *Local Government Act 2009* and *Local Government Regulation 2012*.

2. SCOPE

NCP advocates the delivery of local government services in relation to its identified business activities on commercial principles. It is designed to ensure that, where appropriate, Council sets prices on the same basis as the private sector by making adjustments for the advantages and disadvantages of public ownership.

This Policy is applicable to those activities to which competitive neutrality applies.

3. POLICY OBJECTIVES

To ensure Council business activities are more accountable for financing, pricing and other business decisions, as well as identifying the true cost of service provision to the community.

4. POLICY

Council has elected to apply the competitive neutrality principle, involving the implementation of full cost pricing, to its identified business activities. Council has chosen to remove itself from competition with local building certifiers and closed its private certification business.

Council's financially significant business activities are:

- Water and Wastewater; and
- Waste and Recycling.

Other business activities to which the Code of Competitive Conduct is applied are:

- Caravan Parks; and
- Bundaberg Airport.

4.1 Community Service Obligations (CSO)

Community Service Obligations are instruments through which local government social welfare goals are delivered to the wider community.

A CSO will arise where Council requires a business activity to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis, or would only undertake commercially at higher prices, e.g. where Council:

- considers it desirable to supply certain goods and services at an affordable price regardless of the actual cost of supply;

- has social welfare objectives to provide free services or price concessions to particular groups of customers, such as pensioners, sporting bodies, charities etc.; or
- provides incentives to industry through infrastructure provision and/or price concessions to encourage economic development.

All CSOs are to be adopted and applied in a uniform manner across all regions, between like customers in different locations to ensure equity across the community.

All current and proposed CSOs are to comply with the requirements of the *Local Government Regulation 2012* and linkages with Council's Corporate Plan and Annual Operational Plan objectives.

During 2016/2017, all existing and proposed CSOs will be reviewed to ensure compliance with the requirements of the *Local Government Regulation 2012* directing each business to undertake the CSO activities in question.

4.2 Assessment of Bundaberg Regional Council Business Activity CSOs 2016/2017

Description	Validation
WATER SUPPLY & WASTE WATER	
Pensioner remissions. Provision of water allocations to unlicensed sporting clubs free of charge.	CSO – valued in accordance with the revenue foregone as a result of the concession or the waiver of metered water consumed.
Provision of reduced water access charges to unlicensed sporting clubs.	CSO – valued as the difference between recommended access charges and current access charges.
Provision of pedestal discounts for community and aged care facilities.	CSO – valued in accordance with the revenue foregone as a result of the discount provided.
Clearance of private sanitary drains.	CSO – valued in accordance with the shortfall in full cost recovery.
Internal bulk water usage	CSO – valued in accordance with the revenue foregone.
Water Leak Relief	CSO – valued in accordance with the revenue foregone from water relief
WASTE MANAGEMENT	
Pensioner remissions.	CSO – valued in accordance with the revenue foregone as a result of the concession.
Operation of regional transfer stations.	CSO – valued in accordance with the shortfall in full cost recovery of operating and maintaining the facilities.
Provision of free disposal days for residents.	CSO – valued in accordance with the revenue foregone.
Provision of waste collection and disposal services for community events.	CSO – valued in accordance with an estimate of the costs incurred to undertake the collection and disposal of waste.
Provision of waste collection and disposal services for public spaces.	CSO – valued in accordance with the revenue foregone.

Description	Validation
Waste disposal fees incurred by other Council Departments.	CSO – valued in accordance with the revenue foregone.
Charity recycling residuals and in-kind assistance	CSO – valued in accordance with the revenue foregone.
AIRPORT Provision of concessional fees.	CSO – valued in accordance with the revenue foregone as a result of the concession.

4.3 Current Competitive Neutrality Complaints Process

The *Local Government Act 2009* requires Councils to adopt a process for resolving competitive neutrality complaints. Section 44 of the *Local Government Regulation 2012* sets out the necessary minimum requirements for the resolution of competitive neutrality complaints.

Council must ensure that the process deals with the following:

- (a) Preliminary procedures before an affected person makes a complaint including, for example, the process for:
- A person to raise concerns about alleged failures of a significant business to comply with the competitive neutrality principles; and
 - Clarifying and, if possible, resolving the matter.
- (b) Recording all complaints, decisions and recommendations.

4.4 Bundaberg Regional Council Competitive Neutrality Complaint Procedure

A person must make the complaint about an alleged failure of Council's business activities to comply with the relevant competitive neutrality procedures in writing to Council or the Queensland Competition Authority (QCA). The complaint must contain details of the alleged failure and information that shows:

- (i) Whether the complainant is, or could be, in competition with the business entity; and
- (ii) How the complainant is, or may be, adversely affected by the business entity's alleged failure; and
- (iii) That the complainant has made a genuine attempt to resolve the complaint prior to making it.

Once a person has made a complaint to Council it will be forwarded to the QCA as soon as is practicable. The making of a complaint will not stop the business entity from conducting business.

If the QCA decides to investigate the complaint it must prepare a report of its investigations and provide Council with its results and recommendations. This report will be made available to the public for inspection as soon as practicable.

Within one month of receiving the QCA's report, Council will decide by resolution whether to implement its recommendations. The resolution will state the reasons for Council's decision and both the complainant and QCA will be given notice of the resolution within seven days of the decision by Council.

Council will establish and maintain a register of business activities to which competitive neutrality principles have been applied. The register will also list current investigative notices for competitive neutrality complaints, the business activities to which the complaints relate and Council's responses to the QCA's recommendations on those complaints.

4.5 Outcomes

The full cost pricing model adopted by Council involves setting prices on a commercial basis. It is founded on the principle that the price charged for the provision of a good or service should recover sufficient revenue to cover the costs of production, the funds to replace assets as they are consumed and the achievement of a reasonable rate of return.

Whilst a full cost pricing model has been utilised for the annual determination of cost recovery levels for Council's significant business activities, an appropriate long-term financial sustainability model is under development. When complete, it will enable the identification of ongoing investment requirements, helping to inform capital funding decisions and borrowing programs, and will assist in the development of longer-term price paths and revenue strategies for these businesses, compliant with full cost pricing principles and in accordance with legislative requirements.

5. CONTROLS

Section 46 of the *Local Government Act 2009*

Section 44 of the *Local Government Regulation 2012*

6. EFFECTIVE FROM

This Policy was adopted by Council on, and is effective from, 1 July 2016.

7. REFERENCES/ASSOCIATED DOCUMENTS

Annual Operational Plan 2016/2017

[Bundaberg Regional Council Corporate Plan 2014-2019](#)

[Local Government Act 2009](#)

[Local Government Regulation 2012](#)

Public Benefit Assessment of Reform Options for Waste & Recycling Activities

Public Benefit Assessment of Reform Options for Water & Wastewater Activities

Schedule of Community Service Obligations



LONG TERM FINANCIAL FORECASTS

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Comprehensive Income

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue											
Rates, levies and charges	137,010,950	142,680,500	148,102,359	153,730,249	161,109,301	168,842,547	176,946,989	185,440,445	194,341,586	203,669,982	213,446,141
Less: Discounts & Pensioner remissions	-7,443,000	-7,786,000	-8,081,868	-8,388,979	-8,791,650	-9,213,649	-9,655,904	-10,119,388	-10,605,118	-11,114,164	-11,647,644
Net rates and utility charges	129,567,950	134,894,500	140,020,491	145,341,270	152,317,651	159,628,898	167,291,085	175,321,057	183,736,468	192,555,818	201,798,497
Fees and charges	19,523,756	20,176,548	21,749,755	23,102,235	24,454,715	25,807,196	27,159,676	28,512,156	29,864,636	31,217,116	32,569,596
Interest received	3,644,373	2,971,000	2,471,000	2,361,000	2,669,030	3,165,000	3,354,000	3,565,000	3,438,000	3,297,000	3,165,333
Sales - contract and recoverable works	3,454,933	4,153,800	4,313,288	4,529,000	4,755,000	4,993,000	5,243,000	5,505,000	5,780,000	6,069,000	6,348,667
Operating grants, subsidies, contributions and donations	11,951,965	10,669,426	11,510,158	11,854,000	12,192,000	12,542,000	12,904,000	13,479,000	14,667,000	15,069,000	15,995,000
Profit on sale of developed land held for sale	387,000										
TOTAL OPERATING REVENUES	168,529,977	172,865,274	180,064,692	187,187,505	196,388,396	206,136,094	215,951,761	226,382,213	237,486,104	248,207,934	259,877,093
Expenses											
Employee benefits	-70,047,715	-71,353,247	-73,137,078	-74,965,505	-76,839,643	-78,760,634	-80,729,650	-82,747,891	-84,816,588	-86,937,003	-89,110,428
Materials and services	-50,841,200	-47,051,050	-48,962,582	-53,481,459	-60,287,000	-67,332,000	-74,117,000	-81,819,000	-88,472,000	-97,292,000	-104,667,333
Finance costs	-4,085,750	-3,473,000	-4,275,159	-4,195,655	-4,033,356	-3,620,247	-3,201,952	-2,763,414	-2,256,039	-2,235,448	-2,205,505
Depreciation and amortisation	-43,471,718	-46,749,432	-47,862,000	-48,974,568	-50,087,136	-51,119,704	-52,312,272	-53,424,850	-54,537,408	-55,649,976	-56,762,537
TOTAL OPERATING EXPENSES	-168,446,383	-168,626,729	-174,236,819	-181,617,187	-191,247,135	-200,832,585	-210,360,874	-220,755,155	-230,082,035	-242,114,427	-252,745,803
Operating surplus (deficit)	83,594	4,238,545	5,827,873	5,570,318	5,141,261	5,303,509	5,590,887	5,627,058	7,404,069	6,093,507	7,131,291
Capital income and expenditure:											
Cash capital grants, subsidies and contributions	21,224,582	28,663,913	19,903,131	13,403,000	16,286,000	14,117,000	14,245,000	14,559,000	15,246,000	14,500,000	15,042,666
Other capital income											
Donated physical capital assets	5,500,000	5,500,000	5,500,000	5,792,640	6,024,630	6,222,570	6,465,050	6,712,520	6,969,590	7,000,000	7,181,517
Net result	26,808,176	38,402,458	31,231,004	24,765,958	27,451,891	25,643,079	26,300,937	26,898,578	29,619,659	27,593,507	29,355,474

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Appropriations

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net result from the Income Statement	<u>26,808,176</u>	<u>38,402,458</u>	<u>31,231,004</u>	<u>24,765,958</u>	<u>27,451,891</u>	<u>25,643,079</u>	<u>26,300,937</u>	<u>26,898,578</u>	<u>29,619,659</u>	<u>27,593,507</u>	<u>29,355,474</u>
Transfer from / to Capital account:											
Capital non-cash donations and contributions	<u>-5,500,000</u>	<u>-5,500,000</u>	<u>-5,500,000</u>	<u>-5,792,640</u>	<u>-6,024,630</u>	<u>-6,222,570</u>	<u>-6,465,050</u>	<u>-6,712,520</u>	<u>-6,969,590</u>	<u>-7,000,000</u>	<u>-7,181,517</u>
Capital Subsidies & Grants	<u>-21,224,582</u>	<u>-28,663,913</u>	<u>-19,903,131</u>	<u>-13,403,000</u>	<u>-16,286,000</u>	<u>-14,117,000</u>	<u>-14,245,000</u>	<u>-14,559,000</u>	<u>-15,246,000</u>	<u>-14,500,000</u>	<u>-15,042,666</u>
Transfers to Reserves: for future capital works											
Sewerage Infrastructure reserve	<u>0</u>	<u>-4,000,000</u>	<u>-4,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Surplus / (Deficiency) for current period	<u>83,594</u>	<u>238,545</u>	<u>1,827,873</u>	<u>5,570,318</u>	<u>5,141,261</u>	<u>5,303,509</u>	<u>5,590,887</u>	<u>5,627,058</u>	<u>7,404,069</u>	<u>6,093,507</u>	<u>7,131,291</u>
Accumulated Surplus / (Deficiency) from prior years:	<u>-1,337,958</u>	<u>-1,254,364</u>	<u>-1,015,819</u>	<u>812,054</u>	<u>6,382,372</u>	<u>11,523,633</u>	<u>16,827,142</u>	<u>22,418,029</u>	<u>28,045,087</u>	<u>35,449,156</u>	<u>41,542,663</u>
Accumulated Surplus / (Deficiency) at year end	<u>-1,254,364</u>	<u>-1,015,819</u>	<u>812,054</u>	<u>6,382,372</u>	<u>11,523,633</u>	<u>16,827,142</u>	<u>22,418,029</u>	<u>28,045,087</u>	<u>35,449,156</u>	<u>41,542,663</u>	<u>48,673,954</u>

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Financial Position

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Current Assets											
Cash and cash equivalents	86,548,673	72,530,816	70,841,481	76,138,401	76,435,784	80,416,527	82,980,718	87,721,945	102,212,402	112,985,747	126,393,114
Trade and other receivables	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683	12,872,683
Inventories	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768	4,147,768
Non-current assets held for sale	982,164	982,164	982,164	982,164	982,164	982,164	982,164	982,164	982,164	982,164	982,164
	<u>104,551,288</u>	<u>90,533,431</u>	<u>88,844,096</u>	<u>94,141,016</u>	<u>94,438,399</u>	<u>98,419,142</u>	<u>100,983,333</u>	<u>105,724,560</u>	<u>120,215,017</u>	<u>130,988,362</u>	<u>144,395,729</u>
Non-Current Assets											
Property, plant and equipment	1,742,044,969	1,807,503,855	1,841,186,578	1,859,755,511	1,880,067,820	1,895,289,476	1,912,189,876	1,928,826,632	1,947,475,679	1,966,592,062	1,989,914,652
Intangible assets	6,899,261	10,361,690	13,064,680	12,997,745	11,293,388	9,587,403	7,871,789	6,150,547	4,423,677	2,691,178	953,051
	<u>1,748,944,230</u>	<u>1,817,865,545</u>	<u>1,854,251,258</u>	<u>1,872,753,256</u>	<u>1,891,361,208</u>	<u>1,904,876,879</u>	<u>1,920,061,665</u>	<u>1,934,977,179</u>	<u>1,951,899,355</u>	<u>1,969,283,240</u>	<u>1,990,867,703</u>
TOTAL ASSETS	<u>1,853,495,518</u>	<u>1,908,398,976</u>	<u>1,943,095,354</u>	<u>1,966,894,272</u>	<u>1,985,799,607</u>	<u>2,003,296,021</u>	<u>2,021,044,998</u>	<u>2,040,701,739</u>	<u>2,072,114,372</u>	<u>2,100,271,602</u>	<u>2,135,263,432</u>
Current Liabilities											
Trade and other payables	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963	16,369,963
Borrowings	8,274,000	8,316,000	7,334,626	8,787,040	9,006,665	9,431,960	8,141,837	6,127,026	5,376,277	5,323,644	5,000,000
Provisions	915,000	915,000	915,000	915,000	915,000	915,000	915,000	915,000	915,000	915,000	915,000
Other liabilities	435,964	435,964	435,964	435,964	435,964	435,964	435,964	435,964	435,964	435,964	435,964
	<u>25,994,927</u>	<u>26,036,927</u>	<u>25,055,553</u>	<u>26,507,967</u>	<u>26,727,592</u>	<u>27,152,887</u>	<u>25,862,764</u>	<u>23,847,953</u>	<u>23,097,204</u>	<u>23,044,571</u>	<u>22,720,927</u>
Non-Current Liabilities											
Borrowings	56,395,853	72,079,853	74,745,227	72,958,187	63,571,631	54,564,966	45,133,006	36,991,169	37,864,143	37,487,866	42,164,222
Provisions	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058	26,168,058
	<u>82,563,911</u>	<u>98,247,911</u>	<u>100,913,285</u>	<u>99,126,245</u>	<u>89,739,689</u>	<u>80,733,024</u>	<u>71,301,064</u>	<u>63,159,227</u>	<u>64,032,201</u>	<u>63,655,924</u>	<u>68,332,280</u>
TOTAL LIABILITIES	<u>108,558,838</u>	<u>124,284,838</u>	<u>125,968,838</u>	<u>125,634,212</u>	<u>116,467,281</u>	<u>107,885,911</u>	<u>97,163,828</u>	<u>87,007,180</u>	<u>87,129,405</u>	<u>86,700,495</u>	<u>91,053,207</u>
NET COMMUNITY ASSETS	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>	<u>1,869,332,326</u>	<u>1,895,410,110</u>	<u>1,923,881,170</u>	<u>1,953,694,559</u>	<u>1,984,984,967</u>	<u>2,013,571,107</u>	<u>2,044,210,225</u>
Community Equity											
Capital	1,358,374,080	1,397,312,993	1,428,497,498	1,447,060,724	1,457,942,469	1,466,271,604	1,476,221,677	1,486,982,968	1,496,930,127	1,505,422,760	1,514,567,553
Asset revaluation surplus	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325
Retained surplus/(deficiency)	51,801,275	52,039,820	53,867,693	59,438,011	76,628,532	94,377,181	112,898,168	131,950,266	153,293,515	173,387,022	194,881,347
	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>	<u>1,869,332,326</u>	<u>1,895,410,110</u>	<u>1,923,881,170</u>	<u>1,953,694,559</u>	<u>1,984,984,967</u>	<u>2,013,571,107</u>	<u>2,044,210,225</u>
TOTAL COMMUNITY EQUITY	<u>1,744,936,680</u>	<u>1,784,114,138</u>	<u>1,817,126,516</u>	<u>1,841,260,060</u>	<u>1,869,332,326</u>	<u>1,895,410,110</u>	<u>1,923,881,170</u>	<u>1,953,694,559</u>	<u>1,984,984,967</u>	<u>2,013,571,107</u>	<u>2,044,210,225</u>

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Cash Flows

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts from customers	152,546,639	159,224,848	166,083,534	172,972,505	181,527,366	190,429,094	199,693,761	209,338,213	219,381,104	229,841,934	240,716,760
Payments to suppliers and employees	-120,888,915	-118,404,297	-122,099,660	-128,446,964	-137,126,643	-146,092,634	-154,846,650	-164,566,891	-173,288,588	-184,229,003	-193,777,761
	<u>31,657,724</u>	<u>40,820,551</u>	<u>43,983,874</u>	<u>44,525,541</u>	<u>44,400,723</u>	<u>44,336,460</u>	<u>44,847,111</u>	<u>44,771,322</u>	<u>46,092,516</u>	<u>45,612,931</u>	<u>46,939,000</u>
Interest received	3,644,373	2,971,000	2,471,000	2,361,000	2,669,030	3,165,000	3,354,000	3,565,000	3,438,000	3,297,000	3,165,333
Proceeds from sale of developed land held for resale	500,000										
Non-capital grants, subsidies, contributions and donations	11,951,965	10,669,426	11,510,158	11,854,000	12,192,000	12,542,000	12,904,000	13,479,000	14,667,000	15,069,000	15,995,000
Finance costs	-4,085,750	-3,473,000	-4,275,159	-4,195,655	-4,033,356	-3,620,247	-3,201,952	-2,763,414	-2,256,039	-2,235,448	-2,205,505
Costs incurred on inventory land held for sale											
Net Cash Inflow/(Outflow) from Operating Activities	<u>43,668,312</u>	<u>50,987,977</u>	<u>53,689,873</u>	<u>54,544,886</u>	<u>55,228,397</u>	<u>56,423,213</u>	<u>57,903,159</u>	<u>59,051,908</u>	<u>61,941,477</u>	<u>61,743,483</u>	<u>63,893,828</u>
Cash Flow from Investing Activities :											
Payments for property, plant and equipment	-50,354,797	-105,930,747	-75,247,713	-60,933,926	-61,870,458	-57,562,805	-60,132,008	-60,677,844	-63,489,994	-64,983,861	-70,065,483
Payments for intangible assets	-642,265	-4,240,000	-3,500,000	-750,000	-800,000	-850,000	-900,000	-950,000	-1,000,000	-1,050,000	-1,100,000
Proceeds from sale of non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of property, plant and equipment	1,375,587	817,000	800,000	820,000	840,000	860,000	880,000	900,000	920,000	940,000	960,000
Capital grants, subsidies, contributions and donations	21,224,582	28,663,913	19,903,131	13,403,000	16,286,000	14,117,000	14,245,000	14,559,000	15,246,000	14,500,000	15,042,666
Net Cash Inflow/(Outflow) from Investing Activities	<u>-28,396,893</u>	<u>-80,689,834</u>	<u>-58,044,582</u>	<u>-47,460,926</u>	<u>-45,544,458</u>	<u>-43,435,805</u>	<u>-45,907,008</u>	<u>-46,168,844</u>	<u>-48,323,994</u>	<u>-50,593,861</u>	<u>-55,162,817</u>
Cash Flow from Financing Activities :											
Proceeds from borrowings	2,617,100	24,000,000	10,000,000	7,000,000	0	0	0	0	7,000,000	5,000,000	10,000,000
Repayment of borrowings	-8,274,000	-8,316,000	-7,334,626	-8,787,040	-9,386,556	-9,006,665	-9,431,960	-8,141,837	-6,127,026	-5,376,277	-5,323,644
Net Cash Inflow/(Outflow) from Financing Activities	<u>-5,656,900</u>	<u>15,684,000</u>	<u>2,665,374</u>	<u>-1,787,040</u>	<u>-9,386,556</u>	<u>-9,006,665</u>	<u>-9,431,960</u>	<u>-8,141,837</u>	<u>872,974</u>	<u>-376,277</u>	<u>4,676,356</u>
Net Increase (Decrease) in Cash Held	9,614,519	-14,017,857	-1,689,335	5,296,920	297,383	3,980,743	2,564,191	4,741,227	14,490,457	10,773,345	13,407,367
Cash at beginning of reporting period	76,934,154	86,548,673	72,530,816	70,841,481	76,138,401	76,435,784	80,416,527	82,980,718	87,721,945	102,212,402	112,985,747
Cash at end of Reporting Period	<u>86,548,673</u>	<u>72,530,816</u>	<u>70,841,481</u>	<u>76,138,401</u>	<u>76,435,784</u>	<u>80,416,527</u>	<u>82,980,718</u>	<u>87,721,945</u>	<u>102,212,402</u>	<u>112,985,747</u>	<u>126,393,114</u>

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Capital Funding

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sources of Capital Funding											
Appropriation from general revenue sources, funds expended for capital purposed in the period:											
Proceeds from the sale of non current assets	1,375,587	817,000	800,000	820,000	840,000	860,000	880,000	900,000	920,000	940,000	960,000
Future capital works reserve	33,644,544	47,589,834	48,479,208	49,247,966	54,931,014	52,442,470	55,338,968	54,310,681	47,451,020	50,970,138	50,486,461
Funds from loan borrowings expended in the period	2,617,100	29,000,000	10,000,000	7,000,000	0	0	0	0	7,000,000	5,000,000	10,000,000
Infrastructure Charges	5,500,000	5,500,000	5,500,000	5,792,640	6,024,630	6,222,570	6,465,050	6,712,520	6,969,590	7,000,000	7,181,517
Constrained grants and developer contributions	21,531,757	28,879,913	19,903,131	13,403,000	16,286,000	14,117,000	14,245,000	14,559,000	15,246,000	14,500,000	15,042,666
Asset Acquisition Reserve / Sewerage Reserve	102,074	12,200,000	6,900,000	0	0	0	0	0	0	0	0
	<u>64,771,062</u>	<u>123,986,747</u>	<u>91,582,339</u>	<u>76,263,606</u>	<u>78,081,644</u>	<u>73,642,040</u>	<u>76,929,018</u>	<u>76,482,201</u>	<u>77,586,610</u>	<u>78,410,138</u>	<u>83,670,644</u>
Application of Capital Funding											
Non current assets :											
Land purchased for development and sale	27,000	0	0	0	0	0	0	0	0	0	0
Land and improvements	117,537	1,200,000	250,000	300,000	350,000	400,000	450,000	500,000	550,000	600,000	650,000
Buildings and structures	8,953,228	21,319,500	17,400,713	7,995,236	7,813,318	4,888,485	5,643,908	6,649,604	7,755,584	8,761,861	9,800,000
Investment Properties	15,000										
Plant and equipment	4,352,835	4,252,409	5,955,000	5,108,000	4,425,000	4,315,000	5,125,000	4,935,000	4,855,000	4,825,000	5,285,000
Cultural assets	12,000	12,000	12,000	13,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Roads, footpaths and bridges	22,253,022	27,868,838	30,697,000	30,268,000	35,387,000	35,754,000	37,931,000	38,512,000	39,903,000	41,100,000	43,000,000
Stormwater drainage	2,791,237	6,107,000	5,200,000	5,200,000	6,000,000	6,200,000	6,500,000	6,800,000	7,100,000	7,200,000	7,500,000
Sewerage infrastructure	13,724,271	46,421,000	14,825,000	5,967,580	5,030,340	4,992,930	6,114,480	5,036,110	5,210,970	5,340,000	6,000,000
Water infrastructure	3,608,667	4,250,000	6,408,000	11,874,750	8,877,430	7,222,960	4,820,670	4,945,650	5,073,030	4,145,000	5,000,000
Intangible assets	642,265	4,240,000	3,500,000	750,000	800,000	850,000	900,000	950,000	1,000,000	1,050,000	1,100,000
	<u>56,497,062</u>	<u>115,670,747</u>	<u>84,247,713</u>	<u>67,476,566</u>	<u>68,695,088</u>	<u>64,635,375</u>	<u>67,497,058</u>	<u>68,340,364</u>	<u>71,459,584</u>	<u>73,033,861</u>	<u>78,347,000</u>
Loan redemption	8,274,000	8,316,000	7,334,626	8,787,040	9,386,556	9,006,665	9,431,960	8,141,837	6,127,026	5,376,277	5,323,644
	<u>8,274,000</u>	<u>8,316,000</u>	<u>7,334,626</u>	<u>8,787,040</u>	<u>9,386,556</u>	<u>9,006,665</u>	<u>9,431,960</u>	<u>8,141,837</u>	<u>6,127,026</u>	<u>5,376,277</u>	<u>5,323,644</u>
Total capital expenditure	<u>64,771,062</u>	<u>123,986,747</u>	<u>91,582,339</u>	<u>76,263,606</u>	<u>78,081,644</u>	<u>73,642,040</u>	<u>76,929,018</u>	<u>76,482,201</u>	<u>77,586,610</u>	<u>78,410,138</u>	<u>83,670,644</u>

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Changes in Equity

For the period ending 30 June 2017

	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance - Retained Surplus	51,717,681	51,801,275	52,039,820	53,867,693	59,438,011	76,628,532	94,377,181	112,898,168	131,950,266	153,293,515	173,387,022
Increase / decrease in Net Result	26,808,176	38,402,458	31,231,004	24,765,958	27,451,891	25,643,079	26,300,937	26,898,578	29,619,659	27,593,507	29,355,474
Movement to Capital and Reserves	-26,724,582	-34,163,913	-25,403,131	-19,195,640	-10,261,370	-7,894,430	-7,779,950	-7,846,480	-8,276,410	-7,500,000	-7,861,149
Movement from Capital and Reserves	0	-4,000,000	-4,000,000	0	0	0	0	0	0	0	0
Closing Balance - Retained Surplus	51,801,275	52,039,820	53,867,693	59,438,011	76,628,532	94,377,181	112,898,168	131,950,266	153,293,515	173,387,022	194,881,347
Opening Balance - Asset Revaluation Reserve	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325
Asset Revaluation Adjustments	0	0	0	0	0	0	0	0	0	0	0
Closing Balance - Asset Revaluation Reserve	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325	334,761,325
Opening Balance - Capital Account											
Opening balance -Capital Account	1,330,428,308	1,358,374,080	1,397,312,993	1,428,497,498	1,447,060,724	1,457,942,469	1,466,271,604	1,476,221,677	1,486,982,968	1,496,930,127	1,505,422,760
Movement to Capital and Reserves											
Movement from Capital and Reserves	27,945,772	38,938,913	31,184,505	18,563,226	10,881,745	8,329,135	9,950,073	10,761,291	9,947,159	8,492,633	9,144,793
Closing Balance - Capital Account	1,358,374,080	1,397,312,993	1,428,497,498	1,447,060,724	1,457,942,469	1,466,271,604	1,476,221,677	1,486,982,968	1,496,930,127	1,505,422,760	1,514,567,553
Total Community Equity	1,744,936,680	1,784,114,138	1,817,126,516	1,841,260,060	1,869,332,326	1,895,410,110	1,923,881,170	1,953,694,559	1,984,984,967	2,013,571,107	2,044,210,225



SIGNIFICANT BUSINESS ACTIVITIES

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Comprehensive Income

SIGNIFICANT BUSINESS ACTIVITY
WATER

For the period ending 30 June 2017	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Revenue				
Rates, levies and charges	25,810,000	26,288,000	26,604,470	26,984,706
Less: Pensioner remissions	-173,000	-169,000	-170,690	-172,397
Net rates and utility charges	25,637,000	26,119,000	26,433,780	26,812,309
Fees and charges	633,050	759,000	796,950	836,798
Interest received	1,524,840	1,131,000	1,162,900	1,195,778
Sales - contract and recoverable works	436,000	767,300	805,665	845,948
TOTAL OPERATING REVENUES	28,230,890	28,776,300	29,199,295	29,690,833
Expenses				
Employee benefits	-4,399,162	-4,162,155	-4,421,094	-4,388,180
Materials and services	-7,650,270	-7,711,514	-7,812,905	-8,212,839
Finance costs	-240,000	-222,000	-164,999	-147,867
Depreciation and amortisation	-4,956,453	-5,183,965	-5,376,615	-5,713,457
TOTAL OPERATING EXPENSES	-17,245,885	-17,279,634	-17,775,613	-18,462,343
Operating surplus / (deficit)	10,985,005	11,496,666	11,423,682	11,228,490
Transfers to				
Internal Business Activities				
Community Service Obligations	492,500	490,356	498,203	506,187
Competitive neutrality adjustments	-72,408	-128,263	-97,848	-88,870
Internal Tax Equivalents Paid	-3,858,784	-3,556,428	-3,506,886	-3,406,969
Return on Capital	-5,500,000	-5,500,000	-5,500,000	-5,500,000
TOTAL TRANSFERS	-8,938,692	-8,694,335	-8,606,531	-8,489,652
Net result	2,046,313	2,802,331	2,817,151	2,738,838

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Comprehensive Income

SIGNIFICANT BUSINESS ACTIVITY
WASTEWATER

For the period ending 30 June 2017	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Revenue				
Rates, levies and charges	25,645,000	26,677,000	27,747,370	28,860,719
Less: Pensioner remissions	-210,000	-213,000	-221,520	-230,381
Net rates and utility charges	25,435,000	26,464,000	27,525,850	28,630,338
Fees and charges	445,750	667,000	700,350	735,368
Interest received	757,151	729,000	749,975	771,612
Sales - contract and recoverable works	288,400	266,500	279,825	293,816
Operating grants, subsidies, contributions & donations	10,600	0	0	0
TOTAL OPERATING REVENUES	26,936,901	28,126,500	29,256,000	30,431,134
Expenses				
Employee benefits	-5,403,706	-4,992,550	-5,225,249	-5,265,777
Materials and services	-5,738,056	-5,563,529	-5,647,513	-5,933,167
Finance costs	-1,551,000	-1,269,000	-2,283,985	-2,236,541
Depreciation and amortisation	-4,576,584	-5,460,470	-6,295,748	-6,628,291
TOTAL OPERATING EXPENSES	-17,269,346	-17,285,549	-19,452,495	-20,063,776
Operating surplus / (deficit)	9,667,555	10,840,951	9,803,505	10,367,358
Transfers to				
Internal Business Activities				
Community Service Obligations	499,378	518,180	538,963	560,581
Competitive neutrality adjustments	-632,775	-888,702	-1,540,266	-1,511,858
Internal Tax Equivalents Paid	-3,218,741	-3,141,129	-2,593,443	-2,724,157
Return on Capital	-3,800,000	-3,800,000	-3,800,000	-3,800,000
TOTAL TRANSFERS	-7,152,138	-7,311,651	-7,394,746	-7,475,434
Net result	2,515,417	3,529,300	2,408,759	2,891,924

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Comprehensive Income

SIGNIFICANT BUSINESS ACTIVITY
WASTE

For the period ending 30 June 2017	Estimated Actuals 2015/16 \$	Original Budget 2016/17 \$	Forecast 2017/18 \$	Forecast 2018/19 \$
Revenue				
Rates, levies and charges	13,746,500	14,146,000	14,570,380	15,007,491
Less: Pensioner remissions	-192,000	-195,000	-200,850	-206,876
Net rates and utility charges	13,554,500	13,951,000	14,369,530	14,800,615
Fees and charges	3,837,320	3,973,441	4,172,113	4,380,719
Interest received	75,382	72,000	75,600	79,380
TOTAL OPERATING REVENUES	17,467,202	17,996,441	18,617,243	19,260,714
Expenses				
Employee benefits	-4,723,705	-4,848,825	-4,971,981	-5,118,963
Materials and services	-10,006,226	-10,702,842	-11,046,236	-11,379,801
Finance costs	-370,000	-343,000	-324,042	-519,698
Depreciation and amortisation	-606,964	-632,675	-689,681	-819,971
TOTAL OPERATING EXPENSES	-15,706,895	-16,527,342	-17,031,940	-17,838,433
Operating surplus / (deficit)	1,760,307	1,469,099	1,585,303	1,422,281
Transfers to				
Internal Business Activities				
Community Service Obligations	2,235,323	2,990,050	3,114,827	3,245,100
Competitive neutrality adjustments	-338,318	-264,093	-257,572	-353,405
Internal Tax Equivalents Paid	-733,564	-1,108,979	-1,178,057	-1,132,202
Landfill Restoration Provision		-498,459	-498,459	-498,459
TOTAL TRANSFERS	1,163,441	1,118,519	1,180,739	1,261,034
Net result	2,923,748	2,587,618	2,766,042	2,683,315

BUNDABERG REGIONAL COUNCIL
Budgeted Statement of Comprehensive Income

OTHER BUSINESS ACTIVITIES

For the period ending 30 June 2017	Estimated Actuals	Original Budget	Forecast	Forecast
	2015/16	2016/17	2017/18	2018/19
	\$	\$	\$	\$
Airport				
Recurrent Revenue	5,159,401	5,130,948	5,104,680	5,257,820
Recurrent Expenditure	-5,191,203	-5,047,406	- 5,015,395	- 5,032,655
Projected Net Result	-31,802	83,542	89,285	225,165
Building Certification				
Recurrent Revenue	18,123	0	0	0
Operating grants, subsidies, contributions & donations	-452,778	0	0	0
Projected Net Result	-434,655	0	0	0
Caravan Parks				
Recurrent Revenue	2,523,025	2,608,511	2,738,937	2,875,883
Recurrent Expenditure	-2,308,925	-2,347,789	-2,425,622	-2,506,500
Projected Net Result	214,100	260,722	313,315	369,383



FINANCIAL SUSTAINABILITY RATIOS

BUNDABERG REGIONAL COUNCIL
Financial Sustainability Ratios

For the period ending 30 June 2017

	Target	Estimated Actuals	Original Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Infrastructure Capital Sustainability												
Asset Sustainability Ratio	> 90%	97.5%	185.6%	132.0%	103.3%	102.9%	94.8%	96.8%	95.9%	98.3%	98.4%	103.5%
Capital expenditure on replacement assets divided by depreciation expense												
Interest coverage Ratio	0% - 5%	0.26%	0.29%	1.00%	0.98%	0.69%	0.22%	-0.07%	-0.35%	-0.50%	-0.43%	-0.37%
Net interest expense divided by operating revenue												
Financial Capital Sustainability / Viability												
Net Financial Liabilities Ratio	< 60%	2.4%	19.5%	20.6%	16.8%	11.2%	4.6%	-1.8%	-8.3%	-13.9%	-17.8%	-20.5%
Total liabilities less current assets divided by operating revenue												
Operating Surplus Ratio	0% -15%	0.05%	2.5%	3.2%	3.0%	2.6%	2.6%	2.6%	2.5%	3.1%	2.5%	2.7%
Net operating surplus divided by total operating revenue												
Working Capital Ratio	1:1 > 4:1	4 : 1	3.5 : 1	3.5 : 1	3.6 : 1	3.5 : 1	3.6 : 1	3.9 : 1	4.4 : 1	5.2 : 1	5.7 : 1	6.4 : 1
Current assets divided by current Liabilities												