



**Redland**  
CITY COUNCIL

**2009/2010  
BUDGET**

Adopted by Council on 26<sup>th</sup> June 2009

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# COUNCILLORS AND EXECUTIVE MANAGEMENT

## REDLAND CITY COUNCILLORS

Cr Melva Hobson	<u>MAYOR</u>
Cr Wendy Boglary	<u>DIVISION 1</u> – Wellington Point / Ormiston
Cr Craig Ogilvie	<u>DIVISION 2</u> – Cleveland / North Stradbroke Island
Cr Debra Henry	<u>DIVISION 3</u> – Cleveland South / Thornlands
Cr Peter Dowling (Resigned 3 <sup>rd</sup> March 2009)	<u>DIVISION 4</u> – Victoria Point / Coochiemudlo Island
Cr John Burns (Commenced 18 <sup>th</sup> May 2009)	
Cr Barbara Townsend	<u>DIVISION 5</u> – Redland Bay / Bay Islands
Cr Toni Bowler (Deputy Mayor)	<u>DIVISION 6</u> – Mt Cotton / Sheldon / Capalaba / Thornlands / Victoria Point / Redland Bay
Cr Murray Elliott	<u>DIVISION 7</u> – Alexandra Hills / Capalaba
Cr Kathy Reimers	<u>DIVISION 8</u> – Birkdale South / Alexandra Hills
Cr Karen Williams	<u>DIVISION 9</u> – Capalaba
Cr Helen Murray	<u>DIVISION 10</u> – Birkdale / Thorneside

## EXECUTIVE LEADERSHIP GROUP

Mr Gary Stevenson	CHIEF EXECUTIVE OFFICER
Mr Greg Underwood	GENERAL MANAGER PLANNING & POLICY DEPARTMENT
Mr Lex Smith (Acting)	GENERAL MANAGER CUSTOMER SERVICES DEPARTMENT
Mrs Kerry Phillips (Acting)	GENERAL MANAGER CORPORATE SERVICES DEPARTMENT
Mr Gary Soutar	GENERAL MANAGER REDLAND WATER BUSINESS UNIT
Mrs Kylie Fernon (Acting)	GENERAL MANAGER GOVERNANCE
Vacant	GENERAL MANAGER REGULATORY SERVICES DEPARTMENT

# COUNCIL'S CORPORATE PLAN OBJECTIVES

The 2009/2010 budget is driven by the objectives set out by our Corporate Plan which contains the Strategic Priorities for the Redlands community. Council adopted the revised Corporate Plan 2006 - 2010 on 27th June 2007. It is our "road map" for these four years, and gives definition and direction to our vision, mission, values and principles. Council's current Corporate Plan identifies the following seven Strategic Priorities that drive the allocation of resources within the 2009/2010 budget:

## **NATURAL ENVIRONMENT**

Ensure the enhancement of biodiversity including koala habitat, bushland, greenspace, waterways, catchments, air and coastal ecosystems in recognition of our unique location on Moreton Bay.

## **LAND USE**

Preserve a balance with urban, rural, bushland, village, coastal and island character of the Redlands by managing growth.

## **ESSENTIAL SERVICES**

Provide and maintain water, waste services, roads, drainage, and support the provision of transport and waterways infrastructure.

## **COMMUNITY HEALTH AND WELLBEING**

Build safe, strong and self reliant communities with access to community services, infrastructure and opportunities for participation in community life.

## **ECONOMIC PROSPERITY**

Enhance employment participation and the community's standard of living through encouraging economic development opportunities.

## **GOVERNANCE**

To provide a clear organisational direction supported by effective leadership and a framework of policies, plans and strategies that are responsive to the community's needs and which promote accountable and ethical standards of practice.

## **CORPORATE SERVICES**

Support the organisation's capacity to deliver services to the community by building a skilled, motivated and continually learning workforce, ensuring our assets and finances are well managed, our corporate knowledge is captured and used to best advantage, and that we market and communicate our services effectively.

## BUDGET COMMENTARY

The 2009/2010 budget has been prepared taking into consideration the full objectives of the 2009/2010 Operational Plan, whilst also considering all of the strategic priorities of Council's Corporate Plan. The 2009/2010 budget has also been prepared to balance the community needs over the next 12 months as well as ensuring that Council is financially sustainable to deliver the necessary infrastructure and services into the future. The 2009/2010 budget plans to provide the community with a wide range of services and facilities and 54.3% of the budget has been set aside for delivering essential services such as water supply, wastewater services, waste collection and road and drainage maintenance and upgrades. The 2009/2010 budget plans for community equity to increase from an anticipated position of \$1.971b for 2008/2009 to \$1.985b for year ending 2009/2010.

In view of the economic downturn experienced in the 2008/2009 financial year, Council was presented with a number of challenges to ensure that the budget for 2009/2010 and the forward year estimates allowed for a sustainable and financially viable position for the community. Council has taken considerable care to prepare a budget for 2009/2010 that will preserve Council's financial sustainability, but also provide for community growth and prosperity into the future.

At the time of this publication, Council prepared its forward estimates within the 10 Year Financial Plan based on an assumption of investing in the Local Government (LG) Water Entity from 2010/2011. This investment was estimated to be approximately \$450m and as a return from this investment, it has been forecast that Council will be entitled to receive a dividend from this entity starting from the 2010/2011 financial year. As these matters are still subject to finalisation with the State Government, Council have only been able to estimate these financial impacts associated with the retail distribution of water, and therefore the above assumptions may change in time once arrangements are finalised by the State Government.

### Budget Highlights:

The major expenditure planned by Council in 2009/2010 has been outlined below. Please note that these amounts are for both capital and operational expenditure and include depreciation.

The major expenditure surrounding essential services includes:

#### **ROADS AND DRAINAGE WORKS - \$62.3 MILLION**

- Roads and footpath construction - \$31m
- Maintenance of existing roads and drainage - \$29.8m
- Drainage works - \$0.8m
- Streetscapes - \$0.7m

#### **WATER SUPPLY - \$31.5 MILLION**

- Water supply delivery and distribution - \$15.9m
- Plant maintenance and construction works - \$15.6m

#### **WASTEWATER TREATMENT AND MANAGEMENT – \$29.2 MILLION**

- Wastewater treatment operations - \$14.5m
- Plant maintenance and construction works - \$10.9m
- Service delivery for the collection and transportation of wastewater - \$3.8m

#### **WASTE MANAGEMENT - \$23.4 MILLION**

- Waste and recycling service delivery - \$13.8m
- Waste facility construction works - \$9.6m

#### **MARINE FACILITIES - \$7.4 MILLION**

- Expenditure for harbour, jetties and boat ramps - \$4m
- Canal maintenance within the City - \$2.1m
- Foreshore protection expenditure - \$1.3m

Additionally, community health and wellbeing priority highlights include the following:

#### **SPORT AND RECREATION - \$29.5 MILLION**

- Parks and reserves maintenance and improvements - \$17.3m
- Expenditure on community sport and recreation services - \$6.3m
- Maintenance and upgrades to camping grounds and caravan parks - \$2.9m
- Maintenance and operational expenditure on community halls - \$2.1m
- Improvements and maintenance to the City's major venues - \$0.9m

**ARTS AND CULTURE - \$14.2 MILLION**

- Expenditure planned for the libraries within the City - \$9.9m
- Redlands Performing Arts Complex - \$2.3m
- Galleries and museums expenditure - \$1.2m
- Special events and cultural development expenditure - \$0.8m

Expenditure highlights planned for the City's natural environment include:

**BIODIVERSITY - \$11.6 MILLION**

- Natural area management (bushland and vegetation maintenance) - \$8.7m
- Expenditure associated with environmental research, education and awareness - \$2.9m

**ENVIRONMENTAL PERFORMANCE - \$4.3 MILLION**

- Environmental protection activities - \$3.2m
- Environmental planning and reporting - \$1.1m

Other 2009/2010 highlights include;

- Under the new water arrangements that came into affect in July 2008 with the supply of bulk water, a household using 200kl of water per annum in 2009/2010 will pay \$565, as opposed to the \$481 in 2008/2009. (includes access of \$233.50)
- Council has retained the three-tiered approach to water consumption charges, with tier 1 for 2009/2010 set to 400 litres per day (146kl pa)
- Environmental Levy and Landfill Remediation Charge increasing by \$11.00 and \$11.50 respectively
- Wastewater charges have been contained to an increase of 2.4%
- Ratepayers receiving a full pension will receive an additional \$24 in 2009/2010 for concession

**Project Highlights:**

Council's capital works program for 2009/2010 has been planned in order to deliver key community infrastructure whilst also enabling Council to deliver services to the community through the most efficient and effective means. A total expenditure of \$75.019 million has been set aside for capital works for the 2009/2010 financial year and the following program highlights will help to put this component of the budget into perspective:

- Transport Trunk Infrastructure - \$15.4m  
(Including the widening to Rickertt/Quarry Roads - \$10.7m)
- Redland Water Projects totalling \$14.5m
- Waste Management Facilities - \$6.0m  
(Including the commencement of the Bulky Waste Facility - \$5.4m)
- Road reseals and resurfacing program - \$5.8m
- SMBI Capital Expenditure - \$4.3m (including carryover funding from 2008/2009)
- Replacement of Council Fleet (including vehicles) - \$3.9m
- Conservation land acquisition expenditure of \$3.7m
- Open Space Infrastructure - \$3.4m
- Canal and foreshore protection - \$3.0m
- Cycleway Trunk Infrastructure - \$2.5m
- Key Council information management and system upgrades - \$1.4m
- Capital expenditure associated with library facilities - \$1.4m
- Road construction program expenditure of \$1.4m

## 2009/2010 BUDGET DOCUMENT OVERVIEW

The Redland City Council's 2009/2010 Budget is presented in accordance with the requirements of the Queensland *Local Government Act 1993*, the Queensland *Local Government Finance Standard 2005*, and the Australian equivalents to International Financial Reporting Standards.

An overview of the major statements and policies contained in the Budget 2009/2010 Publication is provided below to assist the reader:

### Budgeted Financial Statements

The **Financial Budget Summary** shows key revenue, expense and balance sheet items. This statement is presented on page 20.

The budgeted **Strategic Priority Financial Statements** display the revenue and operating expenses by strategic priority; by line item; and by category. These statements are presented on pages 21 and 22.

The budgeted **Operating Statement** displays the revenue and operating expenses by line item and by category. The statement is presented on page 22.

The budgeted **Capital Funding Statement** shows the source and application of capital funds. This statement also shows **Other Budgeted Items** and is presented on page 23.

The budgeted **Statement of Cash Flows** shows budgeted cash transactions and opening and closing cash balances and is presented on page 24.

The budgeted **Balance Sheet** discloses the assets, liabilities and equity of the Council. The statement is presented on page 25.

The budgeted **Statement of Changes in Equity** discloses the movements in reserves. The statement is presented on page 26.

The budgeted **Financial Stability Ratios** are presented on page 27.

### Departmental Operating Statements

The budgeted **Operating Statements for each Department** are shown at group level. The net operating result before capital revenues, for each Department, is disclosed as an operating surplus/(deficit). These statements are presented on pages 28 to 33.

### Commercialised Business Unit Statements

**Redland Water is a commercialised business unit** that undertakes the activity of "Water Supply & Wastewater Services" in accordance with National Competition Policy and related legislation. The business unit operating statement, capital funding statement, other budget items, balance sheet and community service obligations are presented on pages 34 to 36.

The **Waste business unit** is responsible for all activities surrounding the "Waste Management" in accordance with National Competition Policy and related legislation. During the 2008/2009 financial year, the Waste business was separated from Redland Water and the Waste Management activities now form part of the Customer Services Department. The waste business unit operating statement, capital funding statement, other budget items, balance sheet and community service obligations are presented on pages 37 to 39.

### Other Business Units

For other Type 3 business activities, Council has adopted the Code of Competitive Conduct. Separate operating statements and balance sheets are provided for these activities on pages 40 to 47.

### Capital Expenditure and Funding Sources

Capital Expenditure and Funding is depicted on pages 48 and 49.



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## **Schedule of Capital Expenditure**

The schedule of capital expenditure is presented by Group within Department on pages 50 to 56.

## **Borrowing Policy**

The *Local Government Finance Standard 2005* requires Council to develop a policy about borrowing. The policy is presented on pages 57 and 58.

## **Debt Schedule**

A schedule of Council's debt position has been provided. This schedule identifies the opening book value of debt, new borrowings, redemption, and an estimated closing book value balance and is presented on page 58.

## **Revenue Policy**

The **Revenue Policy** sets out the principles Council uses to set its budget and identifies in broad terms the general strategy used for raising revenue. The Revenue Policy is presented on pages 59 and 60.

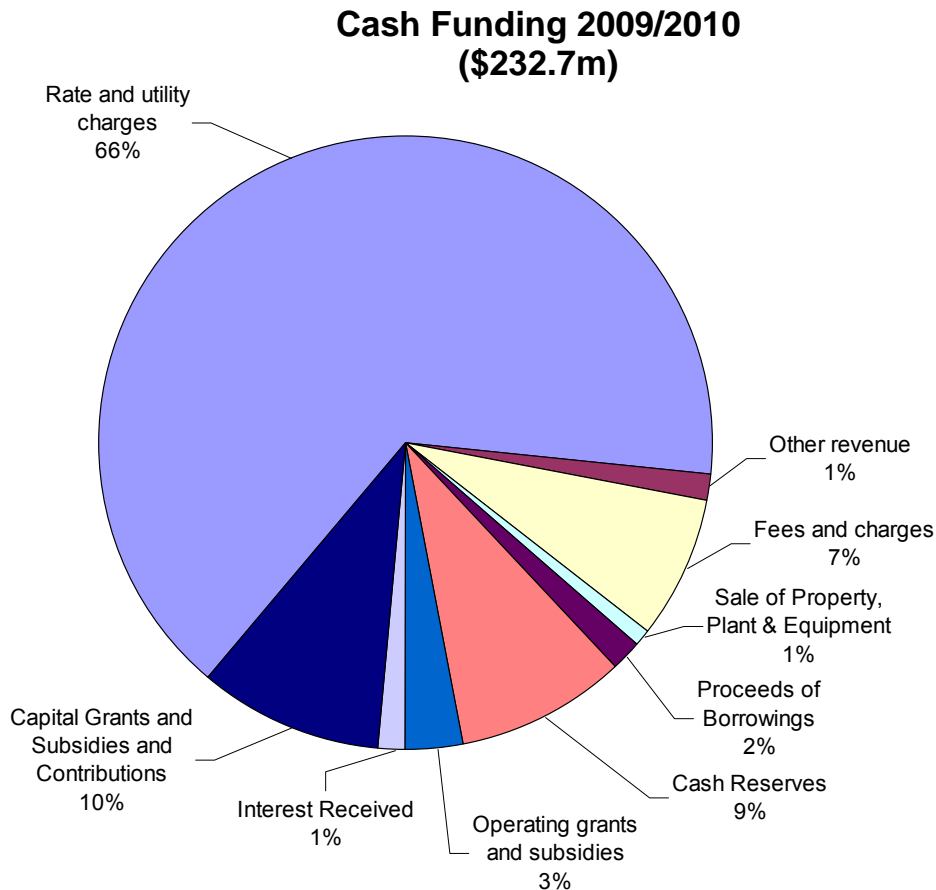
## **Revenue Statement**

The **Revenue Statement** is an explanatory statement that accompanies the budget, outlining and explaining the revenue measures adopted in the budget. The statement shows the various rates and charges and criteria for the 2009/2010 year. This is presented on pages 61 to 70.

## FINANCIAL BUDGET OVERVIEW

### Where does the money come from?

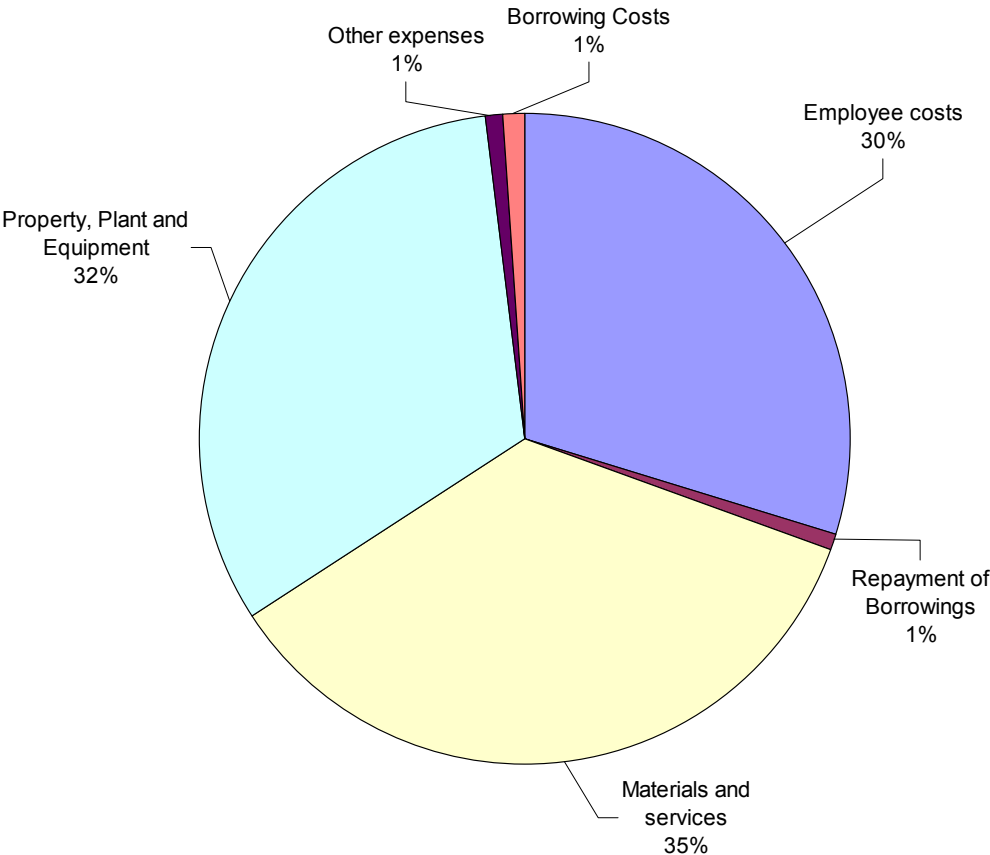
To provide the products and services to the community, cash funding comes from a variety of sources including 66% from general rates and utility charges such as water and sewerage. Council is forecast to receive 13% of its revenue in the form of grants, subsidies and contributions, and this revenue assists Council in delivering a variety of capital programs and various operational maintenance activities. Additionally, fees and charges from the issue of permits and consideration of applications, caravan parks and community related services contribute approximately 7%.



### Where does the money go?

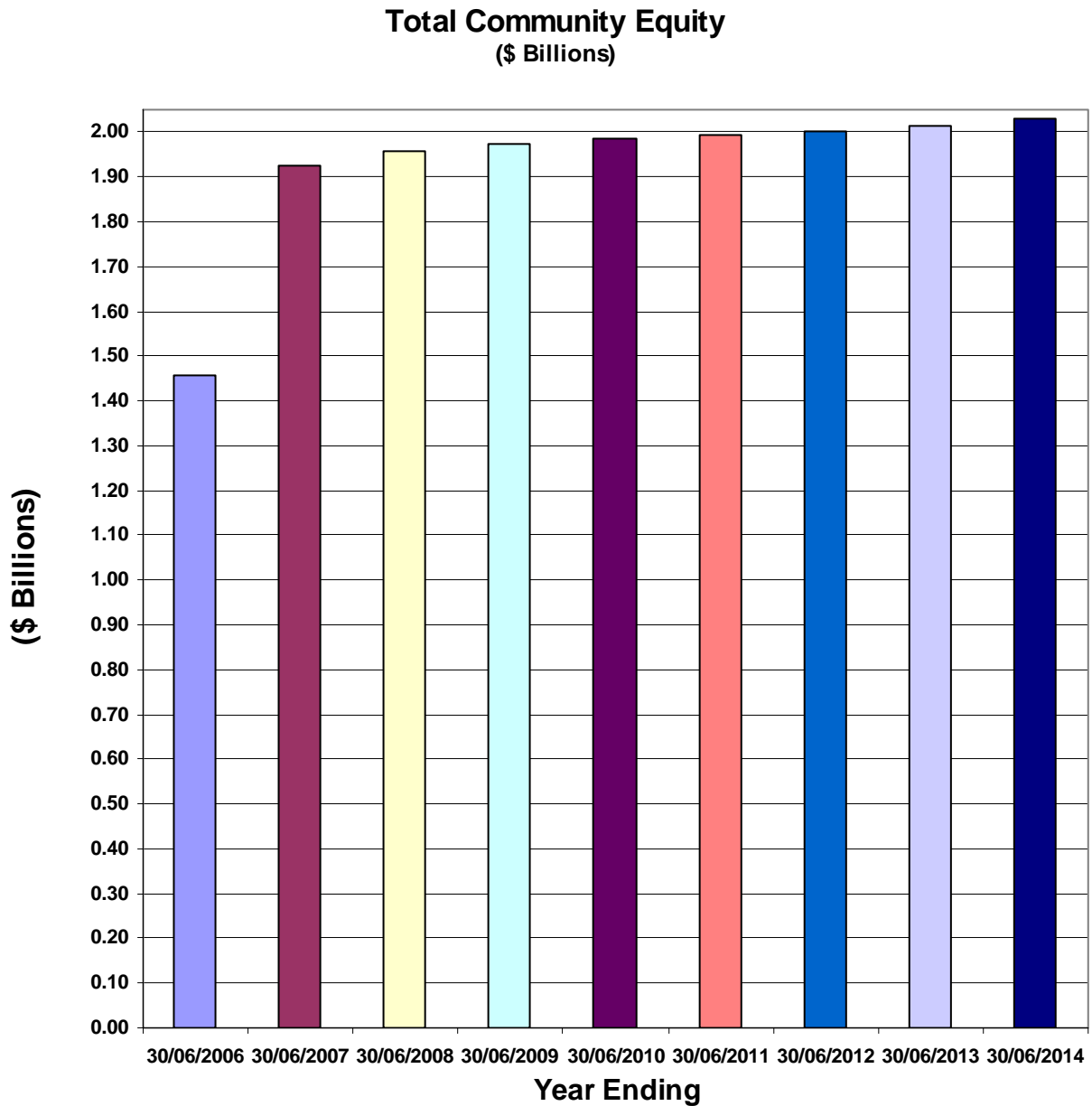
This year 35% of the budget has been allocated towards the maintenance programs needed to support the Redlands community, while 32% has been set aside for new infrastructure and other capital programs. A further 30% is required for Council employees who contribute towards the delivery of services and maintenance programs to the Redlands community.

### Cash Expenditure 2009/2010 (\$232.7m)



## How much is Council worth?

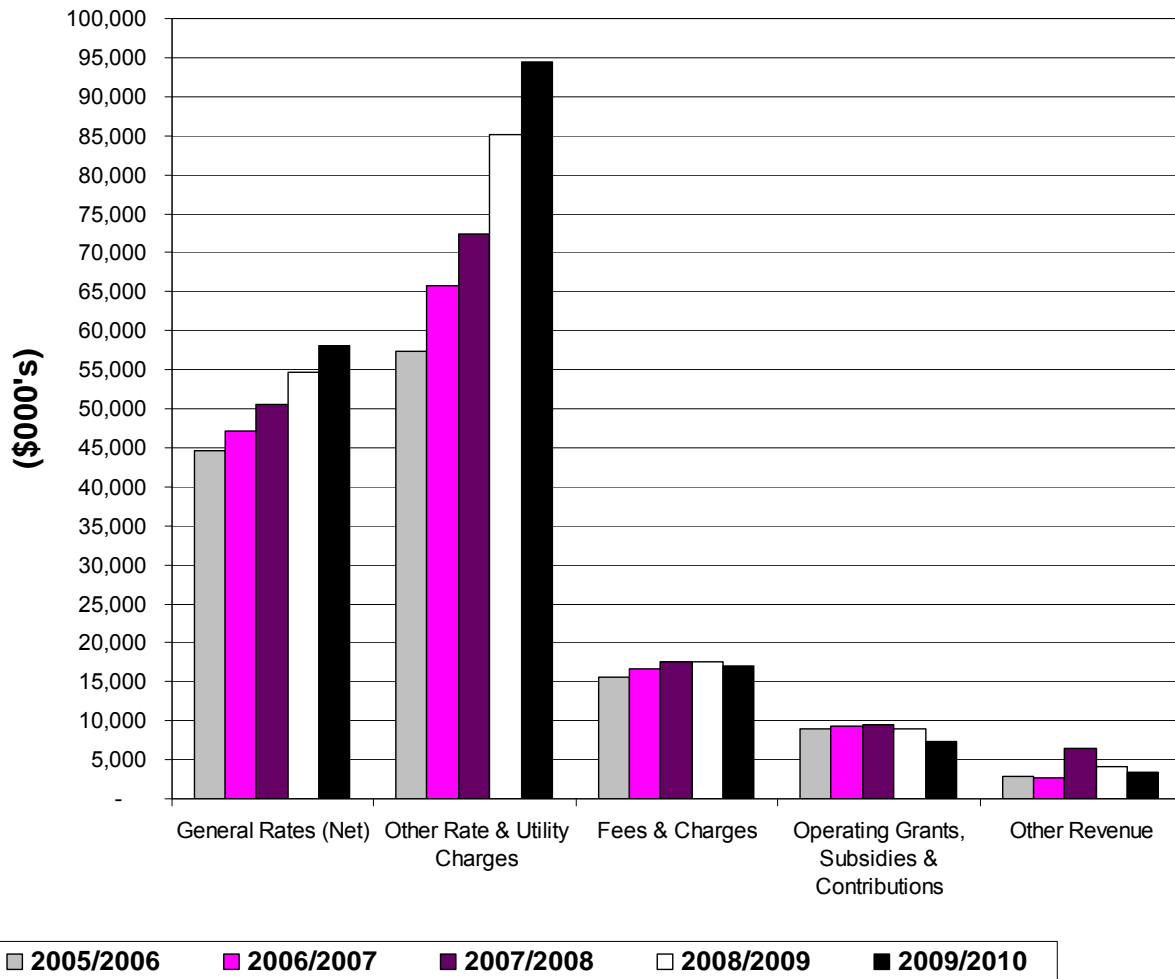
Council's Equity shows we own much more than we owe. The difference between our liabilities and our assets is Community Equity, which is estimated at \$1.985 billion for the 2009/2010 budget. The following graph shows the actual community equity for the years 2005/2006 to the 2007/2008, it also outlines the anticipated position for 2008/2009 and the forecast position for years 2009/2010 through to 2013/2014.



Note: The increase in community equity shown above from 30/06/2006 to 30/06/2007, is influenced by asset revaluation adjustments to water and wastewater assets.

### Operating Revenue by Year and Category

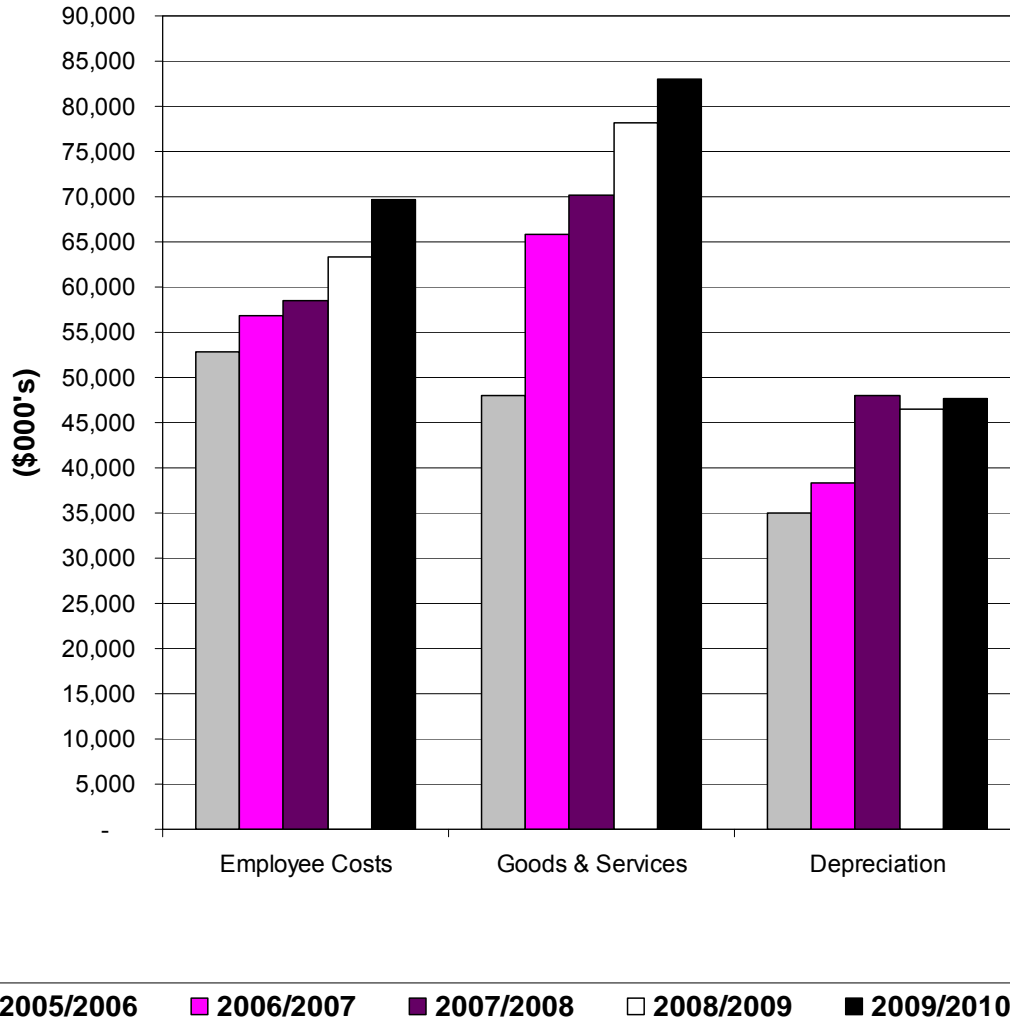
The following graph identifies the level of different operating revenue components. The graph depicts actual results achieved in the 2005/2006, 2006/2007 and 2007/2008 financial years, anticipated results for 2008/2009 and budgeted position for the 2009/2010 financial year.



**Note:** General Rates (Net) above equals General Rate Revenue less Pensioner Remissions. Revenue associated with Council's Fees and Charges for 2009/2010 is forecast to reduce; this is mainly attributable to the slowdown in residential building as a result of the global financial crisis experienced in 2008/2009. In 2008/2009 Fees and Charges accounted for 9% of cash funding as opposed to a forecast for 2009/2010 of 7%.

### Operating Expenditure by Year and Category

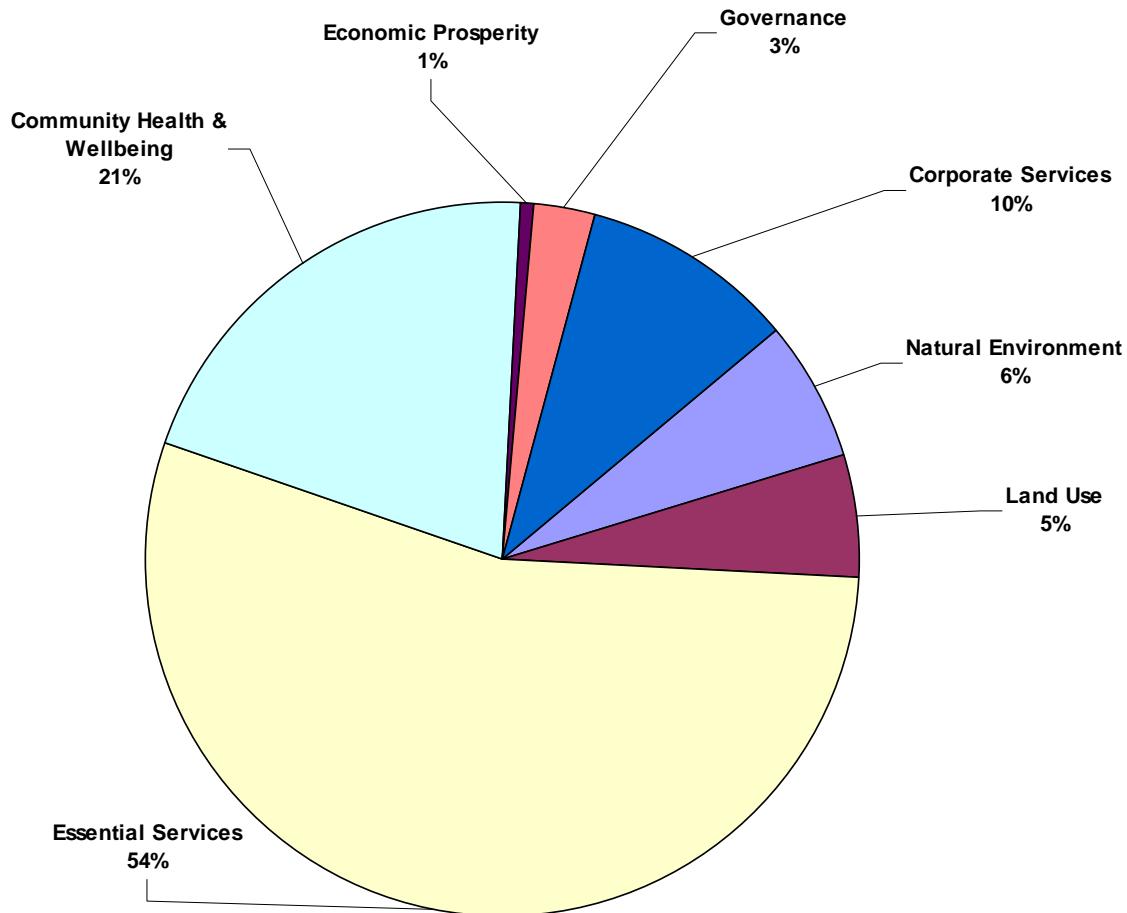
The following graph shows the level of different operating expenditure components and the graph illustrates actual results achieved in the 2005/2006, 2006/2007 and 2007/2008 financial years, the anticipated results for 2008/2009 and budgeted position for 2009/2010.



**Note:** Previous budget publications had shown Finance Costs within the above graph, however, as Council’s loan balance was reduced significantly during the 2008/2009 financial year as a result of the loan repayments made from receiving compensation from the State Government for bulk water assets, Finance Costs have been omitted from the graph above as this expenditure accounts for only 1% of total operational expenditure for the 2009/2010 financial year.

## CORPORATE PLAN STRATEGIC PRIORITIES BUDGET EXPENDITURE

The budgeted expenditure of \$285.5M, including depreciation and contributed assets, is allocated to the following strategic priorities as identified in Council's Corporate Plan.



### How does Council decide to spend the money?

Council strives to ensure that the development of the annual budget is aligned closely and complements the Corporate Plan. This Plan is a reflection of the general areas of importance to the community and emerges from community consultation processes, which include residents, ratepayers, and various other stakeholders. It is expected that infrastructure services are of major importance to the Redlands community, and subsequently, an allocation of 75% of the 2009/2010 budget is set towards the Corporate Plan objectives of Essential Services and Community Health and Wellbeing.

# CORPORATE PLAN COMMUNITY PRIORITY SUMMARY 2009/2010

		\$ Million
<b>Essential Services</b>		<b>155.1</b>
<b>Roads and Drainage</b>	Design, construct, and maintain roads, bridges, culverts, drainage and associated infrastructure.	<b>62.3</b>
<b>Water Supply</b>	Design, construct, operate and maintain a high quality water distribution system.	<b>31.5</b>
<b>Wastewater</b>	Design, construct, operate and maintain a system for the collection, treatment and disposal of wastewater.	<b>29.2</b>
<b>Waste Management</b>	The kerbside collection of domestic and commercial solid wastes and recyclable materials and transport to a licensed handling facility. The operation, management and maintenance of a network of assets for the segregation and disposal of solid waste and recyclable materials from domestic and commercial sources.	<b>23.4</b>
<b>Marine Facilities</b>	Support, advocate, provide and maintain marine facilities that allow access to transportation, water, water activities and foreshores.	<b>7.4</b>
<b>Transport</b>	Support, advocate and provide a transportation network that complements land uses.	<b>1.3</b>
<b>Community Health and Wellbeing</b>		<b>59.4</b>
<b>Sport and Recreation</b>	Provide facilities and services which support sport and recreation activities.	<b>29.5</b>
<b>Arts and Culture</b>	Provide facilities, resources and opportunities that support access to information and participation in the arts, cultural life and heritage of the City.	<b>14.2</b>
<b>Strong Communities</b>	Facilitate initiatives which strengthen the community and support access to services.	<b>9.2</b>
<b>Community Health and Safety</b>	To provide services and initiatives which promote community health and safety, and which manage health and safety risks.	<b>6.3</b>
<b>Disaster Management</b>	Develop and deliver initiatives to help the community mitigate, prevent, prepare for, respond and recover from disasters.	<b>0.3</b>
<b>Natural Environment</b>		<b>18.4</b>
<b>Biodiversity</b>	Plan, design, deliver and regulate activities to protect and restore the quality and quantity of our biodiversity.	<b>11.6</b>
<b>Environmental Performance</b>	Develop and implement strategies to improve environmental performance.	<b>4.3</b>
<b>Coastal and Waterways</b>	Plan, design, deliver and regulate activities to protect and restore the quality and quantity of water in our ecosystem.	<b>2.6</b>
<b>Land Use</b>		<b>15.7</b>
<b>Development Assessment</b>	Assessment and approval of applications in accordance with legislation and local laws.	<b>13.6</b>
<b>Integrated Planning</b>	Deliver balanced growth management that achieves ecological sustainability.	<b>2.0</b>
<b>Economic Prosperity</b>		<b>1.5</b>
<b>Tourism Development</b>	Market the City as a competitive visitor destination and promote the development of appropriate infrastructure and facilities.	<b>0.8</b>
<b>Business Attraction</b>	Market the City as a competitive investment location.	<b>0.5</b>
<b>Business Retention and Expansion</b>	Assist local businesses to expand their operation, create more jobs and diversify the local economic base.	<b>0.2</b>

**Please note:** the amounts shown above include capital expenditure, operational expenditure and depreciation but exclude contributed assets for the 2009/10 financial year.



## BUDGET HIGHLIGHTS BY STRATEGIC COMMUNITY PRIORITY

### Essential Services

A summary of the key projects include:

	\$
<b>Rickertts / Quarry Rd Widening</b> This is a major road widening project undertaken in partnership with AUSLINK. It entails the duplication of Rickertts/ Quarry Road from the intersection at Birkdale Rd to the Tingalpa Creek. The expense is off-set with a grant from AUSLINK for \$4.463 m.	10,732,968
<b>Road Reconstruction and Maintenance</b> Re-development of the existing road system including re-construction, bikeways, footpaths and maintenance.	9,376,842
<b>Sustainable Resource and Waste Facility</b> The commencement of the construction of a best practice environmentally sustainable resource and waste facility at Redland Bay. The remaining expenditure and completion of this major project has been planned for in 2010/2011.	5,370,000
<b>Reseals and Resurfacing</b> The Reseals and Resurfacing Program involves the resealing of existing roads at numerous locations across the City.	3,941,365
<b>Cycleway Infrastructure</b> Improvement of Council's cycling network including the construction of a major Moreton Bay Cycleway linkage, the design of some PIP trunk infrastructure routes and construction of new recreational trails and elements of the shared concrete path network.	2,612,813
<b>Raby Bay Canal</b> Maintenance of the Raby Bay canal estate including repairs to various revetment walls, dredging, cleaning and other minor operating activities.	1,870,900
<b>Seal Gravel Roads</b> Projects involve the sealing of existing gravel roads across various locations within the City.	1,864,778
<b>Foreshore Protection</b> The 1st stage of the construction of a sea-wall at Wellington Point Reserve and the installation of foreshore access stairs at various locations within the City.	1,408,075
<b>Residential Streets</b> Improvements to the City's existing road network, including the provision of kerb and channel, bitumen widening and edge restraints.	1,221,364
<b>Footpaths and Trails</b> The construction and extension of footpaths and trails within the City which may be located inside or outside road reserves.	834,900
<b>Transport Facilities</b> The provision of bus stops and lay bays at various locations within the City.	470,000
<b>Marine Infrastructure Mainland</b> The provision of new marine infrastructure on the City's mainland, including North Stradbroke and Coochiemudlo Islands.	443,800
<b>Marine Infrastructure SMI</b> The provision of new marine infrastructure on the Southern Moreton Bay Islands. 2009/10 projects include berthing pile upgrades at Macleay Island and Lamb Island and the installation of toe planks at Lamb Island boat ramp.	206,800

## Essential Services (continued)

<b>Schoolsafe Works</b> The Schoolsafe Program is aimed at delivering safety improvement projects to local schools. The 2009/10 project involves work at Ormiston State School, Capalaba High School and Ormiston College.	238,456
<b>Car Parking</b> The provision of public car parking within the City. 2009/2010 work includes the provision of car and trailer parking at Dalpura Street, Macleay Island.	160,000
<b>Drainage Program</b> Drainage improvements at various locations within the City.	151,227
<b>Business Water Efficiency Program</b> Provide incentives for business to install water saving devices through retrofit/rebates to reduce overall water consumption.	87,412
<b>Aquatic Paradise Canal Maintenance</b> Dredging of the Aquatic Paradise Canal Estate and access channel. Dredging is undertaken every 4 to 5 years depending on the results of hydrographic surveys.	52,332
<b>Toondah Harbour</b> These are the lease costs for properties at Toondah Harbour which are subsequently sub-let to commercial operators.	40,000
<b>Local Area Traffic Management</b> The installation of local area traffic management (LATM) devices at various locations within the City.	19,256

## Community Health and Wellbeing

A summary of the key projects include:

	\$
<b>Libraries Technical Services</b> This includes the acquisition of books, magazine subscriptions, on-line subscriptions, DVDs, CD's, audio books, language kits, and newspapers.	2,410,421
<b>Redlands Performing Arts Complex</b> Operating costs and minor capital works for the Performing Arts Complex at Cleveland.	1,393,775
<b>Caravan Parks and Camping Grounds</b> Operating costs and upgrade of caravan parks and camping grounds in the City. The upgrades include the Cylinder Beach car-park and an internal road for cabin placements.	1,202,335
<b>Wellington Point Reserve Stage 2</b> The project will upgrade the park in accordance with standards of the Redland Shire Open Space Plan 2004-2016. Works will include a reconfiguration and upgrade to the car park and a new pathway system around the perimeter of the park.	983,347
<b>Victoria Point Reserve Stage 1</b> The project will upgrade the park in accordance with standards of the Redland Shire Open Space Plan 2004-2016. Works will include new playgrounds, pathway system and viewing areas.	647,200
<b>Point Lookout Hall Extension</b> Extension of the Pt Lookout Community Hall in accordance with the recommendations of the Pt Lookout Community Hall consultation and design project. This expenditure is offset by a federal grant of \$300,000.	565,000

## Community Health and Wellbeing (continued)

<b>Pat's Park Stage 1</b> The first stage of a complete upgrade of the park which will include a new amenity block, pathways, viewing platform and shelter.	<b>500,000</b>
<b>Cleveland Library Renovations</b> This project will improve the functional amenity of the library to contemporary standards. This includes an upgrade of the collection area, work rooms and local history area.	<b>313,370</b>
<b>Donald Simpson Centre Improvements</b> This project will in-fill the awning area at the end of the building and install a movable wall in the meeting room. This will increase useable area and provide increased flexibility.	<b>290,000</b>
<b>Disaster Management</b> Undertake activities concerning Council's emergency management capability including planning, event management and interaction with the State Emergency Service.	<b>258,029</b>
<b>Shade in Parks Project</b> Provision of a shaded picnic / play area in each of the ten divisions of Council and the Redlands Youth Plaza. Funded by the Commonwealth Governments Regional and Local Community Infrastructure Program.	<b>235,000</b>
<b>Public Amenities Program</b> Council has an on-going program to upgrade it's public amenity assets. These funds will be used to upgrade the Les Moore Park amenity block at Victoria Point.	<b>80,000</b>

## Land Use

A summary of the key projects include:

	<b>\$</b>
<b>Integrated Planning</b> The activities under this program include the delivery and review of the Redlands Planning Scheme outcomes to achieve ecological sustainability in the City and regional planning initiatives (including Local Area Plans).	<b>1,385,464</b>
<b>South Moreton Bay Islands (SMBI) - Land Exchange Program</b> This is a program to achieve public ownership of significant conservation blocks by exchanging them for Council blocks which have no conservation value.	<b>640,000</b>
<b>Swimming Pool Inspection Project</b> Undertake a systematic swimming and spa pool inspection program on private certified pools from 1998 to the present. The project will ensure compliance with the legislative provisions of the Building Act 1975 and the Standard Building Regulations for private certifier approved swimming and spa pools with no recorded finals.	<b>209,310</b>

Please note: the majority of budgeted expenditure for Land Use is associated with operational resource requirements, rather than specific project budgets.

## Natural Environment

A summary of the key projects include:

\$	
<b>Bushland and Vegetation Maintenance</b> Activities involve the protection, maintenance and enhancement of the health of the City's bushland and vegetation. Activities include the Community Bushcare Program, fire management, grass cutting and general maintenance. This is largely funded from the Environment Charge Reserve.	5,768,206
<b>Conservation Land Acquisitions</b> The acquisition of environmentally significant land as a result of Council's commitment to protect significant land across the City. This project is funded from the Environmental Charge Reserve.	3,713,920
<b>Coastal and Waterways Management</b> Aquatic Weed control, catchments management, foreshore and marine protection and beach erosion rectification.	2,562,859
<b>Environment Education and Awareness</b> The activities of this area include the operation of Indigiscapes, school programs, habitat protection and 'Your Backyard' program.	1,993,924
<b>Point Lookout Gorge Boardwalk</b> The completion of a project to upgrade ageing sections of the track with new composite fibre material.	80,000

## Economic Prosperity

A summary of the key projects include:

\$	
<b>Tourism Development and Marketing</b> This expenditure contributes towards the development and marketing of the City as a quality visitor destination. The initiatives are based on the Redlands Marketing Plan recommendations.	789,970
<b>Business Grow</b> Business Grow is a confidential business expansion and retention visitation service that aims to assist businesses to access services, agencies and information available within the City.	129,500
<b>Ready to Work</b> A work-shop based program, funded by Council, which assists parents in returning to the work-force. It focuses on enhancing job search and customer service skills.	50,000
<b>Investment Attraction</b> This project focuses on the marketing of the City as a competitive and attractive location for business development. The initiatives are based on the Redlands Marketing Plan recommendations.	41,700

## BUDGETED FINANCIAL STATEMENTS

### Financial Budget Summary

	Anticipated Position 2008/2009 \$000	Budget Year 1 2009/2010 \$000	Estimate Year 2 2010/2011 \$000	Estimate Year 3 2011/2012 \$000	Estimate Year 4 2012/2013 \$000	Estimate Year 5 2013/2014 \$000
Revenue from Ordinary Activities	91,150	<b>181,732</b>	147,269	156,319	163,444	172,158
Expenses from Ordinary Activities	(184,406)	<b>(201,079)</b>	(159,529)	(166,652)	(173,313)	(181,132)
Borrowing Costs	(2,710)	<b>(2,586)</b>	(2,502)	(2,544)	(2,578)	(2,583)
<b>Result from Ordinary Activities</b>	(95,966)	<b>(21,933)</b>	(14,762)	(12,877)	(12,447)	(11,557)
Capital Income	109,600	<b>35,288</b>	22,351	23,417	24,253	27,234
Increase/Decrease in Asset Revaluation Reserve	(253)	-	-	-	-	-
<b>Total Change in Community Equity</b>	13,381	<b>13,355</b>	7,590	10,540	11,806	15,677

Note: The Revenue from Ordinary Activities above for the anticipated position for 2008/2009 includes the \$84.001m Written-down Value of Bulk Water Assets transferred to State Government ownership in July 2008. The Capital Income figure for the anticipated position for 2008/2009 includes the Proceeds from Sale of these Bulk Water Assets.

### Key Balance Sheet Items

	Anticipated Position 2008/2009 \$000	Budget Year 1 2009/2010 \$000	Estimate Year 2 2010/2011 \$000	Estimate Year 3 2011/2012 \$000	Estimate Year 4 2012/2013 \$000	Estimate Year 5 2013/2014 \$000
<b>Total Assets</b>	2,083,034	<b>2,094,950</b>	2,104,182	2,116,424	2,129,760	2,146,913
<b>Total Liabilities</b>	111,506	<b>110,068</b>	111,710	113,413	114,943	116,419
<b>Net Community Assets</b>	1,971,527	<b>1,984,882</b>	1,992,472	2,003,011	2,014,817	2,030,494
<b>Total Cash at Year End</b>	82,338	<b>61,844</b>	55,050	49,752	48,619	53,313
<b>Total Debt at Year End</b>	40,660	<b>42,907</b>	42,907	42,907	42,907	42,907

**Redland City Council – Strategic Priority Operating Statement**

	Natural Environment	Land Use	Essential Services	Community Health & Wellbeing	Economic Prosperity	Governance	Corporate Services	Redland City Council
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<b>OPERATING REVENUE</b>								
Rates and Utility Charges	8,884	0	85,373	0	0	0	60,762	155,018
Less: Pensioner Remissions	0	0	0	0	0	0	(2,408)	(2,408)
Fees and Charges	14	4,517	3,278	8,602	0	39	617	17,066
Operating Grants and Subsidies	57	40	294	2,209	50	17	4,724	7,390
Operating Contributions and Donations	0	0	0	0	0	0	0	0
Interest External	25	0	337	0	0	0	2,665	3,027
Gain on Sale of Developed Land	0	0	0	0	0	0	0	0
Other Revenue	232	52	1,852	443	18	4	746	3,347
<b>Total Operating Revenue</b>	<b>9,211</b>	<b>4,609</b>	<b>91,134</b>	<b>11,253</b>	<b>68</b>	<b>61</b>	<b>67,105</b>	<b>183,441</b>
<b>OPERATING EXPENDITURE</b>								
Employee Costs	4,572	9,272	14,048	20,715	447	7,225	13,125	69,405
Goods and Services	8,342	1,006	42,787	15,622	1,003	2,428	11,884	83,072
Finance Costs Other	0	0	0	0	0	5	419	424
Other Expenditure	0	0	0	120	0	1,336	0	1,456
Net Internal Costs*	1,255	4,387	2,861	6,433	84	(3,463)	(12,516)	(959)
<b>Total Operating Expenditure</b>	<b>14,169</b>	<b>14,665</b>	<b>59,696</b>	<b>42,889</b>	<b>1,535</b>	<b>7,531</b>	<b>12,911</b>	<b>153,396</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>(4,958)</b>	<b>(10,056)</b>	<b>31,438</b>	<b>(31,636)</b>	<b>(1,467)</b>	<b>(7,471)</b>	<b>54,194</b>	<b>30,044</b>
Interest expense	0	0	54	0	0	0	2,532	2,586
Depreciation	53	3	36,674	5,152	1	7	5,792	47,683
<b>Operating Surplus/(Deficit)</b>	<b>(5,011)</b>	<b>(10,059)</b>	<b>(5,290)</b>	<b>(36,789)</b>	<b>(1,468)</b>	<b>(7,478)</b>	<b>45,870</b>	<b>(20,225)</b>

\*Internal transactions consolidated as Net Internal Costs

**Redland City Council – Strategic Priority Capital Funding Statement**

	Natural Environment	Land Use	Essential Services	Community Health & Wellbeing	Economic Prosperity	Governance	Corporate Services	Redland City Council
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<b>SOURCES OF CAPITAL FUNDING</b>								
Capital Contributions and Donations	0	0	13,377	2,586	0	0	0	15,963
Capital Grants and Subsidies	100	90	8,668	1,810	0	0	0	10,668
Proceeds on Disposal of Non Current Assets	0	0	0	0	0	0	1,835	1,835
Net Transfer (to)/from Constrained Capital Reserves	3,714	200	(10,350)	(219)	0	0	19	(6,636)
Non Cash Contributions	0	0	6,822	0	0	0	0	6,822
Adjustment for Asset Corrections	0	0	0	0	0	0	0	0
New Loans	0	0	4,408	0	0	0	0	4,408
Funding from General Revenue	409	699	35,816	7,156	0	6	6,857	50,942
<b>Total Sources of Capital Funding</b>	<b>4,223</b>	<b>989</b>	<b>58,740</b>	<b>11,334</b>	<b>0</b>	<b>6</b>	<b>8,710</b>	<b>84,002</b>
<b>APPLICATION OF CAPITAL FUNDS</b>								
Contributed Assets	0	0	6,822	0	0	0	0	6,822
Capitalised Goods & Services	4,223	989	49,563	11,334	0	6	4,384	70,498
Capitalised Employee Costs	0	0	2,290	0	0	0	2,231	4,521
Current Loan Redemption	0	0	0	0	0	0	0	0
Non-Current Loan Redemption	0	0	65	0	0	0	2,096	2,161
Adjustment for Asset Corrections	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funds</b>	<b>4,223</b>	<b>989</b>	<b>58,740</b>	<b>11,334</b>	<b>0</b>	<b>6</b>	<b>8,710</b>	<b>84,002</b>

**Redland City Council – Strategic Priority Other Budgeted Items**

	Natural Environment	Land Use	Essential Services	Community Health & Wellbeing	Economic Prosperity	Governance	Corporate Services	Redland City Council
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Transfers to Reserve	(8,884)	0	(2,324)	(486)	0	(836)	(2,373)	<b>(14,903)</b>
Transfer from Operating Reserves	6,149	0	1,938	683	0	664	204	<b>9,638</b>
WDV of Assets Disposed	0	0	0	0	0	0	(1,709)	<b>(1,709)</b>
Tax and Dividends	0	0	(12,290)	0	0	0	12,290	<b>0</b>
Internal Capital Structure Financing	0	0	(15,046)	0	0	0	15,046	<b>0</b>

**Redland City Council – Operating Statement**

	Anticipated Position 2008/2009 '\$000	Budget Year 1 2009/2010 '\$000	Estimate Year 2 2010/2011 '\$000	Estimate Year 3 2011/2012 '\$000	Estimate Year 4 2012/2013 '\$000	Estimate Year 5 2013/2014 '\$000
<b>OPERATING REVENUE</b>						
Rates and utility charges	141,744	155,018	89,865	95,627	101,567	107,876
<i>Less: Pensioner Remissions</i>	(2,083)	(2,408)	(2,559)	(2,719)	(2,884)	(3,058)
Fees & charges	17,505	17,066	17,135	18,264	19,468	20,751
Subsidies & grants - operating	8,634	7,390	7,803	8,339	8,845	9,311
Contributions - operating	375	0	418	1,458	340	392
Interest	4,917	3,027	2,837	2,951	3,069	3,191
Dividend (LG Water Entity)	0	0	31,474	32,103	32,745	33,400
Other revenue	4,059	3,347	2,004	2,004	2,004	2,004
	<b>175,151</b>	<b>183,441</b>	<b>148,978</b>	<b>158,028</b>	<b>165,153</b>	<b>173,867</b>
<b>OPERATING EXPENDITURE</b>						
Employee costs	63,065	69,405	65,560	68,681	72,142	75,778
Goods and services	78,168	83,072	61,367	63,580	65,071	67,773
Finance Costs - Other	(3,628)	424	443	462	483	505
Other Expenditure	1,440	1,456	1,522	1,591	1,652	1,710
Net Internal Costs	(1,113)	(959)	(3,565)	(3,729)	(3,871)	(4,008)
	<b>137,932</b>	<b>153,396</b>	<b>125,326</b>	<b>130,585</b>	<b>135,477</b>	<b>141,759</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>37,218</b>	<b>30,044</b>	<b>23,652</b>	<b>27,442</b>	<b>29,677</b>	<b>32,109</b>
Interest Expense	2,710	2,586	2,502	2,544	2,578	2,583
Depreciation	46,474	47,683	34,203	36,067	37,837	39,374
<b>Operating Surplus/(Deficit)</b>	<b>(11,965)</b>	<b>(20,225)</b>	<b>(13,053)</b>	<b>(11,168)</b>	<b>(10,738)</b>	<b>(9,848)</b>

\*Internal transactions consolidated as Net Internal Costs

**Note:** The reductions shown both for rates and utility charges and expenditure for employee costs and goods and services from 2009/2010 to 2010/2011, are attributable to the transfer of the water and wastewater business to the newly forming distribution and retail entity. However, offsetting the reduction in rates and utility charges associated with water and wastewater revenue is a forecast dividend expected from Council's investment into the newly forming Local Government (LG) Water Entity. Please note, these figures have been estimated on information at time of this publication and may change once the final arrangements and structure of the new entity is finalised by the State Government. Finance Costs for the anticipated position for 2008/2009 includes the market value gain on loans paid out as part of the bulk water asset compensation payments received from the State Government.

## Redland City Council – Capital Funding Statement

	Anticipated Position 2008/2009 '\$000	Budget Year 1 2009/2010 '\$000	Estimate Year 2 2010/2011 '\$000	Estimate Year 3 2011/2012 '\$000	Estimate Year 4 2012/2013 '\$000	Estimate Year 5 2013/2014 '\$000
<b>Capital Revenue</b>						
Capital Contributions and Donations	13,006	15,963	8,410	7,362	7,654	7,725
Capital Grants and Subsidies	6,244	10,668	5,508	7,224	7,107	9,881
Proceeds on Disposal of Non Current Assets	83,528	1,835	1,696	1,621	1,778	1,374
Net Transfer (to)/from Constrained Capital Reserves	(10,304)	(6,636)	(4,413)	(4,964)	(5,085)	(4,947)
Non Cash Contributions	6,822	6,822	6,738	7,209	7,714	8,254
Adjustment for Asset Corrections	0	0	0	0	0	0
New Loans	(0)	4,408	1,890	2,103	2,346	2,598
Funding from General Revenue	(26,485)	50,942	33,806	36,667	34,655	31,065
<b>Total Capital Revenue</b>	<b>72,811</b>	<b>84,002</b>	<b>53,634</b>	<b>57,223</b>	<b>56,169</b>	<b>55,950</b>
<b>Capital Applications</b>						
Contributed Assets	6,822	6,822	6,738	7,209	7,714	8,254
Capitalised Goods & Services	42,708	70,498	40,821	43,454	41,821	40,903
Capitalised Employee Costs	4,359	4,521	4,186	4,456	4,289	4,194
Current Loan Redemption	0	0	0	0	0	0
Non-Current Loan Redemption	18,922	2,161	1,890	2,103	2,346	2,598
Adjustment for Asset Corrections	0	0	0	0	0	0
<b>Total Capital Applications</b>	<b>72,811</b>	<b>84,002</b>	<b>53,634</b>	<b>57,223</b>	<b>56,169</b>	<b>55,950</b>

Note: The anticipated position shown above for the 2008/2009 financial year for Proceeds on Disposal of Non Current Assets of \$83.528m includes compensation paid by the State Government for the Bulk Water Assets that transferred to State Government ownership in July 2008. This is also shown within the anticipated Cash Flow Statement for 2008/2009 on the following page.

## Redland City Council – Other Budgeted Items

	Anticipated Position 2008/2009 '\$000	Budget Year 1 2009/2010 '\$000	Estimate Year 2 2010/2011 '\$000	Estimate Year 3 2011/2012 '\$000	Estimate Year 4 2012/2013 '\$000	Estimate Year 5 2013/2014 '\$000
<b>Other Budgeted Items</b>						
Transfers to Reserve	(11,995)	(14,903)	(15,652)	(14,677)	(15,041)	(15,186)
Transfer from Operating Reserves	10,306	9,638	9,734	9,831	9,930	10,029
WDV of Assets Disposed	(84,001)	(1,709)	(1,709)	(1,709)	(1,709)	(1,709)
Tax and Dividends	0	0	0	0	0	0
Internal Capital Structure Financing	0	0	0	0	0	0



## Redland City Council – Statement of Cash Flows

	Anticipated Position 2008/2009 '\$000	Budget Year 1 2009/2010 '\$000	Estimate Year 2 2010/2011 '\$000	Estimate Year 3 2011/2012 '\$000	Estimate Year 4 2012/2013 '\$000	Estimate Year 5 2013/2014 '\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Customers	170,234	<b>180,413</b>	145,984	154,918	161,925	170,514
Payments to Suppliers and Employees	(135,308)	<b>(152,932)</b>	(123,277)	(128,458)	(133,494)	(139,806)
	<b>34,926</b>	<b>27,481</b>	<b>22,707</b>	<b>26,461</b>	<b>28,430</b>	<b>30,708</b>
Interest Received	4,917	<b>3,027</b>	2,837	2,951	3,069	3,191
Borrowing Costs	(2,710)	<b>(2,586)</b>	(2,945)	(3,006)	(3,061)	(3,088)
<b>Net Cash Inflow from Operating Activities</b>	<b>37,133</b>	<b>27,922</b>	<b>22,600</b>	<b>26,405</b>	<b>28,437</b>	<b>30,812</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Payments - Property, Plant & Equipment	(44,718)	<b>(75,019)</b>	(45,007)	(47,910)	(46,109)	(45,097)
Proceeds - Capital Subsidies & Grants and Contributions	23,223	<b>22,521</b>	13,918	14,586	14,761	17,606
Proceeds - Sales of Property, Plant & Equipment	83,528	<b>1,835</b>	1,696	1,621	1,778	1,374
<b>Net Cash Inflow from Investing Activities</b>	<b>62,033</b>	<b>(50,664)</b>	<b>(29,393)</b>	<b>(31,703)</b>	<b>(29,571)</b>	<b>(26,118)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Proceeds of Borrowings	(0)	<b>4,408</b>	1,890	2,103	2,346	2,598
Repayment of Borrowings	(87,871)	<b>(2,161)</b>	(1,890)	(2,103)	(2,346)	(2,598)
<b>Net Cash Inflow from Financing Activities</b>	<b>(87,871)</b>	<b>2,247</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Increase / (Decrease) in Cash Held</b>	<b>11,295</b>	<b>(20,495)</b>	<b>(6,793)</b>	<b>(5,298)</b>	<b>(1,133)</b>	<b>4,694</b>
Cash at Beginning of Year	71,043	<b>82,338</b>	61,844	55,050	49,752	48,619
<b>Cash at End of Financial Year</b>	<b>82,338</b>	<b>61,844</b>	<b>55,050</b>	<b>49,752</b>	<b>48,619</b>	<b>53,313</b>

**Redland City Council – Balance Sheet**

	Anticipated Position 2008/2009 '\$000	Budget Year 1 2009/2010 '\$000	Estimate Year 2 2010/2011 '\$000	Estimate Year 3 2011/2012 '\$000	Estimate Year 4 2012/2013 '\$000	Estimate Year 5 2013/2014 '\$000
<b>CURRENT ASSETS</b>						
Cash & Investments	82,338	61,844	55,050	49,752	48,619	53,313
Accounts Receivable	15,689	15,689	15,846	16,004	16,164	16,326
Inventories	510	472	472	472	472	472
Prepaid Expenses	1,032	1,032	1,068	1,105	1,136	1,165
Assets - Held for Sale	153	153	153	153	153	153
<b>Total Current Assets</b>	<b>99,722</b>	<b>79,189</b>	<b>72,589</b>	<b>67,487</b>	<b>66,545</b>	<b>71,429</b>
<b>NON CURRENT ASSETS</b>						
Property, Plant and Equipment	1,983,311	2,013,135	1,581,967	1,599,312	1,613,589	1,625,858
Investment in LG Water Entity	0	2,626	449,626	449,626	449,626	449,626
<b>Total Non Current Assets</b>	<b>1,983,311</b>	<b>2,015,761</b>	<b>2,031,593</b>	<b>2,048,938</b>	<b>2,063,215</b>	<b>2,075,484</b>
<b>TOTAL ASSETS</b>	<b>2,083,034</b>	<b>2,094,950</b>	<b>2,104,182</b>	<b>2,116,424</b>	<b>2,129,760</b>	<b>2,146,913</b>
<b>CURRENT LIABILITIES</b>						
Accounts Payable	24,178	24,178	25,024	25,900	26,625	27,290
Current Employee Provisions	5,904	6,330	6,583	6,846	7,120	7,405
Current Loans	18,329	18,329	16,226	13,880	11,281	8,414
Current Landfill Rehabilitation Provisions	2,043	2,043	2,043	2,043	2,043	2,043
Other Liabilities	11,305	7,194	7,446	7,707	7,922	8,120
<b>Total Current Liabilities</b>	<b>61,759</b>	<b>58,074</b>	<b>57,322</b>	<b>56,375</b>	<b>54,992</b>	<b>53,273</b>
<b>NON CURRENT LIABILITIES</b>						
Non Current Loans	22,331	24,578	26,682	29,028	31,626	34,494
Non Current Employee Provisions	7,279	7,279	7,570	7,872	8,187	8,515
Non Current Landfill Rehabilitation Provisions	20,137	20,137	20,137	20,137	20,137	20,137
<b>Total Non Current Liabilities</b>	<b>49,747</b>	<b>51,994</b>	<b>54,389</b>	<b>57,038</b>	<b>59,951</b>	<b>63,146</b>
<b>TOTAL LIABILITIES</b>	<b>111,506</b>	<b>110,068</b>	<b>111,710</b>	<b>113,413</b>	<b>114,943</b>	<b>116,419</b>
<b>NET ASSETS</b>	<b>1,971,527</b>	<b>1,984,882</b>	<b>1,992,472</b>	<b>2,003,011</b>	<b>2,014,817</b>	<b>2,030,494</b>
<b>COMMUNITY EQUITY</b>						
Retained Earnings Account	1,938,444	1,955,860	1,961,529	1,969,622	1,978,885	1,992,182
Cash Reserves	33,084	29,022	30,943	33,390	35,932	38,312
<b>TOTAL COMMUNITY EQUITY</b>	<b>1,971,527</b>	<b>1,984,882</b>	<b>1,992,472</b>	<b>2,003,011</b>	<b>2,014,817</b>	<b>2,030,494</b>

Note: The \$2.626m shown above in 2009/2010 is Council's expected investment into the newly forming LG Water Entity. Following this initial investment, Council have forecast to invest approximately \$447m worth of water and wastewater assets into the LG Water Entity in 2010/2011, thus, providing Council with equity within the entity and an entitlement to receive a dividend based on performance of the entity. As these matters are still subject to finalisation with the State Government, Council have only been able to estimate these financial impacts associated with the retail distribution of water, and therefore the above assumptions may change in time once arrangements are finalised by the State Government.

**Redland City Council – Statement of Changes in Equity**

<b>Proposed Budget 2009/2010</b>	<b>Retained Surplus (\$000's)</b>	<b>Asset Reval Reserve (\$000's)</b>	<b>Other Reserves (\$000's)</b>	<b>TOTAL (\$000's)</b>
<b>Balance at 1 July 2009</b>	<b>830,612</b>	<b>1,107,832</b>	<b>33,084</b>	<b>1,971,527</b>
Net results for Period	13,355	0	0	13,355
Transfers to Reserves	(14,903)	0	14,903	0
Transfers from Reserves	18,965	0	(18,965)	0
Asset Revaluation Adjustments	0	0	0	0
<b>Balance as at 30 June 2010</b>	<b>848,028</b>	<b>1,107,832</b>	<b>29,022</b>	<b>1,984,882</b>
<b>Anticipated 2008/2009</b>	<b>Retained Surplus (\$000's)</b>	<b>Asset Reval Reserve (\$000's)</b>	<b>Other Reserves (\$000's)</b>	<b>TOTAL (\$000's)</b>
<b>Balance at 1 July 2008</b>	<b>815,964</b>	<b>1,108,085</b>	<b>34,098</b>	<b>1,958,146</b>
Net results for Period	13,635	0	0	13,635
Transfers to Reserves	(11,995)	0	11,995	0
Transfers from Reserves	13,009	0	(13,009)	0
Asset Revaluation Adjustments	0	(253)	0	(253)
<b>Balance as at 30 June 2009</b>	<b>830,612</b>	<b>1,107,832</b>	<b>33,084</b>	<b>1,971,527</b>

## Redland City Council – Financial Stability Ratios

	Anticipated Position 2008/2009	Budget Year 1 2009/2010	Estimate Year 2 2010/2011	Estimate Year 3 2011/2012	Estimate Year 4 2012/2013	Estimate Year 5 2013/2014
<b>Level of dependence on General Rate Revenue</b> (Excludes Utility Revenues)	31.2%	<b>31.9%</b>	41.5%	41.4%	41.9%	42.2%
<b>Ability to pay our bills - Current Ratio</b> Target greater than or equal to 1.1	1.61	<b>1.36</b>	1.27	1.20	1.21	1.34
<b>Ability to repay our debt - Debt Servicing Ratio (%)</b> Target less than or equal to 17%	1.55%	<b>2.63%</b>	3.31%	3.30%	3.34%	3.33%
<b>Cash Balance \$M</b>	82,338	<b>61,844</b>	55,050	49,752	48,619	53,313
<b>Cash Balances - cash capacity in months</b> Target 3 to 4 months	7.16	<b>4.77</b>	5.23	4.54	4.27	4.48
<b>Longer term financial stability - debt to asset ratio (%)</b> Target less than or equal to 15%	1.95%	<b>2.05%</b>	2.04%	2.03%	2.01%	2.00%
<b>Operating Performance</b> Target greater than or equal to 15%	21.2%	<b>15.2%</b>	15.2%	16.7%	17.2%	17.7%

# DEPARTMENTAL OPERATING STATEMENTS

## Operating Statement by Department For year ending 30 June 2010

	Governance (\$000's)	Customer Services (\$000's)	Redland Water (\$000's)	Planning & Policy (\$000's)	Corporate Services (\$000's)	Regulatory Services (\$000's)	RCC Total (\$000's)
<b>Operating Revenue</b>							
Rates and Utility Charges	0	12,716	70,567	10,974	60,762	0	155,018
Less: Pensioner Remissions	0	0	0	0	(2,408)	0	(2,408)
Fees and Charges	2	8,080	991	0	654	7,340	17,066
Operating Grants and Subsidies	0	2,572	0	50	4,729	40	7,390
Operating Contributions and Donations	0	0	0	0	0	0	0
Interest External	0	19	299	44	2,665	0	3,027
Gain on Sale of Developed Land	0	0	0	0	0	0	0
Other Revenue	11	827	1,343	127	885	154	3,347
<b>Total Operating Revenue</b>	<b>13</b>	<b>24,213</b>	<b>73,199</b>	<b>11,195</b>	<b>67,287</b>	<b>7,534</b>	<b>183,441</b>
<b>Operating Expenditure</b>							
Employee Costs	4,746	26,318	6,496	6,178	14,530	11,136	69,405
Goods and Services	3,788	38,478	17,446	8,610	13,007	1,743	83,072
Finance Costs Other	5	0	0	0	419	0	424
Other Expenditure	1,234	120	0	0	102	0	1,456
Net Internal Costs *	(2,567)	7,019	2,451	1,815	(14,771)	5,093	(959)
<b>Total Operating Expenditure</b>	<b>7,205</b>	<b>71,935</b>	<b>26,394</b>	<b>16,603</b>	<b>13,287</b>	<b>17,972</b>	<b>153,396</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>(7,192)</b>	<b>(47,722)</b>	<b>46,806</b>	<b>(5,409)</b>	<b>54,000</b>	<b>(10,438)</b>	<b>30,044</b>
Interest expense	0	54	0	0	2,532	0	2,586
Depreciation	5	7,925	17,600	15,827	6,293	33	47,683
<b>Operating Surplus/(Deficit)</b>	<b>(7,197)</b>	<b>(55,702)</b>	<b>29,206</b>	<b>(21,235)</b>	<b>45,175</b>	<b>(10,470)</b>	<b>(20,225)</b>

\*Internal transactions consolidated as Net Internal Costs

## Capital Funding Statement by Department

	Governance (\$000's)	Customer Services (\$000's)	Redland Water (\$000's)	Planning & Policy (\$000's)	Corporate Services (\$000's)	Regulatory Services (\$000's)	RCC Total (\$000's)
<b>Proposed Sources of Capital Funding</b>							
Capital Contributions and Donations	0	0	8,231	7,732	0	0	15,963
Capital Grants and Subsidies	0	646	0	10,022	0	0	10,668
Proceeds on Disposal of Non Current Assets	0	0	0	0	1,835	0	1,835
Capital Transfers (to)from Reserves	0	271	(10,924)	4,017	0	0	(6,636)
Non Cash Contributions	0	0	3,822	3,000	0	0	6,822
Adjustment for Asset Corrections	0	0	0	0	0	0	0
New Loans	0	0	0	0	4,408	0	4,408
Funding from General Revenue	21	37,571	14,531	(5,855)	4,632	42	50,942
<b>Total Sources of Capital Funding</b>	<b>21</b>	<b>38,489</b>	<b>15,660</b>	<b>18,916</b>	<b>10,874</b>	<b>42</b>	<b>84,002</b>
<b>Proposed Application of Capital Funds</b>							
Contributed Assets	0	0	3,822	3,000	0	0	6,822
Capitalised Goods & Services	21	34,038	11,702	15,916	8,779	42	70,498
Capitalised Employee Costs	0	4,385	136	0	(0)	0	4,521
Current Loan Redemption	0	0	0	0	0	0	0
Non-Current Loan Redemption	0	65	0	0	2,096	0	2,161
Adjustment for Asset Corrections	0	0	0	0	0	0	0
<b>Total Application of Capital Funds</b>	<b>21</b>	<b>38,489</b>	<b>15,660</b>	<b>18,916</b>	<b>10,874</b>	<b>42</b>	<b>84,002</b>

## Other Budgeted Items by Department

	Governance (\$000's)	Customer Services (\$000's)	Redland Water (\$000's)	Planning & Policy (\$000's)	Corporate Services (\$000's)	Regulatory Services (\$000's)	RCC Total (\$000's)
<b>Other Budgeted Items</b>							
Transfers to Reserve	(836)	0	0	(11,207)	(2,373)	(486)	(14,903)
Transfer from Operating Reserves	664	3,804	0	4,896	204	70	9,638
WDV of Assets Disposed	0	0	0	0	(1,709)	0	(1,709)
Tax and Dividends	0	(1,247)	(11,042)	0	12,290	0	0
Internal Capital Structure Financing	0	(96)	(14,950)	0	15,046	0	0

**Governance Department by Group**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Chief Executive Office Group	0	0
Mayor / Councillors' Office Group	0	0
Internal Audit Group	2	0
Legal Services Group	2	4
Corporate Performance & Risk Group	2	2
Marketing & Communications Group	12	7
	<b>18</b>	<b>13</b>
<b>Expenditure *</b>		
Chief Executive Office Group	2,666	2,644
Mayor / Councillors' Office Group	2,101	1,994
Internal Audit Group	497	544
Legal Services Group	1,123	(770)
Corporate Performance & Risk Group	1,374	1,072
Marketing & Communications Group	1,606	1,720
	<b>9,366</b>	<b>7,205</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>(9,348)</b>	<b>(7,192)</b>
Interest expense	0	0
Depreciation	4	5
<b>Operating Surplus/(Deficit) *</b>	<b>(9,352)</b>	<b>(7,197)</b>
* Includes internal transactions		
<b>Total Sources of Capital Funding</b>	<b>118</b>	<b>21</b>
<b>Total Application of Capital Funds</b>	<b>118</b>	<b>21</b>

Note: The above expenditure figures include internal charges and recoveries associated with service level agreements within Council. The net of these internal transactions may result in recoveries greater than expenditure, as above. The variation above for the Legal Services Group is primarily attributable to significantly higher than usual workload and expenditure in the 2008/2009 financial year.

**Customer Services Department by Group**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Customer Services General Management Group	59	0
Customer & Community Services Group	3,154	3,050
Operations & Maintenance Group	1,526	580
Project Delivery Group	4	1
Commercial Services Group	21,267	20,582
	<b>26,011</b>	<b>24,213</b>
<b>Expenditure *</b>		
Customer Services General Management Group	781	572
Customer & Community Services Group	17,356	18,863
Operations & Maintenance Group	27,656	31,002
Project Delivery Group	6,290	1,902
Commercial Services Group	19,990	19,596
	<b>72,073</b>	<b>71,935</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>(46,062)</b>	<b>(47,722)</b>
Interest expense	58	54
Depreciation	9,879	7,925
<b>Operating Surplus/(Deficit) *</b>	<b>(55,999)</b>	<b>(55,702)</b>
* Includes internal transactions		
<b>Total Sources of Capital Funding</b>	<b>24,823</b>	<b>38,489</b>
<b>Total Application of Capital Funds</b>	<b>24,823</b>	<b>38,489</b>

**Planning and Policy Department by Group**

	<b>Anticipated Position 2008/2009 (\$000's)</b>	<b>Budget 2009/2010 (\$000's)</b>
<b>Revenue</b>		
Planning & Policy General Management Group	110	0
Land Use Planning Group	36	0
Environmental Management Group	7,510	8,927
Community & Social Planning Group	88	42
Economic Development Group	88	68
Infrastructure Planning Group	2,015	2,158
	<b>9,846</b>	<b>11,195</b>
<b>Expenditure *</b>		
Planning & Policy General Management Group	331	301
Land Use Planning Group	2,337	2,508
Environmental Management Group	3,904	4,127
Community & Social Planning Group	2,230	1,833
Economic Development Group	1,433	1,550
Infrastructure Planning Group	3,851	6,285
	<b>14,085</b>	<b>16,603</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>(4,239)</b>	<b>(5,409)</b>
Interest expense	0	0
Depreciation	14,447	15,827
<b>Operating Surplus/(Deficit) *</b>	<b>(18,686)</b>	<b>(21,235)</b>
* Includes internal transactions		
<b>Total Sources of Capital Funding</b>	<b>12,948</b>	<b>18,916</b>
<b>Total Application of Capital Funds</b>	<b>12,948</b>	<b>18,916</b>



**Corporate Services Department by Group**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Corporate Services General Management Group	0	0
Human Resources Group	22	70
Financial Services Group	64,878	66,539
Information Management Group	57	7
Corporate Acquisitions, Fleet & Facilities Group	506	531
Water Reform Group	313	140
	<b>65,777</b>	<b>67,287</b>
<b>Expenditure *</b>		
Corporate Services General Management Group	(358)	69
Human Resources Group	977	2,132
Financial Services Group	(152)	5,376
Information Management Group	2,463	3,037
Corporate Acquisitions, Fleet & Facilities Group	279	1,427
Water Reform Group	417	1,246
	<b>3,626</b>	<b>13,287</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>62,151</b>	<b>54,000</b>
Interest expense	2,652	2,532
Depreciation	6,112	6,293
<b>Operating Surplus/(Deficit) *</b>	<b>53,387</b>	<b>45,175</b>
* Includes internal transactions		
<b>Total Sources of Capital Funding</b>	<b>79,434</b>	<b>10,874</b>
<b>Total Application of Capital Funds</b>	<b>79,434</b>	<b>10,874</b>

**Note:** The above expenditure figures include internal charges and recoveries associated with service level agreements within Council. The net of these internal transactions may result in recoveries greater than expenditure, as above. Included in the figures outlined for the Financial Services Group for 2008/2009 is the market value gain on loans paid out as part of the bulk water asset compensation payments received from the State Government.

**Regulatory Services Department by Group**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Regulatory Services General Management Group	(13)	13
Regulatory & Health Group	3,159	3,640
Development Coordination Group	2,319	1,972
Integrated Development Group	1,587	1,909
	<b>7,052</b>	<b>7,534</b>
<b>Expenditure *</b>		
Regulatory Services General Management Group	569	273
Regulatory & Health Group	6,923	7,462
Development Coordination Group	5,058	6,632
Integrated Development Group	3,193	3,606
	<b>15,743</b>	<b>17,972</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>(8,691)</b>	<b>(10,438)</b>
Interest expense	0	0
Depreciation	40	33
<b>Operating Surplus/(Deficit) *</b>	<b>(8,731)</b>	<b>(10,470)</b>
* Includes internal transactions		
<b>Total Sources of Capital Funding</b>	<b>102</b>	<b>42</b>
<b>Total Application of Capital Funds</b>	<b>102</b>	<b>42</b>

**Redland Water Commercialised Business Unit – Operating Statement**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Rates and Utility Charges	63,710	70,567
Less: Pensioner Remissions	0	0
Fees and Charges	885	991
Operating Grants and Subsidies	10	0
Operating Contributions and Donations	0	0
Interest External	478	299
Gain on Sale of Developed Land	0	0
Other Revenue	1,364	1,343
<b>Total Operating Revenue</b>	<b>66,447</b>	<b>73,199</b>
<b>Expenditure *</b>		
Employee Costs	6,039	6,496
Goods & Services	14,368	17,446
Finance Costs Other	0	0
Other Expenditure	0	0
Net Internal Costs	2,633	2,451
<b>Total Operating Expenditure *</b>	<b>23,039</b>	<b>26,394</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>43,408</b>	<b>46,806</b>
Interest expense	0	0
Depreciation	15,993	17,600
<b>Operating Surplus/(Deficit) *</b>	<b>27,415</b>	<b>29,206</b>

\*Internal transactions consolidated as Net Internal Costs.

**Redland Water - Capital Funding Statement**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Proposed Sources of Capital Funding</b>		
Capital Contributions and Donations	7,693	8,231
Capital Grants and Subsidies	0	0
Proceeds on Disposal of Non Current Assets	30	0
Capital Transfers (to)from Reserves	(11,070)	(10,924)
Non Cash Contributions	3,822	3,822
Adjustment for Asset Corrections	0	0
New Loans	0	0
Funding from General Revenue	23,861	14,531
<b>Total Sources of Capital Funding</b>	<b>24,336</b>	<b>15,660</b>
<b>Proposed Application of Capital Funds</b>		
Contributed Assets	3,822	3,822
Capitalised Goods & Services	4,075	11,702
Capitalised Employee Costs	94	136
Current Loan Redemption	0	0
Non-Current Loan Redemption	16,345	0
Adjustment for Asset Corrections	0	0
<b>Total Application of Capital Funds</b>	<b>24,336</b>	<b>15,660</b>

**Redland Water - Other Budgeted Items**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Other Budgeted Items</b>		
Transfers to Reserve	0	0
Transfer from Operating Reserves	0	0
WDV of Assets Disposed	0	0
Tax and Dividends	(8,784)	(11,042)
Internal Capital Structure Financing	(18,200)	(14,950)

**Redland Water - Balance Sheet**

	<b>Anticipated Postion 2008/09 (\$000's)</b>	<b>Budget 2009/10 (\$000's)</b>
<b>Current Assets:</b>		
Cash & Investments	29,762	44,033
Receivables	5,103	5,103
Prepayments	40	41
	<b>34,905</b>	<b>49,177</b>
<b>Non Current Assets:</b>		
Property, Plant & Equipment	703,567	709,704
	<b>703,567</b>	<b>709,704</b>
<b>TOTAL ASSETS</b>	<b>738,472</b>	<b>758,881</b>
<b>Current Liabilities:</b>		
Creditors & Accruals	1,714	1,749
Current Provisions	488	497
	<b>2,202</b>	<b>2,246</b>
<b>Non Current Liabilities:</b>		
Loans (Internal & External)	293,648	260,000
Non Current Provisions	490	500
	<b>294,138</b>	<b>260,500</b>
<b>TOTAL LIABILITIES</b>	<b>296,340</b>	<b>262,746</b>
<b>NET BUSINESS UNIT ASSETS</b>	<b>442,132</b>	<b>496,135</b>
<b>Business Unit Equity:</b>		
Reserves	439,414	442,107
Retained Earnings	2,718	54,028
<b>TOTAL BUSINESS UNIT EQUITY</b>	<b>442,132</b>	<b>496,135</b>

**Redland Water - Community Service Obligations**

<b>BUSINESS ACTIVITY</b>	<b>DESCRIPTION</b>	<b>Anticipated 2008/09</b>	<b>Budget 2009/10</b>
Water	Concession not for profit	70,678	256,250
Water	Concealed leaks	217,255	134,733
Wastewater	Concession not for profit	147,786	153,459
		<b>435,719</b>	<b>544,442</b>

\*Dollars shown above are actual amounts

**Waste Operating Statement**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Operating Revenue</b>		
Rates & Utility Charges	12,153	12,716
Less: Pensioner Remissions	0	0
Fees & Charges	1,715	2,152
Operating Grants and Subsidies	0	0
Operating Contributions and Donations	0	0
Interest External	18	19
Gain on Sale of Developed Land	0	0
Other Revenue	471	276
<b>Total Operating Revenue</b>	<b>14,356</b>	<b>15,164</b>
<b>Expenditure</b>		
Employee Costs	647	846
Goods & Services	11,222	12,477
Finance Costs Other	0	0
Other Expenditure	0	0
Net Internal Costs*	(1,182)	(1,622)
<b>Total Operating Expenditure</b>	<b>10,687</b>	<b>11,701</b>
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>3,670</b>	<b>3,462</b>
Interest expense	58	54
Depreciation	1,420	1,116
<b>Operating Surplus/(Deficit)</b>	<b>2,192</b>	<b>2,291</b>

\* Internal transactions consolidated as Net Internal Costs

**Waste Capital Funding Statement**

	Anticipated Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Sources of Capital Funding</b>		
Capital Contributions and Donations	-	-
Capital Grants & Subsidies	50	30
Proceeds on Disposal of Non Current Assets	-	-
Net Transfer (to)from Constrained Capital Reserves	110	-
Non Cash Contributions	-	-
New Loans	-	2,200
Funding from General Reserves	764	718
<b>Total Source of Capital Funding</b>	<b>924</b>	<b>2,948</b>
<b>Application of Capital Funds</b>		
Developers Non Cash Contributions	-	-
Capitalised Goods & Services	850	2,883
Capitalised Employee Costs	-	-
Loan Redemption	51	65
<b>Total Application of Capital Funds</b>	<b>902</b>	<b>2,948</b>

**Waste - Balance Sheet**

	Position 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Current Assets</b>		
Cash & Investments	11,861	11,655
Receivables	268	274
Prepayments	3	3
<b>Total Current Assets</b>	<b>12,132</b>	<b>11,932</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	12,803	18,715
<b>Total Non Current Assets</b>	<b>12,803</b>	<b>18,715</b>
<b>Total Assets</b>	<b>24,935</b>	<b>30,647</b>
<b>Current Liabilities</b>		
Other Liabilities	2,713	2,718
Provisions	44	45
<b>Total Current Liabilities</b>	<b>2,757</b>	<b>2,763</b>
<b>Non Current Liabilities</b>		
Loans	1,600	3,300
Provisions	9,217	9,218
<b>Total Non Current Liabilities</b>	<b>10,817</b>	<b>12,518</b>
<b>Total Liabilities</b>	<b>13,574</b>	<b>15,281</b>
<b>Net Business Unit Assets</b>	<b>11,361</b>	<b>15,366</b>
<b>Business Unit Equity</b>		
Retained Earnings	11,361	15,366
<b>Total Business Unit Equity</b>	<b>11,361</b>	<b>15,366</b>

**Waste - Community Service Obligations**

Description	Budget 09-10
Bay Island Transfer Station	828,255
Nth Stradbroke Island Transfer Station	424,399
Giles Road Hardfill Site	33,389
Manual Service - Waste	32,209
Birkdale Sanitary Landfill	10,016
Clean Up Australia Day	5,398
Redland Bay Transfer Station	485
	<b>1,334,151</b>

\*Dollars shown above are actual amounts



## BUSINESS UNITS SUBJECT TO THE CODE OF COMPETITIVE CONDUCT

In accordance with Section 76 of the *Local Government Finance Standard 2005*, Council's budget must show the following statements where the code of competitive conduct applies.

### Caravan Parks Operating Statement

	Anticipated 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Operating revenue - Caravan Parks	2,493	860
Internal Revenue	0	0
Community Service Obligations	0	0
	2,493	860
<b>Expenditure</b>		
Employee Costs	674	482
Materials & Services	578	203
Depreciation	414	437
Internal Expenditure	613	319
Other Full Cost Attribution (Note 1)	63	0
Competitive Neutrality Adjustments (Note 2)	(26)	(27)
	2,315	1,415
<b>Operating Surplus/(Deficit)</b>	<b>178</b>	<b>(555)</b>
Income Tax	0	0
Dividend	0	0
<b>Net Increase in Operating Capability</b>	<b>178</b>	<b>(555)</b>
Note 1: Other Full Cost Attribution includes Group Manager and Service Manager costs and payroll tax. Note 2: Competitive Neutrality Adjustment is for the increase in Employer Superannuation Contribution compared with industry standards.		

Council is in the process of seeking tenders for the future operation of its caravan and camping grounds. This business unit has been provided with three months operating budget to reflect the likely timeframe for transition from Council operations to another provider. If Council makes a decision to retain the business and manage it within Council additional budget will be provided in the first budget review for the 2009/10 financial year. Increases in operating expenditure and operating revenue will be required. Current capital expenditure has been deferred subject to the Council decision apart from the upgrade of the sewage treatment facility at Amity Point Camping Ground.

## Caravan Parks Balance Sheet

	Anticipated 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Current Assets</b>		
Cash	663	315
<b>Total Current Assets</b>	<b>663</b>	<b>315</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	6,724	8,355
<b>Total Non Current Assets</b>	<b>6,724</b>	<b>8,355</b>
<b>Total Assets</b>	<b>7,387</b>	<b>8,670</b>
<b>Current Liabilities</b>		
Other Liabilities	66	66
Provisions	73	74
<b>Total Current Liabilities</b>	<b>139</b>	<b>140</b>
<b>Non Current Liabilities</b>		
Loans	3,153	3,430
Provisions	90	96
<b>Total Non Current Liabilities</b>	<b>3,243</b>	<b>3,526</b>
<b>Total Liabilities</b>	<b>3,382</b>	<b>3,666</b>
<b>Net Business Unit Assets</b>	<b>4,005</b>	<b>5,004</b>
<b>Business Unit Equity</b>		
Retained Earnings	4,005	5,004
<b>Total Business Unit Equity</b>	<b>4,005</b>	<b>5,004</b>

Council is in the process of seeking tenders for the future operation of its caravan and camping grounds. This business unit has been provided with three months operating budget to reflect the likely timeframe for transition from Council operations to another provider. If Council makes a decision to retain the business and manage it within Council additional budget will be provided in the first budget review for the 2009/10 financial year. Increases in operating expenditure and operating revenue will be required. Current capital expenditure has been deferred subject to the Council decision apart from the upgrade of the sewage treatment facility at Amity Point Camping Ground.

## School Age Care Operating Statement

	Anticipated 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Operating revenue	3,045	3,016
Internal Revenue	0	0
Community Service Obligations	0	0
	3,045	3,016
<b>Expenditure</b>		
Employee Costs	2,577	2,482
Materials & Services	352	349
Depreciation	3	3
Internal Expenditure	193	168
Other Full Cost Attribution (Note 1)	179	186
Competitive Neutrality Adjustments (Note 2)	(206)	(230)
	3,099	2,958
<b>Operating Surplus/(Deficit)</b>	<b>(54)</b>	<b>57</b>
Income Tax	0	0
Dividend	0	0
<b>Net Increase in Operating Capability</b>	<b>(54)</b>	<b>57</b>
<p>Note 1: Other Full Cost Attribution includes Group Manager and Service Manager costs and payroll tax.</p> <p>Note 2: Competitive Neutrality Adjustment is for the increase in Employer Superannuation Contribution compared with industry standards and the increase in employee wages compared to award.</p>		

## School Age Care Balance Sheet

	Anticipated 2008/09 (\$000's)	Budget 2009/10 (\$000's)
<b>Current Assets</b>		
RCC Contribution from General Reserve	67	135
Cash	1	62
<b>Total Current Assets</b>	<b>68</b>	<b>197</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	29	21
<b>Total Non Current Assets</b>	<b>29</b>	<b>21</b>
<b>Total Assets</b>	<b>97</b>	<b>218</b>
<b>Current Liabilities</b>		
Other Liabilities	125	126
Provisions	77	68
<b>Total Current Liabilities</b>	<b>202</b>	<b>194</b>
<b>Non Current Liabilities</b>		
Provisions	156	228
<b>Total Non Current Liabilities</b>	<b>156</b>	<b>228</b>
<b>Total Liabilities</b>	<b>358</b>	<b>422</b>
<b>Net Business Unit Assets</b>	<b>(261)</b>	<b>(204)</b>
<b>Business Unit Equity</b>		
Retained Earnings	(261)	(204)
<b>Total Business Unit Equity</b>	<b>(261)</b>	<b>(204)</b>

## Redland Performing Arts Complex Operating Statement

	Anticipated 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Operating revenue	255	302
Internal Revenue	5	13
Community Service Obligations (Note 3)	46	770
	307	1,085
<b>Expenditure</b>		
Employee Costs	568	676
Materials & Services	552	673
Depreciation	388	376
Internal Expenditure	112	137
Other Full Cost Attribution (Note 1)	59	62
Competitive Neutrality Adjustments (Note 2)	(9)	(9)
	1,671	1,915
<b>Operating Surplus/(Deficit)</b>	<b>(1,364)</b>	<b>(830)</b>
Income Tax	0	0
Dividend	0	0
<b>Net Increase in Operating Capability</b>	<b>(1,364)</b>	<b>(830)</b>
<p>Note 1: Other Full Cost Attribution includes Group Manager and Service Manager costs and payroll tax.</p> <p>Note 2: Competitive Neutrality Adjustment is for the increase in Employer Superannuation Contribution compared with industry standards.</p> <p>Note 3: Community Service Obligations is an estimate at this time. A Community Service Obligation is a Council contribution to the business unit to provide non-commercialised services to the community.</p>		

## Redland Performing Arts Complex Balance Sheet

	Anticipated 2008/09 (\$000's)	Budget 2009/10 (\$000's)
<b>Non Current Assets</b>		
Property, Plant and Equipment	12,206	11,778
<b>Total Non Current Assets</b>	<b>12,206</b>	<b>11,778</b>
<b>Total Assets</b>	<b>12,206</b>	<b>11,778</b>
<b>Current Liabilities</b>		
Provisions	10	20
<b>Total Current Liabilities</b>	<b>10</b>	<b>20</b>
<b>Non Current Liabilities</b>		
Other Liabilities	28	13
Internal Loan	886	2,021
Loans	11,036	10,358
Provisions	14	32
<b>Total Non Current Liabilities</b>	<b>11,964</b>	<b>12,424</b>
<b>Total Liabilities</b>	<b>11,974</b>	<b>12,444</b>
<b>Net Business Unit Assets</b>	<b>232</b>	<b>(666)</b>
<b>Business Unit Equity</b>		
Retained Earnings	232	(666)
<b>Total Business Unit Equity</b>	<b>232</b>	<b>(666)</b>

## Building Certification Operating Statement

	Anticipated 2008/2009 (\$000's)	Budget 2009/2010 (\$000's)
<b>Revenue</b>		
Operating revenue	461	590
Internal Revenue	348	368
Community Service Obligations (Note 3)	313	325
	1,122	1,283
<b>Expenditure</b>		
Employee Costs	1,056	1,106
Materials & Services	131	97
Depreciation	0	0
Internal Expenditure	317	119
Other Full Cost Attribution (Note 1)	51	54
Competitive Neutrality Adjustments (Note 2)	(26)	(27)
	1,529	1,349
<b>Operating Surplus/(Deficit)</b>	<b>(408)</b>	<b>(66)</b>
Income Tax	0	0
Dividend	0	0
<b>Net Increase in Operating Capability</b>	<b>(408)</b>	<b>(66)</b>
<p>Note 1: Other Full Cost Attribution includes payroll tax.</p> <p>Note 2: Competitive Neutrality Adjustment is for the increase in Employer Superannuation Contribution compared with industry standards.</p> <p>Note 3: Community Service Obligations is an estimate at this time. A Community Service Obligation is a Council contribution to the business unit to provide non-commercialised services to the community.</p>		

## Building Certification Balance Sheet

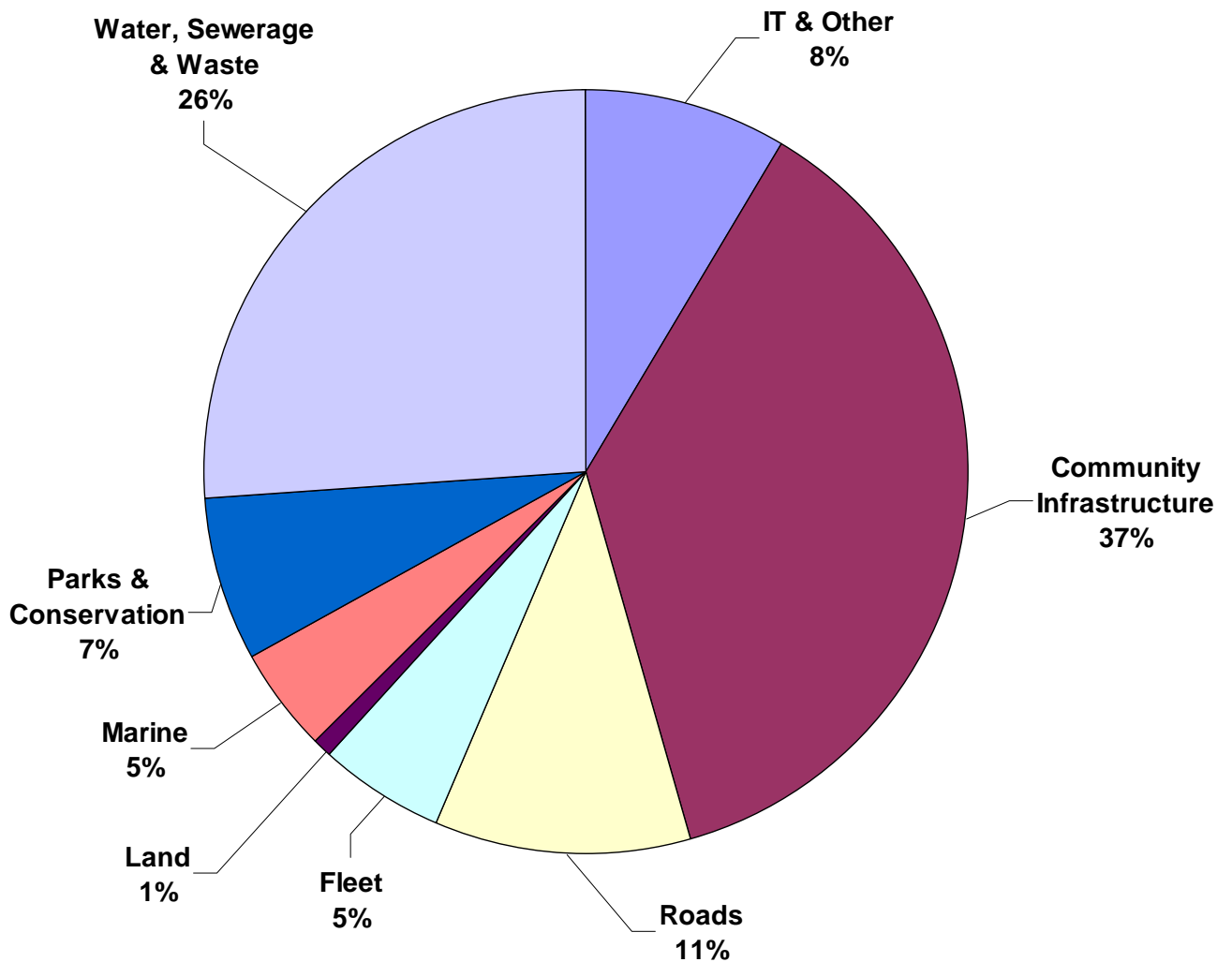
	Anticipated 2008/09 (\$000's)	Budget 2009/10 (\$000's)
<b>Current Assets</b>		
Cash	281	215
<b>Total Current Assets</b>	<b>281</b>	<b>215</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	2	3
<b>Total Non Current Assets</b>	<b>2</b>	<b>3</b>
<b>Total Assets</b>	<b>283</b>	<b>218</b>
<b>Current Liabilities</b>		
Provisions	72	66
<b>Total Current Liabilities</b>	<b>72</b>	<b>66</b>
<b>Non Current Liabilities</b>		
Provisions	103	80
<b>Total Non Current Liabilities</b>	<b>103</b>	<b>80</b>
<b>Total Liabilities</b>	<b>175</b>	<b>146</b>
<b>Net Business Unit Assets</b>	<b>108</b>	<b>72</b>
<b>Business Unit Equity</b>		
Retained Earnings	108	72
<b>Total Business Unit Equity</b>	<b>108</b>	<b>72</b>



## CAPITAL EXPENDITURE 2009/2010

Total \$75m (excluding contributed assets)

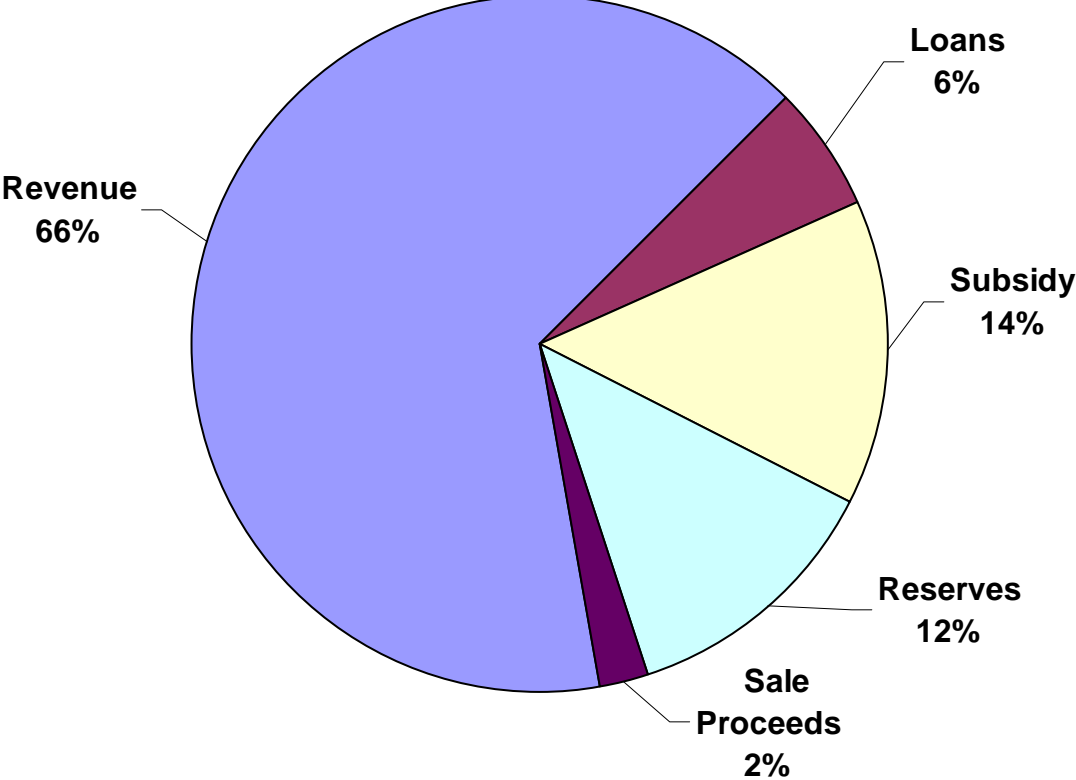
The Capital Expenditure Program aims to provide for upgrades to Council's existing infrastructure to ensure long term sustainability and to make provision for new asset acquisitions, taking advantage of latest advances in technical research. A total of \$75 million has been planned for capital works in 2009/2010. There are significant provisions across all Council departments, the details of which are provided in the Schedule of Capital Works pages 50 to 56.



# CAPITAL EXPENDITURE FUNDING SOURCES 2009/2010

Total \$75m (excluding contributed assets)

The sources of Capital Expenditure funding are shown below:



## SCHEDULE OF CAPITAL WORKS 2009/2010

The Schedule of Capital Works for the 2009/2010 financial year has been planned based upon the priorities of the Corporate Plan and necessary additional infrastructure required throughout the City. Additionally, the program also includes capital investment into Council's technology and capability that will assist in the delivery and maintenance of the infrastructure throughout the City.

### Governance Department

#### **Marketing & Communications**

Communications - Graphic and Web Development	10,700
Web Services	5,500
<b>Total Marketing &amp; Communications</b>	<b>16,200</b>

Miscellaneous Minor Capital Expenditure for Governance	4,500
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<b>Total for Governance</b>	<b>20,700</b>
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### Customer Services Department

#### **Customer Services General Management Group**

Customer Services Plant Purchases	323,592
Customer Services Furniture Purchases	40,105
State Emergency Services (SES)	31,600
Commercialised Services Minor Capital Equipment	25,000

<b>Total Customer Services General Management Group</b>	<b>420,297</b>
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**Customer & Community Services Group**

Technical Services	945,960
Cleveland Library Renovations	313,370
Cleveland Cemetery Internal Road System Upgrade	200,000
Grants Unit Program	70,000
Showgrounds Power Boards	50,000
Library Self Check in/Checkout System	48,000
Customer Services Capital IT Purchases	37,900
Corporate Library	32,000
Cleveland Showgrounds	27,500
Cleveland Aquatic Centre	26,700
Admin - Community Halls	23,000
Capalaba Library	18,650
Gallery Track Lighting Replacement	17,000
Public Art & Acquisitions	16,400
Victoria Point Library	16,200
Cleveland Library	7,750
Redland Art Gallery	2,500
Library Support Services Administration	2,400
Admin - Customer Services Operations	1,600
<b>Total Customer &amp; Community Services Group</b>	<b>1,856,930</b>

**Operations & Maintenance Group**

Seal Gravel Road	1,620,432
Transport Trunk Infrastructure	896,000
Residential Street Upgrade Program	759,465
SMBI Reserve	734,950
Stormwater Trunk Infrastructure	545,000
Road Reconstruction Program	317,193
School Safe	205,656
Reseals & Resurfacing	186,365
Parks Maintenance	157,280
Drainage Program	132,592
Playgrounds Upgrade	80,000
SMBI Road Sealing	65,250
Conservation Areas	30,000
Lighting Paths/Streets/Walkways	25,712
Paths & Trails	20,000
<b>Total Operations &amp; Maintenance Group</b>	<b>5,775,894</b>

**Project Delivery Office**

Transport Trunk Infrastructure	11,099,877
Waste Management Facilities	4,335,000
Reseals & Resurfacing	3,750,000
Open Space Trunk Infrastructure	2,738,781
Cycleway Trunk Infrastructure	2,550,223
Foreshore Protection	1,273,075
Road Reconstruction Program	1,104,627
SMBI Reserve	809,350
Paths & Trails	603,900
Upgrade of Caravan Parks	508,040
Community Development	329,100
Seal Gravel Road	191,846
Cultural	150,000
Raby Bay Revetment Wall	125,000
Residential Street Upgrade Program	120,060
Administrative	66,275
Stormwater Trunk Infrastructure	50,000
Marine SMBI	36,000
Conservation Areas	29,000
School Safe	25,300
Building Program	25,000
Drainage Program	16,635
Local Area Traffic Management	16,211
SMBI Road Sealing	8,250
Computer Software/Hardware Projects	7,500
Public Carparking	6,000
<b>Total Project Delivery Office</b>	<b>29,975,050</b>

**Commercial Services**

Mobile Garbage Bins	166,390
Minor Capital Improvements	100,000
Performing Arts Centre Opening Operation	48,450
Wasteman Upgrade	40,000
RCCC Kitchen Enhancement	20,780
Path Resurfacing	20,000
<b>Total Commercial Services</b>	<b>395,620</b>

**Total for Customer Services Department****38,423,791**

**Redland Water****Water Supply Group**

Reticulation - Backlog Fire Flow augmentation	2,486,568
Retail Water - Unlined Fittings	706,000
Amity Point - reticulation	591,583
Trunk - Backlog fire flow augmentation	588,969
Meter Replacement Program	521,000
Dunwich - reticulation	334,210
Dunwich ICS - Trunk	190,291
New Water Services (Mainland & SMBI)	180,875
General Manager Unit Allocations	35,000
Retail water main construction	25,000
Fireflow Backlog	14,134
Bulk Asset Replacement & Renewal	5,000
Water Billing capital	5,000
<b>Total Water Supply Group</b>	<b>5,683,630</b>

**Waste Water Group**

Sewerage Pump Station #6 - Augmentation	3,640,175
Pump Station # 86	834,720
Sewer Maintenance Holes	321,000
Major Breakdown and Replacement	290,000
Sewer Pump Station Switchboard	200,000
CCTV Camera	120,000
Point Lookout Sewerage	100,000
Effluent & Recycled Water City	100,000
Sewerage Pump Statn Asset Rehabilitation	100,000
Sewerage Pump Station #100	100,000
Pump Station 2 inlet augmentation	79,590
Capalaba WWTP	50,000
Wastewater SCADA System	50,000
Mains Rehabilitation	50,000
Pump Station Flow & Pressure	50,000
Minor Sewer Extensions	34,000
Breathing Apparatus	25,000
Victoria Point WWTP	10,000
<b>Total Waste Water Group</b>	<b>6,154,485</b>

**Total for Redland Water**


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**11,838,115**


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**Planning and Policy Department****Planning & Policy GM Group**

Planning & Policy Division Administration	3,000
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<b>Total Planning &amp; Policy GM Group</b>	<b>3,000</b>
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**Land Use Management Group**

SMBI Land Exchange Program	640,000
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Local Area & Strategic Administration	27,000
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Land Use Administration	1,623
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<b>Total Land Use Management Group</b>	<b>668,623</b>
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**Environmental Management Group**

Conservation Land Acquisitions	3,713,920
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Shade in Parks Project	235,000
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Raby Bay Foreshore - Park	218,000
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Parks Upgrade Op - Standards	143,700
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SMBI Open Space Land Acquisition	134,400
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Public Amenities - Program	80,000
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Conservation Fauna Land Bridge Design	50,000
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Capalaba Regional Park Upgrade Stage 3	40,960
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Waterways Infrastructure	6,000
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Environmental Protection Administration	3,151
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<b>Total Environmental Management Group</b>	<b>4,625,131</b>
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**Community & Social Planning Group**

Pt Lookout Hall Extension	565,000
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Donald Simpson Centre Improvements	290,000
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Pinklands Sportsfields Improvements	168,782
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Sport & Recreation Projects	100,000
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Sportsfield Lighting - General	59,931
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Community Facility - Russell Island	50,000
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Pioneer Park - Upgrade	50,000
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Community & Social Planning Administration	31,281
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Oyster Point Park, Cleveland - Fit for Life	25,000
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Yeo Park, Victoria Point - Fit for Life	25,000
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Sel Outridge Pk, Redland Bay - Fit for Life	25,000
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William Stewart Pk, Thornlands - Fit for Life	25,000
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Russell Island Museum Improvements	15,000
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Events Infrastructure Various	13,000
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NSI Sport & Recreation Facilities	8,100
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Amity Point Land Management Plan Implementation	3,500
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Dunwich Land Management Plan Implementation	3,500
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<b>Total Community &amp; Social Planning Group</b>	<b>1,458,093</b>
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**Infrastructure Planning Group**

Baythorne/King Collector	1,640,800
Sustainable Resource and Waste Facility	1,070,000
Mainroyal Ct (4) - Revetment Wall Repairs	860,000
Serpentine Ck Rd/Donald Rd - Intersection Upgrade	800,000
Piermont Place (50) - Revetment Wall Repairs	730,000
Land Purchase - Above Q100 South of King	659,200
Landfill Gas Redland Bay	600,000
C&D Recovery Site Establishment	315,000
Redland Bay Leachate to Sewer	300,000
Bus Stops & Lay Bys	270,000
Macleay Island Waste Transfer Station	252,000
Streetscaping Program	200,000
Queen St & Government Rd - Kerb & Channel & Traffic Islands	180,784
Cycleway, High St, Russell Is	180,000
Marine SMBI Facilities Renewal	160,000
External Works	123,000
Attunga Street Recreational Bridge	110,000
Marine Facilities Renewal	100,000
DDA Improvements - Bus Stops	95,000
Path & Trail Rehabilitation	85,600
Land Purchase - Below Q100 South of King	78,000
Lamb Island - Boat Ramp Toe Planks	72,179
Kennedy's Farm - Russell Is	72,000
Rickertt/Quarry Rd Widening	71,591
Paths & Trail Program	45,000
Russell Island Waste Transfer Station	40,000
Ferry Road Landside Facilities for Boating	25,000
Aquatic Paradise Navigational Beacon	15,000
Russell Is - Upgrade Trailer Parking	6,300
Macleay Island Revetment Wall Upgrade	4,500
<b>Total Infrastructure Planning Group</b>	<b>9,160,954</b>

**Total for Planning & Policy Department****15,915,802****Regulatory Services Department****Development Coordination**

Customer Services Capital IT Purchases	12,000
<b>Total Development Coordination</b>	<b>12,000</b>

**Regulatory & Health**

Customer Services Capital IT Purchases	19,913
Car park Re-Sealing	5,000
Exercise Yard Extension	5,000
<b>Total Regulatory &amp; Health</b>	<b>29,913</b>

**Total for Regulatory Services Department****41,913**



**Corporate Services Department****Human Resources Group**

Kronos/Upgrades	60,000
E-learning Solutions	35,000
Aurion/Upgrades	16,000

**Total Human Resources Group** **111,000**

**Information Management Group**

Server Replacement Program - IT	600,000
Peripheral and Communications Replace Program	591,000
Telecommunications Upgrade	90,000
IT Area Refurbishment	65,000
Digital Signature Software	60,000
Upgrade Firewall Security	50,000
Maximo Service Request Management	50,000
Corporate Systems/Support	30,000
Network & Voice Services/Support	20,000
Cabling Replacement Program - IT	20,000
Remote Access Replacement Program - IT	15,000
Telecommunications Upgrade	15,000
Corporate Application Licences	11,000
Replacement Program for Low End	10,000
IM Group - Miscellaneous Capital Expenses	8,170

**Total Information Management Group** **1,635,170**

**Corporate Acquisitions, Fleet & Facilities Group**

Fleet Replacement Program	3,841,238
Upgrade of the Fleet Workshop Heavy	95,000
Security Systems	93,000
Chambers Refurbishment	80,000
Office Equipment and Furniture	67,500
Sewer Connection to Coochie Amenities	50,000
Plant and Equipment - Building Management	45,000
Staff Relocations	37,500
Fixtures and Fittings - Building Management	28,124
Fleet Administration - Miscellaneous Capital Expenses	27,000
Internal Plant Hire Tracking Facility	25,000
Warehousing	15,000
Managing Supply Services	1,367
Purchasing Operations	1,010

**Total Corporate Acquisitions, Fleet & Facilities Group** **4,406,739**

**Water Reform**

Retail Establishment Costs	2,626,000
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**Total Water Reform** **2,626,000**

**Total for Corporate Services Department**

**8,778,909**

**TOTAL RCC CAPITAL WORKS 2009/2010**

**75,019,230**

# BORROWING POLICY

## Head of Power

Section 4(d) of the *Local Government Finance Standard 2005* states that a Local Government must develop a policy about borrowings. Furthermore Council's borrowing activities are governed by the *Statutory Bodies Financial Arrangements Act 1982* and Section 525 of the *Local Government Act 1993*.

## Objectives

The objective of the policy is to ensure the sound management of Council's existing and future debt.

## Scope

This borrowing policy applies for the 2009/10 financial year. This policy will be reviewed annually and amended as and when required to meet the prevailing circumstances of Council.

## POLICY STATEMENT

### Borrowing Purposes

- Borrowings will only be used to finance capital works that will provide services now and into the future. No borrowings will be used to finance recurrent expenditure and the operational activities of the Council.
- When seeking funding for capital works Council will, wherever possible, use its existing cash reserves. The use of any existing cash reserves will be subject to maintaining all relevant financial ratios and measures within adopted targets.

### Repayments and Repayment Ability

- Borrowings will be undertaken for capital works only where the interest and debt principal repayments can be serviced and relevant financial ratios and measures are maintained within approved targets.
- The existing debt will be repaid to the Queensland Treasury Corporation Debt Pool on a quarterly basis in accordance with the weighted term of the Loan.
- The debt service payments will be made during the first month of the quarter instead of the last month, in order to minimise the interest expense, providing sufficient cash resources are available to Council.
- If sufficient cash resources are available then Council may further consider repaying quarterly instalment(s) in advance.
- Council will continue to discharge this debt in the shortest possible time subject to overall budgetary constraints.
- New loans will be taken up only if the subsequent increase in debt servicing payments allows the total debt servicing ratio to remain within corporate targets.

### Debt Term

The term of new loans will be a maximum of fifteen years for both Waste and General requirements. The debt term shall not exceed the finite life of the related asset.

The expected terms of Council's loans calculated on the estimated market values as at the 1 July 2009 are as follows:

Waste	13.76 Years
Other Council Loans	12.38 Years

### Borrowing Sources

Council shall raise all external borrowing at the most competitive rates available and from sources as defined by legislation.

## Proposed Borrowings

For the 2009/2010 financial year, in accordance with February 2003 *Local Government Act* amendments, Council has budgeted to raise the borrowings on an entity basis.

This provides Council with improved flexibility in relation to attribution of loans to projects. Current planning by Council is to attribute significant borrowings for the period 2009/10 to 2013/14 to the following major items:

- Road works and drainage works and upgrades
- Stormwater trunk infrastructure
- Public car parking
- Paths & trails, cycle ways, open park facilities and parks upgrades
- Foreshore protection & marine infrastructure
- Public amenities
- Community hall upgrades
- Waste Management Facility

Total borrowing requirements over the next five years are expected to be in the order of, \$4.408 million for 2009/10, \$1.890 million for 2010/11, \$2.103 million for 2011/12, \$2.346 million for 2012/13 and \$2.598 million for 2013/14.

Council will review the requirement for borrowings throughout the 2009/10 year and may adjust repayment scheduling should funds not be required to this level.

## Schedule of Total Redland City Council Debt

<b>Debt Schedule</b>	<b>Estimated Opening Balance 1/7/09 \$000's</b>	<b>Budgeted New Loans 2009/10 \$000's</b>	<b>Budgeted Interest 2009/10 \$000's</b>	<b>Budgeted Redemption 2009/10 \$000's</b>	<b>Estimated Closing Balance 30/6/10 \$000's</b>
General	39,661	2,208	2,532	2,096	39,773
Waste	1,000	2,200	54	65	3,135
<b>Total</b>	<b>40,661</b>	<b>4,408</b>	<b>2,586</b>	<b>2,161</b>	<b>42,908</b>

# REVENUE POLICY 2009/2010

## Head of Power

Section 513A of the *Local Government Act 1993* requires that a local government must prepare and adopt a revenue policy.

## Policy Objective

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

- Making of rates and charges;
- Levying of rates;
- Recovery of rates and charges; and
- Exercise of concession powers in relation to rates and charges.

## POLICY STATEMENT

### The Making of Rates and Charges

Council makes rates and charges to fund the provision of valuable services to our community. In adopting its annual budget, Council may make rates and charges at a level that will provide for both current and future community requirements.

Council will be guided by the following principles in making rates and charges:

- Representation - Council will act in the interest of the whole community that it serves taking into account all matters relevant to the making of the rate or charge.
- Equity – Council will take into consideration the:
  - cost of the service, activity or facility;
  - different impact and usage patterns of services, activities and facilities by various segments of our community; and
  - capacity to pay by limiting the impact of valuation increases.
- User Pays – where applicable Council will apply the principle that customers pay for the services they use.

### General Rates

General Rate revenue provides essential whole of community services not funded through subsidies, grants, contributions or donations received from other entities, or not provided for by other levies or charges. Council will consider all full cost recovery options before calculating the general rate. The general rate for commercial ratepayers will contribute funds to support economic and tourism promotion across the City.

The Unimproved Capital Valuation for each property determines the amount of the general rate levied, however Council recognises that significant valuation increases can have an adverse effect on ratepayers. For this reason Council will apply a differential rating methodology that takes into consideration the impact and usage patterns of Council services, activities and facilities by various segments of our community, balances distribution, limits the impact of changes in Unimproved Capital Value, and progresses Council's viewpoint that, legislation permitting, the cost and level of services provided to like households should be distributed evenly.

### The Levying of Rates

In levying rates, Council will apply the principles of:

- consistency by scheduling the issue of rate notices on a quarterly basis;
- communication by advising ratepayers about rate notice issue dates and by providing meaningful information on rate notices so that ratepayers clearly understand their responsibilities; and
- flexibility by providing a range of payment options that enable payment to be made 24 hours a day, 7 days a week.

### The Recovery of Unpaid Rates and Charges

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:

- 
- transparency by making clear the responsibility of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
  - cost effectiveness which will be applied through the processes used to recover outstanding rates and charges;
  - equity by treating situations of a like kind in a like manner; and
  - flexibility by providing payment arrangements to ratepayers in financial difficulty.

### **The Exercise of Concession Powers in Relation to Rates and Charges**

Chapter 14, part 6 of the *Local Government Act 1993* provides Council with the powers to grant concessions to individuals and classes of land owners. Council has determined that pensioners as defined by the *Local Government Act 1993* are entitled to receive concessions on rates and various other services that Council provides to the community. Other charitable organisations, community groups, sporting associations and independent schools may also be entitled to concessions.

Pursuant to Section 1035A of the *Local Government Act 1993* Council will provide a concession to property owners whose land is being used for the business of farming (primary production) to assist and encourage endurance in their particular industry, which will benefit the economic development of the City as a whole.

In exercising these concession powers, Council will be guided by the principles of:

- equity by treating situations of a like kind in a like manner;
- transparency by making clear the requirements necessary to receive concessions; and
- communication by raising the awareness of target groups that may qualify for these concessions.

## REVENUE STATEMENT 2009/2010

### Differential General Rates

Redland City Council has adopted a differential rating scheme for the 2009/2010 financial year that balances distribution, limits the impact of changes in Unimproved Capital Value and takes into consideration the impact and usage patterns of Council services, activities and facilities by various segments of our community; and progresses Council's viewpoint that, legislation permitting, the cost and level of services provided to like households should be distributed evenly.

The scheme has 35 categories of land:–

Category	Criteria
1a	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation of \$181,161 or less that is the registered owner's principal place of residence. This category includes vacant land.
1b	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$181,162 and \$405,456 that is the registered owner's principal place of residence. This category includes vacant land.
1c	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$405,457 and \$611,418 that is the registered owner's principal place of residence. This category includes vacant land.
1d	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$611,419 and \$819,996 that is the registered owner's principal place of residence. This category includes vacant land.
1e	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation equal to or greater than \$819,997 that is the registered owner's principal place of residence. This category includes vacant land.
2a	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation of \$181,162 or less that is NOT the registered owner's principal place of residence.
2b	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$181,163 and \$405,455 that is NOT the registered owner's principal place of residence.
2c	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$405,456 and \$611,419 that is NOT the registered owner's principal place of residence.
2d	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$611,420 and \$819,999 that is NOT the registered owner's principal place of residence.
2e	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation equal to or greater than \$820,000 that is NOT the registered owner's principal place of residence.
3a	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation of \$120,004 or less that is the registered owner's principal place of residence. This category includes vacant land.
3b	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$120,005 and \$144,236 that is the registered owner's principal place of residence. This category includes vacant land.
3c	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$144,237 and \$163,980 that is the registered owner's principal place of residence. This category includes vacant land.
3d	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$163,981 and \$195,352 that is the registered owner's principal place of residence. This category includes vacant land.
3e	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$195,353 and \$237,155 that is the registered owner's principal place of residence. This category includes vacant land.
3f	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$237,156 and \$314,950 that is the registered owner's principal place of residence. This category includes vacant land.
3g	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$314,951 and \$445,920 that is the registered owner's principal place of residence. This category includes vacant land.

Category	Criteria
3h	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation equal to or greater than \$445,921 that is the registered owner's principal place of residence. This category includes vacant land.
4a	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation of \$117,072 or less that is NOT the registered owner's principal place of residence.
4b	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$117,073 and \$146,433 that is NOT the registered owner's principal place of residence.
4c	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$146,434 and \$159,018 that is NOT the registered owner's principal place of residence.
4d	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$159,019 and \$187,558 that is NOT the registered owner's principal place of residence.
4e	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$187,559 and \$208,723 that is NOT the registered owner's principal place of residence.
4f	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$208,724 and \$253,102 that is NOT the registered owner's principal place of residence.
4g	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$253,103 and \$362,571 that is NOT the registered owner's principal place of residence.
4h	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation equal to or greater than \$362,572 that is NOT the registered owner's principal place of residence.
5a	Includes all rateable land with an unimproved capital valuation of \$111,121 or less that is used, or is intended for residential use or any other purpose other than Commercial or Industrial that has been identified in the <i>Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006</i> that has recognised development potential and where the current owner was in possession of the land immediately before 13 April 2005. The development entitlements, which existed under the 'superseded' Transitional Planning Scheme, have been protected on these lots for a period of ten years from the commencement of the Redlands Planning Scheme or until a change in ownership occurs. The protection of development entitlements does not extend to future owners of land included in this category. Land in this category is included in the Conservation Sub-Area CN1 zone of the Redlands Planning Scheme.
5b	Includes all rateable land and with an unimproved capital valuation that is between \$111,122 and \$149,219 that is used, or is intended for residential use or any other purpose other than Commercial or Industrial that has been identified in the <i>Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006</i> that has recognised development potential and where the current owner was in possession of the land immediately before 13 April 2005. The development entitlements, which existed under the 'superseded' Transitional Planning Scheme, have been protected on these lots for a period of ten years from the commencement of the Redlands Planning Scheme or until a change in ownership occurs. The protection of development entitlements does not extend to future owners of land included in this category. Land in this category is included in the Conservation Sub-Area CN1 zone of the Redlands Planning Scheme.
5c	Includes all rateable land and with an unimproved capital valuation equal to or greater than \$149,220 that is used, or is intended for residential use or any other purpose other than Commercial or Industrial that has been identified in the <i>Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006</i> that has recognised development potential and where the current owner was in possession of the land immediately before 13 April 2005. The development entitlements, which existed under the 'superseded' Transitional Planning Scheme, have been protected on these lots for a period of ten years from the commencement of the Redlands Planning Scheme or until a change in ownership occurs. The protection of development entitlements does not extend to future owners of land included in this category. Land in this category is included in the Conservation Sub-Area CN1 zone of the Redlands Planning Scheme.
6	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island that is used for full commercial or industrial use. This category includes not-for-profit organisations and clubs.
7	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands that is used for full commercial or industrial use. This category includes not-for-profit organisations and clubs.

Category	Criteria
8	Includes all rateable land that is used for quarry or extractive industry purposes. An extractive industry is any activity that removes material substance from the ground.
9	Includes all rateable land that is used for the purpose of a major shopping centre that has a leasable area of not less than 5,000m <sup>2</sup> .
10	Includes all rateable land that has been identified as having an insurmountable drainage constraint such that it is unlikely a development permit, or permits, for the erection of a dwelling house on the land would be granted. Includes some rateable land that has been identified as having significant conservation values. All rateable land included in this category identified with insurmountable drainage problems or conservation values is zoned Conservation Sub-Area CN1 in the Redlands Planning Scheme.  This category also includes all rateable land on the Southern Moreton Bay Islands that is vacant and has been included within the Open Space zone of the Redlands Planning Scheme.
11	In accordance with Section 25 of the <i>Valuation of Land Act 1944</i> (Valuation-discounting for subdivided land), for the purpose of levying the General Rate the Unimproved Capital Valuation (UCV) of land subject to this Section will be discounted by 40%. Furthermore, a minimum general rate will not apply to this land in accordance with Section 967 (4) of the <i>Local Government Act 1993</i> .

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

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

Rating Category	Band		Rate In the Dollar	Minimum General Rate [MGR]	MGR Threshold	Attribute Type (RCC Use Only)
	From	To				
1a	\$0	\$181,161	0.00510207	\$649.39	\$127,280.34	GR20 GR40
1b	\$181,162	\$405,456	0.00428574	\$924.30	\$215,667.93	GR20 GR40
1c	\$405,457	\$611,418	0.00408166	\$1,737.68	\$425,728.38	GR20 GR40
1d	\$611,419	\$819,996	0.00387757	\$2,495.60	\$643,598.22	GR20 GR40
1e	\$819,997	\$99,999,999	0.00367349	\$3,179.60	\$865,551.63	GR20 GR40
2a	\$0	\$181,162	0.00522962	\$665.63	\$127,279.92	GR25 GR45
2b	\$181,163	\$405,455	0.00439288	\$947.41	\$215,669.04	GR25 GR45
2c	\$405,456	\$611,419	0.00418370	\$1,781.11	\$425,727.49	GR25 GR45
2d	\$611,420	\$819,999	0.00397451	\$2,557.99	\$643,598.84	GR25 GR45
2e	\$820,000	\$99,999,999	0.00376533	\$3,259.09	\$865,554.29	GR25 GR45
3a	\$0	\$120,004	0.00740692	\$822.19	\$111,003.39	GR30 GR50
3b	\$120,005	\$144,236	0.00697263	\$888.86	\$127,478.67	GR30 GR50
3c	\$144,237	\$163,980	0.00674425	\$1,005.71	\$149,120.63	GR30 GR50
3d	\$163,981	\$195,352	0.00609228	\$1,105.92	\$181,528.10	GR30 GR50
3e	\$195,353	\$237,155	0.00565605	\$1,190.14	\$210,418.65	GR30 GR50
3f	\$237,156	\$314,950	0.00517905	\$1,341.36	\$258,997.31	GR30 GR50
3g	\$314,951	\$445,920	0.00516786	\$1,631.14	\$315,631.62	GR30 GR50
3h	\$445,921	\$99,999,999	0.00478717	\$2,304.45	\$481,380.44	GR30 GR50
4a	\$0	\$117,072	0.00758766	\$838.43	\$110,498.57	GR35 GR55
4b	\$117,073	\$146,433	0.00698779	\$888.30	\$127,121.74	GR35 GR55
4c	\$146,434	\$159,018	0.00669578	\$1,023.25	\$152,819.54	GR35 GR55
4d	\$159,019	\$187,558	0.00652188	\$1,064.75	\$163,258.20	GR35 GR55
4e	\$187,559	\$208,723	0.00595012	\$1,223.23	\$205,580.66	GR35 GR55
4f	\$208,724	\$253,102	0.00554076	\$1,241.92	\$224,143.33	GR35 GR55
4g	\$253,103	\$362,571	0.00533997	\$1,402.38	\$262,619.45	GR35 GR55
4h	\$362,572	\$99,999,999	0.00478264	\$1,936.12	\$404,821.60	GR35 GR55
5a	\$0	\$111,121	0.00766742	\$822.19	\$107,232.05	GR24



Rating Category	Band		Rate In the Dollar	Minimum General Rate [MGR]	MGR Threshold	Attribute Type (RCC Use Only)
	From	To				
5b	\$111,122	\$149,219	0.00714721	\$852.01	\$119,209.03	GR24
5c	\$149,220	\$99,999,999	0.00666602	\$1,066.50	\$159,990.52	GR24
6	\$0	\$99,999,999	0.00522962	\$662.63	\$126,707.87	GR21
7	\$0	\$99,999,999	0.00752734	\$835.43	\$110,986.62	GR31
8	\$0	\$99,999,999	0.01505110	\$1,147.05	\$76,210.14	GR22
9	\$0	\$99,999,999	0.00867352	\$3,649.72	\$420,788.75	GR23 GR43
10	\$0	\$99,999,999	0.00510207	\$115.88	\$22,711.62	GR06
11	\$0	\$99,999,999	0.00522962	n/a	n/a	GR05

## Limitation on Increase of General Rates

Council recognises that significant valuation increases have an adverse effect on ratepayers and as such will cap general rate increases on the following categories of land to a maximum of:

- 16% pa on all land categorised within the rating categories of 1a to 1e and 10;
- 20% pa on all land categorised in 2a to 2e;
- 30% pa on all land categorised within the rating category of 9; and
- 40% pa on all land categorised in 3a to 3h, 4a to 4h and 5a to 5c.

In the event a general rate has not been levied on a property for the whole of 2008/2009, Council will calculate the corresponding annual amount that would have been applied for the whole of 2008/2009 to determine whether a cap will apply in 2009/2010.

In the event that the ownership of a property is transferred (excluding Transmission by Death or Record of Death) or there is a change to the rating category, the cap will be removed from the first day of the next financial year for a period of 12 months. On expiry of this period the property will become eligible for capping, except in the event the property is on-sold during that financial year.

## Utility Charges

Utility charges are made and levied in accordance with Sections 963, 973, 973A, and 973AA of the *Local Government Act 1993*, and Council's policies:

- Corporate Policy POL-3028 — Application of Water Charges;
- Corporate Policy POL-3045 – Application of Water Charges for Nursing Homes and Retirement Villages;
- Corporate Policy POL-3027 — Wastewater Services – Application of Charges
- Corporate Policy POL-2836 — Waste and Recycling Collection Services; and
- Statutory Policy POL-1234 — Trade Waste Policy

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

## Water Charges

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

## Access Charges

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

- the main roof structure of an occupied dwelling is constructed over the adjoining boundary line of those lots, or
- one of the adjoining lots would, if sold separately, be unable to lawfully accommodate a dwelling, or

- one of the adjoining lots would not be issued a building permit unless an existing approved structure was removed,

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

Base Rate BW01, BW03, BW04 (domestic)	\$233.50 per meter/lot
Base Rate BW02 (caravan parks)	\$58.38 per unit

<b>Units, Flats, Guest Houses, Multiple Dwellings 20mm to 150mm and Residential 25mm to 150mm</b>		
<b>Meter Size</b>	<b>Attribute Type</b>	<b>Charge</b>
20mm	BM20	\$233.50
25mm	BM25	\$365.00
32mm	BM32	\$598.00
40mm	BM40	\$934.00
50mm	BM50	\$1,459.00
80mm	BM80	\$3,736.00
100mm	BM100	\$5,838.00
150mm	BM150	\$13,134.00
<b>Commercial and Industrial</b>		
<b>Meter Size</b>	<b>Attribute Type</b>	<b>Charge</b>
20mm	BW20	\$304.00
25mm	BW25	\$475.00
32mm	BW32	\$777.00
40mm	BW40	\$1,214.00
50mm	BW50	\$1,897.00
80mm	BW80	\$4,857.00
100mm	BW100	\$7,589.00
150mm	BW150	\$17,074.00

## Consumption Charge

The consumption charge is calculated on a tiered basis for Residential and Concessional, and at a flat rate for Non-residential and Council.

WC01 Residential (Domestic, Caravan Parks, Units, Flats, Guest Houses, Multiple Dwellings) WC03 Concessional	
<ul style="list-style-type: none"> <li>First 400 litres per day (146kl pa)</li> <li>Between 401 and 800 litres per day (146kl to 292kl pa)</li> <li>Above 800 litres per day (292kl pa)</li> </ul>	<ul style="list-style-type: none"> <li>\$1.55 per kilolitre</li> <li>\$1.95 per kilolitre</li> <li>\$2.35 per kilolitre</li> </ul>
WC02 Non-residential (Commercial, Industrial)	\$2.35 per kilolitre
WC04 Council	\$2.35 per kilolitre
Recycled Water	\$1.55 per kilolitre

## Wastewater Charges

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

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

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

- the main roof structure of an occupied dwelling is constructed over the adjoining boundary line of those lots, or
- one of the adjoining lots would, if sold separately, be unable to lawfully accommodate a dwelling, or

- one of the adjoining lots would not be issued a building permit unless an existing approved structure was removed,

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

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

Base Charge (SW01)		\$26.00 per unit
Trade Waste Generator Charge (TP01)		\$290.00 pa
Trade Waste Discharge – Volume (TW01):		\$1.61 per kl
Trade Waste Discharge – Quantity (TW01):	Biochemical oxygen demand (B.O.D)	\$1.18 per kg
	Chemical oxygen demand (C.O.D)	\$1.18 per kg
	Total suspended solids (N.F.R.)	\$0.53 per kg
	Oil & Grease	\$0.53 per kg
	Phosphorous	\$4.87 per kg
	Nitrogen	\$1.46 per kg
	Food waste disposal units based on power of motor.	\$25.10 (As charge “C” in Trade Waste Environmental Plan.)
	Constant “d” for use when determining ‘additional charge’ for excess strength waste.	1.2 (Refer Trade Waste Environmental Plan.)

## Waste/Recycling Charges

The waste/recycling charge is determined by Council to ensure that it is able to cover the majority of costs associated with the provision of the waste management service. The costs include payment to contractors for both waste collection and a kerbside recycling service (for waste/recycling charges Island is deemed to be the Southern Moreton Bay Islands, North Stradbroke Island and Coochiemudlo Island). Disposal costs are also factored into the charge to cover contractor costs for disposal, site development works, environmental monitoring, management and administration costs as well as other costs associated with the consumption of the current landfill by residents and other users.

	Mainland		Island	
	Charge Code	Annual Amount	Charge Code	Annual Amount
240 litre Refuse/240 litre Recycling Collection	RF01	\$239	RF201	\$267
240 litre Additional Refuse Bin (RF09)	RF09	\$150	RF209	\$167
240 litre Refuse Bin – Temporary service (= < 3 months Mainland only) RF13	RF13	\$7 per lift	N/a	N/a
120 litre/140 litre Refuse/240 litre Recycling Collection (RF15)	RF15	\$197	RF215	\$223
120 litre/140 litre Refuse – Temporary service (= < 3 months Mainland only) (RF12)	RF12	\$7 per lift	N/a	N/a
240 litre Recycling Bin (RF16)	RF16	\$89	RF216	\$100
240 litre Recycling Bin – Temporary (= < 3 months Mainland only) (RF14)	RF14	\$8 per lift	N/a	N/a

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

Refuse Bulk Bin Size (m <sup>3</sup> )	MAINLAND 1 Service per week – Annual Charge		ISLAND 1 Service per week – Annual Charge	
	Charge code	Amount	Charge code	Amount
0.66	RF20	\$700	RF100	\$17,575
1.10	RF23	\$2,204	RF103	\$19,840

1.50	RF26	\$1,902	RF106	\$2,888
2.25	RF29	\$2,798	RF109	\$4,228
3.00	RF32	\$3,724	RF112	\$5,548
4.00	RF35	\$4,868	RF115	\$7,143
<b>Additional Refuse Service</b>	<b>MAINLAND 1 Service per week</b>		<b>ISLAND 1 Service per Week</b>	
0.66	RF21	\$32	RF101	\$338
1.10	RF24	\$43	RF104	\$382
1.50	RF27	\$37	RF107	\$68
2.25	RF30	\$54	RF110	\$94
3.00	RF33	\$72	RF113	\$119
4.00	RF36	\$94	RF116	\$150

Temporary Refuse (1-3 months)	MAINLAND 1 Service		ISLAND 1 Service	
	Charge code	Amount	Charge code	Amount
0.66	RF22	\$56	RF102	\$374
1.10	RF25	\$67	RF105	\$418
1.50	RF28	\$73	RF108	\$80
2.25	RF31	\$84	RF111	\$106
3.00	RF34	\$106	RF114	\$131
4.00	RF37	\$134	RF117	\$162

Recycle Bulk Bin Size (m <sup>3</sup> )	MAINLAND 1 Service per fortnight - Annual Charge		ISLAND 1 Service per fortnight - Annual Charge	
	Charge code	Amount	Charge code	Amount
0.66	RF60	\$4,886	RF130	\$7,351
1.10	RF63	\$5,061	RF133	\$7,527
1.50	RF66	\$1,103	RF136	\$1,926
2.25	RF69	\$1,601	RF139	\$2,778
3.00	RF72	\$2,101	RF142	\$3,571
4.00	RF75	\$2,684	RF145	\$4,456
<b>Additional Recycle Service</b>	<b>MAINLAND 1 Service per fortnight</b>		<b>ISLAND 1 Service per fortnight</b>	
0.66	RF61	\$188	RF131	\$283
1.10	RF64	\$195	RF134	\$290
1.50	RF67	\$161	RF137	\$296
2.25	RF70	\$181	RF140	\$307
3.00	RF73	\$200	RF143	\$319
4.00	RF76	\$222	RF146	\$334
<b>Temporary Recycle (1-3 months)</b>	<b>MAINLAND 1 Service</b>		<b>ISLAND 1 Service</b>	
0.66	RF62	\$70	RF132	\$129
1.10	RF65	\$77	RF135	\$136
1.50	RF68	\$83	RF138	\$142
2.25	RF71	\$93	RF141	\$153
3.00	RF74	\$106	RF144	\$165
4.00	RF77	\$121	RF147	\$180

## Separate Charges

### Environment Separate Charge

In accordance with Section 972 of the *Local Government Act 1993* Council has determined that the community in general will benefit from the protection, management, promotion and enhancement of biodiversity – including koala habitat, bushland, greenspace, waterways, catchments, air and coastal ecosystems in the City – that cannot be effectively protected through Council's regulatory powers, or management programs.

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

The charge is applied on a per lot basis.

Separate Charge	Charge Amount	Charge Basis
Environment Charge (EN01)	\$98.80	Charge per lot

### Landfill Remediation Separate Charge

In accordance with Section 972 of the *Local Government Act 1993* Council has determined that the community in general will benefit from the monitoring and remediation of all landfills closed prior to July 1998 and the landfill at Myora North Stradbroke Island, excluding all other operational landfills such as Birkdale and Giles Road, to prevent environmental harm. The charge is applied on a per lot basis and will be subject to Council's Farming Concession.

Separate Charge	Charge Amount	Charge Basis
Landfill Remediation Charge (EN03)	\$37.50	Charge per lot

## Special Charges

### City Canals Special Charge

In accordance with section 971 of the *Local Government Act 1993*, Council will make and a levy a special charge, to be known as the City Canals Special Charge (the "special charge") as follows:-

1. The service, facility or activity funded by the special charge is the cleaning, dredging, maintenance to navigational aids and wall repairs to canals (and outlet channels) adjacent to the rateable land the subject of the special charge. It is Council's opinion that this service, facility or activity provides a special benefit to that land by ensuring access to the canals and by ensuring the maintenance and integrity of the canal walls retaining the properties fronting the canals.
2. The rateable land to which the special charge applies is as identified in the benefited areas maps RBC-3 (Raby Bay), RBC-3-1 (Raby Bay) and APC-3 (Aquatic Paradise), excluding land that does not have access to a canal.
3. The overall plan for the supply of the service, facility or activity funded by the special charge is as set out in Council's resolution of 12 July 2000 (entitled "Shire Canals – Special Charge"), as amended by at the Special Budget Meeting 26 June 2009.
4. The annual implementation plan for 2009/2010 comprises:-
  - For the land identified in the benefited areas maps RBC-3 (Raby Bay) and RBC-3-1 (Raby Bay), the "Amended Raby Bay Canal – Special Charge – Annual Implementation Plan 2009-2010" adopted by Council on 24 June 2009; and
  - For the land identified in the benefited areas map APC-3 (Aquatic Paradise), the "Amended Aquatic Paradise Canal – Spec Chg – Annual Implementation Plan 2009-2010" adopted by Council on 24 June 2009.

5. In accordance with section 971(3) of the Local Government Act 1993, it is Council's opinion that units in home unit developments and marina berths in the Raby Bay Canal Estate do not receive the same amount of benefit as standard lots and the special charge for these types of land has been reduced, accordingly.
6. The special charge for the year 2009/2010 is: -

Special Charge	Charge Amount	Charge Basis
City Canals Special Charge (CA01)	\$1,770.00	Raby Bay - per standard lot
City Canals Special Charge (CA03)	\$ 902.70	Raby Bay - per unit in a home unit development
City Canals Special Charge (CA05)	\$ 796.50	Raby Bay - per marina berth
City Canals Special Charge (CA02)	\$2,000.00	Aquatic Paradise - per standard lot
City Canals Special Charge (CA04)	\$2,000.00	Aquatic Paradise - per marina berth

### Lake Levy

In accordance with Section 971 of the *Local Government Act 1993* Council has determined that waterfront land identified in the Benefited Area Map SWL-1 will specially benefit from the service, facility, or activity provided through the Lake Levy Special Charge. These include defined maintenance work on the lake including repairs to revetment walls, dredging, lake edge and fringe treatments including scheduled vegetation and debris removal as required. Council adopted the Overall Plan for this charge on 12 July 2000 and the Annual Implementation Plan for 2009/2010 on 24 June 2009.

Special Charge	Charge Amount	Charge Basis
Lake Levy (LA01)	\$953.90	Charge per lot

### Rural Fire Levy

In accordance with Section 971 of the *Local Government Act 1993* and Section 128A of the *Fire and Rescue Service Act 1990* Council has determined that each parcel of rateable land identified as the whole of Karragarra, Lamb, Macleay, Perulpa and Russell Islands will specially benefit from the service, facility or activity provided through the Rural Fire Levy Special Charge. Funds raised will be contributed to the rural fire brigades within the benefited area to purchase and maintain equipment and provide a fire service to properties in the benefited area. Council adopted the Overall Plan for this charge on 12 July 2000 and the Annual Implementation Plan for 2009/2010 on 24 June 2009. The charge will be subject to Council's Farming Concession.

Special Charge	Charge Amount	Charge Basis
Karragarra, Macleay, and Perulpa Islands Rural Fire Levy (FL02)	\$30.00	Charge per lot
Lamb and Russell Island Rural Fire Levy (FL03)	\$10.00	Charge per lot

### Interest on Overdue Rates

Interest will be charged on overdue rates. Interest will accrue at 11% per annum, compound interest calculated on daily balances.

### Pensioner Concessions

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

The concessions are:

For ratepayers in receipt of a maximum pension	\$324.00 per financial year
For ratepayers NOT in receipt of maximum pension	\$162.00 per financial year

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

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

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

## Farming Concessions

In accordance with Section 1035A of the *Local Government Act 1993* Council will provide a concession to property owners whose land is being used for the business of farming (primary production) to assist and encourage endurance in their particular industry, which will benefit the economic development of the City as a whole.

1. The Concession is available to land owners that are carrying on a business of primary production on contiguous parcels of land in the same ownership name. Land will be considered contiguous when separated by a road. Land will not be considered contiguous where water connections are made to separate parcels of land.
2. For the purposes of administration the definition of 'primary production' will be taken from Subsection 6(1) *Income Tax Assessment Act 1936*:
  - a) The cultivation of land;
  - b) The maintenance of animals or poultry for the purpose of selling them or their bodily produce, including natural increase;
  - c) Fishing operations which means:
    - operations relating directly to the taking or catching of fish, turtles, dugong, crustacean or oysters or other shellfish;
    - pearling operations; and includes
    - oyster farming; but does not include whaling.
  - d) Forest operations, which include:
    - the planting or tending in a plantation or forest of trees intended for felling;
    - the felling of trees in a plantation or forest;
  - e) horticulture;

and includes the manufacture of dairy produce by the person who produced the raw material used in that manufacture.

3. In accordance with Section 1035A of the *Local Government Act 1993*, for all such land parcels defined in point 1 above, Council will remit all but one of each Water Access, Sewerage, Separate and Special charge that may be properly made and levied on the subject land parcels.

## Other Matters

- All non-cash expenses, with the exception of depreciation, are fully funded by revenue to maintain the operating capability of Council. The total level of unfunded depreciation will be assessed in conjunction with the funding requirements of future capital works. Council has developed and implemented 26 Individual Asset Management Plans. Their purpose is to provide a holistic approach to physical asset management and to assist in identifying asset maintenance, operational and capital renewal and upgrade costs for Council to provide appropriate services and service levels to the community. The 2009/2010 budget reflects the requirements of these asset management plans.
- Specific charges for new developments are set on an annual basis as part of the budget process. These charges are set at a level to meet the proportional demand in use of and/or augmentation of infrastructure provisions to service the new development.
- Council intends to increase its operating capability to provide a high level of services to an expanding population.
- Council has set regulatory fees at a level to recover up to the full cost price of administering the fee. This includes direct and indirect costs, operating and maintenance overheads, and use of capital. Some regulatory fees may be subsidised by revenue representing community service obligations to achieve policy objectives and desired community outcomes.

## ANNUAL RATES COMPARISON

The following tables provide a comparison between 2008/2009 and 2009/2010 for sample properties in the differential residential rating categories of 1a and 1b and 3a.

### 1a (formerly referred to as Residential Mainland 1) – Minimum General Rate

	2008/2009 \$	2009/2010 \$	Change \$	Change %
Unimproved capital valuation (UCV) Rate in the dollar	54,500 Min. Gen.	54,500 Min. Gen.	0.00	0.0%
<u>Rates and Charges</u>				
General Rate	601.29	649.39	48.10	8.0%
Environmental Charge	87.80	98.80	11.00	12.5%
Landfill Remediation Charge	26.00	37.50	11.50	44.2%
Water Access	207.00	233.50	26.50	12.8%
Water Consumption (200kl pa)	274.36	332.00	57.64	21.0%
Sewerage	635.00	650.00	15.00	2.4%
Waste / Recycling	230.00	239.00	9.00	3.9%
<b>TOTAL Rates and Charges</b>	<b>2,061.45</b>	<b>2240.19</b>	<b>178.74</b>	<b>8.7%</b>

### 1b (formerly referred to as Residential Mainland 2)

	2008/2009 \$	2009/2010 \$	Change \$	Change %
Unimproved capital valuation (UCV) Rate in the dollar	217,500 0.00412570	217,500 0.00428574	0.00	0.0%
<u>Rates and Charges</u>				
General Rate	897.34	932.14	34.80	3.9%
Environmental Charge	87.80	98.80	11.00	12.5%
Landfill Remediation Charge	26.00	37.50	11.50	44.2%
Water Access	207.00	233.50	26.50	12.8%
Water Consumption (200kl pa)	274.36	332.00	57.64	21.0%
Sewerage	635.00	650.00	15.00	2.4%
Waste / Recycling	230.00	239.00	9.00	3.9%
<b>TOTAL Rates and Charges</b>	<b>2357.50</b>	<b>2522.94</b>	<b>165.44</b>	<b>7.0%</b>

Note: The increase shown above for Water Consumption is attributable to an increase cost to Council for the purchase of bulk water from the State Government from 2008/2009 to 2009/2010.



## 3a (formerly referred to as SMBI Residential 1) – Minimum General Rate

	2008/2009	2009/2010	Change	Change
	\$	\$	\$	%
Unimproved capital valuation (UCV) Rate in the dollar	54,500 Min. Gen.	54,500 Min. Gen.	0.00	0.0%
<u>Rates and Charges</u>				
General Rate	761.29	822.19	60.90	8.0%
Environmental Charge	87.80	98.80	11.00	12.5%
Landfill Remediation Charge	26.00	37.50	11.50	44.2%
Rural Fire Levy	30.00	30.00	0.00	0.0%
Water Access	207.00	233.50	26.50	12.8%
Water Consumption (200kl pa)	274.36	332.00	57.64	21.0%
Waste / Recycling	245.00	267.00	22.00	9.0%
<b>TOTAL Rates and Charges</b>	<b>1,631.45</b>	<b>1820.99</b>	<b>189.54</b>	<b>11.6%</b>

## 1d (formerly referred to as Residential 4) – (Raby Bay Canal Special Charge)

	2008/2009	2009/2010	Change	Change
	\$	\$	\$	%
Unimproved capital valuation (UCV) Rate in the dollar	670,000 0.00374191	670,000 0.00387757	0.00	0.0%
<u>Rates and Charges</u>				
General Rate	2,507.07	2,597.97	90.90	3.6%
Environmental Charge	87.80	98.80	11.00	12.5%
Landfill Remediation Charge	26.00	37.50	11.50	44.2%
Canal Charge	1,500.00	1,770.00	270.00	18.0%
Water Access	207.00	233.50	26.50	12.8%
Water Consumption (200kl pa)	274.36	332.00	57.64	21.0%
Sewerage	635.00	650.00	15.00	2.4%
Waste / Recycling	230.00	239.00	9.00	3.9%
<b>TOTAL Rates and Charges</b>	<b>5,467.23</b>	<b>5,958.77</b>	<b>491.54</b>	<b>9.0%</b>

Note: The increase shown above for Water Consumption is attributable to an increase cost to Council for the purchase of bulk water from the State Government from 2008/2009 to 2009/2010.