



Redland
CITY COUNCIL

MINUTES

SPECIAL MEETING

**Tuesday 17 June 2008
commencing at 11.30am**

**Council Chambers
1st floor Administration Building
Bloomfield Street Cleveland. Qld 4163**



TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	DECLARATION OF OPENING	3
2	RECORD OF ATTENDANCE AND LEAVE OF ABSENCE	3
3	DECLARATION OF INTEREST ON ANY ITEMS OF BUSINESS.....	3
4	BUDGET ADDRESS BY THE MAYOR	3
5	BUSINESS	4
5.1	ADOPTION OF OPERATIONAL PLAN 2008-2009.....	4
5.2	2008/2009 COUNCILLOR PROCESS	7
5.3	ANNUAL IMPLEMENTATION PLAN - RURAL FIRE LEVY- SPECIAL CHARGE	14
5.4	LAKE LEVY SPECIAL CHARGE - ANNUAL IMPLEMENTATION PLAN 2008-2009	16
5.5	AMENDED AQUATIC PARADISE CANAL - SPECIAL CHARGE - ANNUAL IMPLEMENTATION PLAN 2008-2009.....	18
5.6	AMENDED RABY BAY CANAL - SPECIAL CHARGE - ANNUAL IMPLEMENTATION PLAN 2008-2009	20
5.7	PRESENTATION OF FINANCIAL INFORMATION FOR THE 2007/2008 FINANCIAL YEAR	22
5.8	SCHEDULE OF FEES AND CHARGES 2008-2009.....	24
5.9	ESTABLISHMENT OF RESERVE TRANSFERS	30
5.10	BORROWING POLICY 2008/2009	33
5.11	REVENUE POLICY 2008/2009	35
5.12	ADOPTION OF BUDGET ESTIMATES AND FIXING OF RATES AND CHARGES FOR 2008/2009	37
5.12.1	ADOPTION OF BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2008/2009	39
5.12.2	RATES AND CHARGES FOR THE FINANCIAL YEAR 2008/2009.....	40

5.12.2.1.	Differential General Rates and Minimum General Rates..	40
5.12.2.2	Limitation on Increase of General Rates	48
5.12.2.3	Utility Charges.....	49
5.12.2.4	Environment Separate Charge	56
5.12.2.5	Landfill Remediation Separate Charge	57
5.12.2.6	Amended Raby Bay Canal Special Charge.....	57
5.12.2.7	Amended Aquatic Paradise Canal Special Charge.....	58
5.12.2.8	Lake Levy Special Charge.....	59
5.12.2.9	Rural Fire Levy Special Charge.....	60
5.12.2.10	Interest On Overdue Rates.....	60
5.12.2.11	Pensioner Concessions	61
5.12.2.12	Farming Concessions	63
5.12.2.13	Adoption of the Revenue Statement.....	64
6	CLOSURE OF MEETING.....	64

1 DECLARATION OF OPENING

The Mayor declared the meeting open at 11:30am.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

MEMBERS PRESENT:

Cr M E Hobson PSM	Mayor
Cr T Bowler	Deputy Mayor and Councillor Division 6
Cr W Boglary	Councillor Division 1
Cr C B Ogilvie	Councillor Division 2
Cr D A Henry	Councillor Division 3
Cr P J Dowling	Councillor Division 4
Cr B A Townsend	Councillor Division 5
Cr M A Elliott	Councillor Division 7
Cr K A Reimers	Councillor Division 8
Cr K M Williams	Councillor Division 9
Cr H J Murray	Councillor Division 10

EXECUTIVE LEADERSHIP GROUP:

Mr R Turner	Acting Chief Executive Officer
Mr M Goode	General Manager Customer Services
Mr P Bucknell	Acting General Manager Corporate Services
Mr G Underwood	General Manager Planning and Policy
Mr G Soutar	General Manager Redland Water & Waste

MINUTES:

Mrs J Thomas	Corporate Meetings & Registers Officer
--------------	--

3 DECLARATION OF INTEREST ON ANY ITEMS OF BUSINESS

Nil.

4 BUDGET ADDRESS BY THE MAYOR

The Mayor presented Redland City Council's first Annual Budget.

5 BUSINESS

5.1 ADOPTION OF OPERATIONAL PLAN 2008-2009

Dataworks Filename: GOV Operational Plan 2008-2009
Responsible Officer Name: Warren van Wyk
Manager Corporate Planning Performance & Risk
Author Name: Grant Bennett
Service Manager Corporate Planning & Performance

EXECUTIVE SUMMARY

Legislation requires that Council, each year, adopt its Operational Plan prior to the adoption of the budget.

The Operational Plan 2008-09 is structured in line with the strategic direction set out in the Corporate Plan 2006-2010. Its contents comply with the requirements of the *Local Government Finance Standard 2005*.

The Operational Plan sets out the key outputs, performance measures, targets and activities that will occur during 2007-08 to deliver on the Corporate Plan.

PURPOSE

To recommend the adoption by Council of the attached Operational Plan 2008-2009.

BACKGROUND

The *Local Government Finance Standard 2005* requires that the Operational Plan must state the:

- **Outcomes** (our Strategic Priority Outcomes) mentioned in the Corporate Plan;
- **Strategies** (processes to achieve outcomes);
- **Outputs** (our Programs) that will be delivered for the financial year to which the plan relates;
- **Performance Measures** that will show the delivery of the outputs;
- **Activities** to be carried out to deliver the proposed outputs.

Consequently, this Operational Plan reflects the structure of the current Corporate Plan 2006-2010, and it serves to highlight this Council's priorities for the 2008-2009 year. Progress against the key priorities and initiatives detailed in the Operational Plan will be reported to Council and the community through quarterly reports.

ISSUES

Outcomes, Outputs and Performance Measures

The Corporate Plan 2006-2010 details Council's seven (7) Strategic Priorities, and includes a long term objective for each which has been rephrased into an Outcome Statement for the Operational Plan. The attached draft Operational Plan therefore shows, for each Strategic Priority in the Corporate Plan:

- The long-term Outcome
- The Strategies as per the Corporate Plan;
- The Outputs (these line up with our Programs)
- For each Output, the Performance Measures that will be reported to Council and the community during the year, including a description of what is involved and the related target for the 08/09 year. By identifying these key measures in the Operational Plan, Council effectively highlights its major priorities for the year.

Activities

The Finance Standard 2005 requires that the Activities to deliver the Outputs must simply be stated in the Operational Plan. There is no requirement for performance measures for Activities to be identified in the Operational Plan. The list of Activities in the attached draft meets the Finance Standard's requirements and broadly covers all of the Activities performed by Council to deliver on the overall Outcomes of the Corporate Plan. Management regularly monitors these activities through reports against business plans and service level agreements.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure a clear organisational direction is provided, 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.

FINANCIAL IMPLICATIONS

There are no direct financial implications of the adoption of the Operational Plan 2007-2008. Through the budget process, financial resources are allocated to the projects and activities identified in the Operational Plan.

PLANNING SCHEME IMPLICATIONS

The Land Use Planning Group was consulted and it is considered that the outcome of recommendations in this report will not require any amendments to the Redlands Planning Scheme.

CONSULTATION

The Corporate Planning Performance and Risk Group worked closely with General Managers and Group Managers to identify the key outputs and performance measures for each Strategy in the Corporate Plan. These were reviewed to ensure consistency between the draft Operational Plan as presented here and the draft budget.

Councillors considered the draft Operational Plan at a workshop on 6 June 2008. Changes agreed to at that workshop have been included in the attached document.

OPTIONS

PREFERRED

That Council adopt the attached Operational Plan 2008-2009.

ALTERNATIVE

No alternative suggested.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Elliott
Seconded by: Cr Ogilvie

That Council resolve to adopt the Operational Plan as detailed on pages 1-49 of the Operational Plan 2008-2009 document in the Budget Book.

CARRIED

A division was called for.

Crs Bowler, Elliott, Murray, Reimers, Townsend, Boglary, Ogilvie, Henry and Hobson voted in the affirmative.

Cr Williams voted in the negative and Cr Dowling abstained from voting, which is recorded in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.2 2008/2009 COUNCILLOR PROCESS

Dataworks Filename: FM Corporate Budget
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Councillors have been involved in a number of workshops related to setting the 2008/09 Budget.

At these workshops, Councillors agreed a range of key policy settings that support the final 2008/09 budget. This report identifies these settings and the principles and reasons behind them.

The report is for information purposes only.

PURPOSE

The purpose of this report is to detail the principles and reasoning behind the outcomes on rating, other revenue, and expenditure for the 2008/09 Budget.

BACKGROUND

Councillors have been involved in a number of workshops related to setting the 2008/09 budget. These included:

- Service levels and standards set in December 2007;
- Preliminary capital expenditure requirements identified in December 2007 and developed with Councillors in February 2008 and revisited by the new Council in April 2008;
- Five revenue and rating (inclusive of general rates, special and separate charges and utility pricing) workshops from February 2008 to May 2008;
- Fees and Charges workshop during April 2008;
- An operational expenditure workshop in April 2008;
- 2008/09 Operational Plan workshop May 2008.

ISSUES

At the abovementioned workshops, Councillors agreed to a range of key policy settings that support the final 2008/09 budget. This report identifies the principles supporting these settings.

2008/09 Operational Plan

A review was undertaken by Councillors to identify the broad programs and sub-programs to apply in 2008/09 that aligns with Council's Corporate Plan 2006-2010. Specific performance standards and measures were set against these programs and sub-programs. At the workshop, Councillors considered the service levels and standards delivered to the community. These service levels and standards were set to achieve the objectives of the operational plan.

The 2008/09 Operational Plan underpinned the development of the 2008/09 Budget.

Price and Cost Indices

The Local Government Association of Queensland (LGAQ) provided data on price increases for local government goods and services for the years commencing December 2003, 2004, 2005 and 2006 in February 2008. They recommended that councils consider a variety of price indices to determine a reasonable escalation for costs. In providing this information, the LGAQ used the ABS Catalogues 6401.0, 6345.0 and 6427.0.

The following table provides historical guidance to relevant Local Government cost increases. (Note: This is the latest published information available from LGAQ)

Index	Increase Dec-03 to Dec-04	Increase Dec-04 to Dec-05	Increase Dec-05 to Dec-06	Increase Dec 06 to Dec 07
CPI (Australia)	2.6%	2.8%	3.3%	3.0%
CPI (Brisbane)	2.6%	2.8%	3.4%	3.9%
Freight	4.6%	3.4%	2.7%	1.4%
Wages	3.6%	4.2%	4.0%	4.2%
General construction industry (Australia)	8.3%	5.0%	4.1%	5.2%
General construction industry (Queensland)	9.5%	8.6%	5.6%	6.5%
Road and Bridge Construction (Australia)	4.1%	5.5%	5.4%	4.8%
Road and Bridge Construction (Queensland)	5.9%	7.1%	7.1%	6.3%
Non Residential Building Construction (Australia)	11.7%	5.2%	5.9%	5.7%
Non Residential Building Construction (Queensland)	13.3%	13.3%	7.0%	4.3%
Housing construction	5.6%	4.5%	2.3%	4.9%

Index	Increase Dec-03 to Dec-04	Increase Dec-04 to Dec-05	Increase Dec-05 to Dec-06	Increase Dec 06 to Dec 07
(Australia)				
Housing construction (Queensland)	6.0%	1.5%	2.2%	10.1%
Local Government Cost Index	6.1%	5.7%	4.5%	5.2%

In considering the above reported price increases, the LGAQ suggested that the assumption be made that engineering work (representing 50% of outlays) is influenced by the general construction index while the balance of activities are driven by CPI.

Using the Queensland specific general construction cost increase of 6.56% results in a cost increase for local government as a whole in Queensland of around 5.2% for the period December 06 to December 07.

Assumptions	
General	= Blended CPI rate for 2008/09 @ 5.2%
Construction	= Based on historical measure provided by LGAQ
Roads	= Based on historical measure provided by LGAQ
Employee	= As per current RSC EBA

On review by Councillors LGAQ blended 5.2% CPI was adopted for use in preparation of the 2008-09 budget.

Fees and Charges

Councillors endorsed the principle of *user pays* fees and charges where appropriate. While the LGAQ Cost Index of 5.2% was used as the standard inflator for charges, the move to recover the full cost of providing some services has seen prices rise on average above 5.2%.

General Rates

A LGAQ CPI Index of 5.2% was used to determine the increase in the amount of revenue Council receives from general rates. An effective growth rate of 0.8% in rateable properties was also used.

During the Rating workshops, Council identified the continued need to provide a future funding source for much needed capital works on the Southern Moreton Bay Islands. The means of establishing this funding will continue to be a separate differential rating category. In reviewing the requirements of the reserve going forward, Councillors determined that the funds raised for 2008/2009 should be increased by 100%.

General Rate Budget 2007/2008			\$52,428,307
LGAQ CPI Increase		5.2%	\$2,728,612
Estimated minor reevaluations			\$45,000
		Sub-total	\$55,201,913
Growth		0.8%	\$441,615
SMBI Differential			\$853,360
Total General Rate Budget 2008/2009			\$56,496,888

Funds raised by this category of rating over and above that which would be raised by applying the same rating strategy to mainland categories will be set aside in a reserve to accelerate the delivery rate of planned capital works. These works will include land purchases for community, recreation and open space on the Southern Moreton Bay Islands (Macleay, Russell, Perulpa, Karragarra and Lamb). The capital reserve is intended to minimise the need for any further levies to be imposed in the future.

Councillors have decided to extend Pensioner Concessions a further \$10 for those in receipt of the maximum pension. A sliding scale consistent with Council Pensioner rebate Policy POL-2557 will be applied to War Widow and those not in receipt of the maximum pension.

Waste/Recycling Charges

Charging options for waste disposal at landfills were considered. Gate fees are planned to be introduced by December 2008 and will generate expected revenue of \$237,000. The table below provides the fee structure

Car	\$4
Car/Trailer	\$8
Truck	\$24
Ute	\$8
Ute/Trailer	\$16

Fees for green waste will be 50% of the base charge and recycling will be free.

Councillors endorsed annual charges for waste/recycling as \$230 per mainland property (2.2% increase) and \$245 per island property (8.9% increase). The differentiation between mainland and island properties commences a strategy to move to user pays over the next 4 years. This charging regime ensures that Council will achieve full cost recovery within 5 years.

Wastewater (Sewerage) Charges

A new full cost pricing model was developed by Ernst and Young to support Council with respect to pricing decisions and to structure Councils model in a manner which will support the imminent negotiations regarding the distribution water reforms. The model ensures the immediate achievement of full cost price and recommends an increase of 6.7% per household to charges. Councillors reviewed the model and have endorsed the results.

Water Charges

Councillors considered the impact of the commencement of the new Bulk Water entities. This will see Council purchasing water from QBWSA. The price charged by QBWSA will introduce a 19% increase to water pricing. Further to this, Council has been encouraged to move to full cost recovery an additional 11% increase can be attributed to this transition.

In recognition of the continued scarcity of the resource, Councillors decided to continue to support the inclined block tariff (higher usage attracts a higher charge) for water consumption pricing for 2008/2009 in a continued attempt to influence usage. In addition, the first tier for consumption has been dropped from 500 litres per day to 400 litres per day. Councillors decided to hold the increase in Access fees to the slightly below the LGAQ CPI at 5%. The remainder of price increases are reflected within the consumption tiers.

Environment Separate Charge

Councillors agreed to increase the Environment Charge by \$15 to \$87.80 per annum. The additional charge is anticipated to be directed to supporting action items arising for the Koala Strategy. The distribution of this levy will be \$40.20 capital, \$37.20 operational and, \$10.40 for the implementation of management plans and creek and waterway rehabilitation. In addition it was agreed that the discount provided to Koala coast properties no longer be provided.

Landfill Remediation Charge

Councillors considered a report based on the annual review of the charging model by the Co-Administration panel. The review uncovered an increased requirement for funding over the 10 year horizon of \$2.7 million. Council based on this advice have decided to increase the levy by \$8 per property to \$26 for 2008/09.

Canal and Lake Levies

Councillors were advised regarding the planned ten year works program for assets in specially benefited areas within Raby Bay, Aquatic Paradise and Sovereign Waters. Consideration was taken of both the overall plan and the annual implementation plan for each of the charges. It was identified in workshops that if levies were not increased service standards of maintenance, dredging and cleaning would need to

be reduced. Councillors decided that was not acceptable and in response have agreed to the following increases:

		Levy Increase (2008/09)		New Levy Amount (2008/09)
		Amount	Percentage	
Raby Bay	Allotments	\$150.00	11.00%	\$1,500.00
	Units	\$90.00	13.00%	\$765.00
	Marina berths	\$67.50	11.00%	\$675.00
Aquatic Paradise	Allotments	\$100.15	7%	\$1,530.88
	Marina berths	\$100.15	7%	\$1,530.88
Sovereign Waters	Allotments	\$57.75	7%	\$882.75

Rural Fire Levies

As Council only collects this levy on behalf of the Rural Fire Service, advice was sought from this body on the level of charges to apply in 2008/09. The Rural Fire Service advised that no change is required to the levy.

Operating Expenditure

Councillors allocated sufficient operating expenditure across the programs and departments to ensure that the 2008/09 Operational Plan could be delivered.

Allocation of expenditure was in accordance with Council's Long Term Financial Model and Financial Strategy. The proposed 2008/09 budget maintains all key financial indicators within targets set in the Financial Strategy for the 2008/09 year and forward ten years.

Capital Expenditure

Councillors endorsed a ten year capital program based on whole of City needs and priorities. The specific projects within the capital program were driven by asset management plans and a range of other planning instruments adopted by Council.

Projects allocated in 2008/09 are in accordance with Council's ten year Capital Works Program, Long Term Financial Model, and Financial Strategy.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

This report is for information purposes only and has no financial implications.

CONSULTATION

All Councillors and the Executive Leadership Group were involved in deliberations for the development of the 2008/2009 budget.

**OFFICER'S RECOMMENDATION/
COUNCIL RESOLUTION**

Moved by: Cr Bowler
Seconded by: Cr Reimers

That Council resolve that the report on the principles and reasons for 2008/09 budget decisions be noted.

CARRIED

5.3 ANNUAL IMPLEMENTATION PLAN - RURAL FIRE LEVY- SPECIAL CHARGE

Dataworks Filename: FM Corporate Budget
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Under section 971 of the *Local Government Act 1993*, if an overall plan for a Special Charge will not be implemented within a financial year, the local government must, at or before the budget meeting for each year of the overall plan, adopt an annual implementation plan for the year.

The overall plan for the Rural Fire Levy Special charge was adopted 12 July 2000. Details of specific works for 2008/2009 are provided in the proposed budgets for each of the rural fire brigades operating in the benefited area. These works constitute the Annual Implementation Plan for 2008/2009.

This Rural Fire Levy Special charge Annual Implementation Plan for the 2008/2009 financial year is submitted to Council for adoption.

PURPOSE

To submit to Council for adoption the Rural Fire Levy Special charge Annual Implementation Plan for the 2008/2009 financial year.

BACKGROUND

Under section 971 of the *Local Government Act 1993*, if an overall plan for a Special charge will not be implemented within a financial year, the local government must, at or before the budget meeting for each year of the overall plan, adopt an annual implementation plan for the year.

Council adopted the overall plan for the Rural Fire Levy Special charge on 12 July 2000.

An Annual Implementation Plan for the Rural Fire Levy Special charge has been adopted every year since the overall plan was adopted on 12 July 2000.

ISSUES

Under section 971 of the *Local Government Act 1993*, if an overall plan for a Special Charge will not be implemented within a financial year, the local government must, at or before the budget meeting for each year of the overall plan, adopt an annual implementation plan for the year.

The overall plan for the Rural Fire Levy Special Charge was adopted 12 July 2000. The time limit for implementing the overall plan will be based on external factors such as a decision by urban fire brigades to assume responsibility for fire response in the benefited areas and possibly future policy decisions by Council about continued funding. Services funded by the levy include construction and maintenance of fire brigade depots, purchase and maintenance of plant and equipment, operational response to incidents and training.

Details of specific works for 2008/2009 are provided in the proposed budgets for each of the rural fire brigades operating in the benefited area. These works constitute the Annual Implementation Plan for 2008/2009.

For the 2008/2009 financial year, Rural Fire Levy payments received from each Island will be distributed to the Island's Rural Fire Brigade.

The estimated amount to be raised by the levy for 2008/2009 is:

Karragarra, Macleay and Perulpa Islands	\$123,600.00
Lamb and Russell Island	<u>\$80,000.00</u>
	<u>\$203,600.00</u>

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The levies proposed are in response to consultation with the Rural Fire Service and the budgets submitted for 2008/2009

CONSULTATION

- Rural Fire Brigades;
- District Inspector, Rural Fire Services;
- Executive Leadership Group and Councillors.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Townsend
Seconded by: Cr Reimers

That Council resolve to adopt the Annual Implementation Plan for the 2008/2009 financial year for the Rural Fire Levy Special Charge.

CARRIED

5.4 LAKE LEVY SPECIAL CHARGE - ANNUAL IMPLEMENTATION PLAN 2008-2009

Datworks Filename: FM Corporate Budget
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Council is required to adopt an annual implementation plan each year before it can levy the Lake Levy–Special Charge.

The works programmed for this upcoming year are only minor maintenance and cleaning works. Most of the accumulated levy funds are being set aside for maintenance dredging in future years.

The increase in the Lake Levy-Special Charge is necessary to accommodate present cost estimates of the future dredging requirements of the Sovereign Waters Lake Estate.

The annual implementation plan for 2008/2009 financial year for the Lake Levy – Special Charge (reference: Benefited Area Map SWL-1) is submitted for Council adoption.

PURPOSE

Section 971 of the *Local Government Act 1993* requires a local government to adopt, by resolution, an overall plan in relation to special rates and charges for the supply of the service, facility or activity. The overall plan must be adopted either before, or at the same time, as the local government first makes the special rate or charge.

If the overall plan adopted will not be implemented within one year, the local government must, at or before the budget meeting for each year of the period for implementing the overall plan, adopt by resolution an annual implementation plan for the year.

BACKGROUND

Council adopted the overall plan for the Lake Levy – Special Charge on 12 July 2000.

An annual implementation plan for the Lake Levy – Special Charge has been adopted every year since the overall plan was adopted.

ISSUES

For the 2008/2009 financial year, revenue collected through the Lake Levy – Special Charge will be held in a reserve to finance ongoing works as required in future years.

Increased construction costs in recent years have resulted in an increase in cost estimates for future dredging and disposal of dredged material.

The works programmed for the 2008/2009 financial year:

- Sovereign Waters Lake Estate - Cleaning and minor maintenance \$10,774.

Most of the accumulated levy funds are being set aside for maintenance dredging in future years.

The income from this Special Charge for 2008/2009 is expected to be approximately \$42,372.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

Expenditure for 2008/2009 based on the annual plan is expected to be in the order of \$10,774.

CONSULTATION

During the budget 2008/2009 workshops, the Executive Leadership Group and Councillors have been presented with details pertaining to the planning for this Special Charge. The Manager, Financial Services has been briefed by the Manager, Infrastructure Planning and the Senior Advisor Infrastructure Projects on the future planning for the estate.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Dowling
Seconded by: Cr Boglary

That Council resolve to adopt the annual implementation plan for the 2008/2009 financial year for the Lake Levy – Special Charge (reference: Benefited Area Map SWL-1).

CARRIED

5.5 AMENDED AQUATIC PARADISE CANAL - SPECIAL CHARGE - ANNUAL IMPLEMENTATION PLAN 2008-2009

Datworks Filename: FM Corporate Budget

Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer

Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Council is required to adopt, by resolution, an annual implementation plan each year before it can levy the Amended Aquatic Paradise Canal Special Charge.

The annual implementation plan for the 2008/2009 financial year for the Amended Aquatic Paradise Canal Special Charge (reference: Benefited Area Map APC-3) is submitted to Council for adoption.

PURPOSE

Section 971 of the *Local Government Act 1993* requires a local government to adopt, by resolution, an overall plan in relation to special rates and charges for the supply of the service, facility or activity. The overall plan must be adopted either before, or at the same time as the local government first makes the special rate or charge.

If the overall plan adopted will not be implemented within one year, the local government must, at or before the budget meeting for each year of the period for implementing the overall plan, adopt by resolution an annual implementation plan for the year.

The annual implementation plan for the 2008/2009 financial year for the Amended Aquatic Paradise Canal Special Charge is submitted to Council for adoption.

BACKGROUND

Council adopted the overall plan for the Shire Canals – Special Charge on 12 July 2000, inclusive of works for Raby Bay and Aquatic Paradise.

An annual implementation plan for the Shire Canals – Special Charge has been adopted every year since the overall plan was adopted inclusive of works for Raby Bay and Aquatic Paradise.

ISSUES

Previously Council has administered the Shire Canal special charges inclusive of both Raby Bay and Aquatic Paradise locations. Held 2007/2008 it has been determined that it would be more appropriate to report separately to Council.

For the 2008/2009 financial year, revenue collected through the Amended Aquatic Paradise Canal Special Charge will be held in a reserve to finance ongoing works.

The details of the works programmed for the 2008/2009 financial year are:

- Dredging of access channel (planning) \$96,735
- Dredging \$1,983,000
- Planning, investigations, monitoring, navigation beacons, etc \$26,000

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The levies are proposed to be increased to accommodate specific requirements identified in the annual implementation plan and to facilitate longer term planning for the estate.

CONSULTATION

During the budget 2008/2009 workshops, the Executive Leadership Group and Councillors have been presented with details pertaining to the planning for this Special Charge. The Manager, Financial Services has been briefed by the Manager, Infrastructure Planning and the Senior Advisor Infrastructure Projects on the future planning for the estate.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Boglary
Seconded by: Cr Murray

That Council resolve to adopt the annual implementation plan for the 2008/2009 financial year for the Amended Aquatic Paradise Canal Special Charge (reference: Benefited Area Map APC-3).

CARRIED

5.6 AMENDED RABY BAY CANAL - SPECIAL CHARGE - ANNUAL IMPLEMENTATION PLAN 2008-2009

Datworks Filename: FM Corporate Budget

Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer

Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Council is required to adopt, by resolution, an annual implementation plan each year before it can levy the Amended Raby Bay Canal Special Charge.

The annual implementation plan for the 2008/2009 financial year for the Amended Raby Bay Canal Special Charge (reference: Benefited Area Maps RBC-3, RBC-3-1) is submitted to Council for adoption.

PURPOSE

Section 971 of the *Local Government Act 1993* requires a local government to adopt, by resolution, an overall plan in relation to special rates and charges for the supply of the service, facility or activity. The overall plan must be adopted either before, or at the same time as the local government first makes the special rate or charge.

If the overall plan adopted will not be implemented within one year, the local government must, at or before the budget meeting for each year of the period for implementing the overall plan, adopt by resolution an annual implementation plan for the year.

The annual implementation plan for the 2008/2009 financial year for the Amended Raby Bay Canal Special Charge is submitted to Council for adoption.

BACKGROUND

Council adopted the overall plan for the Shire Canals – Special Charge on 12 July 2000, inclusive of works for Raby Bay and Aquatic Paradise.

An annual implementation plan for the Shire Canals – Special Charge has been adopted every year since the overall plan was adopted inclusive of works for Raby Bay and Aquatic Paradise.

ISSUES

Previously Council has administered the Shire Canal special charges inclusive of both Raby Bay and Aquatic Paradise locations. Held 2007/2008, it has been determined that it would be more appropriate to report separately to Council.

For the 2008/2009 financial year, revenue collected through the Amended Raby Bay Canal Special Charge will be held in a reserve to finance ongoing works.

The details of the works programmed for the 2008/2009 financial year are:

1. Remedial works relating to revetments	\$2,594,805
2. Canal cleaning	\$15,990
3. Planning, investigations, monitoring, navigation, beacons, etc	\$103,800

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The levies are proposed to be increased to accommodate specific requirements identified in the annual implementation plan and to facilitate longer term planning for the estate.

CONSULTATION

During the budget 2008/2009 workshops, the Executive Leadership Group and Councillors have been presented with details pertaining to the planning for this Special Charge. The Manager, Financial Services has been briefed by the Manager, Infrastructure Planning and the Senior Advisor Infrastructure Projects on the future planning for the estate.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Murray
Seconded by: Cr Henry

That Council resolve to adopt the Annual Implementation Plan for the 2008/2009 financial year for the Amended Raby Bay Canal Special Charge (reference: Benefited Area Maps RBC-3, RBC-3-1).

CARRIED

A division was called for.

Crs Boglary, Henry, Dowling, Townsend, Bowler, Elliott, Reimers, Williams, Murray and Hobson voted in the affirmative.

Cr Ogilvie voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.7 PRESENTATION OF FINANCIAL INFORMATION FOR THE 2007/2008 FINANCIAL YEAR

Datworks Filename: FM Financial Statements
Attachments: [Forecast Financial Statements 2007-08](#)
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

It is a requirement of Section 521 of the *Local Government Act 1993* and Section 57 of the *Local Government Finance Standard 2005* that financial information with respect to 2007/2008 be presented at Council's budget meeting.

The purpose of this report is to present Council with the anticipated financial position for the financial year 2007/2008 for noting. Details are provided in the attachments.

The revised budget for 2007/2008 was adopted by Council at its General Meeting of 28 May 2008 and has been used as the foundation for the anticipated position for 2007/2008. Since the adoption of the budget review, any variations to revenue and expenditure of significance have been amended where they can be quantified with certainty.

The 2007/08 anticipated revenues and expenditures have been considered in formulating the 2008/09 budget and forward year estimates.

PURPOSE

The purpose of this submission is to present Council's financial position for the 2007/2008 year in accordance with Section 521 of the *Local Government Act 1993* and Section 57 of the *Local Government Finance Standard 2005*.

BACKGROUND

It is a requirement of section 521 of the *Local Government Act 1993* and section 57 of the *Local Government Finance Standard 2005* that financial information with respect to 2007/2008 be presented at Council's budget meeting.

ISSUES

Under section 521 of the *Local Government Act 1993*, information presented must include:

1. the original budget estimates;
 2. if an amended budget has been adopted - the amended budget estimates;
-

3. actual or estimated expenses and revenue;
4. explanations of significant differences from the original budget (whether an actual or anticipated difference); and
5. an explanation of the impact of the budget and actual performance on future budgets.

The document must be prepared on an accrual basis. Details are provided in the attachments to this report.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The revised budget for 2007/2008 was adopted by Council at its General Meeting of 28 May 2008 and has been used as the foundation for the anticipated position for 2007/2008. Since the adoption of the budget review, any variations to revenue and expenditure of significance have been amended where they can be quantified with certainty.

The 2007/08 anticipated revenues and expenditures have been considered in formulating the 2008/09 budget and forward year estimates.

CONSULTATION

The General Manager Corporate Services, Manager Financial Services and the Acting Service Manager Financial Reporting have ensured that this information is provided in accordance with legislative requirements.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Townsend
Seconded by: Cr Williams

That Council resolve that the information about Council's financial position for the 2007/2008 financial year, in accordance with Section 521 of the *Local Government Act 1993* and Section 57 of the *Local Government Finance Standard 2005*, as presented in the attachment, be noted.

CARRIED

5.8 SCHEDULE OF FEES AND CHARGES 2008-2009

Datworks Filename: FM Corporate Budget
Attachments: [Schedule of fees and charges 2008-2009](#)
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Under sections 36 and 1071A of the *Local Government Act 1993*, Council may adopt regulatory fees and non-regulatory fees, also known as commercial charges. Other Acts also provide Council with the power to adopt a variety of other fees.

Regulatory fees are fees determined under Section 1071 A (1) of the *Local Government Act 1993*. A regulatory fee must not be more than the cost to the local government of providing the service or taking the action for which the fee is charged.

Under Section 36 (2) (c) of the *Local Government Act 1993*, Council is able to charge for services and facilities it supplies which are not covered under Section 1071 A (1). Unlike regulatory fees, Council has the option to factor in a margin for providing a non-regulatory charge. In developing these charges, Council have benchmarked various charges against other local authorities in order to set a relative charge for the particular product or service.

Other fees have been developed based on the head of power being provided to Council to set a fee or charge other than that provided for under section 36(2) (c) and section 1071 (a) of the *Local Government Act 1993*.

The Schedule of Fees and Charges for 2008-2009 includes commercial charges and regulatory fees and other fees covering areas of Assessment Services, Customer and Community Services, Operations and Maintenance, Corporate Services Department, Planning and Policy Department and the Redland Water and Waste Business Unit.

A Councillor / Executive Leadership Group workshop was conducted on 1 May 2008 to review the Schedule of Fees and Charges.

In adopting the Schedule of Fees and Charges for 2008-2009, Council will provide the community with a clear statement of intention in relation to Fees and Charges for products and services of Council for the coming financial year.

PURPOSE

Under sections 36 and 1071A of the *Local Government Act 1993* and various other sections of other Acts e.g. *Integrated Planning Act 1997* and the *Environmental*

Protection Act 1994, Council may adopt commercial charges, regulatory fees and other fees.

BACKGROUND

Section 36 of the *Local Government Act 1993* provides that a local government may rely on its power as a legal entity to charge for services and facilities it supplies other than a service or facility for which a regulatory or other fee may be fixed.

Section 1071A provides that a local government may, by local law or resolution, fix a regulatory fee for any of the following:

- a) an application for, an issue of an approval, consent, licence, permission, registration or other authority under a local government Act;
- b) recording a change of ownership of land;
- c) giving information kept under a local government Act;
- d) seizing property or animals under a local government Act;
- e) the performance of a function, other than a function mentioned in paragraphs (a) to (d), imposed on a local government under the *Building Act 1975*, or the *Plumbing and Drainage Act 2002*.

Other Acts also make provision for a local authority to raise charges in association with activities undertaken under their jurisdiction; for example, *Freedom of Information Act 1992* and *Evidence Act 1977*. These charges are identified by type in the attached Fees and Charges schedule.

ISSUES

The Schedule of Fees and Charges 2008-2009 has been developed as part of the 2008-2009 budgeting process and is now presented to Council for adoption. As attached, the Schedule of fees and Charges for 2008-2009 includes commercial charges, regulatory fees and other fees covering the following areas:

Assessment Services Group

Including: Animal Management, Development Control, Environmental Health, Local Laws, Land Development, Environmental Assessment, Development Assessment, Integrated Commercial, Domestic Building Certification, Plumbing and Drainage.

Customer and Community Services Group

Including: Caravan Parks and Camping, Redlands Performing Arts Centre, Interment and Community Services, Club Leasing, Community Halls, Major Venues, Library Fees, Children Services, Respite Care Service, Advertising on Bus Shelters, Mosquito Control, Event Bookings – Parks and Reserves.

Operations and Maintenance Group

Including: Roads, Drainage and Quarries, Redlands Indigiscapes Centre.

Planning and Policy Department

Including: Infrastructure Planning, Transport Planning, Freedom of Information Applications.

Corporate Services Department

Including: Financial Management, Corporate Asset Information, Systems Engineering, Legal Services.

Redland Water and Waste Business Unit

Including: Trade Waste, Wastewater, Water Supply, Waste Management, Laboratory Fees.

A workshop was conducted with Councillors on 1 May 2008 to review the Schedule of Fees and Charges.

In adopting the Schedule of Fees and Charges for 2008-2009, Council will provide the community with a clear statement of intention in relation to Fees and Charges for products and services of Council for the new financial year.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The Schedule of Fees and Charges 2008-2009 provides the basis for the development of revenue estimates for products and services charged under the Schedule for the coming financial year.

The Fees and Charges have been developed factoring in a 5.2% increase on the 2007-2008 Fees and Charges where applicable. This is in line with Local Government Association of Queensland Inc. recommendations. An extract from their Circular 2008-026, from February 2008 is provided below.

Indexes of potential relevance include:-

INDEX	Increase Dec. 03 to Dec. 04	Increase Dec. 04 to Dec. 05	Increase Dec. 05 to Dec. 06	Increase Dec. 06 to Dec. 07
CPI – Australia	2.6%	2.8%	3.3%	3.0%
CPI – Brisbane	2.6%	2.8%	3.4%	3.9%
Freight – Australia	4.6%	3.4%	2.7%	1.4%

INDEX	Increase Dec. 03 to Dec. 04	Increase Dec. 04 to Dec. 05	Increase Dec. 05 to Dec. 06	Increase Dec. 06 to Dec. 07
Wages – Australia (Sept. 06 to Sept. 07)	3.6%	4.2%	4.0%	4.2%
General construction industry – Australia	8.3%	5.0%	4.1%	5.2%
General construction industry – Queensland	9.5%	8.6%	5.6%	6.5%
Road and Bridge Construction – Australia	4.1%	5.5%	5.4%	4.8%
Road and Bridge Construction – Queensland	5.9%	7.1%	7.1%	6.3%
Non Residential Building Construction – Australia	11.7%	5.2%	5.9%	5.7%
Non Residential Building Construction – Queensland	13.3%	13.3%	7.0%	4.3%
Housing construction – Australia	5.6%	4.5%	2.3%	4.9%
Housing construction – Queensland	6.0%	1.5%	2.2%	10.1%
Local Government Cost Index	6.1%	5.7%	4.5%	5.2%

(Source: ABS Catalogues 6401.0, 6345.0 and 6427.0.)

As for previous publications on this council cost index, it has been assumed that engineering work activities (representing 50% of outlays state-wide) are driven by the general construction index while the balance of activities are driven by the CPI.

Using the Queensland specific general construction cost index increase of 6.5% and the Brisbane CPI increase of 3.9% as shown above results in a cost increase for local government as a whole in Queensland in the past twelve months of around 5.2%. This compares with the 2007 council cost index published by LGAQ of 4.5%.

(Source: LGAQ, Circular: Council Cost Index 2008 5.2 Percent, 2008-026, 08 February 2008)

CONSULTATION

General Managers and Group Managers have developed the fees and charges for their respective areas. Workshops were conducted with the Chief Executive Officer and General Managers on 31 March 2008 and with Councillors on 1 May 2008.

OPTIONS

PREFERRED

That Council resolve to adopt the Schedule of Fees and Charges for the 2008-2009 financial year as per the attached documentation.

ALTERNATIVE

That Council resolve not to adopt the Schedule of Fees and Charges for the 2008-2009 financial year as per the attached documentation.

OFFICER'S RECOMMENDATION

That Council resolve to adopt the Schedule of Fees and Charges for the 2008-2009 financial year, as per the attached documentation.

COUNCIL RESOLUTION

Moved by: Cr Bowler
Seconded by: Cr Elliott

That Council resolve to adopt the Schedule of Fees and Charges for the 2008-2009 financial year, as attached.

PROCEDURAL MOTION

Moved by: Cr Dowling

That Council resolve into Open Forum to discuss the Fees and Charges.

On being put to the vote the motion was LOST.

A division was called for.

Crs Williams, Dowling, Henry, Ogilvie and Murray voted in the affirmative.

Crs Bowler, Elliott, Townsend, Boglary, Hobson and Reimers voted in the negative.

The motion was declared by the Mayor as LOST.

Further discussion on the Fees and Charges took place.

PROCEDURAL MOTION

Moved by: Cr Henry

That Cr Bowler's motion be put.

The motion to put the motion was put to the vote and declared as CARRIED.

A division was called for.

Crs Boglary, Ogilvie, Henry, Townsend, Bowler, Elliott, Reimers, Murray and Hobson voted in the affirmative.

Crs Dowling and Williams voted in the negative.

The motion was declared by the Mayor as CARRIED.

Cr Bowler's motion was then put to the vote and was declared by the Mayor as **CARRIED**.

A division was called for.

Crs Boglary, Ogilvie, Henry, Townsend, Bowler, Elliott and Hobson voted in the affirmative.

Crs Dowling, Williams, Murray and Reimers voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.9 ESTABLISHMENT OF RESERVE TRANSFERS

Datworks Filename: FM Corporate Budget
Attachments: [Reserve Transfers & Anticipated Reserve Balances](#)
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Section 515 of the *Local Government Act 1993* and sections 33 and 34 of the *Local Government Finance Standard 2005* provide the framework for and transfers to and from reserves.

The purpose of this report is to provide the anticipated information in relation to reserve balances for the 2007/2008 and 2008/2009 year including the impact of anticipated and budgeted transfers to and from reserves for 2008/2009.

It is anticipated that reserves will increase by \$3.459 million for 2007/08 and increase by \$6.947 million for 2008/2009. Final figures for 2007/2008 will be established as part of the end of year finalisation of accounts.

This report recommends that Council resolve to adopt the budgeted reserve balances and transfers as attached.

PURPOSE

The purpose of this report is to provide the anticipated information in relation to reserve balances for the 2007/2008 and 2008/2009 year including the impact of anticipated and budgeted transfers to and from reserves for 2008/2009.

BACKGROUND

Section 515 of the *Local Government Act 1993* and sections 33 and 34 of the *Local Government Finance Standard 2005* provide the framework for the establishment of reserves and transfers to and from reserves.

ISSUES

Section 33 of the *Local Government Finance Standard 2005* stipulates in the following sub-sections:

- 1) *A reserve within a local government's operating fund may be established only by including the reserve in the local government's adopted budget.*

- 2) *The resolution adopting a budget, or amendment of the budget, that includes the reserve must state the purpose of the reserve.*

Section 34 of the *Local Government Finance Standard 2005* stipulates in the following sub-sections:

- 2) *A relevant instrument for the reserve must state the way, subject to sub section (3), the assets of the local government representing the reserve are to be kept.*
- 3) *For subsection (2) , the assets of the local government representing the reserve must be kept for the reserve either -*
 - (a) as cash in a bank account that is used only for reserve; or*
 - (b) the assets kept within the local government's pool of assets.*
- 4) *A transfer from the reserve may only be made by -*
 - (a) a resolution of the local government ;or*
 - (b) including the transfer in the local government's adopted budget.*
- 5) *If the transfer is made for a purpose other than the purpose of the reserve, the resolution making the transfer, or adopting the budget including the transfer, must state the purpose of the transfer.*
- 6) *In this section-*

relevant instrument, for a reserve of a local government means either of the following-

- (a) the resolution of the local government adopting the budget in which the reserve was included;*
- (b) a policy of the local government.*

Detail pertaining to the opening balance of reserves as at 1 July 2007, the anticipated closing balance of reserves as at 30 June 2008, along with budgeted transfers and anticipated balances for 2008/2009 are provided in the attachment. The anticipated balances for 2007/2008 reflect the revised budget adopted by Council on 28 May 2008.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

It is anticipated that reserves will increase by \$3.459 million for 2007/08 and increase by \$6.947 million for 2008/2009. Final figures for 2007/2008 will be established as part of the end of year finalisation of accounts.

CONSULTATION

Financial Services have consulted with group managers to establish the anticipated and budgeted transfers. The Executive Leadership Group and Councillors have been consulted as part of recent budget workshops in relation to budget transfers.

**OFFICER'S RECOMMENDATION/
COUNCIL RESOLUTION**

Moved by: Cr Elliott
Seconded by: Cr Townsend

That Council resolve to adopt in accordance with section 515 of the *Local Government Act 1993* and sections 33 and 34 of the *Local Government Finance Standard 2005*, the budgeted reserve balances and transfers, as attached.

CARRIED

5.10 BORROWING POLICY 2008/2009

Dataworks Filename: FM Corporate Budget
Attachments: [POL-1838](#)
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Section 4(d) of the *Local Government Finance Standard 2005* requires 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*. The budget for the financial year for which the borrowing policy is adopted must be consistent with the policy.

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

PURPOSE

The purpose of this report is for Council to adopt a borrowing policy for 2008/2009.

BACKGROUND

Section 4(d) of the *Local Government Finance Standard 2005* requires 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*. The budget for the financial year for which the borrowing policy is adopted must be consistent with the policy.

ISSUES

The borrowing policy will specify:

1. new borrowings planned for 2008/2009 financial year and the anticipated amounts for the next four (4) financial years;
2. the borrowings are raised on an entity basis, provided is a summary of the major projects these borrowings may be attributed to;
3. the time over which it is planned to repay existing and proposed borrowings.

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

Council currently estimates that a compensation payment of approximately \$80.000 million will be received 1 July 2008 as compensation for assets transferred to the State. This has been recognised as an offset to Council's overall debt in 2008/2009.

In adopting the Borrowing Policy for 2008/2009, Council will provide the community with a clear statement of intention in relation to borrowing for the new financial year.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The Borrowing Policy for 2008/2009 provides the policy framework for borrowing in the new financial year.

CONSULTATION

The General Manager Corporate Services, Service Manager Accounts and Cash Management and Queensland Treasury Corporation have been consulted in the preparation of this policy

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Boglary
Seconded by: Cr Bowler

That Council resolve to adopt the Borrowing Policy (POL-1838), as attached, for the 2008/2009 financial year.

CARRIED

5.11 REVENUE POLICY 2008/2009

Datworks Filename: FM Corporate Budget
Attachments: [POL- 1837](#)
Responsible Officer Name: Greg Underwood
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

Section 513A(1) of the *Local Government Act 1993* requires that local governments prepare and adopt a revenue policy prior to the preparation and adoption of the budget for the financial year which is consistent with the policy.

The Revenue Policy is a strategic document that contains the statement of principles that will be used as the basis for developing the budget.

In adopting the Revenue Policy for 2008/2009, Council will provide the community with a clear statement of intention in relation to revenue-raising for the new financial year.

The Revenue Policy (POL-1837) for 2008/2009 is presented to Council for adoption.

PURPOSE

Section 513A(1) of the *Local Government Act 1993* requires that local governments prepare and adopt a revenue policy prior to the preparation and adoption of the budget for the financial year which is consistent with the policy.

BACKGROUND

The *Local Government Act 1993* requires that local governments prepare and adopt a revenue policy prior to the preparation and adoption of the budget for the next financial year.

ISSUES

The Revenue Policy is a strategic document that contains the statement of principles that will be used as the basis for developing the budget.

Section 12 of the *Local Government Finance Standard 2005* requires that the Revenue Policy must include details of the principles applied by Council for the financial year for:

- The making and levying rates and charges;
- Exercising its powers to grant rebates and concessions; and

- Recovery of unpaid amounts of rates and charges.

In adopting the Revenue Policy for 2008/2009, Council will provide the community with a clear statement of intention in relation to revenue raising for the new financial year.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The Revenue Policy for 2008/2009 provides the strategic framework for revenue raising in the new financial year.

CONSULTATION

- General Manager Corporate Services;
- Service Manager, Revenue and Recovery;
- Councillors.

OFFICER'S RECOMMENDATION/ COUNCIL RESOLUTION

Moved by: Cr Townsend
Seconded by: Cr Williams

That Council resolve to adopt the attached Revenue Policy (POL-1837) for the 2008/2009 financial year, as attached.

CARRIED

5.12 ADOPTION OF BUDGET ESTIMATES AND FIXING OF RATES AND CHARGES FOR 2008/2009

Dataworks Filename: FM Corporate Budget
Responsible Officer Name: Ray Turner
Acting Chief Executive Officer
Author Name: Kerry Phillips
Manager, Financial Services

EXECUTIVE SUMMARY

In accordance with section 518 and 519 of the *Local Government Act 1993* (the Act), Council is required to adopt, by resolution, a budget and revenue statement for each financial year for its operating fund.

Each budget of local government must be developed consistently with its Corporate Plan and Operational Plan.

The 2008/2009 budget presented to Council meets all the requirements of section 519 of the Act.

PURPOSE

The purpose of the report is to formally adopt, in accordance with sections 518 and 519 of the *Local Government Act 1993* (the Act), the 2008/2009 budget and revenue statement.

BACKGROUND

Council has the power to make and levy rates and charges under section 963 of the Act, which is done so in accordance with Part 2 and 3 of Chapter 14 of the Act. Council can also place limitations on increases of general rates under section 1036 of the Act.

Rate concessions are set by Council under Part 6 of Chapter 14 of the Act, together with the ability to charge interest on overdue rates under section 1018 of the Act.

Each budget of a local government must be developed consistently with its Corporate Plan and Operational Plan. Following a series of workshops and public consultation, Council adopted a revised Corporate Plan 2006–2010 on 27 June 2007 to take effect from 1 July 2007 council adopted its Operational Plan 2008-2009 on the 17 June 2008.

ISSUES

REQUIREMENTS OF BUDGETS

The 2008/2009 budget meets all the requirements of section 519 of the Act in that it:

- has been developed consistently with the corporate and operational plans and revenue policy; and
- is clearly linked with matters specified in the plans; and
- complies with the *Local Government Finance Standard 2005*; and
- is accompanied by Council's revenue statement.

CONTENTS OF OPERATING FUND BUDGETS

The budget as shown in the attachment and developed for the 2008-2009 operating fund contains:

- the estimated costs in total, and for each of its significant activities; and
- the source of funds necessary for spending provided for in the budget; and
- the estimated costs and source of funds for the next five (5) financial years; and
- the estimated costs of Council's significant business activities carried on, under Chapter 8, Part 5 of the Act, on a full cost pricing basis and the activities of Council's commercial business units under Chapter 8, Part 6 of the Act.

The budget set has been used as the basis on which rates are to be made and levied by the Council for the next financial year.

CATEGORISATION OF LAND FOR DIFFERENTIAL RATING

If Council moves to levy a differential general rate it is required to make a resolution under section 977 of the Act to determine the categories and the criteria by which the land will be rated.

FIXING OF RATES AND CHARGES FOR THE 2008/2009 FINANCIAL YEAR

Council will fulfil its budget commitments by using its power under section 963 to make and levy rates and charges under the Act. The Act allows Council to make and levy:

- a general rate or differential general rates; and
- minimum general rates levies; and
- separate rates and charges; and special rates and charges; and
- utility charges.

LIMITATION ON INCREASE OF GENERAL RATES

Council recognises that significant valuation increases can have an adverse affect on ratepayers and has decided to limit the impact of high valuation increases.

Where Council has levied a rate it also has the ability under section 1036 of the Act, to resolve that the rate increase is not more than the amount levied for the previous

financial year or is the amount levied for the previous financial year increased by a specified percentage.

TIME WITHIN WHICH RATES MUST BE PAID AND INTEREST FOR OVERDUE PAYMENTS

Under section 1014 of the Act Council, at its budget meeting, must decide the date by which, or the time within which, each rate must be paid. Council will nominate that interest must be paid on any overdue rates.

PENSIONER CONCESSIONS ON GENERAL RATES

Pensioners, who qualify in accordance with Council Policy POL-2557 *Council Pensioner Rebate Policy*, will be allowed a rebate on general rates.

RELATIONSHIP TO CORPORATE PLAN

The recommendation primarily supports Council's strategic priority to ensure the long term financial viability of the City and provide public accountability in financial management.

FINANCIAL IMPLICATIONS

The financial implications have been assessed in accordance with section 519 of the Act and detailed in the attached budget 2008-2009.

CONSULTATION

The Mayor, Councillors, Chief Executive Officer and executive management have developed the budget in a series of budget workshops held since December last year.

CONCLUSION

The Budget Estimates for the Financial Years 2008/2009 to 2012/2013 and the Rates and Charges for the 2008/2009 Financial Year are presented in the following motions for consideration and resolution by Council:

5.12.1 ADOPTION OF BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2008/2009

COUNCIL RESOLUTION

Moved by: Cr Bowler
Seconded by: Cr Elliott

That Council resolve, in accordance with section 518 of the *Local Government Act 1993*, to adopt the budget estimates for 2008/2009 shown in the Budget attached on pages 21 to 27 and 34 to 36.

CARRIED

5.12.2 RATES AND CHARGES FOR THE FINANCIAL YEAR 2008/2009

5.12.2.1. Differential General Rates and Minimum General Rates

COUNCIL RESOLUTION

Moved by: Cr Bowler

Seconded by: Cr Elliott

That Council resolve –

In accordance with Part 2 and 3 of Chapter 14 of the *Local Government Act 1993*, Council will make and levy differential general rates and a minimum general rate for each rating category for the 2008/2009 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 34 categories of land:–

Category	Criteria
Residential Mainland 1	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation of \$178,398 or less that is the registered owner's principal place of residence. This category includes vacant land.
Residential Mainland 2	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$178,399 and \$389,985 that is the registered owner's principal place of residence. This category includes vacant land.
Residential Mainland 3	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$389,986 and \$587,406 that is the registered owner's principal place of residence. This category includes vacant land.

Category	Criteria
Residential Mainland 4	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$587,407 and \$786,784 that is the registered owner's principal place of residence. This category includes vacant land.
Residential Mainland 5	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 \$786,785 that is the registered owner's principal place of residence. This category includes vacant land.
Residential Investment Mainland 1	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation of \$178,398 or less that is NOT the registered owner's principal place of residence.
Residential Investment Mainland 2	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$178,399 and \$389,985 that is NOT the registered owner's principal place of residence.
Residential Investment Mainland 3	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$389,986 and \$587,406 that is NOT the registered owner's principal place of residence.
Residential Investment Mainland 4	Includes all rateable land on the Mainland, Coochiemudlo Island and North Stradbroke Island used for Residential purposes with an unimproved capital valuation between \$587,407 and \$786,784 that is NOT the registered owner's principal place of residence.
Residential Investment Mainland 5	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 \$786,785 that is NOT the registered owner's principal place of residence.

Category	Criteria
Commercial Mainland	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.
Extractive Industry	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.
Major Shopping Centre	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 ² .
Residential SMBI 1	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation of \$120,001 or less that is the registered owner's principal place of residence. This category includes vacant land.
Residential SMBI 2	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$120,002 and \$141,000 that is the registered owner's principal place of residence. This category includes vacant land.
Residential SMBI 3	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$141,001 and \$160,000 that is the registered owner's principal place of residence. This category includes vacant land.
Residential SMBI 4	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$160,001 and \$189,999 that is the registered owner's principal place of residence. This category includes vacant land.
Residential SMBI 5	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$190,000 and \$230,000 that is the registered owner's principal place of residence. This category includes vacant land.

Category	Criteria
Residential SMBI 6	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$230,001 and \$429,999 that is the registered owner's principal place of residence. This category includes vacant land.
Residential SMBI 7	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation equal to or greater than \$430,000 that is the registered owner's principal place of residence. This category includes vacant land.
Residential Investment SMBI 1	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation of \$119,925 or less that is NOT the registered owner's principal place of residence.
Residential Investment SMBI 2	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$119,926 and \$142,999 that is NOT the registered owner's principal place of residence.
Residential Investment SMBI 3	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$143,000 and \$155,000 that is NOT the registered owner's principal place of residence.
Residential Investment SMBI 4	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$155,001 and \$182,501 that is NOT the registered owner's principal place of residence.
Residential Investment SMBI 5	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$182,502 and \$202,500 that is NOT the registered owner's principal place of residence.
Residential Investment SMBI 6	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$202,501 and \$245,000 that is NOT the registered owner's principal place of residence.
Residential Investment SMBI 7	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation between \$245,001 and \$349,999 that is NOT the registered owner's principal place of residence.

Category	Criteria
Residential Investment SMBI 8	Includes all rateable land on Karragarra, Lamb, Perulpa, Macleay and Russell Islands with an unimproved capital valuation equal to or greater than \$350,000 that is NOT the registered owner's principal place of residence.
Commercial SMBI	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.
Restricted Development Entitlements – Res 1	Includes all rateable land with an unimproved capital valuation of \$111,120 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 Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006 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.
Restricted Development Entitlements – Res 2	Includes all rateable land and with an unimproved capital valuation that is between \$111,121 and \$145,936 that is used, or is intended for residential use or any other purpose other than Commercial or Industrial that has been identified in the Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006 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.

Category	Criteria
Restricted Development Entitlements – Res 3	<p>Includes all rateable land and with an unimproved capital valuation equal to or greater than \$145,937 that is used, or is intended for residential use or any other purpose other than Commercial or Industrial that has been identified in the Southern Moreton Bay Islands Development Entitlements Protection Regulation 2006 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.</p>
Constrained	<p>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.</p> <p>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.</p>
Subdividers	<p>In accordance with section 25 of the Valuation of Land Act 1944 (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>.</p>

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.

Category	Rate in \$	Min. Gen. Rate \$	Threshold Valuation \$	Attribute Type
Res Mainland 1	0.00479732	601.29	125,338.73	GR20
Res Mainland 2	0.00412570	855.83	207,438.73	GR20
Res Mainland 3	0.00393380	1,608.96	409,009.10	GR20
Res Mainland 4	0.00374191	2,310.74	617,529.55	GR20
Res Mainland 5	0.00355002	2,944.07	829,310.82	GR20
Res Invest Mainland 1	0.00491725	616.32	125,338.34	GR25
Res Invest Mainland 2	0.00422884	877.23	207,439.86	GR25
Res Invest Mainland 3	0.00403215	1,649.18	409,007.60	GR25
Res Invest Mainland 4	0.00383546	2,368.51	617,529.57	GR25
Res Invest Mainland 5	0.00363877	3,017.68	829,313.20	GR25
Commercial Mainland	0.00491725	613.55	124,775.02	GR21
Extractive Industry	0.01415209	1,062.08	75,047.57	GR22
Major Shop. Centre	0.00815544	3,379.37	414,370.04	GR23
Res SMBI 1	0.00685847	761.29	110,999.97	GR30
Res SMBI 2	0.00660431	823.02	124,618.62	GR30
Res SMBI 3	0.00639999	931.21	145,501.78	GR30
Res SMBI 4	0.00579991	1,024.00	176,554.46	GR30
Res SMBI 5	0.00539999	1,101.98	204,070.74	GR30
Res SMBI 6	0.00496222	1,242.00	250,291.20	GR30
Res SMBI 7	0.00461354	2,133.75	462,497.34	GR30
Res Invest SMBI 1	0.00702993	776.32	110,430.68	GR35
Res Invest SMBI 2	0.00662555	822.50	124,140.63	GR35
Res Invest SMBI 3	0.00636053	947.45	148,957.71	GR35
Res Invest SMBI 4	0.00620611	985.88	158,856.35	GR35
Res Invest SMBI 5	0.00567866	1,132.62	199,451.98	GR35
Res Invest SMBI 6	0.00530001	1,149.93	216,967.51	GR35
Res Invest SMBI 7	0.00512201	1,298.50	253,513.75	GR35
Res Invest SMBI 8	0.00461712	1,792.70	388,272.34	GR35
Commercial SMBI	0.00686032	773.55	112,757.13	GR31
RDE – Res 1	0.00709955	761.29	107,230.73	GR24
RDE – Res 2	0.00676666	788.90	116,586.32	GR24
RDE – Res 3	0.00634783	987.50	155,564.97	GR24
Constrained	0.00479732	113.05	23,565.24	GR06
Subdividers	0.00491725	N/a	N/a	GR05

CARRIED

A division was called for.

Crs Bowler, Elliott, Murray, Reimers, Townsend, Hobson, Boglary, Ogilvie and Henry voted in the affirmative.

Crs Dowling and Williams voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.12.2.2 Limitation on Increase of General Rates

COUNCIL RESOLUTION

Moved by: Cr Dowling

Seconded by: Cr Elliott

That Council resolve in accordance with section 1036 of the *Local Government Act 1993*, that:

a. 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:

- ❖ 12% pa on all land categorised within the rating categories of Residential Mainland 1 to 5 and Constrained;
- ❖ 15% pa on all land categorised in Residential Investment Mainland 1 to 5;
- ❖ 20% pa on all land categorised within the rating category of Major Shopping Centre; and
- ❖ 40% pa on all land categorised in Residential SMBI, Residential Investment SMBI and Restricted Development Entitlements.

b. In the event a general rate has not been levied on a property for the whole of 2007/2008, Council will calculate the corresponding annual amount that would have been applied for the whole of 2007/2008 to determine whether a cap will apply in 2008/2009; and

c. 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.

CARRIED

A division was called for.

Crs Bowler, Elliott, Townsend, Boglary, Ogilvie, Henry, Dowling, Williams and Hobson voted in the affirmative.

Crs Murray and Reimers voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.12.2.3 Utility Charges

COUNCIL RESOLUTION

Moved by: Cr Elliott
Seconded by: Cr Bowler

That Council resolve to make utility charges for 2008/2009 financial year 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*.

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.

(A) Water 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)	\$207.00 per meter/lot
Base Rate BW02 (caravan parks)	\$51.75 per unit

Units, Flats, Guest Houses, Multiple Dwellings 20mm to 150mm and Residential 25mm to 150mm		
Meter Size	Attribute Type	Charge
20mm	BM20	\$207.00
25mm	BM25	\$323.00
32mm	BM32	\$530.00
40mm	BM40	\$828.00
50mm	BM50	\$1,294.00
80mm	BM80	\$3,312.00
100mm	BM100	\$5,175.00
150mm	BM150	\$11,644.00
Commercial and Industrial		
Meter Size	Attribute Type	Charge
20mm	BW20	\$269.00
25mm	BW25	\$420.00
32mm	BW32	\$689.00
40mm	BW40	\$1,076.00
50mm	BW50	\$1,682.00
80mm	BW80	\$4,306.00
100mm	BW100	\$6,728.00
150mm	BW150	\$15,137.00

(B) Water Consumption Charges

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	
First 400 litres per day (146kl pa)	\$1.28 per kilolitre
Between 401 and 800 litres per day (146kl to 292kl pa)	\$1.62 per kilolitre
Above 800 litres per day (292kl pa)	\$1.96 per kilolitre
WC02 Non-residential (Commercial, Industrial)	\$1.96 per kilolitre
WC04 Council	\$1.96 per kilolitre
Recycled Water	\$1.28 per kilolitre

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

Base Charge (SW01)	\$25.40 per unit	
Trade Waste Generator Charge (TP01)	\$279.00 pa	
Trade Waste Discharge – Volume (TW01):	\$1.55 per kl	
Trade Waste Discharge – Quantity (TW01):	Biochemical oxygen demand (B.O.D)	\$1.14 per kg
	Chemical oxygen demand (C.O.D)	\$1.14 per kg
	Total suspended solids (N.F.R.)	\$0.51 per kg
	Oil & Grease	\$0.51 per kg
	Phosphorous	\$4.69 per kg
	Nitrogen	\$1.41 per kg
Food waste disposal units based on power of motor.	\$24.20 (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.)
--	--	--

(D) Waste/Recycling Charges

The waste/recycling charge is determined by Council to ensure that it is able to cover costs associated with the provision of the service. The costs include payment to contractors for both refuse 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 land replacement costs associated with the consumption of the current landfill by residents and other users.

Charge Description	Mainland		Island	
	Charge Code	Annual Amount	Charge Code	Annual Amount
240 litre Refuse/240 litre Recycling Collection	RF01	\$230	RF201	\$245
240 litre Additional Refuse Bin	RF09	\$144	RF209	\$155
240 litre Refuse Bin – Temporary service (= < 3 months Mainland only)	RF13	\$6 per lift	N/a	N/a
120 litre/140 litre Refuse/240 litre Recycling Collection	RF15	\$190	RF215	\$205
120 litre/140 litre Refuse – Temporary service (= < 3 months Mainland only)	RF12	\$5 per lift	N/a	N/a
240 litre Recycling Bin	RF16	\$80	RF216	\$90

Charge Description	Mainland		Island	
	Charge Code	Annual Amount	Charge Code	Annual Amount
240 litre Recycling Bin – Temporary (= < 3 months Mainland only)	RF14	\$8 per lift	N/a	N/a

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

Bulk Bin Size (m3)	MAINLAND 1 Service per week – Annual Charge		ISLAND 1 Service per week – Annual Charge	
	Charge code	Amount	Charge code	Amount
0.66	RF20	\$674	RF100	\$16,865
1.10	RF23	\$2,126	RF103	\$19,133
1.50	RF26	\$1,852	RF106	\$2,788
2.25	RF29	\$2,724	RF109	\$4,087
3.00	RF32	\$3,627	RF112	\$5,359
4.00	RF35	\$4,744	RF115	\$6,904
Bulk Bin Size (m3)	MAINLAND 1 Service per week		ISLAND 1 Service per Week	
	Charge Code	Amount	Charge Code	Amount
0.66	RF21	\$31	RF101	\$325
1.10	RF24	\$41	RF104	\$368
1.50	RF27	\$36	RF107	\$65
2.25	RF30	\$53	RF110	\$90
3.00	RF33	\$70	RF113	\$115

4.00	RF36	\$92	RF116	\$145
------	------	------	-------	-------

Temporary Refuse (1-3 months)	MAINLAND 1 Service		ISLAND 1 Service	
	Charge Code	Amount	Charge Code	Amount
0.66	RF22	\$47	RF102	\$359
1.10	RF25	\$58	RF105	\$402
1.50	RF28	\$60	RF108	\$77
2.25	RF31	\$67	RF111	\$97
3.00	RF34	\$84	RF114	\$121
4.00	RF37	\$105	RF117	\$150
Recycle	MAINLAND 1 Service per fortnight - Annual Charge		ISLAND 1 Service per fortnight - Annual Charge	
	Charge code	Amount	Charge code	Amount
0.66	RF60	\$4,627	RF130	\$6,968
1.10	RF63	\$4,785	RF133	\$7,126
1.50	RF66	\$1,019	RF136	\$1,800
2.25	RF69	\$1,478	RF139	\$2,596
3.00	RF72	\$1,938	RF142	\$3,337
4.00	RF75	\$2,473	RF145	\$4,155
Bulk Bin Size (m3)	MAINLAND 1 Service per fortnight		ISLAND 1 Service per fortnight	
Additional Recycle Service	Charge code	Amount	Charge code	Amount
0.66	RF61	\$178	RF131	\$268

1.10	RF64	\$185	RF134	\$275
1.50	RF67	\$152	RF137	\$280
2.25	RF70	\$170	RF140	\$290
3.00	RF73	\$188	RF143	\$301
4.00	RF76	\$208	RF146	\$315
Temporary Recycle (1 -3 months)	MAINLAND 1 Service		ISLAND 1 Service	
	Charge code	Amount	Charge code	Amount
0.66	RF62	\$66	RF132	\$122
1.10	RF65	\$72	RF135	\$128
1.50	RF68	\$77	RF138	\$134
2.25	RF71	\$87	RF141	\$143
3.00	RF74	\$98	RF144	\$154
4.00	RF77	\$112	RF147	\$168

CARRIED

A division was called for.

Crs Bowler, Elliott, Townsend, Boglary, Ogilvie, Henry and Hobson voted in the affirmative.

Crs Murray, Reimers, Williams and Dowling voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.12.2.4 Environment Separate Charge

COUNCIL RESOLUTION

Moved by: Cr Elliott
 Seconded by: Cr Bowler

That Council resolve, 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 Shire – 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)	\$87.80	Charge per lot

CARRIED

A division was called for.

Crs Bowler, Elliott, Murray, Reimers, Townsend, Hobson, Boglary, Ogilvie and Henry voted in the affirmative.

Crs Dowling and Williams voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.12.2.5 Landfill Remediation Separate Charge

COUNCIL RESOLUTION

Moved by: Cr Dowling

Seconded by: Cr Bowler

That Council resolve, 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)	\$26.00	Charge per lot

CARRIED

5.12.2.6 Amended Raby Bay Canal Special Charge

COUNCIL RESOLUTION

Moved by: Cr Elliott

Seconded by: Cr Murray

That Council resolve, in accordance with section 971 of the *Local Government Act 1993*, Council will make and levy a special charge to be known as the Amended Raby Bay Canal Special charge on the rateable land described below to fund the cost of, and repayment of loan funds used for:

- a. the adoption of the annual implementation plan for the 2008/2009 financial year for the Amended Raby Bay Canal Special Charge; and
- b. to undertake a program of works to provide for the long term maintenance, integrity and effectiveness of the revetment walls;

The service facility or activity for which this overall plan is made is the cleaning, dredging, maintenance to navigational aids and wall repairs to canals and outlet channels. It is Council's opinion that this service, facility or activity provides a special benefit to land by ensuring access to the canals and by ensuring the maintenance and integrity of the canal walls retaining the properties fronting the canals.

The rateable land to which this special charge be levied is identified in the benefited areas maps RBC-3 and RBC-3-1, excluding land that does not have access to a canal, which comprises all of the land which will specially benefit from the service, facility and activity provided through this special charge. In Council's opinion 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 charges for these types of land have been reduced accordingly.

The overall plan for the City Canals – Special Charge works was adopted by Council on 12 July 2000 and the Annual Implementation Plan for 2008/2009 on 17 June 2008.

Charge Basis	Charge Amount
Per standard lot (CA01)	\$1,500.00
Per unit in a home unit development (CA03)	\$ 765.00
Per marina berth (CA05)	\$ 675.00

CARRIED

A division was called for.

Crs Bowler, Elliott, Murray, Reimers, Williams, Townsend, Henry and Dowling voted in the affirmative.

Crs Ogilvie, Boglary and Hobson voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.12.2.7 Amended Aquatic Paradise Canal Special Charge

COUNCIL RESOLUTION

Moved by: Cr Murray

Seconded by: Cr Henry

That Council resolve, in accordance with section 971 of the *Local Government Act 1993*, Council will make and levy a special charge to be known as the Amended Aquatic Paradise Canal Special charge on the rateable land described below to fund the cost of, and repayment of loan funds used for:

- a. the adoption of the annual implementation plan for the 2008/2009 financial year for the Amended Aquatic Paradise Canal Special Charge; and
- b. to undertake a program of works to provide for the long term maintenance, integrity and effectiveness of the revetment walls;

The service facility or activity for which this overall plan is made is the cleaning, dredging, maintenance to navigational aids and wall repairs to canals and outlet

channels. It is Council's opinion that this service, facility or activity provides a special benefit to land by ensuring access to the canals and by ensuring the maintenance and integrity of the canal walls retaining the properties fronting the canals.

The rateable land to which this special charge be levied is identified in the benefited areas map APC-3, excluding land that does not have access to a canal, which comprises all of the land which will specially benefit from the service, facility and activity provided through this special charge.

The overall plan for the City Canals – Special Charge works was adopted by Council on 12 July 2000 and the Annual Implementation Plan for 2008/2009 on 17 June 2008.

Charge Basis	Charge Amount
Per standard lot (CA02)	\$1,530.88
Per marina berth (CA04)	\$1,530.88

CARRIED

A division was called for.

Crs Boglary, Henry, Dowling, Townsend, Bowler, Elliott, Reimers, Williams, Murray and Hobson voted in the affirmative.

Cr Ogilvie voted in the negative.

The motion was declared by the Mayor as **CARRIED**.

5.12.2.8 Lake Levy Special Charge

COUNCIL RESOLUTION

Moved by: Cr Bowler
Seconded by: Cr Elliott

That Council resolve, 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 2008/2009 on 17 June 2008.

Special Charge	Charge Amount	Charge Basis
Lake Levy (LA01)	\$882.75	Charge per lot

CARRIED

5.12.2.9 Rural Fire Levy Special Charge

COUNCIL RESOLUTION

Moved by: Cr Townsend

Seconded by: Cr Henry

That Council resolve, 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 2008/2009 on 17 June 2008. 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

CARRIED

5.12.2.10 Interest on Overdue Rates

COUNCIL RESOLUTION

Moved by: Cr Dowling

Seconded by: Cr Bowler

That Council resolve, in accordance with section 1018 of the *Local Government Act 1993* and section 43 of the *Local Government Regulation 2005*, for 2008/2009 financial year that interest will be charged on overdue rates. Interest will accrue at 11% per annum, compound interest calculated on daily balances.

CARRIED

5.12.2.11 Pensioner Concessions**5.12.2.11 a) General Rates****COUNCIL RESOLUTION**

Moved by: Cr Elliott

Seconded by: Cr Henry

That Council resolve, in accordance with section 1035A of the *Local Government Act 1993* and Council's policy POL-2557 Council Pensioner Rebate Policy, for the 2008/2009 year to provide a rebate on General Rates to eligible pensioner ratepayers as follows:

The rebates are:

For ratepayers in receipt of a maximum pension	\$290.00 per financial year
For ratepayers in receipt of a War Widows' pension	\$232.00 per financial year
For ratepayers NOT in receipt of maximum pension	\$145.00 per financial year

AMENDMENT MOTION

Moved by: Cr Dowling

Seconded by: Cr Williams

That the rebates be increased as follows:

For ratepayers in receipt of a maximum pension	\$300.00 per financial year
For ratepayers in receipt of a War Widows' pension	\$240.00 per financial year
For ratepayers NOT in receipt of maximum pension	\$150.00 per financial year

Moved by: Cr Murray

That the amendment motion be put.

CARRIED

A division was called for.

Crs Bowler, Elliott, Murray, Reimers, Townsend, Hobson, Ogilvie and Henry voted in the affirmative.

Crs Boglary, Dowling and Williams voted in the negative.

The Mayor declared the motion to put the motion as CARRIED.

The amendment motion was put.

On being put to the vote the amendment motion was declared by the Mayor as **CARRIED** (unanimously).

The motion with the amendment became the motion and was put as follows:

That Council resolve, in accordance with section 1035A of the *Local Government Act 1993* and Council's policy POL-2557 Council Pensioner Rebate Policy, for the 2008/2009 year to provide a rebate on General Rates to eligible pensioner ratepayers as follows:

The rebates are:

For ratepayers in receipt of a maximum pension	\$300.00 per financial year
For ratepayers in receipt of a War Widows' pension	\$240.00 per financial year
For ratepayers NOT in receipt of maximum pension	\$150.00 per financial year

CARRIED

[NB – The attached Budget Book has been updated to reflect the above amendments].

5.12.2.11 b) Separate and Special Charges

COUNCIL RESOLUTION

Moved by: Cr Murray
Seconded by: Cr Reimers

That Council resolve, in accordance with section 1035A of the *Local Government Act 1993* to provide a concession on Separate and Special charges (Canal, Lake, Environment, Landfill Remediation and Rural Fire charges) to pensioners who fulfill the eligibility criteria established in Council's Corporate Policy POL-2557 and are owner/occupiers of adjoining residential lots in the same ownership name, which are amalgamated for rating purposes, and either-

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

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

CARRIED (unanimously).

5.12.2.12 Farming Concessions

COUNCIL RESOLUTION

Moved by: Cr Henry
Seconded by: Cr Boglary

That Council resolve, 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.

CARRIED

5.12.2.13 Adoption of the Revenue Statement

Moved by: Cr Elliott
Seconded by: Cr Townsend

That Council resolve, in accordance with section 518 of the *Local Government Act 1993*, to adopt the Revenue Statement shown in the 2008/2009 Budget document as attached on pages 62 to 78.

CARRIED

[Link to Budget Book](#)

6 CLOSURE OF MEETING

The meeting closed at 1.26 pm.