



Budget

2019-2020



Table of Contents

Mayor’s Message	3
Elected Members	5
Council’s Corporate Plan Outcomes	7
2019-2020 Annual Budget at a Glance	8
Capital Expenditure.....	8
Rates and Charges.....	9
Total Council (RCC) Rates and Charges.....	9
Environment Separate Charge.....	9
Landfill Remediation Separate Charge	9
Redland City SES Separate Charge.....	9
Water Pricing – RCC controlled	9
Water Pricing – State controlled.....	9
Wastewater Pricing.....	9
Waste Levy in Queensland.....	9
Financial Budget Overview 2019-2020	10
Where does the money come from?.....	10
Where does the money go?.....	11
Budgeted Financial Statements	12
Financial Budget Summary	12
Key Balance Sheet Items.....	12
Redland City Council – Statement of Financial Position	13
Redland City Council – Statement of Cash Flows	14
Redland City Council – Statement of Income and Expenditure.....	15
Redland City Council - Statement of Comprehensive Income.....	15
Redland City Council – Statement of Changes in Equity.....	16
Redland City Council – Operating Statement	17
Redland City Council – Capital Funding Statement	18
Redland City Council – Other Budgeted Items	18
Contributions from Developers	19
Financial Stability Ratios and Measures of Sustainability Overview	19
Redlands Rates Comparison	20
Significant Business Activities	21
Capital Expenditure 2019-2020	26
Capital Expenditure Funding Sources 2019-2020	27
Capital Works 2019-2020	28
Long-Term Financial Forecast	29
Investment Policy (POL-3013)	30

Debt Policy (POL-1838)	31
Constrained Cash Reserves Policy (POL-3010)	33
Application of Dividends and Tax Equivalent Payments (POL-3117)	34
Revenue Policy (POL-1837)	35
Revenue Statement 2019-2020	40
Outline and Explanation of Measures Adopted for Revenue Raising.....	40
Rates and Charges.....	40
Differential General Rates	40
Separate Charges	46
Environment Separate Charge	46
Landfill Remediation Separate Charge	46
Redland City SES Administration Separate Charge.....	46
Special Charges	47
Rural Fire Brigade Special Charge	47
Utility Charges.....	47
Waste/Recycling Charge	47
Water Charges	51
Fixed Access Water Charge.....	51
Consumption Charge	52
Wastewater Charges.....	52
Trade Waste Charges.....	53
Interest on Overdue Rates	54
Rates Concessions.....	54
Pensioner Concessions.....	54
Farming Concessions.....	54
Other Matters	55
Glossary – Key Performance Indicators	56
Appendix A – Raby Bay Canal Estate Map	57
Appendix B – Aquatic Paradise Canal Estate Map	58
Appendix C – SMBI Rural Fire Map	59

Mayor's Message

When this Council was elected in 2016, we unified in the interests of setting a steady course for the city. We agreed on the need for financial responsibility, preserving what we all love about Redlands Coast, preparing for the future and, despite the temptations, staying within our means to shield our city from volatility now and into the future.

The 2019-20 budget achieves that. It is responsible and balanced, it is within our means and it caters for the necessities of now as well as providing for the needs of the future.

For that, I thank Councillors for their diligence, advocacy and forthright prosecution of their cases on behalf of their residents. The budget process is arduous and there are no doubt things all Councillors would have liked to see in this budget that were unable to be accommodated at this time. But residents can be assured that we have followed the course we set assiduously, while negotiating some significant obstacles and turbulence outside of our control along the way.

The result is a balanced \$305 million budget that is projected to deliver a small operational surplus while keeping the average rates and charges increase to 2.66 percent – or about 62 cents a week - for a typical category 1a, owner-occupied household, excluding utilities and State Government charges.

The increase in the general rate and charges for an average commercial property in Redlands Coast is similar at less than 2.6 percent, before refuse and water charges, which will support the economic development strategies we have in place.

As an ageing community the total pensioner rebates across the city rise to more than \$3 million for 2019-20 and I am pleased that we are able to maintain generous rebates of \$335 a year for a full pensioner and \$167.50 for a part-pensioner.

This budget delivers a \$58.4 million capital works program targeted at growing and sustaining community infrastructure vital to the Redlands Coast's future, especially roads and parks.

This year's capital Budget includes:

- more than \$21 million for roads projects;
- almost \$9.5 million for playgrounds, parks and sports fields;
- \$6.4 million for maintaining marine assets, including canal and breakwater works;
- \$6.8 million towards infrastructure projects, including footpaths, cycle paths, continuing expansion of the Redlands IndigiScapes Centre and bus shelter and seat renewals;
- a further \$4.8 million is earmarked for water, waste and wastewater projects; and
- \$1.5 million for community and cultural development.

We have used our strong balance sheet and borrowing power to spread the load of spending on major infrastructure in 2019-20.

Our strong financial position allows us to move quickly to secure two parcels of highly valued strategic land at Birkdale and Cleveland Point that will be enjoyed for generations of Redlanders.

These areas will add significantly to our community estate which now boasts 9800 hectares of community-owned land and, under this budget, a further \$8.7 million will be invested in protecting this land and potentially buying other strategic land that benefits the community and local environment.

This budget has kept Council’s water-associated increases to less than 2 percent, which is the first increase in our retail charges since 2015. This modest increase is despite the 6.8 percent increase in the State’s bulk water charges. To put it into perspective, this year’s fifth successive hefty State Government bulk water increase will take this city’s total bulk water bill to almost \$40 million – that’s equivalent to nearly 70 percent of the city’s capital works budget.

This budget is also affected by the State Government’s property revaluations which saw an average increase of more than 10 percent in land valuations across the city. Legislation dictates we must use these valuations to frame our rates and the revaluations were certainly at the front of our minds during the budget process. We worked hard to spread the load evenly across the rates base and present a budget that serves the entire city.

As in previous budgets, we have let the community be our guide in setting this financial blueprint for the next year. It is informed by what the community has told us it wants for this city, laying the foundations for future Redlanders through intergenerational projects and financial responsibility.

I would again like to acknowledge my fellow Councillors for their commitment and the compromises that they have made in the interests of the community. On behalf of Councillors, I also would like to thank our CEO Andrew Chesterman and his Executive Leadership Team, as well as our Chief Financial Officer Deborah Corbett-Hall and her finance team, for their guidance and support throughout this process.

It gives me great pleasure to present the 2019-20 budget.



Councillor Karen Williams
Mayor of Redland City







Council's Corporate Plan Outcomes

On 9 May 2018, Redland City Council ('Council') adopted its Corporate Plan for the five year period 2018-2023, to commence 1 July 2018. The Corporate Plan contains the themes or 'Vision Outcomes' as communicated by the Redlands community, in the 2010-30 Community Plan. Council's current Corporate Plan identifies the following eight Vision Outcomes:

1. Healthy Natural Environment

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

2. Green Living

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

3. Embracing the Bay

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

4. Quandamooka Country

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

5. Wise Planning and Design

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

6. Supportive and Vibrant Economy

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

7. Strong and Connected Communities

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

8. Inclusive and Ethical Governance

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

The Corporate Plan 2018-2023 also includes new commitments to reflect Council's strategic priorities.

Council's 2019-2020 budget supports, and is consistent with, the 2018-2023 Corporate Plan in delivering services, programs and facilities to its community.

2019-2020 Annual Budget at a Glance

Capital Expenditure



- Indigiscapes Project2 – Visitor Centre Office Expansion
- Collins St and School of Arts Rd Upgrade
- Bus Shelter and Seat Renewals
- Seawall Upgrades
- Revetment Wall Upgrades
- Wentworth Dr Park Upgrade, Capalaba
- Stage 2A Thornlands Community Park
- Weinam Creek development
- William Street Breakwater Upgrade
- Pt Lookout Oval Park Upgrade

Rates and Charges

TOTAL COUNCIL (RCC) RATES AND CHARGES

- An increase of 2.84% for an average residential owner occupied property in rating category 1a (excluding State Government controlled charges, i.e. bulk water and the emergency management levy)

ENVIRONMENT SEPARATE CHARGE

- Increased by \$6.44 from \$115.56 per annum to \$122.00 per annum, to fund work such as fire management, citywide planting, habitat restoration and management

LANDFILL REMEDIATION SEPARATE CHARGE

- Decreased by \$3.36 per annum from \$43.88 to \$40.52

REDLAND CITY SES SEPARATE CHARGE

- Maintained at \$7.00 per annum for 2019-20

WATER PRICING – RCC CONTROLLED

- Water fixed access (domestic) charge increased for the first time since 2015-16 by \$5.04 from \$263.60 per annum to \$268.64 for 2019-20
- Water consumption - Variable Water Residential charge has increased by \$0.01 for 2019-20 to \$0.601 per kilolitre

WATER PRICING – STATE CONTROLLED

- Water consumption - State Controlled Bulk Water increased from \$2.748 per kilolitre to \$2.935 per kilolitre for 2019-20, an increase of 6.80%

WASTEWATER PRICING

- Average domestic wastewater charge has increased by 1.96% from \$675.75 to \$689.00 per annum for 2019-20

Comparative Bill for Pricing 2019-20 Domestic Average Water User				
	2018-19	2019-20	Variance	Variance
	\$	\$	\$	%
Water Access	263.60	268.64	5.04	1.91
Water Consumption (200kl)*:				
Bulk (State Controlled)	549.60	587.00	37.40	6.80
Retail (RCC Controlled)	118.00	120.25	2.25	1.91
Total Water excl. Wastewater	931.20	975.89	44.69	4.80
Wastewater	675.75	689.00	13.25	1.96
TOTAL WATER CHARGES	1,606.95	1,664.89	57.94	3.61

* RCC calculates average annual consumption by applying historical consumption data to derive a residential daily average usage.

WASTE LEVY IN QUEENSLAND

- For the financial year 2019-20, an annual payment of \$4,619,843 will be paid to Redland City Council by the Queensland Government under the *Waste Reduction and Recycling Act 2011*. The purpose of this payment is to mitigate any direct impacts of the waste disposal levy to households in the Redland City local government area.

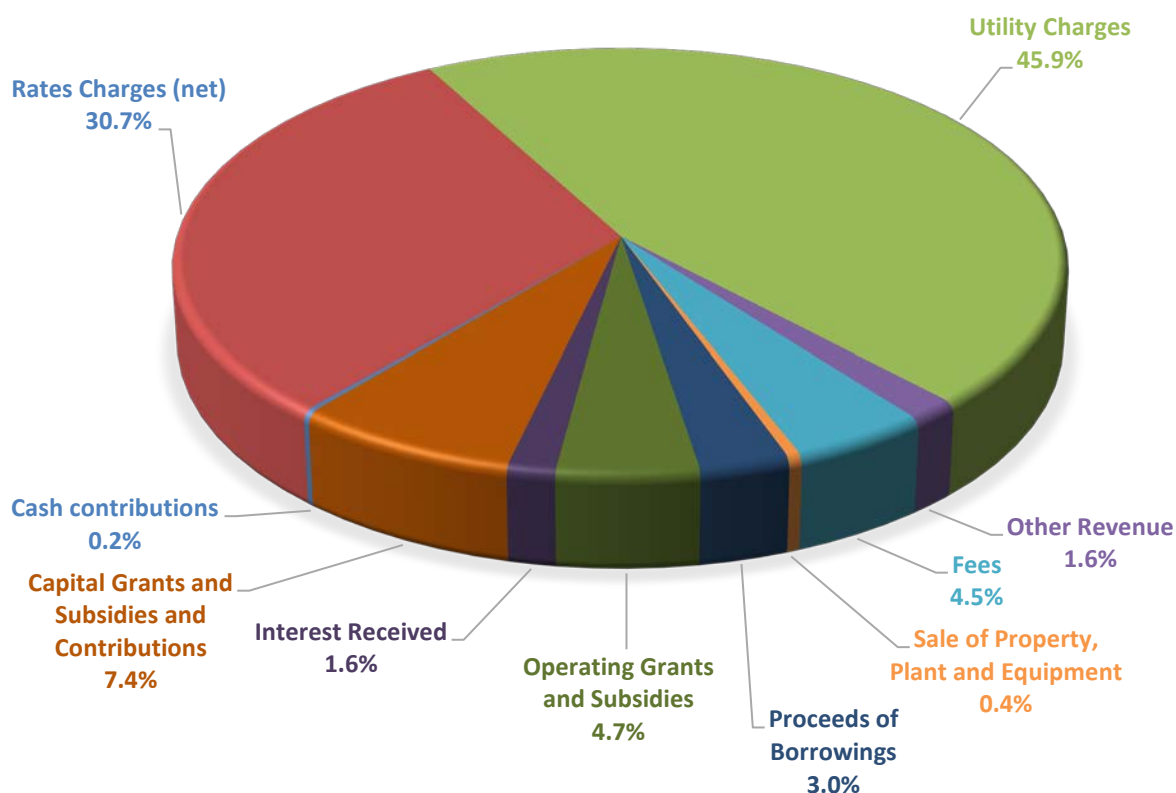
Financial Budget Overview 2019-2020

Where does the money come from?

Redland City Council's cash funding originates from a range of sources, with general rate charges at 30.7%, and the majority generated from utility charges at a total of 45.9%; comprising of 11.7% State Bulk Water charges, 8.6% RCC water charges, and the remaining 25.6% is net utility charges excluding water. Council monitors its key performance indicator 'level of dependence on general rate revenue' which demonstrates the reliance on general rates.

Capital and operating grants, subsidies and contributions are forecast to provide 12.3% of cash funding and this revenue assists Council in delivering a variety of capital programs and various operational maintenance activities. Additionally, fees collected from the issue of permits and consideration of applications and community related services contribute to approximately 4.5% of the funds.

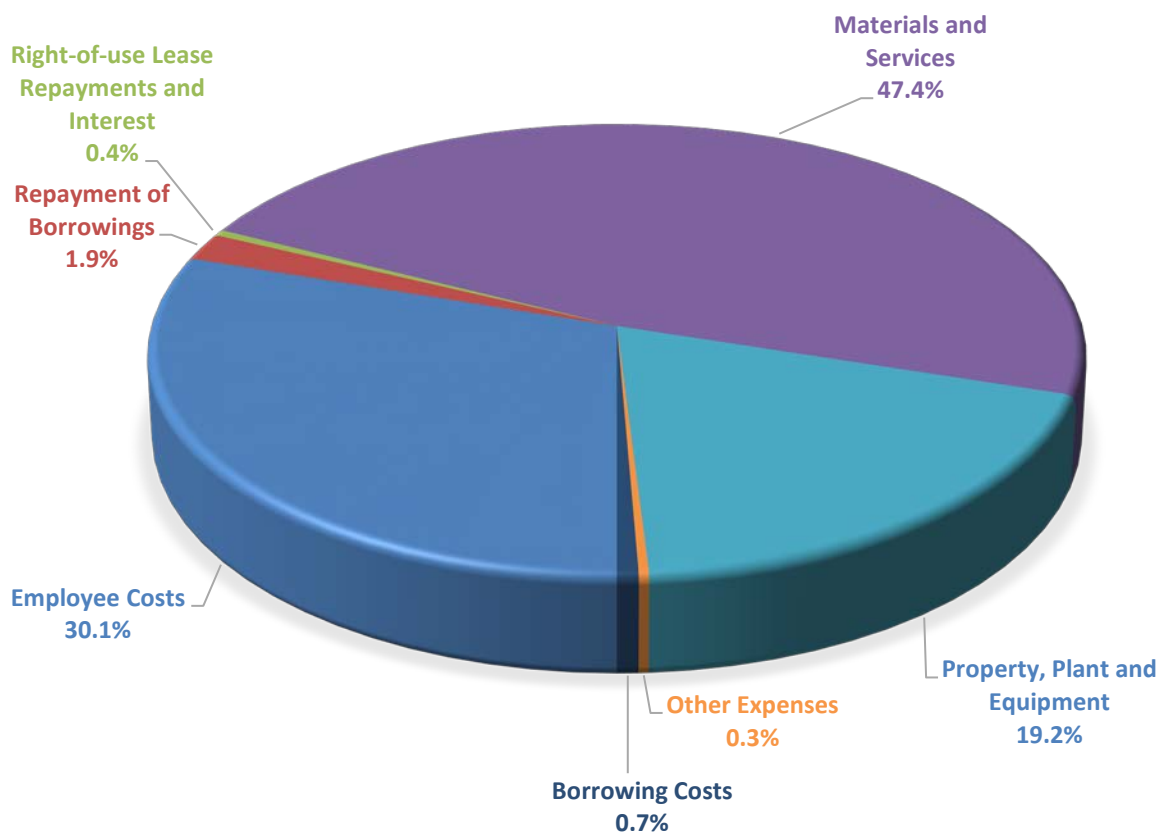
BUDGET 2019-20 CASH FUNDING (\$305M)



Where does the money go?

For 2019-20, 47.4% of the budget has been allocated towards the maintenance programs needed to support the Redlands community, while 19.2% has been set aside for new infrastructure and other capital programs. A further 30.1% is required for Council employees who contribute towards the delivery of services and maintenance programs to the Redlands community.

BUDGET 2019-20 CASH EXPENDITURE (\$305M)



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

Council's Financial Strategy includes the outcomes of a ten year financial model that has been updated to align to Budget 2019-20 and provides a more recent long-term financial forecast. The following policies have also been updated for the 2019-20 financial year: Debt, Investment, Revenue, Constrained Cash Reserves and Application of Dividends and Tax Equivalent Payments to provide Council with a framework to ensure long-term financial and infrastructure sustainability for the community.

Budgeted Financial Statements

These statements provide key revenue, expense and balance sheet items. Future years' estimates result from our internal financial strategy and forecasting model, drawing on assumptions and parameters that are revised throughout the year.

Financial Budget Summary

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Revenue from Operating Activities	297,572	304,937	313,364
Expenses from Operating Activities	294,568	301,152	310,195
Finance Costs	2,809	2,615	2,472
Result from Operating Activities	195	1,171	697
Capital Revenue	27,973	27,933	31,711
Capital Expenses	112	(1,172)	(1,399)
Total Change in Community Equity	28,056	30,276	33,807

Key Balance Sheet Items

The budgeted assets and liabilities are reflective of the anticipated closing balances at 30 June 2019, except where items have been specifically budgeted to the balance sheet, such as cash and cash equivalents, borrowings and property, plant and equipment. Budgeted balances for all other line items do not necessarily reflect actual movements during 2018-19. Finalised and audited opening balances as at 1 July 2019 will be reflected in the annual report.

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Total Assets	2,794,966	2,831,822	2,872,773
Total Liabilities	98,904	105,484	112,627
Net Community Assets	2,696,062	2,726,338	2,760,146
Total Cash at Year End	170,027	157,925	160,742
Total Debt at Year End	41,128	47,886	55,494

Redland City Council – Statement of Financial Position

The statement below includes the community's assets, Council's liabilities and equity, as required by section 169(1)(b)(i) of the *Local Government Regulation 2012*.

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
CURRENT ASSETS			
Cash and cash equivalents	170,027	157,926	160,743
Trade and other receivables	30,532	31,281	32,264
Inventories	936	936	936
Non-current assets held for sale	-	-	-
Other current assets	1,765	1,765	1,765
Total current assets	203,260	191,908	195,708
NON-CURRENT ASSETS			
Investment property	1,091	1,091	1,091
Property, plant and equipment	2,555,393	2,603,560	2,640,653
Intangible assets	968	2,170	3,421
Right-of-use lease assets	8,278	7,117	5,924
Other financial assets	73	73	73
Investment in other entities	25,904	25,904	25,904
Total non-current assets	2,591,706	2,639,914	2,677,065
TOTAL ASSETS	2,794,966	2,831,822	2,872,773
CURRENT LIABILITIES			
Trade and other payables	23,817	24,597	25,122
Borrowings	7,728	7,393	8,364
Right-of-use lease liability	1,039	1,047	1,072
Provisions	7,816	7,988	8,172
Other current liabilities	2,940	3,003	3,070
Total current liabilities	43,340	44,027	45,801
NON-CURRENT LIABILITIES			
Borrowings	33,400	40,493	47,130
Right-of-use lease liability	7,412	6,357	5,260
Provisions	14,752	14,606	14,436
Total non-current liabilities	55,563	61,457	66,826
TOTAL LIABILITIES	98,904	105,484	112,627
NET COMMUNITY ASSETS	2,696,062	2,726,338	2,760,146
COMMUNITY EQUITY			
Asset revaluation surplus	1,003,168	1,003,167	1,003,167
Retained surplus	1,575,901	1,611,601	1,650,831
Constrained cash reserves	116,993	111,570	106,147
TOTAL COMMUNITY EQUITY	2,696,062	2,726,338	2,760,146

Redland City Council – Statement of Cash Flows

Cash movement is illustrated for the three areas: operating, investing and financing, as required by section 169(1)(b)(ii) of the *Local Government Regulation 2012*.

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	272,371	288,804	298,288
Payments to suppliers and employees	(237,486)	(235,915)	(241,492)
	34,885	52,888	56,796
Interest received	5,231	5,410	5,288
Rental income	925	942	963
Non-capital grants and contributions	16,097	10,211	9,015
Borrowing costs	(2,070)	(1,858)	(1,697)
Right-of-use assets interest expense	(266)	(238)	(210)
Other cash flows from operating activities	(50)	-	-
Net cash inflow/(outflow) from operating activities	54,752	67,356	70,155
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	(58,432)	(109,854)	(102,263)
Payments for intangible assets	-	(1,131)	(1,373)
Proceeds from sale of property, plant and equipment	1,419	1,172	1,399
Capital grants, subsidies and contributions	24,492	24,467	28,175
Other cash flows from investing activities	-	176	189
Net cash inflow/(outflow) from investing activities	(32,521)	(85,169)	(73,874)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of borrowings	9,800	13,232	15,000
Repayment of borrowings	(5,937)	(6,474)	(7,392)
Right-of-use lease payments	(1,039)	(1,047)	(1,072)
Net cash inflow/(outflow) from financing activities	2,824	5,711	6,536
Net increase/(decrease) in cash and cash equivalents held	25,055	(12,102)	2,817
Cash and cash equivalents at the beginning of the financial year	144,972	170,027	157,925
Cash and cash equivalents at the end of the financial year	170,027	157,925	160,742

Redland City Council – Statement of Income and Expenditure

In accordance with section 169(1)(b)(iii) of the *Local Government Regulation 2012*, the following items are components of Council's statement of income and expenditure:

- statement of comprehensive income, in compliance with section 169(3)(a) to (h) of the *Local Government Regulation 2012*
- contributions from developers, in compliance with section 169(3)(b) of the *Local Government Regulation 2012* (also captured in the statement of comprehensive income)
- estimated costs of Council's significant business activities and business units, in compliance with section 169(3)(i) of the *Local Government Regulation 2012*

Redland City Council - Statement of Comprehensive Income

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Recurrent revenue			
Rates, levies and charges	253,948	269,808	278,102
Fees	14,632	14,944	15,342
Rental income	925	944	966
Interest received	5,231	5,410	5,288
Investment returns	-	-	-
Sales revenue	3,856	3,939	4,027
Other income	525	640	652
Grants, subsidies and contributions	18,456	9,253	8,987
Total recurrent revenue	297,572	304,937	313,364
Capital revenue			
Grants, subsidies and contributions	24,492	24,467	28,175
Non-cash contributions	3,480	3,466	3,537
Total capital revenue	27,973	27,933	31,711
TOTAL INCOME	325,545	332,870	345,076
Recurrent expenses			
Employee benefits	90,372	93,030	95,308
Materials and services	138,917	143,041	146,058
Finance costs	2,809	2,615	2,472
Depreciation and amortisation	65,279	65,082	68,829
Total recurrent expenses	297,377	303,767	312,668
Capital expenses			
(Gain) / Loss on disposal of non-current assets	112	(1,172)	(1,399)
Total capital expenses	112	(1,172)	(1,399)
TOTAL EXPENSES	297,489	302,594	311,268
NET RESULT	28,056	30,276	33,807
Other comprehensive income / (loss)			
Items that will not be reclassified to a net result			
Revaluation of property, plant and equipment	-	-	-
TOTAL COMPREHENSIVE INCOME	28,056	30,276	33,807

Redland City Council – Statement of Changes in Equity

The movement in reserves and retained earnings for the following three years is forecast below, as required by section 169(1)(b)(iv) of the *Local Government Regulation 2012*.

	Asset Revaluation Surplus \$000	Retained Surplus \$000	Constrained Cash Reserves \$000	Total Community Equity \$000
Balance as at 1 July 2019	1,003,168	1,556,183	108,655	2,668,006
Net result	-	28,056	-	28,056
Total comprehensive income for the year	-	28,056	-	28,056
Transfers to and from reserves:				
Transfers to reserves	-	(35,868)	35,868	-
Transfers from reserves	-	27,530	(27,530)	-
Total transfers to and from reserves	-	(8,338)	8,338	-
Balance as at 30 June 2020	1,003,168	1,575,901	116,993	2,696,062

	Asset Revaluation Surplus \$000	Retained Surplus \$000	Constrained Cash Reserves \$000	Total Community Equity \$000
Balance as at 1 July 2020	1,003,168	1,575,901	116,993	2,696,062
Net result	-	30,276	-	30,276
Total comprehensive income for the year	-	30,276	-	30,276
Transfers to and from reserves:				
Transfers to reserves	-	(36,689)	36,689	-
Transfers from reserves	-	42,112	(42,112)	-
Total transfers to and from reserves	-	5,423	(5,423)	-
Balance as at 30 June 2021	1,003,168	1,611,600	111,570	2,726,338

	Asset Revaluation Surplus \$000	Retained Surplus \$000	Constrained Cash Reserves \$000	Total Community Equity \$000
Balance as at 1 July 2021	1,003,168	1,611,600	111,570	2,726,338
Net result	-	33,807	-	33,807
Total comprehensive income for the year	-	33,807	-	33,807
Transfers to and from reserves:				
Transfers to reserves	-	(37,547)	37,547	-
Transfers from reserves	-	42,970	(42,970)	-
Total transfers to and from reserves	-	5,423	(5,423)	-
Balance as at 30 June 2022	1,003,168	1,650,831	106,147	2,760,146

Redland City Council – Operating Statement

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

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Revenue			
Rates charges	104,953	109,048	111,714
Levies and utility charges	152,328	164,191	169,923
<i>Less: Pensioner remissions and rebates</i>	(3,333)	(3,430)	(3,534)
Fees	14,632	14,944	15,342
Operating grants and subsidies	17,757	8,536	8,251
Operating contributions and donations	699	717	736
Interest external	5,231	5,410	5,288
Investment returns	-	-	-
Other revenue	5,306	5,523	5,645
Total revenue	297,572	304,937	313,364
Expenses			
Employee benefits	90,372	93,030	95,308
Materials and services	140,138	144,293	147,345
Finance costs other	472	757	775
Other expenditure	514	527	542
Net internal costs	(1,735)	(1,780)	(1,829)
Total expenses	229,762	236,827	242,142
Earnings before interest, tax and depreciation (EBITD)	67,811	68,110	71,223
Interest expense - External	2,336	1,858	1,697
Depreciation and amortisation	65,279	65,082	68,829
OPERATING SURPLUS / (DEFICIT)	195	1,171	697

Please refer to the Redland Water and RedWaste operating and capital funding statements on pages 21 to 25 for the estimated costs of Council's commercial business activities. The costs are included in the above RCC statements although are broken out for transparency as part of full operating and capital funding statements for these commercial businesses.

Redland City Council – Capital Funding Statement

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

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Proposed sources of capital funding			
Capital contributions and donations	22,427	23,061	24,334
Capital grants and subsidies	2,065	1,406	3,840
Proceeds on disposal of non-current assets	1,419	1,038	1,172
Capital transfers (to) / from reserves	(5,446)	5,423	5,423
Non-cash contributions	3,480	3,466	3,537
New loans	9,800	13,232	15,000
Funding from general revenue	35,143	73,299	61,259
Total sources of capital funding	68,889	120,924	114,565
Proposed application of capital funds			
Contributed assets	3,480	3,466	3,537
Capitalised goods and services	51,434	100,918	94,237
Capitalised employee costs	6,999	10,066	9,400
Loan redemption	6,976	6,474	7,392
Total application of capital funds	68,889	120,924	114,565

Redland City Council – Other Budgeted Items

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Other budgeted items			
Transfers to constrained operating reserves	(13,441)	(13,728)	(14,037)
Transfers from constrained operating reserves	10,549	13,728	14,037
Written down value (WDV) of assets disposed	1,531	-	-

Contributions from Developers

Section 169(3)(b) of the *Local Government Regulation 2012* requires the disclosure of contributions from developers in Council's annual budget. Forecast capital and operational developer contributions are reflected in the table below. Capital contributions and donations are cash contributions from developers. Non-cash contributions are developer contributed assets.

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Operating Developer Contributions *	267	273	279
Capital Developer Contributions	22,427	23,061	24,334
Developer Non-Cash Contributed Assets	3,480	3,466	3,537
Total Developer Contributions	26,175	26,800	28,150

*excludes non-developer contributions

Financial Stability Ratios and Measures of Sustainability Overview

Council's ten year financial forecast is frequently updated to reflect changes to policy direction, budget review movements and market influences. The figures below are reflecting assumptions, parameters and indices as agreed for 2019-20 budget development and as in previous years are subject to change following budget adoption. The below measures of financial sustainability are provided in accordance with the requirements of section 169(4) and (5) of the *Local Government Regulation 2012*.

A definition of each of the ratios is given in the Glossary - Key Performance Indicators on page 56.

Redland City Council	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Operating Surplus Ratio Target between 0% and 10% (on average over the long-term)	0.07%	0.38%	0.22%	0.33%	0.47%	0.61%	0.72%	0.82%	0.92%	1.02%
Asset Sustainability Ratio (Infrastructure Assets Only) Greater than 90% (on average over the long-term)	52.23%	106.23%	113.32%	71.86%	79.23%	71.12%	69.97%	59.13%	67.42%	65.84%
Net Financial Liabilities Ratio Less than 60% (on average over the long-term)*	-35.07%	-28.34%	-26.51%	-25.07%	-23.41%	-23.81%	-23.79%	-24.90%	-25.54%	-24.28%

*The Net Financial Liabilities Ratio exceeds the target range when current assets are greater than total liabilities (and the ratio is negative)

Redland City Council	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Level of dependence on General Rate Revenue (Excludes Utility Revenues) - Threshold set < 40%	34.30%	34.79%	34.67%	34.68%	34.71%	34.92%	34.62%	34.84%	34.74%	34.64%
Ability to pay our bills - Current Ratio Target between 1.1 and 4.1**	4.69	4.36	4.27	4.67	4.64	4.76	4.97	5.38	5.45	5.30
Ability to repay our debt - Debt Servicing Ratio (%) Target less than or equal to 15%	2.87%	3.03%	3.21%	1.81%	2.00%	2.21%	1.81%	1.76%	1.96%	0.70%
Cash Balances - \$000s Target greater than or equal to \$50M	170,027	157,925	160,742	163,898	169,502	181,411	192,111	209,459	223,897	227,069
Cash Balances - cash capacity in months Target greater than 3 months	8.51	7.96	7.92	7.86	7.88	8.22	8.33	8.88	9.17	8.94
Longer term financial stability - debt to asset ratio (%) Target less than or equal to 10%	1.47%	1.69%	1.93%	2.12%	2.41%	2.68%	2.88%	3.20%	3.43%	3.57%
Operating Performance Target greater than or equal to 10%	18.58%	22.06%	22.37%	22.77%	23.05%	23.40%	23.46%	23.90%	23.99%	23.74%
Interest Coverage Ratio Target less than 5% ***	-1.06%	-1.16%	-1.15%	-1.20%	-1.17%	-1.16%	-1.17%	-1.19%	-1.20%	-1.18%

** The current ratio is still favourable when exceeding 4:1, more current assets than current liabilities

*** The Interest Coverage Ratio exceeds the target range when interest revenue is greater than interest expense (and the ratio is a negative)

Redlands Rates Comparison

Section 169(6) of the *Local Government Regulation 2012* requires the disclosure of the following information in Council's annual budget: *The budget must include the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.*

The total increase in the rates and charges levied for the 2019-20 budget compared with the rates and utility charges levied in the 2018-19 budget is 4.12%, comprising growth of 1.31% and a 2.81% price increase.

Significant Business Activities

In accordance with section 169(3)(i) of the *Local Government Regulation 2012*, Council's budget must include the estimated costs for the local government's significant business activities carried on using a full cost pricing basis. Of note, the two significant business activities of Council are also Commercial Business Units. The following estimated activity statements are in accordance with section 34 of the *Local Government Regulation 2012*.

These statements provide key revenue, expense and balance sheet items. Future years' estimates result from our internal financial strategy and forecasting models, drawing on assumptions and parameters that are revised throughout the year.

REDLAND WATER OPERATING STATEMENT

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Revenue			
Levies and utility charges	113,256	119,243	123,717
<i>Less: Pensioner remissions and rebates</i>	(453)	(477)	(495)
Fees	317	322	327
Operating grants and subsidies	-	-	-
Operating contributions and donations	-	-	-
Interest external	909	928	949
Community service obligation	376	384	392
Other revenue	2,032	2,075	2,122
Total revenue	116,436	122,474	127,013
Expenses			
Employee benefits	8,831	9,000	9,178
Materials and services	54,341	58,011	59,936
Finance costs other	-	-	-
Other expenditure	-	-	-
Net internal costs	3,301	3,388	3,481
Total expenses	66,474	70,400	72,596
Earnings before interest, tax and depreciation (EBITD)	49,963	52,075	54,417
External interest expense	136	125	114
Internal interest expense	14,867	15,086	15,633
Depreciation and amortisation	23,823	24,361	24,686
Operating surplus/(deficit)	11,136	12,503	13,984

REDLAND WATER CAPITAL FUNDING STATEMENT

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Proposed sources of capital funding			
Capital contributions and donations	2,537	2,587	2,640
Capital grants and subsidies	-	-	-
Proceeds on disposal of non current assets	-	-	-
Capital Transfer to/from Reserves	(1,982)	(1,611)	2,071
Non cash contributions	3,399	3,466	3,537
New loans	-	-	-
Funding from utility revenue	4,172	7,672	18,192
Total sources of capital funding	8,126	12,114	26,440
Proposed application of capital funds			
Contributed assets	3,399	3,466	3,537
Capitalised goods & services	4,124	8,096	22,350
Capitalised employee costs	55	57	58
Loan redemption	549	495	495
Total Application of Capital Funds	8,126	12,114	26,440
Other budgeted items			
Transfers to constrained operating reserves	-	-	-
Transfers from constrained operating reserves	-	-	-
WDV of assets disposed	-	-	-
Income tax	5,122	5,567	6,048
Dividend	8,963	9,742	10,584

REDLAND WATER COMMUNITY SERVICE OBLIGATIONS (CSOs)

Job Name	Description of the nature of the CSO	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Water concession not for profit	Reduced charges for water for charities and not for profit organisations	91	93	95
Wastewater concession not for profit	Reduced charges for wastewater for charities and not for profit organisations	285	291	297
		376	384	392

REDWASTE OPERATING STATEMENT

	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2020-21 \$000
Revenue			
Levies and utility charges	26,968	27,807	30,838
<i>Less: Pensioner remissions and rebates</i>	-	-	-
Fees	657	666	678
Operating grants and subsidies	4,619	4,718	4,824
Operating contributions and donations	-	-	-
Interest external	84	86	88
Community service obligation	189	193	197
Other revenue	1,183	1,208	1,236
Total revenue	33,701	34,678	37,862
Expenses			
Employee benefits	2,085	2,135	2,187
Materials and services	22,014	22,592	25,343
Finance costs other	1	1	1
Other expenditure	-	-	-
Net internal costs	2,098	2,153	2,212
Total expenses	26,197	26,881	29,742
Earnings before interest, tax and depreciation (EBITD)	7,504	7,797	8,119
External interest expense	31	31	32
Internal interest expense	-	-	-
Depreciation and amortisation	278	284	291
Operating surplus/(deficit)	7,195	7,482	7,796

REDWASTE CAPITAL FUNDING STATEMENT

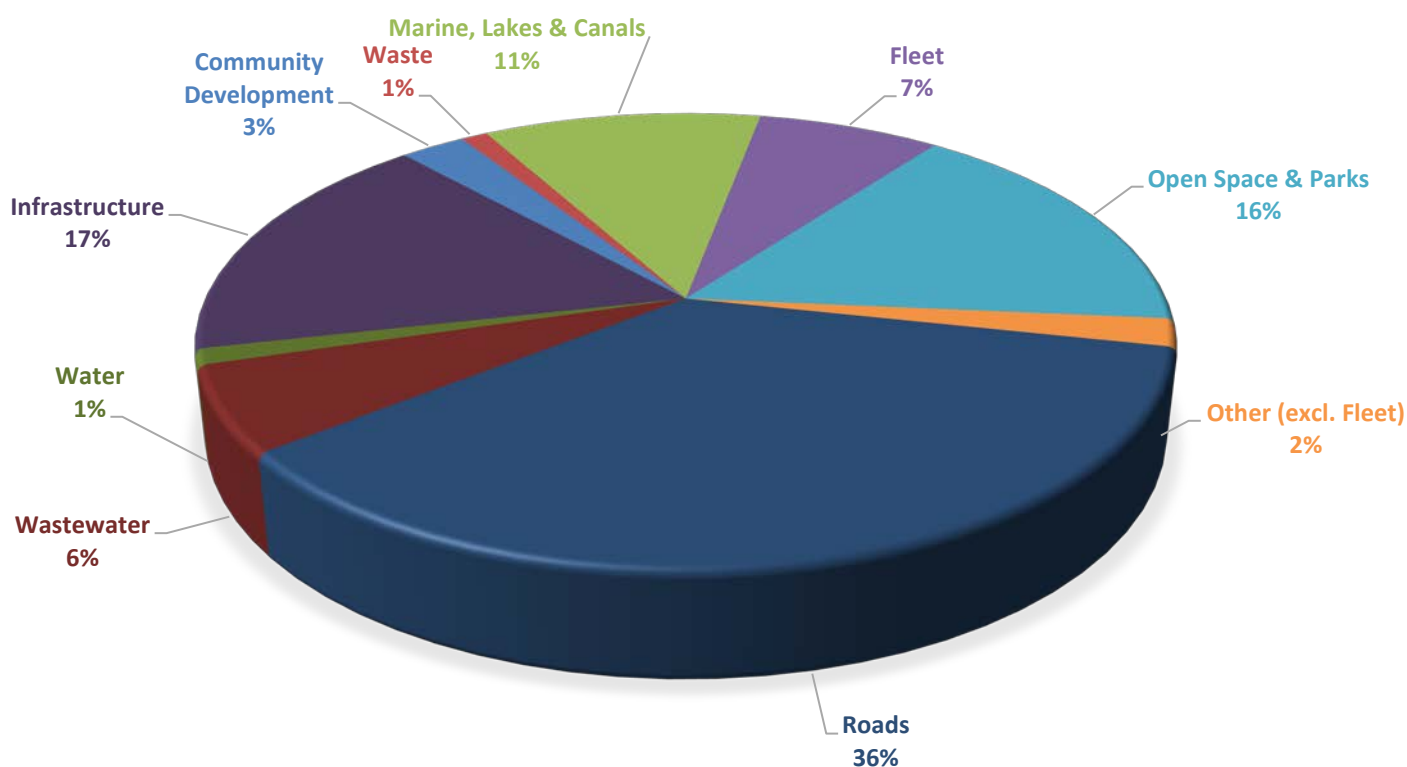
	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2020-21 \$000
Proposed sources of capital funding			
Capital contributions and donations	-	-	-
Capital grants and subsidies	-	-	-
Proceeds on disposal of non-current assets	-	-	-
Capital Transfer (to) / from Reserves	-	-	-
Non-cash contributions	-	-	-
New loans	-	-	-
Funding from general revenue	746	1,100	1,036
Total sources of capital funding	746	1,100	1,036
Proposed application of capital funds			
Contributed assets	-	-	-
Capitalised goods & services	608	962	897
Capitalised employee costs	-	-	-
Loan redemption	138	138	139
Total Application of Capital Funds	746	1,100	1,036
Other budgeted items			
Transfers to constrained operating reserves	-	-	-
Transfers from constrained operating reserves	-	-	-
WDV of assets disposed	-	-	-
Income tax	2,157	2,245	2,339
Dividend	2,516	2,619	2,729

REDWASTE COMMUNITY SERVICE OBLIGATIONS (CSOs)

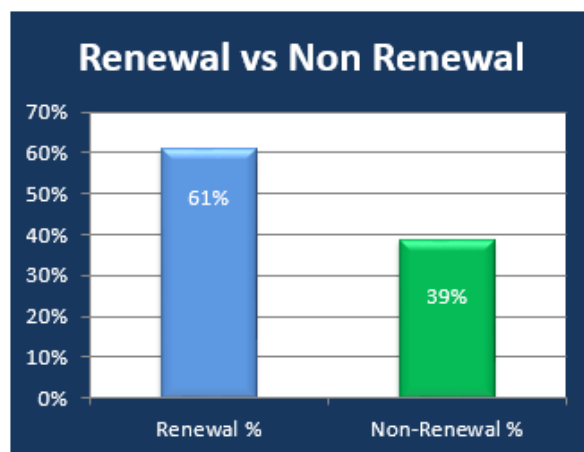
Job Name	Description of the nature of the CSO	Budget Year 1 2019-20 \$000	Forecast Year 2 2020-21 \$000	Forecast Year 3 2021-22 \$000
Clean Up Australia Day	Acceptance of Clean Up Australia Day waste at transfer stations, provision of bulk waste bins and waste disposal for clean-up sites.	2	2	2
Waste Disposal from Community Groups	Disposal of commercial and industrial, and construction and demolition waste originating from islands and not accepted at island waste transfer stations; and waiving of disposal fees for community groups and not for profit organisations via Policy POL-0057.	42	43	44
In-Home Waste, Recycling and Green Waste Collection Service	In-Home wheelie bin collection services to residents who are unable to place their bin at the kerb for collection due to ill health, physical or mental capacity.	75	77	78
Bulky Item Collection Service (Elderly & Disabled)	Removal and disposal of bulky items and green waste to eligible elderly and disabled clients.	70	71	73
		189	193	197

Capital Expenditure 2019-2020

Council reviewed its latest 10 year capital program throughout the 2019-20 budget development process, ensuring its sustainability and deliverability. As per previous years, financial and asset sustainability were the focus of the capital program, with Council considering renewal of existing assets more favourably than the purchase of new assets. New assets not only impact on capital expenditure but also bring associated whole of life operating and maintenance costs with them. Key factors in the construction of the capital expenditure program are deliverability and community desire. A total of \$58.43M has been planned for capital works in 2019-20 which has been allocated across the work programs as displayed in the chart below.



Category	Amount \$000	2019-20 %
Community Development	1,505	3%
Waste	608	1%
Marine, Lakes & Canals	6,429	11%
Fleet	4,223	7%
Open Space & Parks	9,488	16%
Other (excl. Fleet)	1,152	2%
Roads	21,008	36%
Wastewater	3,525	6%
Water	653	1%
Infrastructure	9,840	17%
Total	58,432	100%



Capital Expenditure Funding Sources 2019-2020

The sources of Capital Expenditure funding are shown below:



Source of Funding	Amount \$000	2019-20 %
Revenue	28,167	48%
Loans	9,800	17%
Subsidy	2,065	4%
Reserves	16,981	29%
Sale Proceeds	1,419	2%
Total	58,432	100%

Capital Works 2019-2020

The capital works program for 2019-20 has been constructed to address the priorities of the 2018-2023 Corporate Plan, as well as the outputs from the Asset and Service Management Plans. These plans have ensured Council focuses on renewing and maintaining assets to provide financial and asset sustainability to the community.

Additionally, the program also includes capital investment into Council's technology and capability that will assist in the delivery and maintenance of the infrastructure throughout the City. The overall expenditure on capital works is budgeted to be \$58.43M for 2019-20 and is listed below by category of expenditure.

Works Program	\$
Libraries	1,172,996
Public Art and Redlands Performing Arts Centre (RPAC)	332,500
Community and Cultural Development	1,505,496
Transport (footpaths, bikeways, carparks, bus stops/shelters)	6,827,507
Buildings	2,612,289
Stormwater	400,000
Infrastructure	9,839,796
Marine Foreshore Protection	1,992,835
Lake and Canal Estates	4,436,496
Marine and Foreshore	6,429,331
Infrastructure - Open Space	5,502,603
Parks and Conservation	3,985,362
Open Space Infrastructure, Parks and Conservation	9,487,965
Reseals and Resurfacing	12,250,000
Road Upgrade Programs and Intersection Safety Improvements	2,458,013
Road Reconstruction, Maintenance and Other	6,300,000
Roads	21,008,013
Wastewater Pump Stations	1,421,400
Wastewater Treatment Plants, Mains and Maintenance	2,104,000
Wastewater	3,525,400
Waste	608,121
Water	653,361
Fleet Replacement	4,223,339
Information Management Replacements, Upgrades and Projects	825,000
Land Actions and Acquisitions, Project Delivery and Administrative	326,633
Other	5,374,972
Grand Total	58,432,455

Long-Term Financial Forecast

As per section 169(2)(a) of the *Local Government Regulation 2012*, Council's budget is required to include a long-term financial forecast. The forecast includes Council's Income, Expenditure and the value of Council's Assets, Liabilities and Community Equity.

Year one of the forecast depicts the adopted budget for financial year 2019-20. From year two to year ten of the forecast, values have been derived from Council's Long-Term Financial Forecast that works towards balancing the increase in revenue from the community to fund the replacement and renewal of assets.

	Year 1 Budget 2019-20 \$000	Year 2 Forecast 2020-21 \$000	Year 3 Forecast 2021-22 \$000	Year 4 Forecast 2022-23 \$000	Year 5 Forecast 2023-24 \$000
Total Income	325,545	332,870	345,076	354,278	368,520
Total Expenses	297,489	302,594	311,268	320,207	332,240
Total Assets	2,794,966	2,831,822	2,872,773	2,912,984	2,958,637
Total Liabilities	98,904	105,484	112,627	118,767	128,139
Community Equity	2,696,062	2,726,338	2,760,146	2,794,217	2,830,497

	Year 6 Forecast 2024-25 \$000	Year 7 Forecast 2025-26 \$000	Year 8 Forecast 2026-27 \$000	Year 9 Forecast 2027-28 \$000	Year 10 Forecast 2028-29 \$000
Total Income	382,214	400,244	406,265	421,037	432,856
Total Expenses	342,796	358,865	368,098	382,217	397,045
Total Assets	3,007,235	3,057,180	3,107,164	3,155,731	3,198,908
Total Liabilities	137,320	145,886	157,703	167,450	174,815
Community Equity	2,869,915	2,911,294	2,949,461	2,988,281	3,024,092

Please note that Redland City Council's ten year financial forecast is updated during the formal budget review processes and also as part of the annual budget development. The figures above are reflecting assumptions, parameters and indices as part of the 2019-20 budget development and as in previous years are subject to change following budget adoption due to the fact that Council's ten year financial forecast is a living document.

The difference between the City's assets and liabilities is Community Equity, which is estimated to be \$2.7 billion at the end of the 2019-20 financial year. Community Equity continues to grow each year as the City grows and develops. The increase in Community Equity is largely driven by capital revenues from infrastructure charges, grants and subsidies and contributed assets.

Community Equity continues to demonstrate that Council owns more than it owes. Key financial indicators including debt to asset ratio and net financial liabilities, (refer to page 19), also illustrate the current financial position is within the target range.

Investment Policy (POL-3013)

Head of Power

Section 104 of the *Local Government Act 2009* (Act) requires a local government to establish a system of financial management that includes various financial policies, including an investment policy. In turn, section 191 of the *Local Government Regulation 2012* requires a local government to prepare and adopt an investment policy for a financial year. The Act also defines Council as a statutory body and subsequently Council must also consider the *Statutory Bodies Financial Arrangements Act 1982*.

This policy applies to Council's investment in wholly owned subsidiaries.

Policy Objective

To maximise earnings from authorised financial investments of surplus funds after assessing and minimising all associated risks in accordance with the annually revised and adopted Long-Term Financial Strategy (Financial Strategy). Further, to comply with section 191 of the *Local Government Regulation 2012*, this policy outlines Council's investment objectives and overall risk philosophy, and procedures for achieving the goals related to investment stated in this policy.

Policy Scope

This policy applies to all of Redland City Council business areas. Redland Investment Corporation (RIC), being a wholly owned separate legal entity, and any of its subsidiaries may utilise the provisions of this policy but are not bound to the Redland City Council policy statements as outlined in this document.

Policy Statement

1. Council's philosophy for investments is to protect the capital value of investments with the goal of maximising returns through an active investment strategy within this overall risk philosophy.
2. Council is committed to achieving this goal through the following procedures:
 - investing only in investments as authorised under current legislation;
 - investing only with approved institutions;
 - investing to facilitate diversification and minimise portfolio risk;
 - investing to protect the capital value of investments (balancing risk with return opportunities);
 - investing to facilitate working capital requirements;
 - reporting on the performance of its investments on a monthly basis as part of the monthly financial reports to Council;
 - conducting an annual review of all investments and associated returns as part of the annual review of the Long-Term Financial Strategy; and
 - ensuring no more than 30% of Council's investments are held with one financial institution, or one fund manager for investments outside of the Queensland Treasury Corporation (QTC) or the Queensland Investment Corporation (QIC) cash funds or Bond Mutual Funds.
3. Council will follow an active investment management strategy over the next ten financial years in order to maximise the returns generated from investing cash balances.
4. Council may also consider investing in commercial opportunities, joint ventures, associates and subsidiaries. Prior to investment, a comprehensive analysis will be undertaken to ensure the benefits of the investment outweigh the risks and costs. The analysis will ensure any proposal for investment outside a financial institution/fund manager will maintain or improve all relevant financial ratios and measures of sustainability within adopted Financial Strategy targets. Any investment outside of a financial institution/fund manager must also be consistent with the principles and objectives contained in Council's Revenue and Dividend Policies.

Debt Policy (POL-1838)

Head of Power

Section 104 of the *Local Government Act 2009* (the Act) requires a Local Government to establish a system of financial management that includes various financial policies, including a debt policy. In turn, section 192(1) of the *Local Government Regulation 2012* requires a Local Government to prepare and adopt a debt policy for a financial year. *The Act* also defines Council as a statutory body and subsequently Council's borrowing activities continue to be governed by the *Statutory Bodies Financial Arrangements Act 1982*.

Policy Objective

To ensure the sound management of Council's existing and future debt after assessing and minimising all associated risks in accordance with the annually revised and adopted Long-Term Financial Strategy (Financial Strategy). Further, to comply with section 192 of the *Local Government Regulation 2012*, this policy states the new borrowings planned for the 2019-2020 financial year, and the next 9 financial years, and the period over which Council plans to repay existing and new borrowings.

Policy Scope

This policy applies to all of Redland City Council business areas. Redland Investment Corporation (RIC), being a wholly owned separate legal entity, and any of its subsidiaries may utilise the provisions of this policy but are not bound to the Redland City Council policy statements as outlined in this document.

Policy Statement

Council is committed to:

1. only using long-term borrowings (between 2 and 20 years) to finance capital works that will provide services now and into the future. No long-term borrowings will be used to finance recurrent expenditure and the operational activities of the Council;
2. utilising its existing constrained cash reserves when seeking funding for capital works. The use of any existing cash reserves will be subject to the purpose of the reserve in addition to maintaining all relevant financial ratios and measures of sustainability within adopted Financial Strategy targets;
3. undertaking long-term borrowings for capital works only if the interest and debt principal repayments can be serviced and relevant financial ratios and measures are maintained within approved Financial Strategy targets;
4. aligning borrowings to specific projects and/or asset classes rather than being pooled to ensure transparency and accountability is maintained. Borrowings will be nominated through the priority needs of the capital program and will be determined through the normal budgetary and approval process of Council;
5. paying debt service payments annually in July in order to minimise Council's interest expense;
6. reviewing its debt regularly and seeking to repay or restructure its debt to ensure repayment in the shortest possible time or resulting in a reduction in interest payments subject to maintenance of key performance indicators in the Financial Strategy;
7. considering new loans only if the subsequent increase in debt servicing payments allows the total debt servicing ratio to remain within Financial Strategy targets;

8. ensuring the term of any new loans will be a maximum of twenty years for Water, Waste and General requirements. The debt term shall not exceed the finite life of the related asset/s; and
9. recovering costs of new loans taken out on behalf of commercial businesses, commercial opportunities, joint ventures, associates or subordinates through the administration of a management fee in line with current market rates.

Proposed Borrowings

New borrowings are restricted to work that falls into one of the following three categories:

- **Risk Management** – Council’s Financial Strategy outlines risks and opportunities in key areas in addition to Council’s risk management register; or
- **Asset Management** – Council’s long-term asset and service management plans will outline capital spending that may need debt funding; or
- **Inter-Generational Projects** – Projects are defined to be inter-generational if the associated assets have estimated useful lives of 25 years or more.

Schedule of forecasted debt 2019-2029: Local Government Regulation 2012 section 192(2)(a)										
	Budget Year 1 2019-20	Forecast Year 2 2020-21	Forecast Year 3 2021-22	Forecast Year 4 2022-23	Forecast Year 5 2023-24	Forecast Year 6 2024-25	Forecast Year 7 2025-26	Forecast Year 8 2026-27	Forecast Year 9 2027-28	Forecast Year 10 2028-29
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Opening Balance	37,265	41,128	47,886	55,494	61,831	71,396	80,534	88,044	99,523	108,149
New Loans*	9,800	13,232	15,000	14,700	13,877	14,123	13,265	15,991	12,917	10,890
Interest	2,070	1,858	1,697	1,538	1,736	1,901	2,052	2,271	2,602	2,822
Redemption	5,936	6,474	7,392	8,363	4,312	4,985	5,755	4,512	4,291	4,984
Closing Balance	41,128	47,886	55,494	61,831	71,396	80,534	88,044	99,523	108,149	114,054

Schedule of forecasted remaining repayment terms in years 2019-2029: Local Government Regulation 2012 section 192(2)(b)										
	Budget Year 1 2019-20	Forecast Year 2 2020-21	Forecast Year 3 2021-22	Forecast Year 4 2022-23	Forecast Year 5 2023-24	Forecast Year 6 2024-25	Forecast Year 7 2025-26	Forecast Year 8 2026-27	Forecast Year 9 2028-28	Forecast Year 10 2028-29
Weighted Average (existing loans)	4.94	4.35	4.14	5.06	4.75	5.17	8.97	12.04	11.04	10.04
Weighted Average (incl. new loans)	10.63	12.70	14.62	16.26	16.47	16.62	16.70	16.50	16.05	15.54

*Indicative/planned borrowings – subject to annual review during each budget development process.

In accordance with section 195(2)(b):

- Council plans to repay its existing borrowings over their remaining terms, with all existing debt planned to be repaid by 2039.
- With respect to new debt, Council will consider the repayment period at the time of the application based on factors including the size of the loan and the nature of the asset to be funded. Of note, the maximum repayment term will be 20 years for all new borrowings.

Constrained Cash Reserves Policy (POL-3010)

Head of Power

Section 104 of the *Local Government Act 2009* requires a local government to establish a system of financial management to ensure financial sustainability. Under section 104(2), a local government is financially sustainable if the local government is able to maintain its financial capital and infrastructure capital over the long-term.

Policy Objective

To ensure Council's constrained cash reserves:

- are only restricting funds for identified planned expenditure; and
- do not exceed cash balances at the end of the financial year, to align with the disclosure requirements of the Department of Local Government, Racing and Multicultural Affairs and the Queensland Audit Office.

Policy Scope

This policy applies to all of Redland City Council business areas. Redland Investment Corporation (RIC), being a wholly owned separate legal entity, and any of its subsidiaries may utilise the provisions of this policy but are not bound to the Redland City Council policy statements as outlined in this document.

Policy Statement

1. Council's philosophy is to ensure funds held in constrained cash reserves are restricted to deliverables consistent with the:
 - *Planning Act 2016* (sections 120 and 143) which requires that a levied charge may be only for extra demand placed on trunk infrastructure that development will generate, and may only be used to provide trunk infrastructure;
 - Long-Term Financial Strategy;
 - Long-Term Asset and Service Management Plan;
 - Corporate Plan; and
 - Annual Operational Plan and Budget.
2. Council is committed to achieving this goal by:
 - reporting on constrained cash reserves on a monthly basis as part of the monthly financial reports to General Meeting;
 - reporting constrained cash reserves as a subset of cash balances in annual statutory reporting;
 - ensuring constrained cash reserves do not exceed cash balances at the end of the financial year;
 - conducting regular reviews of all constrained cash reserves for relevance and future requirements in accordance with the Long-Term Financial Strategy and other appropriate strategies and plans;
 - ensuring that infrastructure charges are constrained for the purposes of new trunk infrastructure and not renewal work;
 - reviewing forecast reserve movements as an integral part of the annual budget development process; and
 - transferring funds from constrained cash reserves back to retained earnings when the purpose of the reserve is no longer valid or required or when the funds have been expended on planned works.

Application of Dividends and Tax Equivalent Payments (POL-3117)

Head of Power

The establishment of this policy is consistent with the *Local Government Act 2009*, *Local Government Regulation 2012* and also the Local Government Tax Equivalent Regime (LGTER).

Policy Objective

The objective is to clarify Council's intention for its use of financial returns received from commercialised or corporatised business activities and any subsidiaries or associates.

Policy Scope

This policy applies to all of Redland City Council business areas. Redland Investment Corporation (RIC), being a wholly owned separate legal entity, and any of its subsidiaries may utilise the provisions of this policy but are not bound to the Redland City Council policy statements as outlined in this document.

Policy Statement

Council:

- receives dividends and tax equivalent payments from its commercialised business activities;
- receives dividends from its wholly owned subsidiary RIC; and
- will look to receive dividends and tax equivalent payments from any corporatised business activities, subsidiaries or associates in the future.

Council is committed to:

1. transparently accounting, reconciling and reporting the receipt of such financial returns in accordance with the Australian Accounting Standards, the LGTER and, where applicable, the *Local Government Regulation 2012* (including, in particular, section 25 and schedule 4, section 8); and
2. applying all financial returns to the provision of community benefit.

Associated Documents

- Long-Term Financial Strategy
- Annual Budget
- Annual Report
- Dividend Policy – Significant and Prescribed Business Activities (POL-0019)

Revenue Policy (POL-1837)

Head of Power

According to section 104(5)(c)(iii) of the *Local Government Act 2009* (Act), the system of financial management established by Council must include a revenue policy.

Section 169(2)(c) of the *Local Government Regulation 2012* (Regulation) requires a local government to include in its financial budget a revenue policy. Section 170 of the Regulation requires a local government to adopt a budget each financial year.

Section 193(3) of the Regulation requires a local government to review its revenue policy annually in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

Policy Objective

In accordance with section 193 of the Regulation, this Revenue Policy states:

- (1) The principles that Council intends to apply in the 2019-20 financial year for:
 - a) levying of rates and charges;
 - b) granting concessions for rates and charges;
 - c) recovering overdue rates and charges; and
 - d) cost-recovery methods.
- (2) The purpose for concessions that Council intends to grant for rates and charges.
- (3) The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

This Revenue Policy also states principles that Council intends to apply in a financial year for:

- community service obligations;
- applying user pays models;
- raising revenue from commercial activities; and
- raising revenue from other external sources.

Policy Scope

This policy applies to all of Redland City Council business areas. Redland Investment Corporation (RIC), being a wholly owned separate legal entity, and any of its subsidiaries may utilise the provisions of the policy but are not bound to the Redland City Council policy statements as outline in this document.

Policy Statement

(1) Principles that Council intends to apply in the 2019-20 financial year

(a) Principles for levying of rates and charges

Council will be guided by the following principles in relation to matters under this Part 1(a).

- **Accountability** — Council will be accountable to the providers of funds to ensure those funds are applied efficiently and effectively to satisfy the objective for which the funds were raised.
- **Transparency** — Council will be transparent in its revenue raising activities and will endeavour to use systems and practices able to be understood by the community.

- **Representation** — Council will act in the interests of the whole community in making decisions about rates and charges.
- **Sustainable financial management** — Council will ensure it manages revenue diligently and that the application of funds is founded on sustainable strategic objectives that result in timely and optimal investment in identified priorities.
- **Fairness** — While the rating legislation requires Council to use property valuations as the basis for raising rate revenue, Council will monitor the impact of valuation changes and moderate increases where possible.
- **Differentiation of categories** — Council will apply different rates to various categories of property that will reflect the particular circumstances of the categories and Council’s policy objectives related to those categories.
- **Special needs and user pays** — Council will draw from various revenue sources to fund special needs including (but not necessarily limited to):
 - separate rates or charges for whole of community programmes;
 - special rates or charges for recovery of costs from beneficiaries;
 - utility charges for specific services based generally on usage;
 - statutory fees and charges in accordance with legislation, regulation or local laws;
 - commercial fees and charges where users can clearly be identified; and
 - where practicable recovering credit card fees through a surcharge on credit card transactions.
- **Social conscience** — Council will apply a range of concessions (e.g. for pensioners and institutions) and will accommodate special circumstances where hardship can be demonstrated.

In levying rates and charges, Council will schedule the issue of rate notices quarterly in the months of July, October, January and April.

Differential General Rates

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

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

Rating legislation requires the general rate to be calculated on the value of the land. However, Council recognises that various sections of the community impact on the delivery of, and use services, activities, and facilities differently.

Separate multipliers, established on the rate in the dollar applied to rating category 1a, will be assigned to all rating categories to maintain consistency in the distribution of revenue across financial years.

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

Separate and Special Charges

Where it is appropriate, Council will use separate and special charges to recover the cost of the delivery of services, activities, and facilities that benefit the whole community generally, or which benefits specific rateable land or owners of such land within the community, respectively.

Utility Charges

In setting Utility charges, Council will take into consideration factors such as:

- legislative requirements, including National Competition policy;
- Council policy objectives;
- recovery of sufficient revenue to cover costs and a return on assets; and
- other sources of revenue where appropriate.

(b) Granting concessions for rates and charges

Chapter 4, Part 10 of the Regulation provides Council with the powers to grant concessions to individuals and classes of land owners.

In granting concessions for rates or charges, Council will comply with the criteria in section 120 of the Regulation and will be guided by sustainable financial management practices and the principles of:

- **Transparency** — Council will be transparent and endeavour to use systems and practices able to be understood by the community.
- **Representation** — Council will act in the interests of the whole community in making decisions about concessions for classes of ratepayers.
- **Fairness** — Council will consider all reasonable concessional requests in a consistent non-biased manner.
- **Social conscience** — Council will apply a range of concessions (e.g. for pensioners and institutions) and will accommodate special circumstances where hardship can be demonstrated.

(c) Recovering overdue rates and charges

In accordance with section 120(1)(c), 121(b) and 122(1)(b) of the Regulation, Council will continue to provide flexibility to rate payers and sundry debtors experiencing demonstrated financial hardship by entering into short to long term concessional arrangements.

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

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

(d) Cost-recovery methods

Section 97 of the Act allows Council to set cost-recovery fees.

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

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

Other Matters

(e) Community service obligations

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

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

Council will continue to support existing community service obligations for Water and Wastewater charges provided for under:

- Corporate Policy POL-3028 — Application of Water Charges

- Corporate Policy POL-3027 — Application of Wastewater Charges
- Corporate Policy POL-1234 — Trade Waste.

These CSOs will be reviewed regularly to ensure they continue to form part of Council’s strategic objectives.

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

- Corporate Policy POL-2592 Concealed Leaks
- Corporate Policy POL-0027 Water Charge Rebate for Home Dialysis Machine Users.

(f) Applying user pays models

Council supports the principle that there is an increased focus on user pays models and that these will be developed where they are considered appropriate and in accordance with policy, including where practicable, Council will recover credit card fees through a surcharge on credit card transactions.

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

(g) Raising revenue from commercial activities

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

In doing this the following principles will be considered:

- Council will comply with the Act’s and Regulation’s requirements in relation to the application of the competitive neutrality principle to significant business activities, and the code of competitive conduct where applicable.
- The adoption of a business activity recognises the activity is conducted, or has the potential to be conducted, in competition with the private sector giving greater transparency to the community over the activity and clarity of the revenue stream.
- The determination of the standard and quality of each business activity required is based upon community/customer expectations and achieving best value for money, irrespective of whether the service is delivered by an internal or external provider.
- By concentrating upon outcomes rather than processes, service specification is likely to encourage innovation and new solutions to meeting the needs and expectations of the community and customers.

(h) Raising revenue from other external sources

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

(2) Purpose of concessions for rates and charges

Council has determined that pensioner owner occupiers as defined by the *Local Government Regulation 2012* are entitled to receive concessions on rates and various other services that Council provides to the community. Other charitable organisations, community groups, sporting associations and independent schools may also be entitled to concessions (or exemptions under section 93(i)(ii) of the Act and section 93 of the Regulation).

The purpose of these concessions is to:

- ease the cost of living for approved pensioners living in their own homes who have limited financial capacity

- acknowledge the role that qualifying charitable and community organisations, associations, independent schools and groups perform in the community through concessions on rates and charges

Pursuant to sections 120(1)(d) and (f) of the Regulation Council will provide a concession to ratepayers whose land is being exclusively used for the purpose of farming (primary production) to assist and encourage endurance in that particular industry. The purpose of this concession is to acknowledge the economic benefit that such an industry provides for the City as a whole.

(3) Infrastructure cost recovery

Council will levy adopted infrastructure charges for trunk infrastructure with approvals for new development. The amounts of those adopted infrastructure charges are determined by Council resolution made under the *Planning Act 2016*.

Revenue Statement 2019-2020

Outline and Explanation of Measures Adopted for Revenue Raising

Council has developed its revenue raising for the 2019-20 budget, which includes the levying of rates and charges, in accordance with its Revenue Policy POL-1837.

Council seeks to establish sound and sustainable financial decisions, which are underpinned by a rigorous financial framework supported by financial modelling. Objectives specific to revenue raising considerations are:

- Recurrent (operating) revenue is sufficient to cover an efficient operating expense base including depreciation.
- Adequate funding is available to provide efficient and effective core services to the community.
- Key intergenerational infrastructure and service issues are addressed, which allows any significant financial burden to be spread over a number of years and not impact adversely on current or future ratepayers.
- Continuation of good asset management to ensure that all community assets are well maintained and are fit for purpose.

In compliance with section 172(2)(b) of the *Local Government Regulation 2012*, it is confirmed that for the 2019-20 fiscal year, Council has not made a resolution limiting the increase of any rates or charges.

Rates and Charges

DIFFERENTIAL GENERAL RATES

Redland City Council has adopted a differential rating scheme for the 2019-20 financial year that has 28 rating categories.

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

For the purposes of categorisation the following definitions apply:

Categorisation of Land: Following the adoption of the rating categories, Council will identify the rating category to which each parcel of rateable land belongs in accordance with sections 81(4) and (5) of the *Local Government Regulation 2012*. Later categorisation of land for the following reasons will be determined pursuant to section 82 of the *Local Government Regulation 2012*:

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

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

Extractive Industry: An extractive industry is any activity that removes material substance from the ground.

Principal place of residence: A residential dwelling, in which at least one of the registered owners of the land, or a person who is a life tenant of the dwelling made under a Will or Court Order, lives on an ongoing daily basis. Where the occupation is transient (i.e. less than 3 months), temporary or of a passing nature this is not sufficient to establish occupation as a principal place of residence.

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

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

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

Rating Category	Rating Category Description	Charge Code (RCC Use)	Rate in the Dollar (RID)	Multiplier	Minimum General Rate	Minimum General Rate Value Threshold
1a	Includes all rateable land that: 1) having regard to any improvements or activities conducted upon the land, used primarily for residential purposes; 2) has a value less than or equal to \$385,000; 3) is the registered owner's principal place of residence; and 4) is NOT categorised in rating category 1d or 1f.	GR20	0.00401544	1.000	\$1,031	\$256,759
1b	Includes all rateable land that: 1) having regard to any improvements or activities conducted upon the land, used primarily for residential purposes; 2) has a value greater than \$385,000; 3) is the registered owner's principal place of residence; and 4) is NOT categorised in rating category 1e or 1g.	GR20	0.00321237	0.800	\$1,555	\$484,066
1d	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Raby Bay and shown on Appendix A – Raby Bay Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 3) has a value less than or equal to \$385,000; and 4) is the registered owner's principal place of residence.	GR70	0.00710887	1.770	\$1,526	\$214,661
1e	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Raby Bay and shown on Appendix A – Raby Bay Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, used primarily for residential purposes; 3) has a value greater than \$385,000; and 4) is the registered owner's principal place of residence.	GR70	0.00568714	1.416	\$2,737	\$481,261

Rating Category	Rating Category Description	Charge Code (RCC Use)	Rate in the Dollar (RID)	Multiplier	Minimum General Rate	Minimum General Rate Value Threshold
1f	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise and shown on Appendix B – Aquatic Paradise Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 3) has a value less than or equal to \$385,000; and 4) is the registered owner’s principal place of residence.	GR80	0.00401668	1.000	\$1,167	\$290,539
1g	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise and shown on Appendix B – Aquatic Paradise Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, used primarily for residential purposes; 3) has a value greater than \$385,000; and 4) is the registered owner’s principal place of residence.	GR80	0.00334723	0.834	\$1,688	\$504,297
2a	Includes all rateable land that: 1) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 2) has a value less than or equal to \$385,000; 3) is NOT the registered owner’s principal place of residence; and 4) is NOT categorised in rating category 2d or 2f.	GR25	0.00485623	1.209	\$1,125	\$231,661
2b	Includes all rateable land that: 1) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 2) has a value greater than \$385,000; 3) is NOT the registered owner’s principal place of residence; and 4) is NOT categorised in rating category 2e or 2g.	GR25	0.00412784	1.028	\$1,879	\$455,202
2d	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Raby Bay and shown on Appendix A – Raby Bay Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 3) has a value less than or equal to \$385,000; and 4) is NOT the registered owner’s principal place of residence.	GR75	0.00859740	2.141	\$1,571	\$182,730
2e	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Raby Bay and shown on Appendix A – Raby Bay Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes;	GR75	0.00730787	1.820	\$3,310	\$452,936

Rating Category	Rating Category Description	Charge Code (RCC Use)	Rate in the Dollar (RID)	Multiplier	Minimum General Rate	Minimum General Rate Value Threshold
	3) has a value greater than \$385,000; and 4) is NOT the registered owner's principal place of residence.					
2f	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise and shown on Appendix B – Aquatic Paradise Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 3) has a value less than or equal to \$385,000; and 4) is NOT the registered owner's principal place of residence.	GR85	0.00485616	1.209	\$1,262	\$259,876
2g	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise and shown on Appendix B – Aquatic Paradise Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is used primarily for residential purposes; 3) has a value greater than \$385,000; and 4) is NOT the registered owner's principal place of residence.	GR85	0.00430113	1.071	\$2,013	\$468,017
4a	Includes all vacant rateable land, other than that categorised in rating categories 4b, 4c or 10.	GR12	0.00538280	1.341	\$1,153	\$214,201
4b	Includes all vacant rateable land, other than that categorised in rating category 10 that adjoins a canal revetment wall in the estate commonly referred to as Raby Bay and shown on Appendix A – Raby Bay Canal Estate Map.	GR72	0.00952962	2.373	\$1,563	\$164,015
4c	Includes all vacant rateable land, other than that categorised in rating category 10 that adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise and shown on Appendix B – Aquatic Paradise Canal Estate Map.	GR82	0.00569026	1.417	\$1,290	\$226,703
6a	Includes all rateable land that, having regard to any improvements or activities conducted upon the land, is primarily used in whole or in part for commercial or industrial purposes, other than land categorised in rating categories 6b, 6c or 19.	GR21	0.00682626	1.700	\$1,318	\$193,078
6b	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Raby Bay and shown on Appendix A – Raby Bay Canal Estate Map; 2) having regard to any improvements or activities conducted upon the land, is primarily used in whole or in part for commercial or industrial purposes; and 3) is NOT categorised in rating category 19.	GR71	0.01208509	3.010	\$1,685	\$139,428
6c	Includes all rateable land that: 1) adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise and shown on Appendix B – Aquatic Paradise Canal Estate Map;	GR81	0.00711282	1.771	\$1,456	\$204,701

Rating Category	Rating Category Description	Charge Code (RCC Use)	Rate in the Dollar (RID)	Multiplier	Minimum General Rate	Minimum General Rate Value Threshold
	<p>2) having regard to any improvements or activities conducted upon the land, is primarily used in whole or in part for commercial or industrial purposes; and</p> <p>3) is NOT categorised in rating category 19.</p>					
8	Includes all rateable land that, having regard to any improvements or activities conducted upon the land, is primarily used in whole or in part, or intended for use in whole or in part, for quarry or extractive industry purposes.	GR22	0.01648213	4.105	\$2,286	\$138,696
10	<p>Includes all rateable land that has been identified as having an insurmountable drainage constraint and/or significant conservation values that it is unlikely a development permit, or permits, for the erection of a dwelling house on the land would be granted. All rateable land included in this category identified with insurmountable drainage problems or conservation values is zoned Conservation in the City Plan.</p> <p>This category also includes all rateable land on the Southern Moreton Bay Islands that is vacant and has been included within the Recreation and Open Space zone of the City Plan.</p>	GR06	0.00883336	2.200	\$321	\$36,340
11a	Includes subdivided land that is not yet developed in accordance with section 50 of the <i>Land Valuation Act 2010</i> , other than that categorised in rating category 11b or 11c.	GR05	0.01157792	2.883	N/a	N/a
11b	Includes subdivided land that adjoins a canal revetment wall in the estate commonly referred to as Raby Bay, and shown on Appendix A – Raby Bay Canal Estate Map, that is not yet developed in accordance with section 50 of the <i>Land Valuation Act 2010</i> .	GR73	0.02049737	5.105	N/a	N/a
11c	Includes subdivided land that adjoins a canal revetment wall in the estate commonly referred to as Aquatic Paradise, and shown on Appendix B – Aquatic Paradise Canal Estate Map, that is not yet developed in accordance with section 50 of the <i>Land Valuation Act 2010</i> .	GR83	0.01157792	2.883	N/a	N/a
16	<p>One or more land parcels where the land:</p> <p>1) is used for shopping centre purposes, or has the potential predominant use of shopping centre purposes, by virtue of its improvements or the activities conducted upon the land; and</p> <p>2) is characterised in Council's land records with the property use code of COM071.</p>	GR14	0.00883397	2.200	\$36,200	\$4,097,817
16a	<p>One or more land parcels where the land:</p> <p>1) is used for shopping centre purposes, or has the potential predominant use of shopping centre purposes, by virtue of its improvements or the activities conducted upon the land;</p> <p>2) is characterised in Council's land records with the property use code of COM072; and</p> <p>3) has a value less than \$20,000,000.</p>	GR37	0.00923552	2.300	\$82,694	\$8,953,913

Rating Category	Rating Category Description	Charge Code (RCC Use)	Rate in the Dollar (RID)	Multiplier	Minimum General Rate	Minimum General Rate Value Threshold
16b	One or more land parcels where the land: <ol style="list-style-type: none"> 1) is used for shopping centre purposes, or has the potential predominant use of shopping centre purposes, by virtue of its improvements or the activities conducted upon the land; 2) is characterised in Council's land records with the property use code of COM023; and 3) has a value greater than or equal to \$20,000,000. 	GR38	0.00963707	2.400	\$171,372	\$17,782,587
17	One or more land parcels where the land: <ol style="list-style-type: none"> 1) is used for shopping centre purposes, or has the potential predominant use of shopping centre purposes, by virtue of its improvements or the activities conducted upon the land; and 2) is characterised in Council's land records with the property use code of COM074. 	GR13	0.00682626	1.700	\$2,669	\$390,990
19	One or more land parcels where: <ol style="list-style-type: none"> 1) two or more self-contained places of business are located in one or more buildings; 2) the buildings are separated by common areas, other areas owned by the owner or a road; and 3) the total land area is greater than or equal to 4,000 square metres. 	GR17	0.00762935	1.900	\$4,686	\$614,207

Separate Charges

ENVIRONMENT SEPARATE CHARGE

Section 94 of the *Local Government Act 2009* prescribes that Council may levy a separate charge as defined in section 92(5). Council has determined that the community in general will benefit from the protection, management, promotion and enhancement of biodiversity. This includes koala habitat, bushland, green space, waterways, catchments, air and coastal ecosystems in the City that cannot always be effectively protected through Council's regulatory powers or management powers.

In prior years the revenue raised through the Environment Separate Charge funded both capital and operational components. Past revenues collected are currently quarantined in reserve for capital components, predominantly for land purchase, acquisition of the conservation interests in land, and the funding of ancillary facilities that support or enhance environmental outcomes. Council has determined that in 2019-20 the revenue raised through this charge will fund operational projects and activities, predominantly directed towards waterway, pest and land management, foreshore and catchment rehabilitation and maintenance, track and trail maintenance and repairs, koala habitat restoration, environmental education, strengthening stewardship of the natural environment and implementation of environment strategies and policies:

- POL-3130 Green Living Policy
- POL-3128 Natural Environment Policy

In the financial year 2019-20 the Environment Separate Charge will be levied in accordance with section 103 of the *Local Government Regulation 2012* and will be applied on a per lot basis and is subject to Council's Farming Concession.

Charge Code (RCC Use)	Charge	Charge Amount \$	Charge Basis
EN01	Environment Separate Charge	122.00 per annum	Charge per lot

LANDFILL REMEDIATION SEPARATE CHARGE

Section 94 of the *Local Government Act 2009* provides Council may levy a separate charge as defined in section 92(5).

Council has determined the community in general will benefit from the monitoring and remediation of all closed landfills to prevent environmental harm. This is financed by a separate charge levied in accordance with section 103 of the *Local Government Regulation 2012*. The funds raised from the Landfill Remediation Separate charge will be expended in accordance with corporate policy POL-3091 Landfill Remediation Separate Charge Policy.

This charge is applied on a per lot basis and will be subject to Council's Farming Concession.

Charge Code (RCC Use)	Charge	Charge Amount \$	Charge Basis
EN03	Landfill Remediation Separate Charge	40.52 per annum	Charge per lot

REDLAND CITY SES ADMINISTRATION SEPARATE CHARGE

Pursuant to section 4A(c) of the *Disaster Management Act 2003*, a local government is primarily responsible for managing (disaster) events in their local government area.

Section 94 of the *Local Government Act 2009* provides Council may levy a separate charge as defined in section 92(5).

Council has determined the community in general will benefit from improved governance and proactive management of SES resources through the engagement of a full-time Senior Project Officer to undertake the function of an SES Local Controller and Community Resilience Officer. Revenue raised through this charge will fund the on-going costs of maintaining the Redland SES to an appropriate level of operational readiness.

In the financial year 2019-20 the Redland City SES Administration charge will be levied in accordance with section 103 of the *Local Government Regulation 2012* and will be applied on a per rateable property basis.

Charge Code (RCC Use)	Charge	Charge Amount \$	Charge Basis
SES01	Redland City SES Administration Separate Charge	7.00 per annum	Charge per rateable property

Special Charges

RURAL FIRE BRIGADE SPECIAL CHARGE

Pursuant to section 94 of the *Local Government Regulation 2012* and section 128A of the *Fire and Emergency Services Act 1990*, Council has determined that each parcel of rateable land identified as the whole of Karragarra, Lamb, Russell, Macleay and Perulpa Islands (refer Appendix C – Rural Fire Map) will specially benefit from Council contributing funds to the Rural Fire Brigades. Funds raised through the Rural Fire Brigade Special Charge will be paid to the Rural Fire Brigades established within the benefited area on an annual basis under the direction of the Rural Fire Service Southern Moreton Bay Islands Local Area Finance Committee to purchase and maintain equipment and provide a fire service to properties within the benefited area. Council adopted the Overall Plan for the Rural Fire Brigade Special Charge on 27 June 2019.

This charge is applied on a per lot basis and will be subject to Council's Farming Concession.

Charge Code (RCC Use)	Charge	Charge Amount \$	Charge Basis
FL06	Rural Fire Brigade Special Charge	15.00 per annum	Charge per lot

Utility Charges

Utility charges are made and levied in accordance with Chapter 4 Part 7 of the *Local Government Regulation 2012* and Council's corporate policies associated to each charge.

Council will apply utility charges for Community Titles Scheme land in accordance with:

- sections 195 and 196 of the *Body Corporate and Community Management Act 1997*
- section 64(1)(d) of the *Building Units and Group Titles Act 1980*.

WASTE/RECYCLING CHARGE

Waste and recycling charges are Utility charges that are made and levied in accordance with section 99 of the *Local Government Regulation 2012* and Council's Corporate Policy POL-2836 Waste, Recycling and Green Waste Collection Services.

The waste/recycling charge is determined by Council, together with other revenue sources, to ensure that it is able to cover the costs associated with the provision of the waste management service. The costs include payment to contractors for waste collection, a kerbside recycling service and a voluntary green waste service. Disposal costs are also factored into the charge to cover contractor costs for disposal, site development works, environmental monitoring,

management, statutory charges and administration costs, as well as other costs associated with the use of Council's transfer stations by residents and other users. For 2019-20 Council has moved to a full cost pricing model.

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

Residential Kerbside Waste Services				
	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
RedWaste Utility Charges				
240L Waste / 240L Recycling	RF01	410.00	RF201	433.60
140L Waste / 240L Recycling (existing only)	RF15	343.60	RF215	407.20
240L Waste / 340L Recycling	RF301	410.00	RF218	433.60
140L Waste / 340L Recycling	RF302	343.60	RF219	407.20
140L Waste / 140L Recycling	RF303	320.00	RF220	393.20
240L Green Waste	RFG01	62.00	N/A	N/A
Additional Bin and Service - Scheduled Days	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
240L Additional Waste Bin	RF09	210.00	RF209	271.00
240L Additional Recycling Bin	RF16	129.00	RF216	152.00
140L Additional Waste Bin	RF17	187.00	RF217	268.00
340L Additional Recycling Bin	RF53	167.00	RF253	174.00
240L Additional Green Waste Bin	RFG02	62.00	N/A	N/A
Additional Service Existing Bin (Temporary Lift) - Scheduled Days	Charge Code (RCC Use)	Amount Per Lift \$		
140L Waste Bin per lift	RF12	15.20	N/A	N/A
240L Waste Bin per lift	RF13	13.40	N/A	N/A
240L Recycling Bin per lift	RF14	15.80	N/A	N/A
340L Recycling Bin per lift	RF54	11.00	N/A	N/A
240L Green Waste Bin per lift	RFG03	7.60	N/A	N/A
Additional Service Existing Bin (Temporary Lift) - Outside Scheduled Days	Charge Code (RCC Use)	Amount Per Lift \$		
240L Additional Waste Service per lift	RF40	57.00	N/A	N/A
140L Additional Waste Service per lift	RF41	42.00	N/A	N/A
240L Additional Recycling Service per lift	RF42	32.00	N/A	N/A
340L Additional Recycling Service per lift	RF55	33.00	N/A	N/A

Residential Bulk Waste Bin Collection Service				
RedWaste Utility Charges -Size (m ³)	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
Waste Service Bulk Bin size (m³) - 1 service per week				
0.66 m ³ (Rear lift)	RF20	957.00	N/A	N/A
0.66 m ³ (Front lift)	RF80	840.00	RF180	2,329.00
1.10 m ³ (Rear lift)	RF23	1,461.00	N/A	N/A
1.10 m ³ (Front lift)	RF19	1,500.00	N/A	N/A
1.50 m ³	RF26	1,743.00	RF106	2,827.00
2.00m ³	RF84	2,344.00	RF184	3,768.00
2.25 m ³	RF29	2,637.00	RF109	4,240.00
3.00 m ³	RF32	3,419.00	RF112	5,604.00
4.00 m ³	RF35	4,549.00	RF115	7,105.00
Additional Waste Service Bulk Bin size (m³) - Lift only; 1 service per week	Charge Code (RCC Use)	Amount Per Lift \$	Charge Code (RCC Use)	Amount Per Lift \$
0.66 m ³	RF21	38.60	N/A	N/A
1.10 m ³	RF24	47.20	N/A	N/A
1.50 m ³	RF27	38.60	RF107	74.40
2.00m ³	RF85	52.00	RF185	92.00
2.25 m ³	RF30	57.40	RF110	102.80
3.00 m ³	RF33	69.80	RF113	128.60
4.00 m ³	RF36	89.00	RF116	161.20
Temporary Waste Service (≤3 months) Bulk Bin size (m³) - Bin and Lift; 1 service	Charge Code (RCC Use)	Amount Per Bin & Lift \$	Charge Code (RCC Use)	Amount Per Bin & Lift \$
0.66 m ³	RF22	92.40	N/A	N/A
1.10 m ³	RF25	172.20	N/A	N/A
1.50 m ³	RF28	175.40	RF108	196.80
2.00m ³	RF86	184.00	RF186	210.00
2.25 m ³	RF31	188.00	RF111	220.80
3.00 m ³	RF34	200.60	RF114	245.20
4.00 m ³	RF37	217.40	RF117	277.40

Residential and Commercial Bulk Recycling Bin Service				
RedWaste Utility Charges - Size (m ³)	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
Recycle Service Bulk Bin size (m³) - 1 service per fortnight				
0.66 m ³ (Rear lift)	RF81	627.00	N/A	N/A
0.66 m ³ (Front lift)	RF82	550.00	RF182	921.00
1.10 m ³ (Rear lift)	RF63	987.00	N/A	N/A
1.10 m ³ (Front lift)	RF83	869.00	RF183	1,535.00
1.50 m ³	RF66	1,365.00	RF136	2,369.00
2.00m ³	RF87	1,820.00	N/A	N/A
2.25 m ³	RF69	1,966.00	RF139	3,254.00
3.00 m ³	RF72	2,548.00	RF142	4,668.00
4.00 m ³	RF75	2,729.60	RF145	6,202.00

Residential and Commercial Bulk Recycling Bin Service				
Additional Recycling Service Bulk Bin size (m ³) Lift only; 1 service	Charge Code (RCC Use)	Amount Per Lift \$	Charge Code (RCC Use)	Amount Per Lift \$
1.10 m ³	RF65	134.60	N/A	N/A
1.50 m ³	RF68	137.60	RF138	225.80
2.00m ³	RF88	139.00	N/A	N/A
2.25 m ³	RF71	141.80	RF141	225.80
3.00 m ³	RF74	144.80	RF144	225.80
4.00 m ³	RF77	150.00	RF147	225.80
Temporary Recycling Service (≤3 months) Bulk Bin Size (m ³) - Bin and Lift; 1 service	Charge Code (RCC Use)	Amount Per Bin & Lift \$	Charge Code (RCC Use)	Amount Per Bin & Lift \$
1.10 m ³	RF64	240.00	N/A	N/A
1.50 m ³	RF67	180.60	RF137	414.20
2.00m ³	RF89	196.00	N/A	N/A
2.25 m ³	RF70	197.40	RF140	414.20
3.00 m ³	RF73	214.60	RF143	414.20
4.00 m ³	RF76	237.00	RF146	414.20

Commercial Kerbside Collection Services				
RedWaste Utility Charges	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
240L Waste / 240L Recycling	RFC01	475.00	RFC201	498.60
140L Waste / 240L Recycling (existing only)	RFC15	383.60	RFC215	447.20
240L Waste / 340L Recycling	RFC301	475.00	RFC218	498.60
140L Waste / 340L Recycling	RFC302	383.60	RFC219	447.20
140L Waste / 140L Recycling	RFC303	360.00	RFC220	433.20
240L Recycling (Stand Alone) Bin	RFC16	129.00	RFC216	152.00
340L Recycling (Stand Alone) Bin	RFC53	167.00	RFC253	174.00
240L Green Waste	RFG01	62.00	N/A	N/A
240L Additional Waste Bin	RFC09	275.00	RFC209	336.00

Commercial Bulk Waste Bin Collection Service				
RedWaste Utility Charges - Size (m ³)	Mainland		Bay Islands	
	Charge Code (RCC Use)	Annual Amount \$	Charge Code (RCC Use)	Annual Amount \$
Waste Service Bulk Bin size (m³) - 1 service per week				
0.66 m ³ (Rear lift)	RFC20	1,200.00	N/A	N/A
0.66 m ³ (Front lift)	RFC80	1,083.00	RFC180	2,572.00
1.10 m ³ (Rear lift)	RFC23	1,866.00	N/A	N/A
1.10 m ³ (Front lift)	RFC19	1,905.00	RFC119	2,480.00
1.50 m ³	RFC26	2,296.00	RFC106	3,380.00
2.00m ³	RFC84	3,081.00	RFC184	4,505.00
2.25 m ³	RFC29	3,466.00	RFC109	5,069.00
3.00 m ³	RFC32	4,525.00	RFC112	6,710.00
4.00 m ³	RFC35	6,023.00	RFC115	8,579.00

Commercial Bulk Waste Bin Collection Service				
Additional Waste Service Bulk Bin size (m³) - Lift only; 1 service per week	Charge Code (RCC Use)	Amount Per Lift \$	Charge Code (RCC Use)	Amount Per Lift \$
0.66 m ³	RFC21	45.40	N/A	N/A
1.10 m ³	RFC24	55.00	RFC124	63.00
1.50 m ³	RFC27	49.20	RFC107	85.00
2.00m ³	RFC85	65.00	RFC185	114.00
2.25 m ³	RFC30	73.20	RFC110	118.80
3.00 m ³	RFC33	96.80	RFC113	149.80
4.00 m ³	RFC36	125.00	RFC116	189.60
Temporary Waste Service (≤3 months) Bulk Bin size (m³) – Bin and Lift; 1 service	Charge Code (RCC Use)	Amount Per Bin & Lift \$	Charge Code (RCC Use)	Amount Per Bin & Lift \$
0.66 m ³	RFC22	98.40	N/A	N/A
1.10 m ³	RFC25	180.00	RFC125	153.00
1.50 m ³	RFC28	186.00	RFC108	207.40
2.00m ³	RFC86	198.00	RFC186	220.00
2.25 m ³	RFC31	203.80	RFC111	236.80
3.00 m ³	RFC34	221.80	RFC114	266.40
4.00 m ³	RFC37	245.80	RFC117	305.80

WATER CHARGES

Two-part tariff pricing will apply to all properties within the city (including residential vacant land) that are connected or have access to Council's water transportation system. The two-part tariff will be composed of:

- a water access charge; and
- a water usage charge, namely a single tier charge for each kilolitre of water consumed.

This is a requirement of section 41 of the *Local Government Regulation 2012*. 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 assets employed in the business. This full cost pricing is a requirement of National Competition Policy and section 41(1)(d) of the *Local Government Regulation 2012*.

FIXED ACCESS WATER CHARGE

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

Fixed Water Access charges will be applied in accordance with Corporate Policy POL-3028 Application of Water Charges.

Attribute Type (RCC Use)	Type of Charge	Charge Amount \$	Charge Basis
VBW01, VBW03, VBW04	Fixed Water Access(domestic)	268.64	per meter/lot

Units, Flats, Guest Houses, Multiple Dwellings 20mm to 150mm and Residential 25mm to 150mm		
Attribute Type (RCC Use)	Meter Size	Charge Amount \$
VBM20 VCBM20	20mm	268.64
VBM25 VCBM25	25mm	419.76
VBM32 VCBM32	32mm	687.72
VBM40 VCBM40	40mm	1,074.56
VBM50 VCBM50	50mm	1,679.00
VBM80 VCBM80	80mm	4,298.20
VBM100 VCBM100	100mm	6,715.92
VBM150 VCBM150	150mm	15,110.84
Commercial and Industrial		
Attribute Type (RCC Use)	Meter Size	Charge Amount \$
VBW20 VCBW20 VCW20	20mm	349.24
VBW25 VCBW25 VCW25	25mm	545.68
VBW32 VCBW32 VCW32	32mm	894.04
VBW40 VCBW40 VCW40	40mm	1,396.92
VBW50 VCBW50 VCW50	50mm	2,182.68
VBW80 VCBW80 VCW80	80mm	5,587.64
VBW100 VCBW100 VCW100	100mm	8,730.72
VBW150 VCBW150 VCW150	150mm	19,644.12

CONSUMPTION CHARGE

The consumption charge is calculated at a flat rate for Residential and Concessional and at a separate flat rate for Non-residential and Council. The consumption charge is made up of two components:

- the State Government's Bulk Water Charge for the purchase of potable water; and
- Council's retail charge for distribution to the households which includes administration, billing, replacement of water meters, and repair of the reticulation system.

Attribute Type (RCC Use)	Charge Description	Retail Water Price (RCC) \$ Per Kilotitre	State Bulk Water Price \$ Per Kilotitre	Total Price \$ Per Kilotitre
VWCRES	Residential*	0.601	2.935	3.536
VWCCNC	Concessional	0.601	2.935	3.536
VWCCOM	Non – residential**	1.376	2.935	4.311
VWCRCC	Council	1.376	2.935	4.311

*Residential means where premises are used ordinarily for a residential purpose and may include a house, unit, flat, guest house and multiple dwellings.

**Non-residential means where premises are not used for ordinary residential purposes and may include premises used for a commercial, business or industrial purpose. Non-residential includes premises used as a caravan park.

WASTEWATER CHARGES

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

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

Wastewater charges are applied in accordance with Corporate Policy POL-3027 Application of Wastewater Charges.

Attribute Type (RCC Use)	Charge Description	Charge Amount \$	Charge Basis
VSW01 VSW02 VSW03 VCSW01	Wastewater Fixed Access Charge	27.56	per unit

TRADE WASTE CHARGES

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

Attribute Type (RCC Use)	Charge Description		Charge Amount \$	Charge Basis
VTP01 and VTP02	Trade Waste Generator Charge		411.64	per annum
VTW01 and VTW02	Trade Waste Discharge - Volume:		2.28	per kL
VTW02	Trade Waste Discharge - Quality:	C.O.D (Chemical Oxygen Demand)	1.67	per kg
		T.S.S. (Total Suspended Solids)	0.75	per kg
		T.O.G (Total Oil and Grease)	0.75	per kg
		Phosphorus	6.92	per kg
		Nitrogen	2.07	per kg
		Food waste disposal units based on power of motor	35.63	as charge 'C' (Refer Trade Waste Environmental Plan)
		Constant 'd' for use when determining 'additional Charge' for excess strength waste	1.0	(Refer Trade Waste Environmental Plan)

Interest on Overdue Rates

Pursuant to section 133 of the *Local Government Regulation 2012*, interest, calculated on daily rates and applied as compound interest, may be charged on overdue rates from as soon as a rate becomes overdue. For 2019-20, compound interest on daily rests at the rate of 9.83 per cent per annum is to be charged on all overdue rates or charges.

Rates Concessions

Chapter 4, Part 10 of the *Local Government Regulation 2012* provides Council with the powers to grant concessions for individuals and classes of land owners. Council has determined that pensioners as defined by the aforementioned *Regulation* are entitled to receive a concession on rates. Other charitable organisations, community groups, sporting associations, independent schools, and property owners who use their land for the business of farming may also be entitled to concessions or reduced charges under a Community Service Obligation.

Pensioner Concessions

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

The concessions available to eligible pensioners on the Differential General Rate for 2019-20 are:

- For ratepayers in receipt of a maximum pension \$335.00 per financial year
- For ratepayers NOT in receipt of maximum pension \$167.50 per financial year

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

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

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

Farming Concessions

Pursuant to Chapter 4 Part 10 of the *Local Government Regulation 2012*, Council will provide a concession under section 120(1)(f) in respect of land the Council is satisfied is being used exclusively for the purpose of farming by an owner who is carrying on a business of primary production on the land.

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

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

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

Other Matters

- The Council will continue to collect developer infrastructure charges in accordance with the *Planning Act 2016*, which provides for the Council to recover through developer contributions a proportion of the cost of infrastructure needed to meet growth in the City.
- Cost-Recovery fees are established under section 97 of the *Local Government Act 2009*. Council has set cost-recovery fees at a level to recover up to the full cost price of administering the fee, but no more. This includes direct and indirect costs, operating and maintenance overheads, and use of capital. Some cost-recovery fees may be subsidised by revenue representing community service obligations to achieve policy objectives and desired community outcomes.
- Pursuant to section 262 of the *Local Government Act 2009*, Council has, in the support of its responsibilities, the power to charge for a service or facility, other than a service or facility for which a cost-recovery fee may be fixed. These business activity charges are subject to the goods and services tax and may be reviewed by Council at any time. The nature, level and standard of the service or facility is considered by Council in the setting of charges for business activities. Charges for business activities include (but are not limited to) rents, plant hire, private works and hire of facilities.

Glossary – Key Performance Indicators

Definition of Ratios	
Level of Dependence on General Rate Revenue: <i>This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)</i>	General Rates - Pensioner Remissions Total Operating Revenue - Gain on Sale of Developed Land
Current Ratio: <i>This measures the extent to which Council has liquid assets available to meet short term financial obligations</i>	Current Assets Current Liabilities
Debt Servicing Ratio: <i>This indicates Council's ability to meet current debt instalments with recurrent revenue</i>	Interest Expense + Loan Redemption Total Operating Revenue - Gain on Sale of Developed Land
Cash Balance - \$M:	Cash Held at Period End
Cash Capacity in Months: <i>This provides an indication as to the number of months cash held at period end would cover operating cash outflows</i>	Cash Held at Period End [(Cash Operating Costs + Interest Expense) / Period in Year]
Debt to Asset Ratio: <i>This is total debt as a percentage of total assets, i.e. to what extent will our long-term debt be covered by total assets</i>	Current and Non-current loans Total Assets
Operating Performance: <i>This ratio provides an indication of Redland City Council's cash flow capabilities</i>	Net Cash from Operations + Interest Revenue and Expense Cash Operating Revenue + Interest Revenue
Operating Surplus Ratio*: <i>This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes</i>	Net Operating Surplus Total Operating Revenue
Net Financial Liabilities*: <i>This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues</i>	Total Liabilities - Current Assets Total Operating Revenue
Interest Coverage Ratio: <i>This ratio demonstrates the extent which operating revenues are being used to meet the financing charges</i>	Net Interest Expense on Debt Service Total Operating Revenue
Asset Sustainability Ratio*: <i>This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out</i>	Capital Expenditure on Replacement of Infrastructure Assets (Renewals) Depreciation Expenditure on Infrastructure Assets

* These targets are set to be achieved on average over the long-term

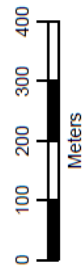
Appendix A – Raby Bay Canal Estate Map



1:10,000

Produced by
Spatial Business Intelligence
7 June 2019

Appendix A - Raby Bay Canal Estate Map



Legend	
■	Privately Owned Land
■	Public Land

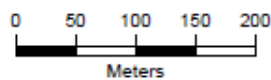
Appendix B – Aquatic Paradise Canal Estate Map



Appendix B - Aquatic Paradise Canal Estate Map

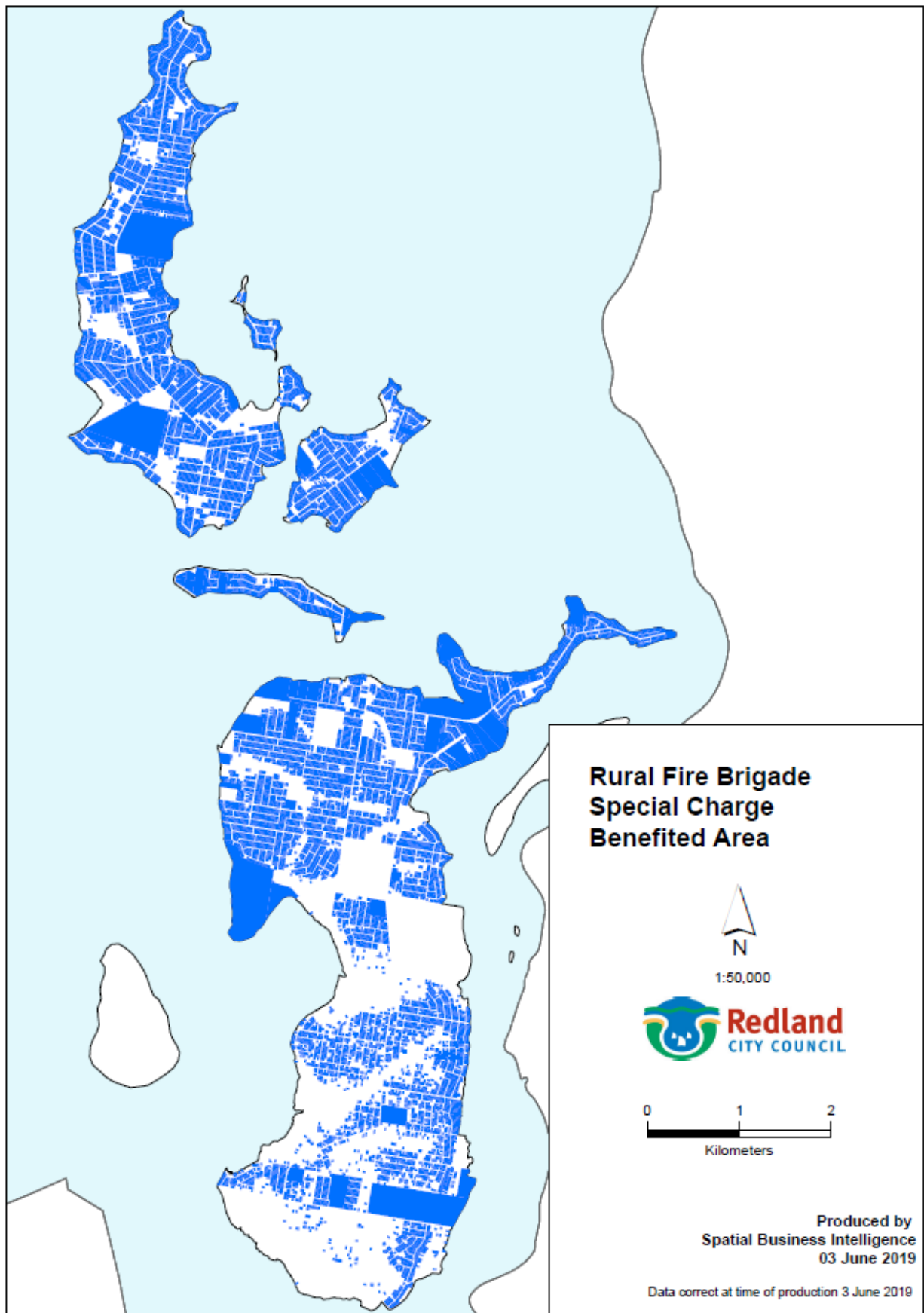


1:5,000



Produced by
Spatial Business Intelligence
22 May 2019

Appendix C – SMBI Rural Fire Map



Disclaimer

While every care has been taken in preparing this publication, Redland City Council accepts no responsibility for decisions or actions taken as a result of any data, information, statement or advice, expressed or implied, contained within. To the best of our knowledge the content was correct at the time of publishing.

