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# **1 COUNCILLORS & CHIEF EXECUTIVE OFFICER**

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**MAYOR**

Les TYRELL

**DEPUTY MAYOR**

David CRISAFULLI

**COUNCILLORS**

Deanne BELL

Suzanne BLOM

Ray GARTRELL

Brian HEWETT

Jenny HILL

Jenny LANE

Dale LAST

Natalie MARR

Tony PARSONS

Trevor ROBERTS

Vern VEITCH

**CHIEF EXECUTIVE OFFICER**

Ray BURTON



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## **2 BUDGET STATEMENTS**

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## Statement of Income and Expenditure

For the year ended 30 June 2010

	<b>Budget</b> 2009/10 \$'000
<b>Revenue</b>	
General Rates	126,423
Utility Charges	139,226
Less Discounts and Remissions	-38,671
Fees and Charges	29,462
Interest	3,000
Contributions and Donations	1,867
Grants and Subsidies	16,683
Other	17,997
<b>Total Revenue</b>	<b><u>\$295,987</u></b>
<b>Less Expenses</b>	
Employee Costs	108,637
Materials and Services	101,715
Bulk Water Expense	674
Depreciation	82,470
Finance Costs	98
Borrowing Costs	15,746
Other	1,390
<b>Total Expenses</b>	<b><u>\$310,730</u></b>
<b>Surplus/(Deficit) before capital income</b>	<b><u>-\$14,743</u></b>
<b>Capital Income</b>	
Contributions of Assets	16,500
Contributions, Grants, Subsidies and Donations	136,199
Profit on sale of Capital Assets	499
<b>Total Capital Income</b>	<b><u>\$153,198</u></b>
<b>Increase/(Decrease) in Operating Capability</b>	<b><u>\$138,455</u></b>

## Balance Sheet

As at 30 June 2010

	<b>Budget</b> 2009/10 \$'000
<b>Current Assets</b>	
Cash Assets	100,000
Receivables	21,673
Inventories	3,036
Other	<u>1,207</u>
<b>Total Current Assets</b>	<u>125,916</u>
<b>Non Current Assets</b>	
Investments	18
Other	1,351
Property, Plant and Equipment	<u>3,589,880</u>
<b>Total Non-Current Assets</b>	<u>3,591,249</u>
<b>Total Assets</b>	<u>\$3,717,165</u>
<b>Current Liabilities</b>	
Payables	15,937
Interest Bearing Liabilities	21,658
Provisions	13,635
Other	<u>31,150</u>
<b>Total Current Liabilities</b>	<u>82,380</u>
<b>Non-Current Liabilities</b>	
Payables	7,882
Interest Bearing Liabilities	349,319
Provisions	<u>5,610</u>
<b>Total Non-Current Liabilities</b>	<u>362,811</u>
<b>Total Liabilities</b>	<u>\$ 445,191</u>
<b>Net Community Assets</b>	<u>\$3,271,974</u>
<b>Community Equity</b>	
Asset revaluation reserve	250,529
Retained surplus	3,001,539
Other Reserves	<u>19,906</u>
<b>Total Community Equity</b>	<u>\$3,271,974</u>

## Statement of Cash Flows

For the year ended 30 June 2010

	<b>Budget</b> 2009/10 \$'000
<b>Cash Flow from Operating Activities</b>	
Receipts	
Net Rates and Utility Charges	287,449
Fees and Charges	
Interest	3,000
Other	
Payments	
Materials and Services and Employee Costs	-212,761
Finance Costs	-15,746
Other	
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 61,942</u>
<b>Cash Flow from Investing Activities</b>	
Grants, Subsidies and Contributions for capital expenditure	136,199
Proceeds from Disposal of Property, Plant & Equipment	4,701
Payments for Property, Plant & Equipment	-374,209
Other	-116
<b>Net Cash Used in Investing Activities</b>	<u>-\$233,425</u>
<b>Cash Flows from Financial Activities</b>	
Proceeds from Borrowings	181,851
Repayment of Borrowings	-13,368
<b>Net Cash Provided by Financing Activities</b>	<u>\$168,483</u>
<b>Net Increase/ (Decrease) in Cash Held</b>	-3,000
Cash at Beginning of Reporting Period	103,000
<b>Cash at End of Reporting Period</b>	<u><u>\$100,000</u></u>

### Changes in Equity

Budget - Forecast	Total	Capital, Capital Res. & Retained Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
<b>Balance at 30 June 2009</b>	2,882,990	2,861,794		21,196
Net Result for the Period	138,455	138,455	-	-
Transfer to Capital and Reserves	-	-8,929	-	8,929
Transfer from Capital to Reserves	-	10,219	-	-10,219
Asset revaluation adjustment	250,529		250,529	
<b>Balance at 30 June 2010</b>	<b>\$3,271,974</b>	<b>\$3,001,539</b>	<b>\$250,529</b>	<b>\$19,906</b>
Net Result for the Period	170,112	170,112	-	-
Transfer to Capital and Reserves	-	-	-	-
Transfer from Capital to Reserves	-	-	-	0
Asset revaluation adjustment	168,625		168,625	
<b>Balance at 30 June 2011</b>	<b>\$ 3,610,711</b>	<b>\$ 3,171,651</b>	<b>\$ 419,154</b>	<b>\$ 19,906</b>
Net Result for the Period	94,779	94,779	-	-
Transfer to Capital and Reserves	-	-	-	-
Transfer from Capital and Reserves	-	-	-	0
Asset revaluation adjustment	177,363		177,363	
<b>Balance at 30 June 2012</b>	<b>\$ 3,882,853</b>	<b>\$ 3,266,430</b>	<b>\$ 596,517</b>	<b>\$ 19,906</b>
Net Result for the Period	98,276	98,276	-	-
Transfer to Capital and Reserves	-	-	-	-
Transfer from Capital and Reserves	-	-	-	0
Asset revaluation adjustment	184,564		184,564	
<b>Balance at 30 June 2013</b>	<b>\$ 4,165,693</b>	<b>\$ 3,364,706</b>	<b>\$ 781,081</b>	<b>\$ 19,906</b>
Net Result for the Period	91,540	91,540	-	-
Transfer to Capital and Reserves	-	-	-	-
Transfer from Capital and Reserves	-	-	-	0
Asset revaluation adjustment	187,819		187,819	
<b>Balance at 30 June 2014</b>	<b>\$4,445,052</b>	<b>\$3,456,246</b>	<b>\$968,900</b>	<b>\$19,906</b>

### Key Financial Ratios

	Qld Treasury Corporation Benchmark	Budget 2009/10 \$'000
<b>Operating Position Indicators</b>		
Operating margin (%)	>(4.0)%	(5.0)%
<b>Fiscal Flexibility Indicators</b>		
Net rates, utilities and charges / operating revenue (%)	>60%	76.7%
Operating results before interest and depreciation / interest Expense (times) (interest cover)	>6	5.3
<b>Liquidity Indicators</b>		
Cash expenses cover (mths)	>3	5.6
Current ratio (times)	>3	1.5
<b>Equity Maintenance Indicators</b>		
Annual capital expenditure / annual depreciation (times)	>= 1.1	4.7

## Statement of Income and Expenditure - Forecast

For the years ended 30 June

	<b>Budget Forecast</b>			
	2010/11 \$'000	2011/12 \$'000	2012/13 \$'000	2013/14 \$'000
<b>Revenue</b>				
General Rates	136,989	149,161	159,077	168,596
Utility Charges	152,495	164,209	174,630	185,712
Less Discounts and Remissions	-45,034	-48,310	-51,096	-53,920
Fees and Charges	30,935	32,482	34,106	35,470
Interest	2,360	4,730	6,244	7,902
Contributions and Donations	0	0	0	0
Grants and Subsidies	14,350	14,925	15,521	16,143
Other	18,968	19,845	21,231	21,879
<b>Total Revenue</b>	<b>\$311,063</b>	<b>\$337,042</b>	<b>\$359,713</b>	<b>\$381,782</b>
<b>Less Expenses</b>				
Employee Costs	106,974	109,428	113,830	119,535
Materials and Services	91,186	94,242	97,558	102,390
Bulk Water Expense	694	715	736	759
Depreciation	99,811	108,570	119,269	127,821
Finance Costs	101	104	107	110
Borrowing Costs	23,084	25,141	24,983	24,105
Other	1,651	1,802	1,767	1,823
<b>Total Expenses</b>	<b>\$323,501</b>	<b>\$340,002</b>	<b>\$358,250</b>	<b>\$376,543</b>
<b>Surplus/(Deficit) before capital income</b>	<b>-\$12,438</b>	<b>-\$2,960</b>	<b>\$1,463</b>	<b>\$5,239</b>
<b>Capital Income</b>				
Contributions of Assets	27,923	27,923	27,923	27,923
Contributions, Grants, Subsidies and Donations	154,627	69,816	68,890	58,378
Profit on sale of Capital Assets	0	0	0	0
<b>Total Capital Income</b>	<b>\$182,550</b>	<b>\$97,739</b>	<b>\$96,813</b>	<b>\$86,301</b>
<b>Increase/(Decrease) in Operating Capability</b>	<b>\$170,112</b>	<b>\$94,779</b>	<b>\$98,276</b>	<b>\$91,540</b>

## Balance Sheet - Forecast

As at 30 June

	Budget Forecast			
	2010/11 \$'000	2011/12 \$'000	2012/13 \$'000	2013/14 \$'000
<b>Current Assets</b>				
Cash Assets	110,864	130,168	143,403	180,589
Receivables	22,836	24,581	26,146	27,656
Inventories	3,107	3,180	3,254	3,384
Other	1,899	2,621	3,359	4,077
<b>Total Current Assets</b>	<b>138,706</b>	<b>160,550</b>	<b>176,162</b>	<b>215,706</b>
<b>Non-Current Assets</b>				
Investments	18	18	18	18
Other	1,351	1,351	1,351	1,351
Property Plant and Equipment	3,948,426	4,198,596	4,454,809	4,669,610
<b>Total Non-Current Assets</b>	<b>3,949,795</b>	<b>4,199,965</b>	<b>4,456,178</b>	<b>4,670,979</b>
<b>Total Assets</b>	<b>\$ 4,088,501</b>	<b>\$ 4,360,516</b>	<b>\$ 4,632,340</b>	<b>\$ 4,886,685</b>
<b>Current Liabilities</b>				
Payables	14,332	14,825	15,330	16,083
Interest Bearing Liabilities	23,919	25,476	27,629	26,866
Provisions	14,278	14,957	15,668	16,397
Other	31,277	31,411	31,553	31,702
<b>Total Current Liabilities</b>	<b>83,806</b>	<b>86,669</b>	<b>90,180</b>	<b>91,048</b>
<b>Non-Current Liabilities</b>				
Payables	8,526	9,205	9,915	10,644
Interest Bearing Liabilities	379,631	375,730	360,249	333,383
Provisions	5,827	6,058	6,303	6,558
<b>Total Non-Current Liabilities</b>	<b>393,984</b>	<b>390,993</b>	<b>376,467</b>	<b>350,585</b>
<b>Total Liabilities</b>	<b>\$ 477,790</b>	<b>\$ 477,663</b>	<b>\$ 466,647</b>	<b>\$ 441,633</b>
<b>Net Community Assets</b>	<b>\$ 3,610,711</b>	<b>\$ 3,882,853</b>	<b>\$ 4,165,693</b>	<b>\$ 4,445,052</b>
<b>Community Equity</b>				
Asset revaluation reserve	419,154	596,517	781,081	968,900
Retained surplus	3,171,651	3,266,430	3,364,706	3,456,246
Other Reserves	19,906	19,906	19,906	19,906
<b>Total Community Equity</b>	<b>\$ 3,610,711</b>	<b>\$ 3,882,853</b>	<b>\$ 4,165,693</b>	<b>\$ 4,445,052</b>

## Statement Cash Flows - Forecast

For the years ended 30 June

	<b>Budget Forecast</b>			
	2010/11 \$'000	2011/12 \$'000	2012/13 \$'000	2013/14 \$'000
<b>Cash Flows From Operating Activities</b>				
Receipts				
Net Rates and Utility Charges	307,540	330,565	351,902	372,370
Fees and Charges				
Interest	2,360	4,730	6,244	7,902
Other				
Payments				
Materials and Services and Employee Costs	-200,778	-204,283	-211,902	-222,280
Finance Costs	-23,084	-25,141	-24,983	-24,105
Other	-131	-140	-148	-155
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 85,907</b>	<b>\$ 105,732</b>	<b>\$ 121,113</b>	<b>\$ 133,732</b>
<b>Cash Flow From Investing Activities</b>				
Grants, subsidies and contributions for capital expenditure	154,627	69,816	68,890	58,378
Proceeds from Disposal of Property, Plant & Equipment	1,200	1,200	1,200	1,200
Payments for Property Plant & Equipment	-253,964	-148,430	-164,192	-128,081
Other	-9,479	-6,670	-448	-414
<b>Net Cash Used in Investing Activities</b>	<b>-\$107,616</b>	<b>-\$84,084</b>	<b>-\$94,550</b>	<b>-\$68,917</b>
<b>Cash Flow from Financing Activities</b>				
Proceeds from Borrowings	54,231	21,575	12,148	-
Repayment of Borrowings	-21,658	-23,919	-25,476	-27,629
<b>Net Cash Provided by Financing Activities</b>	<b>\$32,573</b>	<b>-\$2,344</b>	<b>-\$13,328</b>	<b>-\$27,629</b>
<b>Net Increase/(Decrease) in Cash held</b>	<b>10,864</b>	<b>19,304</b>	<b>13,235</b>	<b>37,186</b>
Cash at Beginning of Reporting Period	100,000	110,864	130,168	143,403
<b>Cash at End of Reporting Period</b>	<b>\$110,864</b>	<b>\$130,168</b>	<b>\$143,403</b>	<b>\$180,589</b>

### Key Financial Ratios - Forecast

	Qld Treasury Corporation Benchmark	Budget Forecast			
		2010/11 \$'000	2011/12 \$'000	2012/13 \$'000	2013/14 \$'000
<b>Operating Position Indicators</b>					
Operating margin (%) (Council's dependence on rate income)	>(4.0)%	(4.0)%	(0.9)%	0.4%	1.4%
<b>Fiscal Flexibility Indicators</b>					
Net rates, utilities and charges / operating revenue (%)	>60%	78.6%	78.6%	78.6%	78.7%
Operating results before interest and depreciation / interest expense (times) (interest cover)	>6	4.8	5.2	5.8	6.5
<b>Liquidity Indicators</b>					
Cash expenses cover (mths)	>3	6.6	7.6	8.0	9.6
Current ratio (times)	>3	1.7	1.9	2.0	2.4
<b>Equity Maintenance Indicators</b>					
Annual capital expenditure / annual depreciation (times)	>=1.1	2.8	1.6	1.6	1.2

**Divisional Budget for the year ended 30 June 2010 (unconsolidated)**

	Community & Environmental Services	Infrastructure	Water & Asset Planning	Planning & Economic Development	Corporate Services
	\$000	\$000	\$000	\$000	\$000
<b>Operating Revenue</b>					
Rates and Utility Charges	14,334	330	132,781	0	126,105
Less Discounts & Remissions	0	-25	-16,195	0	-22,451
Fees and Charges	14,492	6,416	29,804	4,934	1,552
Interest from Investments	86	192	557	0	3,000
Contributions	0	943	921	0	0
Grants and Subsidies	9,943	3,062	0	30	3,648
Corporate Overhead Recoveries (internal)	2,003	0	0	0	23,004
Community Service Obligations	957	0	18,600	0	0
Competitive Neutrality Receipts	0	391	621	0	121
Taxes Received from Business Units (internal)	0	0	0	0	14,444
Other Income	11,592	170,514	4,833	726	6,410
Gain/(Loss) on Sale of Non Current Asset	0	0	0	0	0
<b>Total Operating Revenue</b>	<b>53,407</b>	<b>181,823</b>	<b>171,922</b>	<b>5,690</b>	<b>155,833</b>
<b>Operating Expenses</b>					
Employee Costs	43,701	14,094	21,805	7,540	21,513
Materials & Services	74,783	186,311	37,691	8,206	25,589
Bulk Water Expense	6,549	336	630	0	0
Finance Costs	17	406	13,006	2	3,163
Depreciation	6,671	33,040	34,097	1	8,660
Community Service Obligations	0	0	0	0	19,557
Competitive Neutrality Costs	0	0	0	0	1,133
Taxes other than Income Tax	270	0	176	0	0
Other Expenses	919	375	24	4	76
<b>Total Operating Expenses</b>	<b>132,910</b>	<b>234,562</b>	<b>107,429</b>	<b>15,753</b>	<b>79,691</b>
<b>Operating Surplus (Deficit) before Capital Items</b>	<b>-79,503</b>	<b>-52,739</b>	<b>64,493</b>	<b>-10,063</b>	<b>76,142</b>
<b>Other Capital Amounts:</b>					
Contributions	400	6,871	13,887	0	0
Grants and Subsidies	7,168	46,568	62,230	0	0
Contributed Assets	0	8,000	8,500	0	0
Gain/(Loss) on disposal of Capital Assets	0	0	-323	0	823
<b>Increase/(decrease) In Operating Capability Before Tax</b>	<b>-71,935</b>	<b>8,700</b>	<b>148,787</b>	<b>-10,063</b>	<b>76,965</b>
Income Tax	2,200	0	11,798	0	0
<b>Increase/(decrease) In Operating Capability After Tax</b>	<b>-74,135</b>	<b>8,700</b>	<b>136,989</b>	<b>-10,063</b>	<b>76,965</b>

## Council Business Activities – 2009/10

	Townsville Water	Waste Services	Construction & Maintenance	Parks Nursery	Fleet Services	Property Services	Performing Arts	Parking
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operating Revenue</b>								
Rates and Utility Charges	132,781	13,286	0	0	0	0	0	0
Less Discounts & Remissions	-16,195	0	0	0	0	0	0	0
Fees and Charges	7,061	8,912	578	0	18,887	97	421	2,332
Interest from Investments	450	86	192	0	107	0	0	0
Contributions	921	0	0	0	0	0	0	0
Grants and Subsidies	0	15	3,047	0	0	0	0	0
Community Service Obligations	18,600	957	0	0	0	0	0	0
Competitive Neutrality Receipts	535	0	391	0	87	0	0	0
Other Income	3,921	1,648	10,351	1,295	846	18,192	2,051	18
Gain/(Loss) on Sale of Non Current Asset	0	0	0	0	0	0	0	0
<b>Total Operating Revenue</b>	<b>148,074</b>	<b>24,905</b>	<b>14,559</b>	<b>1,295</b>	<b>19,927</b>	<b>18,289</b>	<b>2,472</b>	<b>2,350</b>
<b>Operating Expenses</b>								
Employee Costs	15,048	5,477	3,565	278	2,775	2,445	1,933	184
Materials & Services	26,850	10,349	27,939	202	9,252	10,116	3,497	1,321
Bulk Water Expense	630	44	0	5	0	336	0	0
Finance Costs	12,912	1	311	0	94	95	15	0
Depreciation	31,598	1,153	28,778	16	2,499	4,025	17	0
Community Service Obligations	0	0	0	0	0	0	0	0
Competitive Neutrality Costs	0	0	0	0	0	0	0	0
Taxes other than Income Tax	28	270	0	0	147	0	0	0
Other Expenses	15	2	0	592	8	356	199	0
<b>Total Operating Expenses</b>	<b>\$87,080</b>	<b>17,294</b>	<b>60,592</b>	<b>1,093</b>	<b>14,776</b>	<b>17,373</b>	<b>5,661</b>	<b>1,505</b>
<b>Operating Surplus (Deficit) before Capital Items</b>	<b>60,993</b>	<b>7,611</b>	<b>-46,033</b>	<b>202</b>	<b>5,151</b>	<b>916</b>	<b>-3,189</b>	<b>844</b>
<b>Other Capital Amounts:</b>								
Contributions	13,886	0	0	0	0	0	0	0
Grants and Subsidies	62,230	0	10,510	0	0	0	0	0
Contributed Assets	8,500	0	8,000	0	0	0	0	0
Gain/(Loss) on disposal of Capital Assets	0	0	0	0	-323	0	0	0
<b>Increase/(decrease) In Operating Capability Before Tax</b>	<b>145,609</b>	<b>7,611</b>	<b>-27,523</b>	<b>202</b>	<b>4,828</b>	<b>916</b>	<b>-3,189</b>	<b>844</b>
Income Tax	11,798	2,200	0	61	1,448	275	0	253
<b>Increase/(decrease) In Operating Capability After Tax</b>	<b>133,811</b>	<b>5,411</b>	<b>-27,523</b>	<b>142</b>	<b>3,380</b>	<b>641</b>	<b>-3,189</b>	<b>591</b>



**Business Activity Statement – 2009/10**

	Townsville Water	Waste Services	Construction & Maintenance	Parks Nursery	Fleet Services	Property Services	Performing Arts	Parking
	000's	000's	000's	000's	000's	000's	000's	000's
<b>Operating Revenue</b>								
Services Provided to Local Government	8,970	1,579	6,183	348	19,795	18,184	-	18
Services provided to clients other than Local Government	120,503	22,369	8,376	946	132	105	2,472	2,332
Community Service Obligations	18,600	957	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>148,074</b>	<b>24,905</b>	<b>14,559</b>	<b>1,295</b>	<b>19,927</b>	<b>18,289</b>	<b>2,472</b>	<b>2,350</b>
<b>Total Operating Expenditure</b>	<b>87,080</b>	<b>17,294</b>	<b>60,592</b>	<b>1,093</b>	<b>14,776</b>	<b>17,373</b>	<b>5,661</b>	<b>1,505</b>
<b>Other Capital Amounts</b>	84,617	-	18,510	-	323	-	-	-
<b>Increase/(decrease) in Operating Capability Before Tax</b>	<b>145,610</b>	<b>7,611</b>	<b>27,523</b>	<b>202</b>	<b>4,828</b>	<b>916</b>	<b>3,189</b>	<b>844</b>
Income Tax	11,798	2,200	\$0	\$61	\$1,448	\$275	\$0	\$253
<b>Increase/(decrease) in Operating Capability After Tax</b>	<b>133,812</b>	<b>5,411</b>	<b>27,523</b>	<b>142</b>	<b>3,380</b>	<b>641</b>	<b>3,189</b>	<b>591</b>

**COMMUNITY SERVICE OBLIGATIONS - 2009/10**

	Townsville Water	Waste Services	Construction & Maintenance	Parks Nursery	Fleet Services	Property Services	Performing Arts	Parking
	000's	000's						
Water - Discounts and Remissions	8,863							
Wastewater - Discounts and Remissions	7,332							
Combined House Drains	120							
Greening of Townsville - Charitable, Sporting and Community Groups	2,185							
Expenses relating to Alpin's and Gleeson's Weir	101							
Public Place Waste		123						
Public Place Recycling		6						
Public Place Bin Delivery		47						
Litter Collection - roads		752						
Charity Dumping		28						
<b>Total Community Service Obligations</b>	<b>18,600</b>	<b>957</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



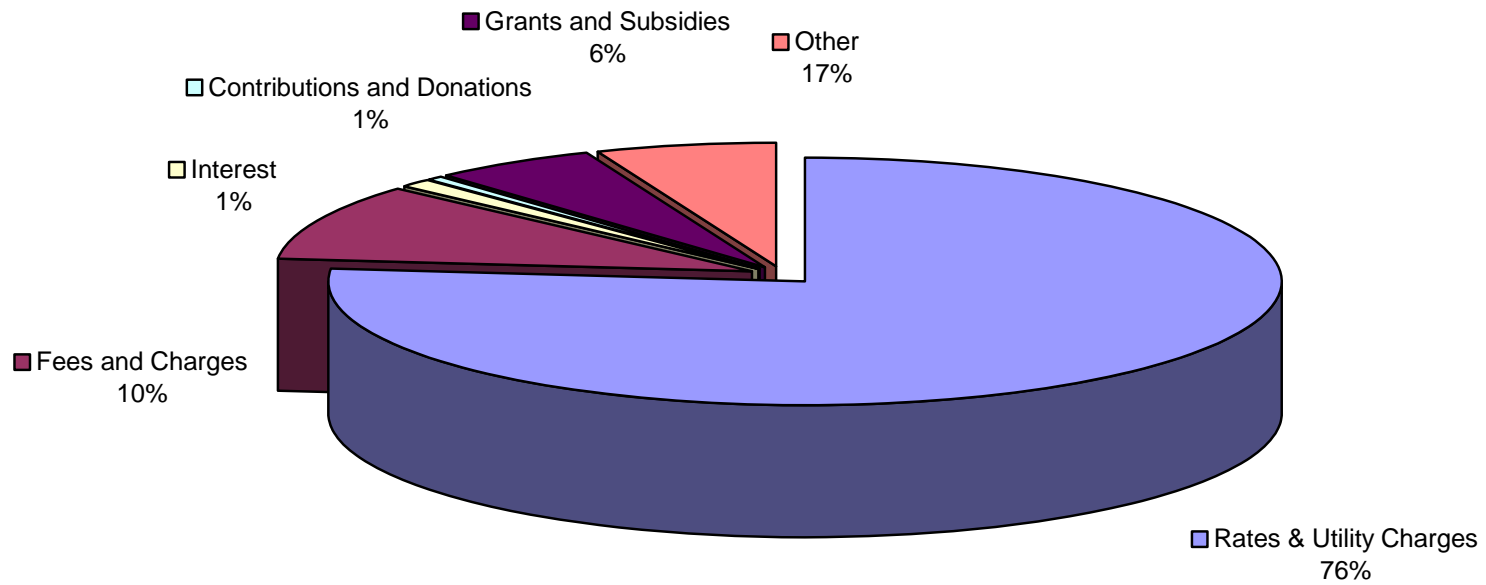
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## **3 GRAPHIC REPRESENTATIONS**

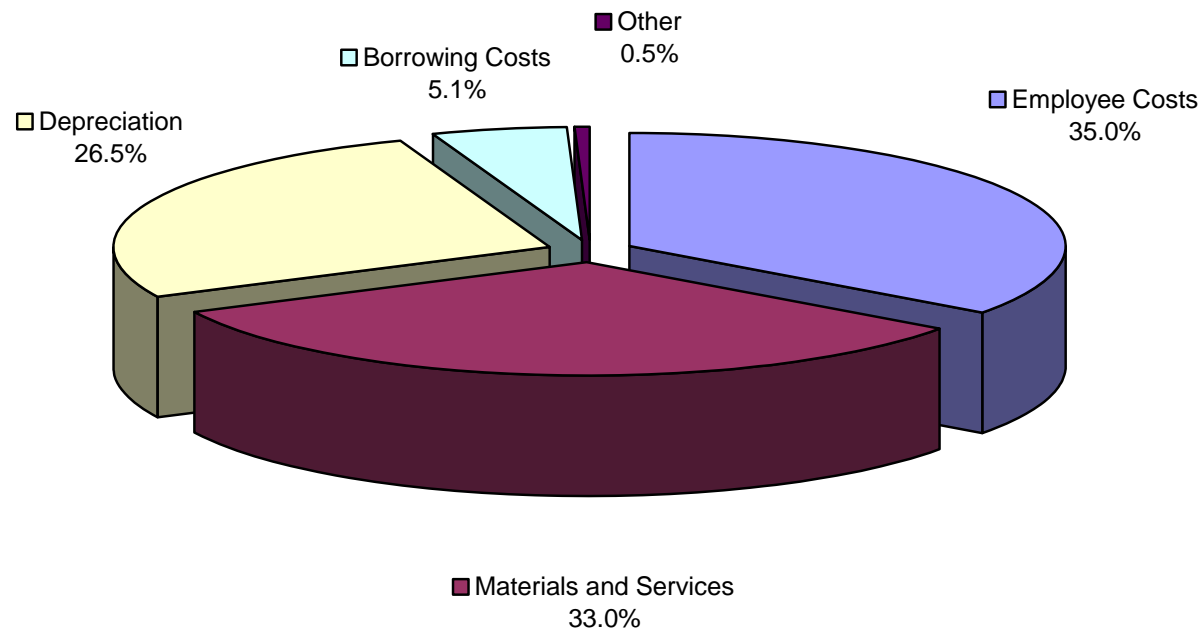
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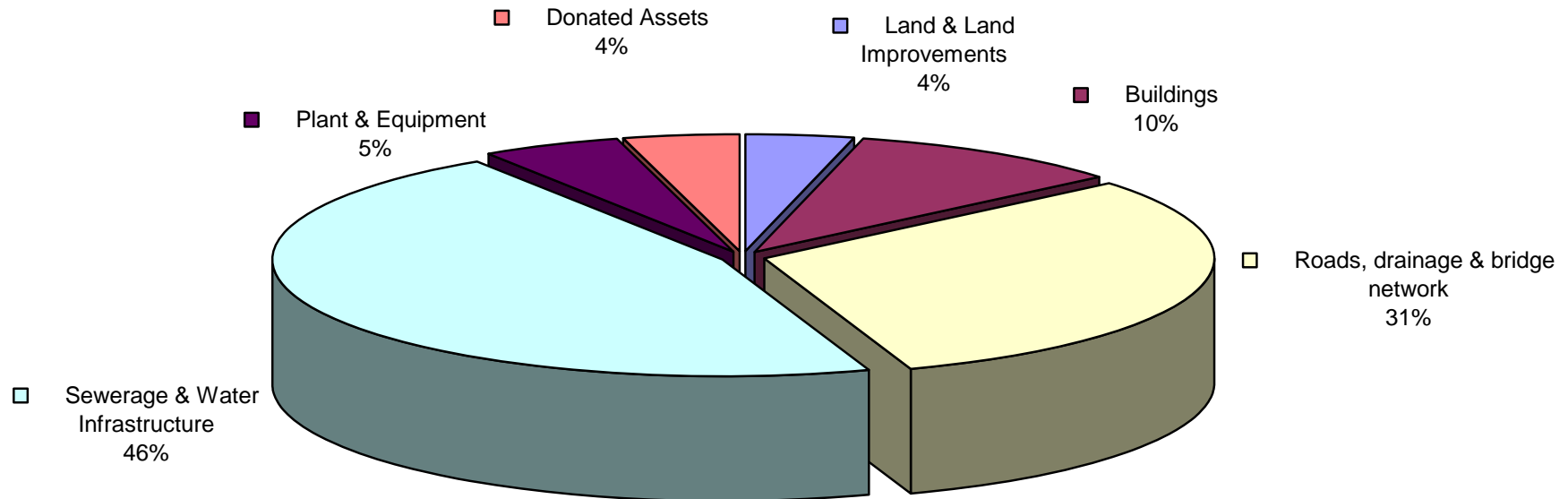
### 2009/2010 Operating Revenue



### 2009/2010 Operating Expenses



### 2009/2010 Capital Works





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## **4 MANAGEMENT REPORTS**

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**Capital Works by Department – 2009/10**

<i>Division Department</i>	<i>Land \$'000</i>	<i>Land Improvements \$'000</i>	<i>Buildings \$'000</i>	<i>Drainage \$'000</i>	<i>Water \$'000</i>	<i>Sewerage \$'000</i>	<i>Roads \$'000</i>	<i>Office Equip. \$'000</i>	<i>Plant \$'000</i>	<i>Cultural \$'000</i>	<i>Total \$'000</i>
<b>Community &amp; Environmental Services</b>											
Community Planning & Services	0	450	5,672	0	0	0	0	0	210	20	6,352
Library	0	0	0	0	0	0	0	18	0	0	18
Community Venues	0	0	0	0	0	0	0	0	545	0	545
Parks Services	0	13,100	0	0	0	0	0	0	0	0	13,100
Intergated Sustainability Services	80	0	0	0	0	0	0	3	534	0	617
Environmental Health Services	0	0	0	0	0	0	0	0	13	0	13
Waste Services	0	0	2,577	0	0	0	0	0	404	0	2,981
<b>Total</b>	<b>80</b>	<b>13,550</b>	<b>8,249</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>1,706</b>	<b>20</b>	<b>23,625</b>
<b>Corporate Services</b>											
Financial Services	0	0	50	0	0	0	0	0	170	0	220
Legal services	0	0	0	0	0	0	0	2	0	0	2
Corporate Governance	0	0	0	0	0	0	0	37	0	0	37
Knowledge Management	0	300	0	0	0	0	0	4,493	0	0	4,793
Change & Leadership	0	0	0	0	0	0	0	10	0	0	10
<b>Total</b>	<b>0</b>	<b>300</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,542</b>	<b>170</b>	<b>0</b>	<b>5,062</b>
<b>Infrastructure Services</b>											
Property Services	0	498	8,803	0	0	0	0	25	117	0	9,443
Construction & Maintenance	0	0	0	9,699	0	0	43,068	0	0	0	52,767
Technical Services	0	0	0	0	0	0	0	11	63	0	74
Major Projects	0	1,160	21,700	0	0	0	67,400	0	0	0	90,260
Strategy & Support	0	0	0	0	0	0	0	0	80	0	80
<b>Total</b>	<b>0</b>	<b>1,658</b>	<b>30,503</b>	<b>9,699</b>	<b>0</b>	<b>0</b>	<b>110,468</b>	<b>36</b>	<b>260</b>	<b>0</b>	<b>152,623</b>
<b>Planning &amp; Economic Development</b>											
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Water &amp; Asset Planning</b>											
Fleet Services	0	0	0	0	0	0	0	0	11,622	0	11,622
Water & Waste Water	0	0	120	0	81,211	99,316	0	0	629	0	181,276
<b>Total</b>	<b>0</b>	<b>0</b>	<b>120</b>	<b>0</b>	<b>81,211</b>	<b>99,316</b>	<b>0</b>	<b>0</b>	<b>12,251</b>	<b>0</b>	<b>192,898</b>
<b>Total all Departments</b>	<b>80</b>	<b>15,508</b>	<b>38,921</b>	<b>9,699</b>	<b>81,211</b>	<b>99,316</b>	<b>110,468</b>	<b>4,599</b>	<b>14,387</b>	<b>20</b>	<b>374,209</b>



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## **5 SCHEDULE OF RATES AND CHARGES 2009/10**

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## SCHEDULE OF RATES AND CHARGES 2009/10

### RATEPAYER INFORMATION >>

#### Overdue Rates and Interest Charges >>

Unpaid rates are considered overdue, and therefore recoverable by Council, on expiry of the designated due date on the notice.

Compound interest, at a rate of 11.0% per annum, will be charged in the following circumstances:

- On all overdue rates, charges and fire levies, interest will be charged from thirty (30) days after the due date until the date of payment.
- Interest will not be charged on the current half yearly rates where a suitable arrangement approved by Council to have the outstanding rates and charges paid by regular repayments by the end of the current rating period has been made by the property owner
- On "approved pensioner" (Detailed below) rates, charges and fire levies that remain unpaid as at 30/06/2010. Interest will be charged from 01/07/2010 until date of payment.

#### Discount for Prompt Payment >>

A discount, at the rate of 15%, is allowed on the prescribed rates and charges when full payment of all rates and charges, including the arrears, are received by the due date shown on the notice.

Discount is not allowed on the following charges:- Urban Fire Levy, Rural Fire Brigade Levy, Oak Valley Water Supply Contribution, Julago and Alligator Creek Water Supply Scheme, Water by Consumption (including Residential Excess), Trade Waste, Change of Land Ownership, Refuse, Recycling and Cleansing.

#### Townsville City Council Pensioner Remission >>

A remission is offered to approved pensioners equivalent to 85% of the general rate, up to a maximum of \$800.00 per annum. This will apply only if all rates and charges levied for the 2009/10 financial year are paid in full by 31/05/2010. A remission will also be extended on a pro-rata basis to eligible pensioners receiving less than a maximum qualifying pension.

#### Approved Pensioner:

- Is and remains the holder of a Queensland "Pensioner Concessions Card" issued by Centrelink or Department of Veterans' Affairs or a Queensland "Repatriation Health Card – For all Conditions" (Gold Card) issued by Department of Veterans' Affairs; and
- The owner or life tenant (either jointly or solely) of the property which is his/her principal place of residence; and
- Either solely or jointly with a co-owner, legally responsible for the payment of rates and charges for the specified property as defined in council's pensioner remission policy.

The above remission does not apply to rates on property other than the pensioners' principal place of residence.

The continuing eligibility status of approved pensioners will be verified by using updated Centrelink and Veterans' Affairs records. Pensioners whose records mismatch will be contacted to verify their status.

#### Change of Postal Address >>

The owner is responsible for promptly notifying Council – by email, mail, fax or phone – of any change of postal address to which rate notices are to be sent. Failure to do so may result in a loss of discount. Please quote the rating assessment number(s) and/or the street address of any property in the advice.

#### Queensland Government Pensioner Rate Subsidy Scheme >>

In addition to the council remission, the Queensland Government provides a subsidy to approved pensioners. This is equivalent to 20% of the gross rates and charges levied by Council, up to a maximum amount of \$180.00 per annum, as determined by the Department of Communities.

This subsidy is paid by the State Government to the Council to be passed on to approved pensioner ratepayers.

Under no circumstances is an approved pensioner to receive a subsidy for more than one property, designated as his / her principal place of residence, in the same rates period. This applies within or outside of Queensland.

An approved pensioner is someone who meets the following criteria:

- Is and remains an eligible holder of a Queensland "Pensioner Concession Card" issued by Centrelink or the Department of Veterans Affairs; or a Queensland "Repatriation Health Card – For All Conditions" issued by the Department of Veterans' Affairs;
- Is the owner or life tenant (either jointly or solely) of the property which is his/her principal place of residence; and
- Has either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges for the specified property as defined in the Local Government guidelines.

#### Owner-Occupied Benefit >>

Townsville City Council offers owner-occupied benefit to owners who occupy their single dwelling/home unit as their principal place of residence. Owner occupied benefit applies only to land held in the name of a natural person and does not apply to land held in Trustee, Company, Firm, Corporate or other like legal entity ownership

In circumstances where the postal address is not the same as the property address displayed on the rates notice and the owner occupies the single dwelling/home unit as their principal place of residence, an application for the owner-occupied benefit is required to be lodged with Council on the prescribed form. This form can be obtained from the Customer Service Centre at 86 Thuringowa Drive, Kirwan & 103 Walker Street, City or Councils' website [www.townsville.qld.gov.au](http://www.townsville.qld.gov.au)

#### Recording a Change of Land Ownership >>

A general charge of \$55.00 will apply on each change of land ownership received and recorded by the Council. Various exemptions from the charge apply. Advices are provided to Council after settlement of all property transfers by the Department of Environment & Resource Management. However, Council also accept a fully completed Form 24 from the solicitors acting for a vendor or purchaser after settlement of a sale.

#### Copy of Rate Notice/Water Notice >>

A service fee of \$12.00 will apply for any/each copy of a notice issued prior to 1 July 2009. This charge also applies to the equivalent information provided verbally or by written advice.

#### Payment by Arrangement >>

Payment by an agreed arrangement may be accepted under some circumstances where ratepayers are having financial difficulty. For such arrangements to be made ratepayers must contact the Townsville City Council, Customer Service Section on (07) 4727 9000 before the due date shown on any notice. All half-yearly agreed arrangements will be confirmed in writing. An arrangement will reduce interest charges as interest is not charged on arrangements when payment for the current half yearly rates is received in regular repayments before the end of

the half yearly period. Interest will be charged on any broken arrangement and legal action may also be commenced to recover the outstanding rates and charges.

### Rateable Value of Land >>

Council uses the unimproved capital valuation as advised by Department of Environment and Resource Management to determine the rateable value. The last valuation of the city was 1 October 2006 with the valuation being applied from 1 July 2007. The rateable value of each property is to be the averaged unimproved value of that land. The averaged rateable value for rating purposes for year ending 30 June 2010 is the lesser of:

- a) The current unimproved valuation effective from 01/07/2009, or
- b) The amount calculated as follows:
  - i) The average of the last three unimproved capital valuations, i.e. (current Department of Environment & Resource Management, capital valuation effective from 01/07/2009 + 2008/09 capital valuation + 2007/08 capital valuation) divided by three (3).
  - ii) In any other case – the current unimproved capital valuation, effective from 01/07/2009 multiplied by the averaging factor (0.999).

### Separate Valuation for Each Lot in a Plan of a Subdivision

Section 25 of the Valuation of Land Act 1944 provides for a separate valuation record for each surveyed lot on a plan of a subdivision registered after 1 July 1997. This means that when the valuation of a large holding is adjusted under Section 28(I)(a) of the Act, a valuation will be issued in the name of the subdivider for each lot on the plan. There will be no subsequent split actions. Section 25 provides that the amount of each valuation issued will be adjusted by the Local Council by a reduction of 40%, or as contained in the *Valuation of Land Regulations 1993*. The restriction is that the land must not be developed and continue to be owned by the original subdivider.

**(Developed land as described in the Act: Land improved by the construction of a building or other facility reasonably capable of being used.)**

### OBJECTIONS TO VALUATIONS>>

An owner who is dissatisfied with the valuation made by the Chief Executive Officer of Department of Environment and Resource Management under the Valuation of Land Act 1944 may, within 45 days after the date of issue of the notice of valuation (which date of issue shall be stated in the Notice of Valuation issued by the Department), post or lodge with the Chief Executive Officer an objection in writing against the valuation.

### DIFFERENTIAL GENERAL RATES >>

#### Categories and Criteria >>

The following set of criteria is based on the Department of Environment and Resource Management, Land Use Codes. These Land Use Codes refer to the codes used by the Department of Environment and Resource Management to classify land within Townsville City Council boundaries.

Land owners are advised that the category under which land is rated is shown on each rate notice under the heading, Land Use Code.

#### Objections to Land Use Codes >>

Objections can be made about an allocated Land Use Code only in the following circumstances and manner:

- a) If a ratepayer considers that, as at the date of issue of the rate notice, their land should have been included in another category, an objection can be lodged with Council.
- b) A notice of objection, on the prescribed form, should be lodged within 30 days of the date of issue of the rate notice.

- c) The only grounds on which objections can be lodged by a ratepayer are that the land should have been included in some other category.
- d) The posting or lodging of an objection with the Townsville City Council will have no bearing on the levy itself or the recovery of those rates referred to in the rate notice.
- e) If the Townsville City Council, upholds an objection, the appropriate rates adjustment will be made. Any adjustment to the amount of rates levied or paid will be made in accordance with Section 991 of the Local Government Act.
- f) All correspondence should be addressed to Townsville City Council, PO Box 1268, Townsville Qld 4810.

### Differential General Rate Categories>>

Twelve (12) categories and corresponding criteria are used to calculate and levy Differential General Rates for the year commencing 1 July 2009.

**CATEGORY 1 land is defined by the following Land Use Codes and being owner occupied as described in this schedule>>** 1, vacant urban land; 2, single unit dwelling; 3/98, multi-unit dwelling (2 flats) both owner occupied; 4, large home site - vacant; 5, large home site - dwelling; 6, outbuildings; 8, building units (\*); 9, group titles (\*);  
 (\*) Other than a lot on a building units plan or group titles plan registered under the Body Corporate and Community Management Act where that lot is used for a non-residential purpose.

**CATEGORY 2 land is defined by the following Land Use Codes and is not occupied by the owner as their principal place of residence >>** 1, vacant urban land; 2, single unit dwelling; 4, large home site - vacant; 5, large home site - dwelling; 6, outbuildings; 8, building units (\*); 9, group titles (\*); 72, approved subdivider under section 25 of Valuation Land Act; 94, vacant rural land.

(\*) Other than a lot on a building units plan or group titles plan registered under the Body Corporate and Community Management Act where that lot is used for a non-residential purpose.

**CATEGORY 3 land is defined by the following Land Use Codes >>** 1, vacant urban land; 4, large home site - vacant; 6, outbuildings; 8, building units(\*); 9, group titles(\*); 10, combination multi-dwelling & shops; 11, shop single; 12, shops - shopping group (more than 6 shops); 13, shopping group (2 to 6 shops); 14, shops - main retail (CBD); 15, shops - secondary retail (fringe CBD-presence of service industry); 17, restaurant; 18, special tourist attraction; 19, walkway; 20, marina; 22, car parks; 23, retail warehouse; 24, sales area outdoor; 25, professional offices; 26, funeral parlours; 27, hospitals, convalescent homes (medical care private), 38, advertising-hoarding; 41, child care excluding kindergarten; 42, hotel, tavern; 43, motels; 44, nurseries (plants); 45, theatres and cinemas; 46, drive-in theatre; 47, licensed clubs; 48, sports clubs, facilities; 49, caravan parks; 50, other clubs (non-business); 51, religious; 52, cemeteries including crematoria; 55, library; 56, showgrounds, racecourses, airfields; 57, parks and gardens; 58, education including kindergarten; 72, approved subdivider under section 25 of Valuation Land Act; 91, transformers; 92, defence force establishment; 94, vacant rural land; 95, reservoirs, dams, bores; 96, public hospital; 97, welfare homes, institutions; 99, community protection centre.

(\*) Other than a lot on a building units plan or group titles plan registered under the Body Corporate and Community Management Act where that lot is used for a residential purpose.

**CATEGORY 4 land is defined by the following Land Use Codes >>** 28, warehouses and bulk stores; 29, transport terminal; 30, service station; 31, oil depots and refinery; 32, wharves; 33, builders yards, contractors yards; 34, cold stores, ice works.

**CATEGORY 5 land is defined by the following Land Use Codes**  
 >> 35, general industry; 36, light industry; 37, noxious, offensive industry; 39, harbour industries; 40, extractive.

**CATEGORY 6 land is defined by the following Land Use Codes**  
 >> 16, drive-in shopping centre not described in Categories 10,11,and 12.

**CATEGORY 7 land is defined by the following Land Use Codes**  
 >> 60, sheep grazing – dry; 61, sheep breeding; 64, cattle grazing – breeding; 65, cattle breeding and fattening; 66, cattle fattening; 67, goats; 68, dairy cattle – quota milk; 69, dairy cattle – non-quota milk; 70, cream; 71, oil seeds; 73, grain; 74, turf farm; 75, sugar cane; 76, tobacco; 77, cotton; 78, rice; 79, orchard; 80, tropical fruit; 81, pineapple; 82, vineyard; 83, small crops and fodder irrigated; 84, small crops and fodder, non-irrigated; 85, pigs; 86, horses; 87, poultry; 88, forestry and logs; 89, animals (special); and 93, peanuts.

**CATEGORY 8 land is defined by the following Land Use Codes**  
 >> 3, multi-unit dwelling (flats); 7, guest house/private hotel; 21, residential institutions (non-medical care).

**CATEGORY 9 land is defined by the following Land Use Codes**  
 >> all land not included in Categories 1,2,3,4,5,6,7,8,10,11, and 12.

**CATEGORY 10 land is defined by the following Land Use Codes**  
 >> 16: drive-in shopping centre that matches the following description; a large sub-regional shopping centre serving a market of more than 30,000 people in which the anchor tenants are a variety of department store(s) and/or discount department store(s) and large grocery supermarket(s). The centre should have major on-site parking facilities and a fully developed floor space of more than 40,000m<sup>2</sup>.

**CATEGORY 11 land is defined by the following Land Use Codes**  
 >> 16, drive-in shopping centre that matches the following description: a sub-regional shopping centre serving a market of more than 30,000 people in which the anchor tenants are a variety of discount department store(s) and large grocery supermarket(s). The centre should have major on-site parking facilities and a fully developed floor space of more than 20,000m<sup>2</sup> and less than 40,001m<sup>2</sup>.

**CATEGORY 12 land is defined by the following Land Use Codes**  
 >> 16, drive-in shopping centre that matches the following description: a sub-regional shopping centre serving a market of more than 30,000 people in which the anchor tenants are a variety of discount department store(s) and large grocery supermarket(s). The centre should have major on-site parking facilities and a fully developed floor space of less than 20,001m<sup>2</sup>.

**NOTE >>**  
 The precincts under the City Plan and the Zone under the Town Planning Scheme may also be a factor in determining the rating category for Land Use Codes 1, 4, 6, 72 & 94 .

Category	Rate (cents) In \$	Minimum Rate
Category 1	1.203	\$925
Category 2	1.284	\$925
Category 3	2.019	\$1,100
Category 4	2.074	\$1,100
Category 5	2.074	\$1,100
Category 6	2.074	\$1,100
Category 7	1.284	\$1,100
Category 8	1.284	\$1,100
Category 9	2.019	\$1,100
Category 10	2.990	\$560,000
Category 11	2.041	\$460,000
Category 12	2.037	\$260,000

**Capping of Rates >>**

The following conditions apply to the capping of general rates for the year ending 30 June 2010

- a) The differential general rate for land categorised as Category 1 as at 1 July 2009, will not exceed the amount of general rates levied for the property for the previous year (year ending 30 June 2009), plus an increase of 30.0 per centum. This is subject to the provisions set out below (b) and a Minimum Rate as set in respective Schedule above.
- b) Provisions for capping of general rates:
  - i) Capping will apply to any land categorised as residential Category 1. The concession is not available retrospectively and will only apply from the beginning of a financial year.
  - ii) Capping will cease to apply, on and from the 1 July 2010, where ownership of any land that previously claimed a capped rate, is transferred on or after the 1 July 2009. Land which is sold during 2009/10, is not eligible for capping in 2010/11. The new owner would be eligible for capping from 1 July 2011.
  - iii) The purchaser of any uncapped land during 2009/10 will not be eligible for capping until 1 July 2011.
  - iv) Where a dwelling is completed during 2009/10, on vacant land purchased prior to 1 July 2009, the owner will be eligible for capping from 1 July 2010 only. Where a dwelling is completed during 2009/10, on vacant land purchased during 2009/10, the owner will be eligible for capping from 1 July 2011 only.

**SPECIAL RATES >>**

Special rates will apply to all properties contained within the following benefited areas as defined by Council:

**Flinders Pedestrian Mall**

2.216 cents in the dollar on the averaged rateable value of the land contained within Subdivision A;

1.108 cents in the dollar on the averaged rateable value of the land contained within Subdivision B.

**Flinders St East Precinct**

0.373 cents in the dollar on the averaged rateable value of the land.

**Nelly Bay Harbour Development.**

1.323 cents in the dollar on the averaged rateable value of the land.

**SPECIAL CHARGES >>**

**RURAL FIRE BRIGADES**

Rural Fire Brigades	ANNUAL CHARGE
Nome, Oak Valley, West Point and Toolakea	\$15
Clevedon, Horseshoe Bay, Lime Hills-Elliott, Majors Creek and Reid River	\$25
Cungulla	\$60
Rollingstone	\$10
Crystal Creek and Purono Park	\$20
Black River and Districts and Rupertswood	\$25
Paluma and Saunders Beach	\$30
Bluewater, Bluewater Estate and Rangewood	\$35

**Oak Valley Water Supply Contribution**

Owners of properties in the Oak Valley Water Supply Contribution benefited area are required to pay back a capital contribution of \$7,155.00 per property over a ten (10) year interest free period for a connection to the Mt Jack Pipeline. Half year instalments number twelve (12) and thirteen (13) of \$357.75 each will be levied for the financial year 2009/10.



**Julago and Alligator Creek Water Supply Scheme**

Owners of properties in the Julago and Alligator Creek Water Supply Scheme (JACWSS) benefited area are required to pay back a capital contribution of \$10,500.00 per lot over a ten (10) year, interest free period for a connection to the Bruce Highway main. Half yearly instalments number three (3) and four (4) of \$525.00 each will be levied for the financial year 2009/2010.

**Black River Rural Water Supply**

A special charge of \$920.00 per lot situated in the Black River Rural Water Supply Benefited Area as defined by Council.

**UTILITY CHARGES >>**

**Water Utility Charges >>**

**Residential**

**Townsville City Council has (2) pricing plans for Residential Properties**

The **Standard Plan** will be calculated on the basis of a fixed annual connection charge together with an allocation of water. An excess water consumption charge applies for water used in excess of the allocation.

The **WaterWatcher Plan** will be calculated on the basis of a fixed annual access charge together with a tiered charge per kilolitre of water used. The fixed annual access charge, water charges, tiered consumption threshold for each class use or occupation is set out in **Schedule A** below. The WaterWatcher Plan is available as an option to all residential customers, and is the only basis for the calculation of water supply charges for vacant residential land.

Customers are permitted to change plans once in a financial year. Customers wishing to change plans should contact the Customer Service Centre. The changeover will take effect from the date of the next scheduled water meter reading after the completed and signed application form is received by Council. Pro-rata adjustments will be made according to the number of days the property is on each plan.

**Note. Where multiple dwellings/units are connected to the same meter/meters, all properties must be on the same plan.**

The following **Standard Plan** charges will apply to residential properties as defined below:

- a) Dwellings, flats and home units not held under Community Management Statement – a charge of \$638.00 per annum will apply for each dwelling/home unit. An annual allowance of 772 kL (\*) is allocated, and excess water charges (^) will apply. (Refer also to Home Occupations - below).
- b) Home units/ motel units/ hotel units held under Community Management Statement – a charge of \$638.00 per annum will apply for each home unit/ motel unit/ hotel unit held under a Community Management Statement. An annual allowance of 772 kL (\*) is allocated and excess water charges (^) will apply. Water usage through communal meters will be applied proportionally to each unit.
- c) Boarding house and lodging house – a charge of \$638.00 per annum will apply for the private residence, plus 25% of the charge for each Health Services/Residential Services approved occupant. An annual allowance of 772 kL (\*) is allocated to a whole base charge and excess water charges (^) will apply.
- d) Home business in residential areas – where a home business is conducted within the confines of the residential dwelling house, pursuant to a town planning permit, a charge of \$638.00 per annum will apply for each dwelling. An annual allowance of 772 kL (\*) is allocated and excess water charges (^) will apply. This charge is in lieu of the charge for dwellings. (Dependent upon the actual home business being under taken, certain exceptions from the above levy will apply where the type of business would typically account for the majority of the water consumption).
- e) Church dwellings – a charge of \$638.00 per annum will apply for each dwelling. An annual allowance of 772 kL (\*) is allocated and excess water charges (^) will apply.

- f) Aged Persons Home (Villa Vincent Home for the Aged, Villa McAuley Retirement Village, Good Shepherd Nursing Home, Garden Settlement, St James Village, RSL Rowes Bay) – a charge of \$0.54 per kl will apply by meter recorded consumption. This is subject to a minimum annual charge of \$39.42 per water meter service.
- g) Retirement Village (Carlyle Gardens and Masonic Village) refer to water watcher plan.

(\*) **Annual Allowances >>** When necessary, this annual allowance will be calculated on a pro-rata basis in proportion to the period of time the water meter is connected.

(^) **Excess Water Charges >>** a charge of \$2.12 per kL will apply by water meter recorded consumption.

**Water Watcher Plan Schedule A**

Water Watcher				
Use of occupation	Fixed annual access Charge per dwelling/unit /flat	1 <sup>st</sup> Tier Charge / KL	Consumption Threshold (KL)	2 <sup>nd</sup> Tier Charge/KL
Dwellings and home units	\$331.82	\$0.69	772	\$2.12
motel units/ hotel units ( under community management scheme)	\$331.82	\$0.69	772	\$2.12
Flat and tenement buildings	\$331.82	\$0.69	772	\$2.12
Boarding house and lodging house (full charge for private residence and 25% for each health services/residential services approved occupant)	\$331.82	\$0.69	772	\$2.12
Home occupation in residential areas	\$331.82	\$0.69	772	\$2.12
Church dwellings	\$331.82	\$0.69	772	\$2.12
Vacant land (connected and unconnected)	\$331.82	\$0.69	772	\$2.12
Retirement Village (Carlyle Gardens and Masonic Village) *	\$785.90 (25mm) \$3143.60 (50mm) \$8047.54 (80mm) \$12,574.26 (>100mm)	\$0.81	441 each dwelling	\$2.12

\* No annual charges apply for any meter on supply lines used solely for fire fighting purposes unless the annual consumption excluding that use for fire fighting purposes exceeds 50kl.

Any queries or complaints about excess water charges must be lodged in writing with Council prior to the due date shown on the relevant notice. Relief from excess water charges resulting from leaking water pipes will be considered in line with Council's Water Leakage Policy. Water charges being contested will incur interest charges if not paid by the due date in line with Council policy. All other rates and charges must be paid by the due date. Failure to do so may result in a loss of discount and commencement of recovery action. Other requirements for processing the complaint, if any, will be advised by Council following initial contact with the customer.

**Non-Residential >>**

1. The following charges will apply to commercial and industrial premises:

- a) Commercial and industrial – a charge of \$2.34 per kL will apply by water meter recorded consumption.

During construction of large Home Unit Complexes, developers may wish to install a smaller water meter than required to service the completed development and be charged the commercial water charge per kilolitre. Normal

residential water charges will apply from date of connection of the full size water meter required for servicing the particular development.

- b) Caravan parks – a charge of \$1.49 per kL will apply by water meter recorded consumption.
- c) Retirement Village (other) – a charge of \$2.34 per kL will apply by water meter recorded water consumption. This is subject to a minimum charge of \$940.68 per annum.

NB>> All the above water utility charges relating to commercial and industrial properties are subject to a minimum charge of \$940.68 per annum to be levied on each half yearly rate notice. Water notices will be issued after each water meter reading, once the charge has exceeded the annual minimum charge

2. The following charges will apply to vacant land;

- a) Connected – a charge of \$2.34 per kL will apply by water meter recorded consumption, subject to a minimum amount of \$600.00 per annum per connected lot to be levied on each half yearly rate notice. Water notices will be issued after each water meter reading once the charge has exceeded the annual minimum charge.
- b) Unconnected – a charge of \$600.00 per annum per lot will apply.

3. Water supplied for irrigation purposes to commercial and industrial premises - A charge of \$1.59 per kL will apply to water meter recorded consumption. This is subject to application and the installation of a separate irrigation water meter and reticulation system. The number of irrigation meters allowed must not exceed the number of commercial meters.

4. Metered Standpipes - A charge of \$2.34 per kL will apply to water meter recorded consumption. In addition a hire fee will apply for the standpipe at the rate in Council's Fees and Charges schedule.

5. Council Parks - A charge of \$2.34 per kL will apply to water meter recorded consumption.

#### **James Cook University, Douglas and Vincent Campus; Schools and College of Technical and Further Education**

A charge of \$1.73 per kL will apply to water meter recorded consumption.

#### **Sporting, Charitable and Non-Profit Organisations (approved by Council)**

The following charges will apply:

- a) Church Halls – a charge of \$324.24 per annum will apply for each church hall. An annual allowance of 386 kL will be allowed. Excess water charges at \$2.34 per kL will apply by water meter recorded consumption.
- b) Sporting clubs and organisations where public access to grounds is restricted –  
Clubhouse – Charges to be applied as per commercial and industrial properties to water meter recorded consumption at \$2.34 per kL. This is subject to a minimum amount of \$940.68 per annum to be levied on each half yearly rate notice. Water notices are to be issued after each water meter reading once the charge has exceeded the annual minimum charge.  
Fields – irrigated areas will be separately metered and will be charged at \$0.54 per kL to apply by water meter recorded consumption. This is subject to a minimum annual charge of \$39.42 per water meter service.
- c) Sporting clubs and organisations (including church camps) where public access to grounds is not restricted –  
Clubhouse – a charge of \$0.54 per kL will apply by water meter recorded consumption. This is subject to a minimum annual charge of \$39.42 per water meter service.  
Fields – an annual allowance for watering playing fields, or other approved recreational areas, will be supplied by Council at no cost to the sporting club or organisation. This allowance will be based on an annual supply of six (6) mega litres per hectare of approved playing area. The

sporting club or organisation is to supply Council with details of the area of playing fields. Any usage in excess of this allowance will be charged against the club/organisation at the current residential excess water rate.

- d) Charitable and Non-Profit Organisations.  
Clubhouse/Hall – a charge of \$0.54 per kL will apply by water meter recorded consumption. This is subject to a minimum annual charge of \$39.42 per water meter service.

#### **Water Supply Utility Charges >> Mt Jack Pipeline**

For properties with a water meter connection to the Mt Jack Pipeline a charge will apply by water meter recorded consumption at \$0.83 per kL for the first 772 kL, consumption over 772 kL will be charged the following rate:

For Residential and Rural properties \$2.12 per kL and  
For Commercial and Industrial properties \$2.34 per kL.

#### **Commencement Date for Full Charges>>**

Water charges – charges will apply from the date of connection of the water meter. The charge will reflect the use of the land, as per the Building Application, for which the water meter was connected.

#### **Fee for Water Consumption -Non-contributing Consumers >>**

Where the applicable contribution to Council's Water Supply, under Council's Planning Policies, has not been received, a surcharge of \$0.50 per kilolitre on the actual consumption from Council's Water Supply Scheme will apply. This surcharge is in addition to any other water charges, and shall adjust upwards the Water Watcher Plan charge or the Standard Plan charge, whichever is adopted by the consumer.

#### **Wastewater Utility Charges >>**

(On rateable and non-rateable land)

#### **The following wastewater utility charges apply to land in a sewerage area >>**

##### **Sewered Premises >> Residential**

A charge of \$632.00 will apply for each single occupancy premises such as a dwelling house, home unit, flat including dwelling/units within a Retirement Village/Aged Care Facility.

##### **Sewered Premises >> Non-Residential**

1. Commercial and industrial - a charge of \$726.00 per water closet pedestal per annum will apply.
2. School, college, church/church hall, and pedestals connected to clubhouses/halls (non-licensed - liquor and gaming machine) owned by charitable and non-profit organisations, and sporting clubs. - a charge of \$632.00 per water closet pedestal per annum will apply.
3. Caravan park - a charge of \$632.00 per water closet pedestal per annum will apply where the connection is to any permanent structure with full living accommodation and common amenities blocks. Fifty per cent (50%) of the above charge per water closet pedestal per annum will apply where the connection is for drive-through caravan sites.

Where a separate habitation space on the premises is occupied as a principal place of residence the owner may request those pedestals be charged at the Residential Sewerage Charge. If approved, the rebate will commence from the financial year in which the application is received, or from the date thereafter as assessed by Council.

##### **Vacant Land (unoccupied) >>**

For developed or undeveloped land of a residential nature, a charge of \$570.00 per annum per lot will apply.

For developed or undeveloped land of a commercial, industrial or rural nature (e.g. other than residential nature) a charge of \$570.00 per annum per lot will apply.

Note: charge to apply from date of registration of plan.

**Non-Sewered Residential Occupied Premises**

A charge of \$632.00. will apply for each single occupancy premises such as a dwelling house, home unit, flat. This excludes any instances where another sewerage pedestal charge is also being applied to the land parcel(s) under any relevant rating assessment number.

**Non -Sewered Non-Residential Occupied Premises >>**

A charge of \$726.00 per water closet pedestal per annum will apply. This excludes any instances where another sewerage pedestal charge is also being applied to the land parcel(s) under any relevant rating assessment number.

**Commencement Date for Full Charges>>**

Sewerage charges – sewerage charges will be effective from the date of inspection by Council's Hydraulic Services for the installation of sewerage pedestals or the date of the final inspection certificate and/or certification of classification issued, whichever is the sooner.

**Trade Waste >>**

Charges will apply to Liquid trade waste charges calculated as defined below>>

- a) A base access fee will apply for each liquid trade waste approval holder each year. The amount of the base access fee will be dependant on the discharge category of the approval holder.
- b) An annual discharge allowance of 400kL is allocated to the base annual charge.
- c) An additional volume charge will apply to any additional discharge over and above the 400kL allowance allocated to the base access charge.
- d) Pollutant charges will apply to liquid trade waste approval holders in discharge category 2.0.
- e) Liquid trade waste charges will be issued half yearly.
- f) The base access charge is paid in advance to secure access to the sewerage system for the current financial year. Additional volume charge is calculated using recorded water consumption from the previous financial year.

Charges will apply for liquid trade waste discharge in accordance with Council's Trade Waste Policy as set out in the table below>>

Discharge Category	Base Access Fee (<400kL)	Additional Volume Charge (\$/kL)
Category 1.1	\$273.16	\$1.82
Category 1.2	\$241.02	\$1.61
Category 1.3	\$224.96	\$1.50
Category 1.4	\$192.82	\$1.29
Category 1.5	\$273.16	\$1.82

Discharge Category	Base Access Fee (<400kL)	Additional Volume Charge (\$/kL)	Pollutant Charges		
			Chemical Oxygen Demand (COD) (kg)	Suspended Solids (Kg)	SO <sub>4</sub>
Category 2.0	\$305.30	\$2.04	\$1.06	\$1.06	\$0.57

Water consumption – Allowances x discharge factor = Trade Waste discharge volume

Allowance Type	Allowance Volume	
Base allowance	400KL	Per customer
Pedestal	90KL	Per pedestal

**Refuse, Recycling and Cleansing Utility Charges >>**

(On rateable and non-rateable land)

**Residential - Defined Waste Collection Area**

- a) Residential Dwelling, Home Unit or Flat/Tenement - A charge of \$187.00 per annum will apply for combined refuse and cleansing services for each single occupancy premises such as a residential dwelling, home unit or flat/tenement in the defined collection area. Each combined refuse and cleansing utility charge represents a provision for kerbside refuse collection and disposal of the equivalent of one 240 litre wheelie bin per week, one 240 litre recycling bin per fortnight and cleansing services provided to the community.
- b) Boarding house and lodging house - A charge of \$187.00 per annum will apply for combined refuse and cleansing services for the private residence, plus 25% of the charge for each Health Services /Residential Services approved occupant in the defined collection area. Each whole combined refuse and cleansing utility charge represents a provision for kerbside refuse collection and disposal of the equivalent of one 240 litre wheelie bin (or one 120 litre wheelie bin at the owner's request) per week, one 240 litre recycling bin per fortnight and cleansing services provided to the community.
- c) Permanent additional refuse services can be arranged at a charge of \$130.22 per annum for any additional refuse collection service provided. One refuse collection service is equivalent to one (1) 240 litre wheelie bin per week (or one 120 litre wheelie bin at the owner's request).
- d) Permanent additional recycling services can be arranged at a charge of \$45.04 per annum for any additional recycling collection service provided. One recycling collection service is equivalent to one (1) 240 litre wheelie bin per fortnight.
- e) Properties in the Paluma area per residential dwelling, home unit or flat/tenement - A charge of \$130.22 per annum will apply for refuse service for each single occupancy premises such as a residential dwelling, home unit or flat/tenement in the defined collection area. This charge represents a provision for kerbside refuse collection and disposal of the equivalent of one 240 litre wheelie bin per week and cleansing services provided to the community.

**Non-Residential >>**

The following charges will apply to all properties not considered a residential property (as defined above)>>

- a) A refuse collection service charge of \$142.38 per annum will apply for one (1) refuse collection service. This is equivalent to one (1) 240 litre wheelie bin per week.
- b) A recycling service charge of \$45.04 per annum will apply for one (1) recycling collection service. This is equivalent to one (1) 240 litre wheelie bin per fortnight. (Weekly services are available on application).

Where the number of equivalent services provided exceeds 12 services in one lift per week, customers or identified customer groups (at the absolute discretion of the Executive Manager Waste Management) may apply for a quotation of a commercial charge as defined under the Local Government Act.

**Damaged, Lost or Stolen Wheelie Bins >>**

The property owner is responsible for the security and maintenance of any Council-supplied wheelie bins and therefore must bear the onus to repair or replace any such wheelie bin that may be damaged, lost or stolen. Council can supply replacement bins. Please refer to Waste Management, Fees and Charges for the cost to supply replacement bins.

**Permanent Refuse and Recycling Service >> Outside the Defined Waste Collection Service.**

- a) A charge of \$142.38 per annum will apply for refuse service collection at nominated locations outside Council's defined waste collection area. This service will be provided at Council's absolute discretion. One refuse collection service is equivalent to one (1) 240 litre wheelie bin per week.
- b) A charge of \$45.04 per annum will apply for recycling service collection at nominated locations outside Council's defined waste collection area. This service will be provided at Council's absolute discretion. One recycling collection service is equivalent to one (1) 240 litre wheelie bin per fortnight.

**Commencement Date for Full Charges>>**

Refuse and cleansing utility charges –

- i) Residential (dwelling, home unit, flat/tenement and boarding/lodging houses) – charges will apply from the date of commencement of weekly refuse service or the date of the final inspection certificate and/or certification of classification issued, whichever is the sooner.
- ii) Non-Residential – Refuse collection charges apply from the date refuse services commence.

**Determination of Utility Charges >>**

These charges may be based on one or more of the following factors:

the precincts under the City Plan, the Building Classification, the Town Planning Permit, the Health Licence and/or primary land use code applied to the land by the Department of Environment and Resource Management; or

A mixture of utility charges may be determined in the following instances; on vacant land, on strata titled land or where there is more than one type of building on the land.

**Body Corporate and Community Management Statement**

Proportioning of water consumed through water meter(s) connected to a Community Management Scheme will be in accordance with the provisions under the Body Corporate and Community Management Act.

**Urban Fire Levy Scheme >>**

The Urban Fire Levy is a Queensland State Government levy. The Townsville City Council acts as a collection agent only. State Government subsidy is available to qualifying pensioners. Further information is available on the Queensland Fire and Rescue Service website [www.fire.qld.gov.au](http://www.fire.qld.gov.au)

**Queensland State Government Urban Fire Levy 2009/2010**  
**The charges detailed are per property per annum and will be levied in equal half yearly instalments**

CLASS 'A' (Mainland)		CLASS 'D' (Magnetic Island)	
Group 1	\$42.00	Group 1	\$19.20
Group 2	\$151.20	Group 2	\$74.60
Group 3	\$366.60	Group 3	\$181.80
Group 4	\$735.20	Group 4	\$366.60
Group 5	\$1,209.80	Group 5	\$602.00
Group 6	\$2,169.20	Group 6	\$1,083.20
Group 7	\$3,542.00	Group 7	\$1,769.60
Group 8	\$5,418.00	Group 8	\$2,708.20
Group 9	\$9,616.20	Group 9	\$4,806.00
Group 10	\$19,744.80	Group 10	\$9,871.20
Group 11	\$33,425.80	Group 11	\$16,710.80
Group 12	\$61,795.20	Group 12	\$30,896.00
Group 13	\$70,837.40	Group 13	\$35,416.40
Group 14	\$106,259.40	Group 14	\$53,127.00
Group 15	\$177,098.20	Group 15	\$88,547.20
Group 16	\$295,168.60	Group 16	\$147,583.00



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## 6 REVENUE STATEMENT

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## REVENUE STATEMENT >>

### 1. LEGISLATIVE REQUIREMENT >>

Under Section 518 (1) and Section 520A of the Local Government Act 1993, the Budget developed for its operating fund must specify the local government's Revenue Statement.

In addition S56 of the Local Government Finance Standard 1995 requires this statement to include:

- (a) an outline and explanation of the revenue raising measures adopted, including, an outline and explanation of—
  - (i) the rates and charges to be made and levied in the financial year; and
  - (ii) the rebates and concessions to be granted in the financial year;
- (b) whether the local government has made a resolution limiting the increases in rates and charges;
- (c) the extent to which physical and social infrastructure costs for new development are to be funded by charges for the development;
- (d) whether the operating capability of the local government is to be maintained, increased or decreased and, if it is to be increased or decreased, the extent to which it is to be increased or decreased;
- (e) whether depreciation and other non-cash expenses are to be fully funded.

Accordingly, this statement sets out Council's position on these matters.

### 2. GENERAL OVERVIEW >>

It is not intended that this Revenue Statement reproduce all related policies. Related policies will be referred to where appropriate and will take precedence should clarification be required.

Townsville City Council is charged with providing works and services, administering the city and providing for its orderly development and well being.

Taxing theory offers two basis options:

The capacity-to-pay principle taxes people in proportion to their relative wealth;

The benefit principle requires people to pay for the use and benefit of works and services

A supplementary concept includes the notion of requiring everybody in the community to make some contribution.

Charging users is a simple enough proposition provided of course that users can be individually identified. But over a very wide range of general services, citywide administration, town planning, parks and gardens, community and cultural development, city promotion and so on, the individual beneficiaries cannot be separately identified. Thus there is a need for specific user charges to be supplemented by other general revenue sources.

Council Revenue Policy is based on equity and efficiency, and that a combination of the capacity-to-pay principle and the benefit principle is the most equitable and rational basis of local government revenue raising.

Council's revenue raising approach can be summarised as: - user charges where they are practicable and a rate or tax on the unimproved value of the land where they are not.

Council appreciates that while the relevant legislation in regard to rating on land valuations has its shortcomings; it is accepted as the best alternative available. Council accepts inequities will still exist in any rating system and quite often attempts to patch up inequities may lead to greater inequities. The unimproved capital value of land is used as the proxy for the land owners capacity to pay. Council accepts that valuations reflect commercial opportunities that can be obtained from the land, and that if land is not being used for that purpose, then they may not accurately reflect the owner's capacity-to-pay.

Council recognises there can be different abilities to pay for business, commercial or income producing land holdings and therefore accepts the principle that owners of these lands will generally be capable of meeting a higher burden of the rate revenue than owners of domestic land.

Council is mindful of the fact that some sections of the Community will create additional costs or that particular costs of Council will increase the economic viability of certain lands and accordingly such benefits may be reflected in Council charges register against those land owners.

In the 2009/2010 financial year Council will levy Rates and Charges and allow discounts and remissions in the same way for all properties within the City boundaries.

### 3. GENERAL RATES >>

**Properties in Townsville City Council** - use the following categories and corresponding criteria to calculate and levy Differential General Rates for the year commencing 1 July 2009.

The following set of criteria is based on the Department of Natural Resources and Mines, Division of Valuation's Land Use Codes. These "Land Use Codes" refer to the codes used by the Department of Natural Resources and Mines, Division of Valuations to classify land within Townsville City Council boundaries.

CATEGORY 1 land is defined by the following Land Use Codes being owner occupied: 1, vacant urban land; 2, single unit dwelling; 3/98, multi-unit dwelling (2 flats) both owner occupied; 4, large home site - vacant; 5, large home site - dwelling; 6, outbuildings; 8, building units (\*); 9, group titles (\*); 72, approved subdivider under section 25 of Valuation Land Act; 94, vacant rural land.

(\*) Other than a lot on a building units plan or group titles plan registered under the Body Corporate and Community Management Act where that lot is used for a non-residential purpose.

*Category 1 includes all owner occupied residential properties. The following limitations of rates increases apply to this category:*

- 1. Subject to (2) hereof and a minimum amount, the amount assessed as differential general rates for the year ending 30th June 2010 in respect of any land categorised as Category 1 land as at 1st July 2009 shall not exceed the amount levied as general rates for the year ending 30th June 2009 increased by 30 per centum.*
- 2. The provisions of (1) hereof shall not apply to any land to which it would otherwise apply unless the owner or, where there are two or more owners at least one of the owners, resides permanently on that land.*

3. *The concession is not available retrospectively and will only apply from the commencement of a financial year.*

CATEGORY 2 land is defined by the following Land Use Codes and is not occupied by the owner as their principal place of residence: 1, vacant urban land; 2, single unit dwelling; 3/98, multi-unit dwelling (2 flats) both owner occupied; 4, large home site - vacant; 5, large home site - dwelling; 6, outbuildings; 8, building units (\*); 9, group titles (\*); 72, approved subdivider under section 25 of Valuation Land Act; 94, vacant rural land.

(\* Other than a lot on a building units plan or group titles plan registered under the Body Corporate and Community Management Act where that lot is used for a non-residential purpose.

*Category 2 includes all non owner occupied residential properties.*

CATEGORY 3 land is defined by the following Land Use Codes: 1, vacant urban land; 4, large home site - vacant; 6, outbuildings; 8, building units(\*); 9, group titles(\*);10, combination multi-dwelling & shops; 11, shop single; 12, shops - shopping group (more than 6 shops); 13, shopping group (2 to 6 shops); 14, shops - main retail (CBD); 15, shops - secondary retail (fringe CBD-presence of service industry); 17, restaurant; 18, special tourist attraction; 19, walkway; 20, marina; 22, car parks; 23, retail warehouse; 24, sales area outdoor; 25, professional offices; 26, funeral parlours; 27, hospitals, convalescent homes (medical care private); 41, child care excluding kindergarten; 42, hotel, tavern; 43, motels; 44, nurseries (plants); 45, theatres and cinemas; 46, drive-in theatre; 47, licensed clubs; 48, sports clubs, facilities; 49, caravan parks; 50, other clubs (non-business); 51, religious; 52, cemeteries including crematoria; 55, library; 56, showgrounds, racecourses, airfields; 57, parks and gardens; 58, education including kindergarten; 72, approved subdivider under section 25 of Valuation Land Act; 91, transformers; 92, defence force establishment; 94, vacant rural land; 95, reservoirs, dams, bores; 96, public hospital; 97, welfare homes, institutions; 99, community protection centre.

(\* Other than a lot on a building units plan or group titles plan registered under the Body Corporate and Community Management Act where that lot is used for a residential purpose.

*Category 3 includes all Commercial, and other potentially income-producing property. When setting the rates for Category 3, Council is mindful that the cost of providing infrastructure and the depreciation of such infrastructure is increased by this commercial activity.*

CATEGORY 4 land is defined by the following Land Use Codes: 28,warehouse and bulk stores; 29,transport terminal; 30,service station; 31,oil depot and refinery; 32,wharves; 33,builders yards;34, cold stores, ice works..

*Category 4 includes all Transport and Storage land. Council is mindful that the cost of providing infrastructure and the depreciation of such infrastructure is increased by this commercial activity.*

CATEGORY 5 land is defined by the following Land Use Codes: 35, general industry; 36, light industry; 37 noxious,offensive industry; 39, harbour industries; 40 extractive industry.

*Category 5 includes Commercial Industrial land. Council is mindful that the cost of providing infrastructure and the depreciation of such infrastructure is increased by this Commercial Industrial activity.*

CATEGORY 6 land is defined by the following Land Use Codes: 16 drive in shopping centre not described in Categories 10,11, and 12.

*Category 6 includes small drive in shopping centre land. Council is mindful that the cost of providing infrastructure and the depreciation of such infrastructure is increased by this shopping centre activity.*

CATEGORY 7 land is defined by the following Land Use Codes: 60, sheep grazing – dry; 61, sheep breeding; 64, cattle grazing – breeding; 65, cattle breeding and fattening; 66, cattle fattening; 67, goats; 68, dairy cattle – quota milk; 69, dairy cattle – non-quota milk; 70, cream; 71, oil seeds; 73, grain; 74, turf farm 75, sugar cane; 76, tobacco; 77, cotton; 78, rice; 79, orchard; 80, tropical fruit; 81, pineapple; 82, vineyard; 83, small crops and fodder irrigated; 84, small crops and fodder, non-irrigated; 85, pigs; 86, horses; 87, poultry; 88, forestry and logs; 89, animals (special); 93, peanuts and 94. .

Category 7 Includes rateable land zoned for grazing and agricultural purposes.

CATEGORY 8 land is defined by the following Land Use Codes: 3, multi-unit dwelling (flats); 7 guest house/private hotel; 21 residential institutions 9non-medical care).

CATEGORY 9 land is defined by the following Land Use Codes: all lands not included in Categories 1,2,3,4,5,6,7,8,10,11,and 12

CATEGORY 10 land is defined by the following Land Use Codes: 16, drive-in shopping centre that matches the following description. A sub-regional shopping centre serving a market of more than 30,000 people in which the anchor tenants are a variety of discount department store(s) and large grocery supermarket(s). The centre should have major on-site parking facilities and a fully developed floor space of more than 30,000m<sup>2</sup>.

CATEGORY 11 land is defined by the following Land Use Codes: 16, drive-in shopping centre that matches the following description. A sub-regional shopping centre serving a market of more than 30,000 people in which the anchor tenants are a variety of discount department store(s) and large grocery supermarket(s). The centre should have major on-site parking facilities and a fully developed floor space of more than 20,000m<sup>2</sup> and less than 30,000m<sup>2</sup>.

CATEGORY 12 land is defined by the following Land Use Codes >> 16, drive-in shopping centre that matches the following description. A sub-regional shopping centre serving a market of more than 30,000 people in which the anchor tenants are a variety of discount department store(s) and large grocery supermarket(s). The centre should have major on-site parking facilities and a fully developed floor space of less than 20,000m<sup>2</sup>.

*Categories 10,11 and 12 includes large sub regional shopping centres, having a fully developed floorspace of over 15,000 m<sup>2</sup>. When calculating the general rate in the dollar for Category 10, 11 and 12 Council recognises the fact that establishment of large drive-in sub regional shopping centres throughout the urban area of Townsville causes an additional strain on Council finances by requiring duplication of infrastructure which already exists in the Central Business District.*

*Council recognises that these drive-in sub regional shopping centres in Categories 11 and 12 have a similar impact on Council infrastructure as shopping centres in Category 10 above but to a lesser extent.*

*At the same time Council still has to maintain the C.B.D. infrastructure, even if it is often under-utilised because of commercial competition from the large sub regional drive-in shopping centres.*

*The large sub regional shopping centres place additional strain on all Council services, with the greatest strain being in the areas of roadworks, parking, traffic control, water services and sewerage services.*

Note: The precincts under the City Plan and Zone under the Town Planning Scheme may also be a factor in determining the rating category for Land Use Codes 1, 4, 6, 72 & 94. Category 1 & 2 are Residential Precincts. Category 3 are all other precincts not defined as Residential.

It is not Council's intention to carry out detailed costing to determine precise costs/benefits accruing to each category.

#### **4. FLINDERS CENTRAL - SPECIAL RATE >>**

The special rates levied are applied for the purpose of defraying the costs of the operation, maintenance, service, promotion and renovation of the Flinders Pedestrian Mall.

A portion of the special rate is to be held in a reserve for servicing the redemption and interest on a loan taken to partially fund the renovation of Flinders Pedestrian Mall.

For rating purposes the properties are divided into two (2) categories i.e. subdivision A and Subdivision B.

#### **5. FLINDERS STREET EAST PRECINCT - SPECIAL RATE >>**

The special rate is levied on properties serviced by Flinders Street East, Wickham Street, King Street and the Strand, which benefit from the security surveillance activities undertaken by Council. The special rates levied are applied to defraying the costs of purchase, operation and maintenance of surveillance cameras and associated equipment; and also the cost of security patrols.

#### **6. NELLY BAY HARBOUR DEVELOPMENT – SPECIAL RATE >>**

The special rates levied are applied to maintaining water quality in the canals, dredging the canals, maintaining the rock walls around the canal area and maintaining the sediment basin up Gustav Creek.

#### **7. RURAL FIRE BRIGADES - SPECIAL CHARGE >>**

The special rate is levied on each rating assessment number in the Rate Book covering rateable lands serviced by the Black River and Districts, Bluewater, Bluewater Estates, Crystal Creek, Paluma, Purono, Rangewood, Rollingstone, Rupertswood, Saunders Beach, Toolakea, Clevedon, Horseshoe Bay, Lime Hills Elliott, Majors Creek, Nome, Oak Valley Reid River and West Point Rural Fire Brigades for the purposes of providing these voluntary service brigades with the financial resources to acquire and maintain fire-fighting equipment; and to qualify for State subsidies.

## 8. OAK VALLEY WATER SUPPLY CONTRIBUTION - SPECIAL CHARGE>>

Owners of property in the Oak Valley water supply contribution benefited area are required to pay back a capital contribution of \$7,155.00 per property over a ten (10) year interest free period for a connection to the Mt Jack pipeline. First instalment period started on 01 January 2004.

## 9. BLACK RIVER RURAL WATER SUPPLY SCHEME - SPECIAL RATE >>

- (a) Because of the prolonged period of drought, Council found it necessary to extend water supplies to more rural properties. Land owners in the Black River area have been given the opportunity to participate in a Rural Water Supply Scheme to ensure the availability of a suitable domestic water supply
- (b) Property owners have been given an option of making up-front Capital contributions to the scheme or to pay special rates to cover headworks and the capital cost of the works. These payments are additional to the annual water charges payable by all water users.

## 10. RURAL WATER SUPPLY SCHEMES >>

Council has resolved that because of the nature of the scheme the annual water charges will only apply to clients of the Jensen, Hencamp Creek and Black River Rural Water Supplies once water has been connected to individual properties. This is a departure from the policy of Council that all properties capable of being connected to a water supply shall pay the uniform water rate as from the water main becoming serviceable.

## 11. JULAGO AND ALLIGATOR CREEK WATER SUPPLY SCHEME >>

Owners of properties in the Julago and Alligator Creek Water Supply Scheme (JACWSS) benefited area are required to pay back a capital contribution of \$10,500.00 per lot over a ten (10) year, interest free period for a connection to the Bruce Highway main. Half yearly instalments, First instalment period starts 01 July 2008.

## 12. WATER UTILITY CHARGES >>

It is the Policy of Council that the Water utility charges are assessed as nearly as possible on a user pays basis.

Council is commencing significant investment in Water and Wastewater infrastructure over the next 3 years. Accordingly, it is Council's intention to review Water and Wastewater pricing as required by State and Federal agencies using a best practice methodology over the next couple of years.

Council has based all water charges on consumption applied to differential prices per kilolitre (the only exceptions being for residential and unconnected vacant land where a base charge per lot is applied).

For the residential sector Townsville City Council has adopted 2 separate pricing plans which residential owners can choose between. The **Standard** plan has an annual charge applied for the first 772,000 litres or part thereof, with an excess water charge applying to consumption over 772,000 litres. The **Water Watcher** plan has a fixed access charge with a charge per kl being applied to a consumption threshold of 772kl then the remaining consumption is charged at the excess water rate.

Lower than production cost per kilolitre is charged for consumption by sporting, charitable, welfare, non-profit organisations and aged persons homes in recognition of Council's community service obligations to those organisations which operate for the general benefit of the community with limited financial resources.

Commercial, industrial and government agency consumers will be charged on a consumption basis.

The above remissions are in recognition of the economies of scale of providing bulk water to a single location.

Caravan parks are charged a lower price per kilolitre as an incentive for owners to maintain the visual aesthetics of their properties, and thereby enable them to compete favourably with operators in nearby towns and cities which enjoy a high annual rainfall therefore attracting a lucrative seasonal tourist turnover. Occupancy of Townsville's caravan parks is of a more permanent nature.

Educational institutions are charged at a lower price per kilolitre in recognition of Council's community service obligations to those educational organisations, which operate for the general benefit of the community.

Residential vacant land (unconnected) water charges are charged as a fixed access charge per allotment. This is an arbitrary but uniform way of obtaining a contribution from vacant land property owners towards the cost of water infrastructure.

Commercial vacant land (unconnected) water charges are charged as a fixed annual charge per allotment to reflect the potential to draw water from the Council main.

If the potential to draw water from Council water mains exists, then the vacant land water charge will apply. Water supplied for gardening purposes to industrial and commercial premises is charged a lower price per kilolitre as an incentive for owners to improve the visual aesthetics of their properties.

### **13. WASTEWATER UTILITY CHARGES >>**

It is the Policy of Council that the Wastewater utility charges are assessed as nearly as possible on a user pays basis.

Differential annual charges are levied on each of the following categories of occupied premises.

Residential  
Other Premises

Higher charges in other than Residential category reflect the greater demands on infrastructure in the high-density accommodation and commercial areas.

A single charge will apply for each single occupancy premises such as a dwelling house, home unit, flat.

An additional wastewater charge is levied on commercial properties in respect of Liquid Trade Waste in accordance with Council's Trade Waste Policy.

Wastewater charges on unoccupied developed residential lots and subdivisional lots are charged at a fixed annual charge per lot to reflect their potential to be connected to the sewerage system.

Undeveloped commercial and industrial land attracts a wastewater charge based on a fixed charge per allotment. These charges reflect the potential for these lots to be connected to the sewerage system.

Residential-sewered premises (rateable lands) in declared sewered areas are levied the annual residential charge. This charge is considered equitable, and acts as an incentive for property owners to connect their premises to the sewerage system.

#### **14. REFUSE RECYCLING AND CLEANSING UTILITY CHARGES >>**

Differential annual charges are levied on each of the following categories of occupied premises.

Residential

Commercial (all properties not included in Residential category)

For Residential properties a Combined Refuse and Cleansing utility charge is applied on the basis of one charge for each service provided.

For Commercial premises, separate charges will apply on the basis of:

- Refuse Collection charge based upon each refuse collection service
- Recycling Collection charge based upon each recycling collection service

All additional or special refuse services are charged on a user pays basis per service.

Charges for refuse services for non-sewered premises are levied on an annual basis at a fixed charge.

#### **15. CONCESSIONS >>**

Council is of the opinion that certain groups within the Community face difficulty in meeting rate commitments. The process of identifying who should receive concessions is difficult as Council sees the option of researching a person's financial capacity to pay rates as being an invasion of privacy, albeit for the person's benefit.

Council considers it a far fairer and consistent approach to expect all property owners to meet their rates bill and where difficulty to pay is perceived to exist, then the person concerned can be granted time to pay.

#### **16. PENSIONER REMISSIONS >>**

Council accepts however that certain types of pensioners have contributed rates over a period of time and should be afforded a remission where their ability to pay is restricted by fixed income.

Council has adopted an "Approved" Pensioner Policy which grants certain pensioners a discount of 85% of the general rate, with a maximum limit as resolved as part of Council's annual budget, if they qualify as to a type of pension and residential qualifications. A pro-rata remission applies when they receive a part pension. Refer to Council's Pensioner Policy for details.

#### **17. PROMPT PAYMENT DISCOUNT >>**

Council acknowledges that the failure to pay rates can increase the level of future rate increases and accordingly as an inducement to pay rates on time, a prompt payment discount of 15% is offered.

The discount, at the rate of 15%, is allowed on the prescribed rates and charges when full payment of all rates and charges, including the arrears, are paid within a period of thirty-two (32) days of issue of the rate notice.

Discount is not allowed on: - Urban Fire Levy, Rural Fire Brigade Levy, Oak Valley Water Supply Contribution Charge, Julago and Alligator Creek Water Supply Scheme charge, all Water Charges on a volumetric basis, Trade Waste Charge, Refuse Charges and Change of Land Ownership Charge.

#### **18. INTEREST CHARGES ON OVERDUE RATES >>**

Unpaid rates are considered overdue, and therefore recoverable by Council, on expiry of the designated due date on the notice.

Interest will be charged on overdue rates from thirty (30) days after the discount date of each charge until the date of payment.

Interest will also be charged from the first day of the new financial year, on "approved pensioner" rates, charges and fire levies, which are in arrears as at 30 June of the previous financial year.

#### **19. PAYMENT BY ARRANGEMENT AND PAYMENT IN ADVANCE >>**

Council allows advance payments by payment card, payroll deductions, direct debits or other similar arrangements. Payments in advance will not accrue interest.

Council will allow persons who are unable to pay their rates bill by the due date to enter into a payment arrangement of an agreed amount. An arrangement may help in reducing interest charges and defer any recovery action and associated costs while such arrangement is maintained. Arrangements will be confirmed in writing and will be subject to a term agreed by the Chief Executive Officer or their delegate and which will depend on the circumstances of each case.

#### **20. RECOVERY ACTION >>**

Council accepts that there will always be a need to carry rate arrears, as individuals will always face periodic financial problems. Council accepts a rate arrears level at 3.6% of the annual levy and in order to achieve this, Council's Financial Services Department will adhere to a policy of following up outstanding rates.

Action will be taken to recover outstanding rates by legal action where an individual has not made, or is not adhering to a rate arrangement, and where the outstanding sum exceeds \$100.00.

## 21. **OWNER-OCCUPIED BENEFITS >>**

Townsville City Council offers a benefit to ratepayers who own and occupy a residential property as their principal place of residence.

To be eligible to receive this benefit, applicants must meet strict criteria. This means:

- Rebates are restricted to the owner-occupied principal place of residence, only, (i.e. To one property, only)
- One of the owners be living permanently on the property, or
- The property to be in the name of a deceased or bankrupt estate and occupied by a surviving spouse or immediate family, or
- The owner is absent on health grounds, such as being a patient in a nursing home or living with family or friends and the property is not being rented.

This benefit applies to land held in the name of a natural person and does not apply to land held in Trustee, Company, Firm, Corporate or other like legal entity ownership.

## 22. **CHANGE OF OWNERSHIP CHARGE >>**

A general charge for recording change of land ownership under provisions of Section 1071A of the Local Government Act will apply.

Various exemptions from the Change of Land Ownership Charge apply

**The types of change of ownership dealings which qualify the purchaser/s for an exemption from the Councils General Charge are listed below- (a) to (l)**

- (a) purchases made in respect of **first home transfer, only**, as indicated on the Form 2.1 (Home/First Home Transfer Concession) and Form 2.7 ( First Home Vacant Land Transfer Concession)
- (b) change of name on title deed as a result of marriage or deed poll;
- (c) transfer to, or inclusion of a spouse/de facto/partner as a result of an amalgamation or separation of assets on the principal place of residence;
- (d) transmission to surviving joint tenant/s on death of other joint tenant/s;
- (e) a residential transfer involving a natural person/s, only, where no money is exchanged;
- (f) a residential transfer involving a natural person/s, only, as a result of a gift or through natural love and affection;
- (g) a residential transfer by consent/direction. **(Please provide copies of Forms 18 and 20 from Dept of Natural Resources);**
- (h) fixing error in an earlier conveyance;
- (i) 'Pursuant to a will' or intestacy;
- (j) Public Trustee/Other -
  1. recording the death of an owner/joint owner or a property (adding 'Estate of'),
  2. transmission to 'as Personal Representative',
  3. transmission by death 'Pursuant to a will' to a spouse;
- (k) Transfers of occupancy from long-term leases to freehold title of their units for residents of Retirement Villages registered as such with the Queensland Justice Department;

(l) ALL purchases made by -

1. Townsville City Council
2. The Crown in right of the State of Queensland, the Commonwealth, another State or a Territory or any body representing the Crown in any of those capacities.

**EXEMPTION from the charge**, in particular dealing (a), must be established by the purchaser or his Agent by presenting one of the following documents (or a copy of) to the Council for assessment and audit purposes:-

1. a copy of Form 2.1 (Home/First Home Transfer Concession) or 2.7 (First Home Vacant Land Transfer Concessions) which has been lodged with Office of State Revenue indicating First Home Transfer or;
2. a Statutory Declaration witnessed by a Justice of the Peace, Commissioner for Declarations or a Solicitor declaring the purchase was a first home transfer.

**NOTE:** The following dealings are NOT EXEMPT from the charge:-

1. Purchases made in respect of home transfer
2. Purchases made in respect of vacant land (excludes vacant land described above)
3. Purchases made in the name of a Trust, a Firm, a Company and non-owner occupied property.
4. Purchases not included under (a) to (l), above.

### **23. MISCELLANEOUS FEES AND CHARGES >>**

It is the intention of Council that, where possible, services provided by Council are fully cost recovered; however, consideration may be given where appropriate to the broad community impact certain fees and charges may have.

Council's adopted Fees and Charges include a mixture of regulatory and user pays fees. The regulatory charges are identified as such in Council's Fees and Charges Schedule and have been determined with reference to the relevant legislation and where appropriate recover the cost of performing the function.

Council's Fees and Charges Register contains full details of fees and charges adopted by Council for the 2009/10 financial year, and is available on Council's website.

### **24. FUNDING OF DEPRECIATION AND NON-CASH EXPENSES>>**

Depreciation and non-cash expenses represent the consumption or decline in value of Council's assets for the financial year. Depreciation for 2009/10 is \$82.5M.

To ensure intergenerational equity for ratepayers and the maintenance of Council's equity, it is Council's intention to recover all of its operational expenses, including depreciation, through its operating revenue sources.

The 2009/10 Budget reflects a \$14.7M operating deficit which represents unfunded depreciation. Council recognises this deficit and this Budget demonstrates a commitment to responsible fiscal management and elimination of the operating deficit by 2012/13.

**25. OPERATING CAPABILITY>>**

Council's Budgeted Statement of Income and Expenditure sets out Council's budgeted increase in operating capability for the 2009/10 year of \$138.5M.

The operating capability consists of \$14.7M operating deficit and \$153.2M of capital income. The operating deficit is less than 2008/09 Budget (\$28.9M). Council's Budget demonstrates a commitment to responsible fiscal management and elimination of the operating deficit by 2012/13.

**26. DEVELOPMENT FUNDING OF INFRASTRUCTURE COSTS>>**

It is Council's intention to have the costs of infrastructure for new developments funded by development charges.

The funding of infrastructure costs by developers are authorised by the Integrated Planning Act 1997 as amended and is incorporated into the planning scheme policies for the former City Councils of Thuringowa and Townsville. In time, these policies will be replaced by priority infrastructure plans as they are introduced.

The above documents may be reviewed at any time by Council as provided in the Integrated Planning Act 1997.

Council has resolved to provide a 33% discount on road infrastructure contributions for development generally approved between 30 June 2009 and 30 June 2010, subject to that development meeting particular criteria of consistency with planning assumptions.

Council is also investigating a corporate policy for subsidisation of particular development (eg. not-for profit, community groups, etc.) that may achieve a net benefit to the community with a wavier or partial waiver of developer contributions.

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## **7 FINANCIAL POLICIES 2009/10**

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## Revenue Policy

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## **POLICY**

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## **POLICY**

### **CORPORATE GOVERNANCE**

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## **REVENUE POLICY >>**

### **1. POLICY STATEMENT >>**

The purpose of this revenue policy is to set out the principles used by Council in 2009/2010 for the making, levying, recovery and concessions for rates and utility charges and the setting of miscellaneous fees and charges.

### **2. PRINCIPLES >>**

The Council will be guided by the principle of “user pays” in the making of rates and utility charges so as to minimise the impact of rating on the efficiency of the local economy, however the Council will depart from that approach when it is in the community interest to do so.

### **3. SCOPE >>**

This policy applies to all personnel that are involved in the making, levying, recovery and concessions for rates and utility charges and the setting of miscellaneous fees and charges for the council.

### **4. RESPONSIBILITY >>**

The Chief Executive Officer, Directors, Executive Managers, Managers and Financial Services Department are responsible for ensuring that this policy is understood and adhered to by all personnel.

### **5. DEFINITIONS >>**

All definitions are as per *The Local Government Act 1993* and *The Local Government Finance Standard 1995*.

### **6. POLICY >>**

#### **6.1 Principles used for the making of rates and utility charges**

In general Council will be guided by the principle of user pays in the making of rates and utility charges so as to minimise the impact of rating on the efficiency of the local economy, however the Council will depart from that approach when it is in the community interest to do so.

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Council will also have regard to the principles of:

- Transparency in the making of rates and utility charges;
- Having in place a rating regime that is simple and inexpensive to administer;
- Equity by taking account of the different levels of capacity to pay within the local community; and
- Flexibility to take account of changes in the local economy.

#### **6.2 Principles used for the levying of rates and utility charges**

In levying rates and utility charges Council will apply the principles of Transparency and Equity by:

- clearly setting out the Council's charging processes and each ratepayer's responsibility under the rating system;
- making the levying system simple and inexpensive to administer;
- timing the levying of rates and utility charges to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy; and
- making available flexible payment arrangements for ratepayers with a lower capacity to pay.

#### **6.3 Principles used for the recovery of rates and utility charges**

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. In doing so it will be guided by the principles of Transparency and Equity by:

- making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
- making the processes used to recover outstanding rates and utility charges clear, simple to administer and cost effective;
- considering the capacity to pay in determining appropriate arrangements for different sectors of the community;
- having regard to providing the same treatment for ratepayers with similar circumstances, and
- flexibly responding where necessary to changes in the local economy.

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#### 6.4 Concessions for rates and utility charges

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

- having regard to the different levels of capacity to pay within the local community;
- applying the same treatment to ratepayers with similar circumstances;
- making clear the requirements necessary to receive concessions, and
- flexibly responding to local economic issues.

Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the State Government.

#### 6.5 Setting of Miscellaneous fees and charges

In setting miscellaneous fees and charges, Council will apply the following guidelines:

- Fees associated with regulatory services will be set at no more than the full cost of providing the service or taking the action for which the fee is charged. Council may choose to subsidise the fee from other sources (eg: general rate revenue)
- Charges for commercial services will be set to recover the full cost of providing the service and, if provided by a Business of Council, may include a component for return on Council's investment.

## 7. LEGAL PARAMETERS >>

*The Local Government Act 1993*

*The Local Government Finance Standard 1995*

## 8. ASSOCIATED DOCUMENTS >>

Revenue Statement

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## **Pensioner Remission Policy**

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



## RATES - PENSIONER REMISSIONS >>

### 1. POLICY STATEMENT >>

The Council desires to assist pensioner property owners to remain in their own homes, by giving rate relief to ratepayers who are in receipt of a pension payment from Centrelink or the Department of Veterans' Affairs.

### 2. PRINCIPLES >>

To provide a rate remission to approved pensioners.

### 3. SCOPE >>

All staff involved in administering the pensioner remission for rates.

### 4. RESPONSIBILITY >>

Director Financial Services

Rates Co-ordinator

### 5. DEFINITIONS >>

#### “Approved Pensioner”

- Is and remains the holder of a Queensland “Pensioner Concessions Card” issued by Centrelink or Department of Veterans’ Affairs or a Queensland “Repatriation Health Card – For all Conditions” (Gold Card) issued by Department of Veterans’ Affairs; and
- The owner or life tenant (either jointly or solely) of the property which is his/her principal place of residence; and
- Either solely or jointly with a co-owner, legally responsible for the payment of rates and charges for the specified property as defined in council’s pensioner policy.

“Owner” - As defined under Section 4 of the *Local Government Act 1993*.

“Spouse” - A person's partner in marriage or a de facto relationship as recognised by the *Acts Interpretation Act 1954* S. 32DA (1) and (5)(a).

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"Pension" - A pension, allowance or benefit paid under a Law of the Commonwealth or State as prescribed by Local Government Regulation 2005.

#### 6. POLICY >>

Council will assess applicants for the pensioner remissions in a fair and equitable manner using the process which will address the following sections.

##### 6.1 The Remission

The amount of the pensioner remission is determined by the proportion of a full pension that the ratepayer receives.

If the ratepayer receives a full pension, the ratepayer will qualify for a remission of 85% of the general rates levied, to a maximum remission of \$800.00 per annum.

If the ratepayer receives a part-pension, then the rate remission they will receive from the Council will be an equivalent proportion of the maximum (85% or \$800 whichever is less) remission.

In those instances where a pensioner receives an Australian qualifying supplementary pension payment in addition to a like qualifying foreign pension payment, the remission of General Rates will be assessed according to the total amount of \$ Australian being received, after converting the foreign pension payment to \$ Australian at the current conversion rate applicable at the date of remission application, and adding same to the \$ Australian qualifying supplementary pension payment being received. All such annual applications must be confirmed, by written advice, by Centrelink. No pensioner's remission of General Rates is applicable in instances where only a foreign pension payment is being received.

##### 6.2 Ownership

In cases of co-ownership, the Pensioner Remissions will apply only to the approved pensioner's proportionate share of the gross rates and charges. For the purposes of determining proportionate share, the Townsville City Council has regard to conveyancing practice that requires the nature and extent of co-ownership to be recorded on the Transfer (Form 1) lodged in the Titles Office and the Property Transfer Information (Form 24) forwarded to Council for change of ownership and rates purposes.

The above method of determining an approved pensioner's proportionate share shall apply except where the co-owners are:

- an approved pensioner and a bank, other financial institution, or government department where the latter holds joint title for debt security purposes and has no responsibility for rates, charges or other costs of maintaining the property. In this situation, the tenure is to be treated as sole ownership and the pensioner remissions approved in full;

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- an approved pensioner where his/her spouse does not also reside at the property. In these circumstances it must be established that the approved pensioner is wholly responsible for the payment of all rates and charges levied in respect of the property. The approved pensioner's responsibility for payment of all rates and charges in this circumstance must be established to the satisfaction of the Townsville City Council by sighting and placing on file a copy of a Court Order or statutory declaration completed by the applicant. In this situation, the proportionate share is to be treated as sole ownership and the pensioner remissions approved in full.

Under no circumstances is a pensioner to be regarded as an owner or co-owner unless:

- his/her name appears as such on the Certificate of Title of the property; or
- it can be clearly established that the title to the property is held in the name of a bank, other financial institution or government department for debt security reasons and the pensioner has not been relieved of the responsibility to pay all rates and charges levied in respect of the property.

The criteria for determining eligible life tenants will be that:

- the property in respect of which the rates are levied must be the principal place of residence of the pensioner and the pensioner must actually reside on the property (ie a life tenant cannot reside in a nursing home and claim the pensioner remissions as may occur with ordinary home ownership); and
- the pensioner must not have a major interest in any other residential property; and
- the life tenancy must be created by a valid Will which applies to the property in question, or by a Supreme or Family Court Order; and
- there must be no provision in the Will or Court Order which would relieve the life tenant of the obligation to pay the rates and charges levied in respect of the property.

For the purpose of determining whether an approved pensioner's residence constitutes his/her principal place of residence, of which there can be one only and which must be located in Townsville, Townsville City Council will give due consideration to the applicant's replies/documentation of the following questions or matters:

- i. the State Electoral Roll on which the pensioner is enrolled and the address shown thereon;
- ii. the Branch and State where his/her Centrelink or Department of Veterans' Affairs file is held;
- iii. the State and the address shown on his/her Pensioner Remission Card;
- iv. whether or not the residence to which the application refers is rented or how otherwise occupied during his/her absences;
- v. whether or not he/she receives any pensioner rating remissions on other property/s in Australia and if so the type and level of remission/s being received;

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- vi. if a holder, the State and address shown on his/her Driver's Licence.

The words 'principal' and 'residence' are to be given their normal meaning. The principal place of residence must be located in Townsville City Council area. Under no circumstances is an approved pensioner to receive a pensioner remission in respect of the same period for more than one property that is his/her principal place of residence, within or outside the Townsville City Council area.

### **6.3 Tenancies**

With the exception of life tenancies as described in Section 2, tenancies of any other sort (including life-time leases) are not regarded as the type of tenure that would entitle the pensioner to the pensioner remissions even though he/she might be responsible for payment of rates and charges. Strict adherence to this principle is important to avoid breaking into areas which are, or are very close to, normal lease or rental.

### **6.4 Residential Requirements**

Where a pensioner, for reasons of ill health or infirmity (eg poor health, feeble in body or health, physically weak, especially through age) resides some or all of the time in alternative accommodation such as a nursing home or similar type accommodation (where personal care is available on site and provided as required) or with family or friends, the residence may be regarded as the 'principal place of residence' if it is not occupied on a paid tenancy basis during the absence of the approved pensioner owner/s. The Townsville City Council must be satisfied that the residence is not occupied on a paid tenancy basis and that the approved pensioner owner/s is/are solely responsible for the payment of rates and charges levied in respect of the said property.

In cases where a pensioner owns a multi-unit property, commercial property or a rural property which produces significant income and which is his/her principal place of residence, the applicant will qualify provided he/she qualifies in all other respects. The provision of the maximum pensioner remission has been included to prevent unduly large payments in such cases.

### **6.5 Trusteeships**

In the case of property held in trusteeship the applicant, in order to be considered for eligibility, must be considered by the Townsville City Council to have legal responsibility for payment of all rates and charges levied in respect of the property, regardless of whether the applicant is the trustee or the beneficiary of the trust.

### **6.6 Lapsed Pensioner Remission**

Pensioner remission is only allowed for the financial year if the rates and charges are paid in full by 31 May of that financial year. Townsville City Council will reverse the pensioner remission allowed after 31 May if rates and charges for the current financial year are in arrears.

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For the purposes of this policy, the approved pensioner's, pensioner remission on rates only applies to the property while the pensioner satisfies the eligibility criteria. That is, the pensioner remission on rates continues only while the approved pensioner is alive and retains ownership of the property. Upon the approved pensioner's death or in the event of the sale of the property the pensioner remission ceases from the date of death or sale, unless the person who inherits or purchases the property applies for and satisfies the pensioner remission eligibility requirements.

In the case where the property is sold, normal conveyancing practice will apply, that is, an adjustment (based on the pensioner remission entitlement at the time of sale and normal rate charges thereafter) will be made at settlement in favour of the purchaser if rates are in arrears, or in favour of the vendor if the rates are pre-paid beyond the settlement period.

### 6.7 Ancillary Benefits

In respect of the rates payable on approved pensioner properties:

- i. the pensioner shall be entitled to the same percentage of discount on the gross rates and charges generally allowed for the year in question to all ratepayers if the rates and charges levied for the half year are paid in full by the due date shown on the rate notice;
- ii. compound interest at the rate of 11% per annum will be charged from the 1 July on rates, charges and fire levies which are in arrears at the end of the financial year;
- iii. where a pensioner is in arrears of rates in a particular year and further rates are levied for the year in question, the remission or, as the case may be, a pro rata remission will be available to the pensioner in relation to such further rates levied in the year in question;
- iv. the rates owing on an approved pensioner's property on which Council has allowed pensioner remissions will be permitted to accumulate until -
  - (a) the death of the pensioner; or
  - (b) the property in respect of which the rates have been levied is sold or otherwise disposed of by the pensioner; or
  - (c) application to subdivide the land is made to the Council.

The above accumulated provisions apply only to the pensioner-owner's share of the rates outstanding.

The Council reserves the right to recover outstanding rates for the non-pensioner owner's share;

The Council reserves the right to recover any pensioner outstanding rates where the independent market valuation of the property is less than the amount of outstanding rates;

- v. whilst rates are permitted to accumulate under the last preceding rule, the Council will not press the pensioner for payment of arrears of rates and will not take recovery action against the pensioner.

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# POLICY

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## 6.8 Administration

### Late applications

Townsville City Council is prepared to accept late applications in cases where the applicant met all the eligibility requirements at the commencement of the rating period but had not applied at that time. Where late applications are accepted, the pensioner remission is to be provided for the current rating period only and not applied retrospectively to previous rating periods.

### Confirmation of Eligibility

An application/registration need only be sought from pensioners either:

- when applying for the pensioner remission for the first time; or
- when the Townsville City Council needs to re-establish eligibility (eg after having a qualifying remission card re-granted, changing the address of the principal place of residence, etc).

### Initial or Re-established Eligibility

Administrative expedience requires that an applicant's initial or re-established eligibility be determined on the basis of whether the eligibility criteria (as defined within this policy) are satisfied by the applicant's circumstances on the day on which the application is made. A pensioner desiring to avail himself/herself of the payments of this policy shall:

- at the time of registration the property to which the pensioner remission is being applied must not have outstanding rates and charges prior to the current rating period;
- application for registration shall be made on the prescribed form and shall be supported by a statement from Centrelink or the Department of Veterans' Affairs containing details of the type and amount of pension received along with a photocopy of both sides of the applicant's current qualifying remission card;
- in cases where interstate pensioners move permanently to Queensland, Centrelink and the Department of Veterans' Affairs may not immediately issue a Queensland card. In the interim, an application may be accepted provided that the Townsville City Council is satisfied that the pensioner's permanent place of residence is now located in Queensland. For example, proof of residence could be met by the pensioner providing a letter of confirmation of payment from Centrelink or the Department of Veterans' Affairs listing the address of the property on which the pensioner remission is being claimed;
- the Council reserves the right to reject any such application for registration.

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# POLICY

## CORPORATE SERVICES

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#### Continuing Eligibility

Townsville City Council will verify continuing eligibility on at least an annual basis either:

- by verification with the relevant Commonwealth agency (Centrelink or Department of Veterans' Affairs) either by computer data matching; or
- by obtaining from the approved pensioner written verification from the relevant Commonwealth agency.  
Any application previously approved by either Council which is not contained in this policy will continue to apply for the approved property

#### Pro-Rata Calculations

Pensioner remissions will be calculated on a pro-rata basis from the date of an approved pensioner acquiring approved pensioner status, or up to and including (in the case of sale), or following (in the case of purchase) the date upon which that property was sold or purchased by an approved pensioner as evidenced by the Property Transfer Information (Form 24) or by official advice forwarded to Townsville City Council regarding change of ownership.

Notwithstanding the provisions outlined above, where the sole registered owner dies and is, at the time of death, an approved pensioner in receipt of the pensioner remission:

- the surviving spouse will be entitled to the pensioner remission on a pro-rata basis from the date of his/her spouse's death, providing that:
  - (a) he/she is an approved and eligible pensioner at the time of his/her spouse's death; and
  - (b) the title has been or will be recorded with the surviving spouse as the registered owner; and
  - (c) the Townsville City Council is satisfied that the transmission of the title occurs within a reasonable time. The surviving spouse is to be encouraged to expedite the transfer of the property's title.

## **7. LEGAL PARAMETERS >>**

Local Government Act 1993

## **8. ASSOCIATED DOCUMENTS >>**

Pensioner Application Form

Pensioner Information Handout

Revenue Policy

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## **Borrowings Policy**

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## **POLICY**

### **CORPORATE SERVICES**

#### FINANCIAL SERVICES



## **BORROWINGS POLICY >>**

### **1. POLICY STATEMENT >>**

Townsville City Council will utilise a debt management strategy based on sound financial management guidelines.

### **2. PRINCIPLES >>**

The purposes of establishing an annual debt policy are to:

- provide a comprehensive view of the city's long-term debt position;
- increase awareness of issues concerning debt;
- enhance understanding between Councillors, community groups and Council staff by documenting policies;
- demonstrate to lending institutions that Council adopts a disciplined approach to borrowing.

### **3. SCOPE >>**

This policy applies to all Councillors and Council staff.

### **4. RESPONSIBILITY >>**

The Chief Executive Officer, Directors, Executive Managers, Managers and the Internal Audit Unit are responsible for ensuring that this policy is understood and adhered to by all personnel.

### **5. DEFINITIONS >>**

All definitions are as per the Local Government Act 1993 and the Local Government Finance Standard 2005.

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## POLICY

### CORPORATE SERVICES

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#### 6. POLICY >>

- Council will not use long-term debt to finance operating activities or recurrent expenditure.
- Council recognises and accepts that infrastructure demands placed upon the Council can often only be met through borrowings, but will always be mindful of the additional cost incurred by the community when assets are acquired through borrowings, which increases the cost of providing capital infrastructure.
- Council will endeavour to fund all capital renewal projects from operating cash flows and borrow only for new and upgrade capital projects.
- Where borrowing is constrained, borrowings for infrastructure that provides a return on capital will take precedence over borrowings for other assets.
- When Council finances capital projects through borrowings, it will repay the loans in a term not exceeding the life of those assets and in accordance with Queensland Treasury Corporation's borrowing guidelines.
- Council will maintain close scrutiny of its level of debt to ensure its relevant financial sustainability indicators will not exceed the minimum limits recommended by the Queensland Treasury Corporation.
- Council will use as its basis for determining funding options the detailed capital works and asset acquisition programs for the next five years, together with the 10 year financial model, .
- The Council will follow a policy of full debt disclosure in all relevant financial reports.
- Pursuant to s7 of the Local Government Finance Standard 2005, details of the planned borrowings for the budget year and the following four (4) financial years will be presented at Council's annual budget meeting. The details will include the planned borrowings for each year, the purpose of the borrowings and the term of repayment of existing and planned borrowings.

#### 7. LEGAL PARAMETERS >>

The Local Government Act 1993  
The Local Government Finance Standard 2005

#### 8. ASSOCIATED DOCUMENTS >>

Revenue Statement  
Revenue Policy

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## **8 PLANNED BORROWINGS**

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Planned borrowings for the next five financial years are as follows:

Year and Purpose of Borrowing	Amount 000's	Term
Year ended 30/6/2010 <ul style="list-style-type: none"> <li>• Water and Waste Water Assets</li> <li>• Other Capital Assets</li> </ul>	\$82,400 \$99,451	15 Years 15 Years
Year ended 30/6/2011 <ul style="list-style-type: none"> <li>• New Infrastructure Assets</li> </ul>	\$54,231	15 Years
Year ended 30/6/2012 <ul style="list-style-type: none"> <li>• New Infrastructure Assets</li> </ul>	\$21,575	15 Years
Year ended 30/6/2013 <ul style="list-style-type: none"> <li>• New Infrastructure Assets</li> </ul>	\$12,148	15 Years
Year ended 30/6/2014 <ul style="list-style-type: none"> <li>• Currently no planned borrowings</li> </ul>	nil	

The amount projected to be outstanding at 30 June 2010 is \$370,977. The repayment term of new loans is 15 years with existing loans having repayment terms between 2 and 18 years.

Anticipated loan repayments for the year ended 30 June 2010 is \$13,368.