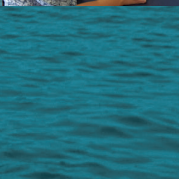
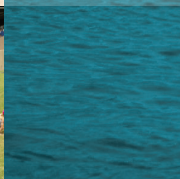
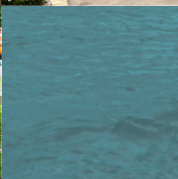
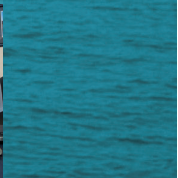
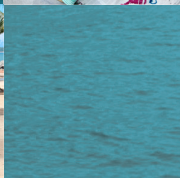
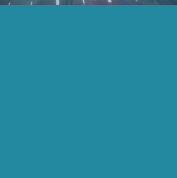
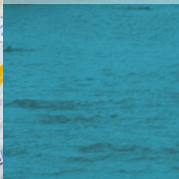
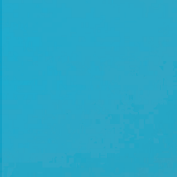
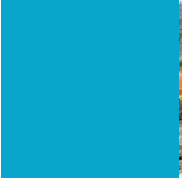
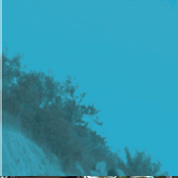




TOWNSVILLE CITY COUNCIL

# 2012/2013 BUDGET



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Note: Rounding – figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding.

**2012-2013 BUDGET**  
TOWNSVILLE CITY COUNCIL

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## **1. COUNCILLORS AND CHIEF EXECUTIVE OFFICER >>**

**MAYOR** Jenny HILL

**DEPUTY MAYOR** Vern VEITCH

**COUNCILLORS** Suzanne BLOM  
Colleen DOYLE  
Gary EDDIEHAUSEN  
Pat ERNST  
Ray GARTRELL  
Jenny LANE  
Tony PARSONS  
Trevor ROBERTS  
Les WALKER

**CHIEF EXECUTIVE OFFICER** Ray BURTON



## **2. BUDGET STATEMENTS >>**

## Statement of Income and Expenditure

For the year ended 30 June 2013

	Budget 2012/13
	\$'000
<b>Revenue</b>	
General Rates	150,274
Utility Charges	
Water	84,378
Sewerage	69,169
Refuse & Recycling	17,643
Trade Waste	3,183
Less Discounts and Concessions	(28,445)
Fees and Charges	26,316
Income from Investments and Financing	4,499
Contributions and Donations	2,585
Grants and Subsidies	44,437
Other Operating Revenue	19,637
<b>Total Revenue</b>	<u>393,676</u>
<b>Less Expenses</b>	
Employee and Contract Labour Costs	122,397
Materials and Services	140,049
Depreciation & Amortisation	99,431
Finance Costs	23,736
Other Operating Expense	6,523
<b>Total Expenses</b>	<u>392,136</u>
<b>Surplus/(Deficit) before capital income</b>	<u>1,540</u>
<b>Capital Income</b>	
Contributions, Grants, Subsidies and Donations	122,778
Gain / (Loss) on sale of Capital Assets	(1,463)
Other Capital Expenses	(700)
<b>Total Capital Income</b>	<u>120,615</u>
<b>Increase/(Decrease) in Operating Capability</b>	<u>122,155</u>

Pursuant to Section 99 (5) and (6) of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, and based on a comparison of revenue between the 2011/12 budget and the 2012/13 budget, the increase in rates and utility charges revenue, before discounts and concessions, is 5.65%; and the increase in rates and utility charges revenue, after discounts and concessions, is 6.15%. These increases include forecast growth of 1.9 %.

**Balance Sheet**  
As at 30 June 2013

	<b>Budget</b> 2012/13 \$'000
<b>Current Assets</b>	
Cash Assets	86,701
Receivables	21,325
Inventories	2,511
Prepayments	278
Other Current Assets	78
<b>Total Current Assets</b>	<u>110,893</u>
<b>Non Current Assets</b>	
Investments	34,044
Other	6,502
Property, Plant and Equipment	3,930,478
<b>Total Non-Current Assets</b>	<u>3,971,024</u>
<b>Total Assets</b>	<u>4,081,917</u>
<b>Current Liabilities</b>	
Payables	12,101
Interest Bearing Liabilities	20,891
Provisions	8,561
Other	23,696
<b>Total Current Liabilities</b>	<u>65,249</u>
<b>Non-Current Liabilities</b>	
Payables	21,147
Interest Bearing Liabilities	344,647
Provisions	29,375
Other	733
<b>Total Non-Current Liabilities</b>	<u>395,902</u>
<b>Total Liabilities</b>	<u>461,151</u>
<b>Net Community Assets</b>	<u>3,620,766</u>
<b>Community Equity</b>	
Asset revaluation reserve	222,394
Retained surplus	3,367,030
Other Reserves	31,342
<b>Total Community Equity</b>	<u>3,620,766</u>



**Statement of Cash Flows**  
For the year ended 30 June 2013

	<b>Budget</b> 2012/13 \$'000
<b>Cash Flow from Operating Activities</b>	
Receipts	
Net Rates, Utility, Fees & Charges & Other Receipts	419,287
Interest Received	4,499
Other	2,000
Payments	
Materials and Services and Employee Costs	(269,745)
Finance Costs	(23,082)
Other	(9,085)
<b>Net Cash Provided by Operating Activities</b>	<u>123,874</u>
<b>Cash Flow from Investing Activities</b>	
Receipts	
Subsidies, Donations and Contributions for Capital Expenditure	101,997
Proceeds from sale of Property, Plant & Equipment	1,698
Payments	
Payments for Property, Plant & Equipment	(196,505)
Net transfer (to) / from Cash Investments	(5,195)
Other	(696)
<b>Net Cash Used in Investing Activities</b>	<u>(98,701)</u>
<b>Cash Flows from Financial Activities</b>	
Proceeds from Borrowings	12,000
Repayment of Borrowings	(19,316)
<b>Net Cash Provided by Financing Activities</b>	<u>(7,316)</u>
<b>Net Increase/ (Decrease) in Cash Held</b>	17,857
Cash at Beginning of Reporting Period	68,844
<b>Cash at End of Reporting Period</b>	<u>86,701</u>

### Changes in Equity

	Total \$'000	Retained Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
<b>Balance at 30 June 2012</b>	3,498,611	3,247,846	222,394	28,371
Net Result for the Period	122,155	122,155	-	-
Transfers to Capital and Reserves	-	(4,926)	-	4,926
Transfers from Capital and Reserves	-	1,955	-	(1,955)
Asset Revaluation Adjustment	-	-	-	-
<b>Balance at 30 June 2013</b>	<b>3,620,766</b>	<b>3,367,030</b>	<b>222,394</b>	<b>31,342</b>
<b>Budget - Forecast</b>				
Net Result for the Period	117,132	117,132	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	196,420	-	196,420	-
<b>Balance at 30 June 2014</b>	<b>3,934,318</b>	<b>3,484,162</b>	<b>418,814</b>	<b>31,342</b>
Net Result for the Period	153,940	153,940	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	103,395	-	103,395	-
<b>Balance at 30 June 2015</b>	<b>4,191,653</b>	<b>3,638,102</b>	<b>522,209</b>	<b>31,342</b>

## Statement of Income and Expenditure – Forecast

For the years ended 30 June

	<b>Budget Forecast</b>	
	2014 \$'000	2015 \$'000
<b>Revenue</b>		
General Rates	158,535	167,407
Utility Charges		
Water	88,092	91,968
Sewerage	72,213	75,390
Refuse & Recycling	18,420	19,230
Trade Waste	3,342	3,509
Less Discounts and Concessions	(29,873)	(31,392)
Fees and Charges	26,926	27,560
Income from Investments and Financing	4,800	4,432
Contributions and Donations	2,327	2,095
Grants and Subsidies	12,489	12,989
Other Operating Revenue	20,619	21,650
<b>Total Revenue</b>	<b>377,890</b>	<b>394,838</b>
<b>Less Expenses</b>		
Employee and Contract Labour Costs	128,468	133,663
Materials and Services	118,719	121,176
Depreciation and Amortisation	101,142	107,868
Finance Costs	22,718	22,482
Other Operating Expenses	6,706	6,851
<b>Total Expenses</b>	<b>377,753</b>	<b>392,040</b>
<b>Surplus/(Deficit) before capital income</b>	<b>137</b>	<b>2,798</b>
<b>Capital Income</b>		
Contributions, Grants, Subsidies and Donations	116,995	151,142
Gain/(loss) on sale of Capital Assets	-	-
<b>Total Capital Income</b>	<b>116,995</b>	<b>151,142</b>
<b>Increase/(Decrease) in Operating Capability</b>	<b>117,132</b>	<b>153,940</b>

### Balance Sheet – Forecast

As at 30 June

	<b>Budget Forecast</b>	
	2014	2015
	\$'000	\$'000
<b>Current Assets</b>		
Cash Assets	74,088	76,363
Receivables	20,443	21,392
Inventories	2,855	3,212
Prepayments	342	409
Other Current Assets	1,019	1,996
<b>Total Current Assets</b>	<b>98,747</b>	<b>103,372</b>
<b>Non-Current Assets</b>		
Investments	34,044	34,044
Other	6,502	6,502
Property Plant and Equipment	4,251,731	4,502,305
<b>Total Non-Current Assets</b>	<b>4,292,277</b>	<b>4,542,851</b>
<b>Total Assets</b>	<b>4,391,024</b>	<b>4,646,223</b>
<b>Current Liabilities</b>		
Payables	10,315	10,529
Interest Bearing Liabilities	20,380	20,057
Provisions	8,878	9,208
Other	24,682	25,705
<b>Total Current Liabilities</b>	<b>64,255</b>	<b>65,499</b>
<b>Non-Current Liabilities</b>		
Payables	21,945	22,776
Interest Bearing Liabilities	340,556	336,507
Provisions	29,217	29,055
Other	733	733
<b>Total Non-Current Liabilities</b>	<b>392,451</b>	<b>389,071</b>
<b>Total Liabilities</b>	<b>456,706</b>	<b>454,570</b>
<b>Net Community Assets</b>	<b>3,934,318</b>	<b>4,191,653</b>
<b>Community Equity</b>		
Asset revaluation reserve	418,814	522,209
Retained surplus	3,484,162	3,638,102
Other Reserves	31,342	31,342
<b>Total Community Equity</b>	<b>3,934,318</b>	<b>4,191,653</b>

**Statement Cash Flows – Forecast**  
For the years ended 30 June

	<b>Budget Forecast</b>	
	2014	2015
	\$'000	\$'000
<b>Cash Flows From Operating Activities</b>		
Receipts		
Net Rates, Utility, Fees and Charges & Other Receipts	373,971	389,458
Interest Received	4,800	4,432
Payments		
Materials and Services and Employee Costs	(254,638)	(260,396)
Finance Costs	(22,596)	(22,357)
Other	(566)	(585)
<b>Net Cash Provided by Operating Activities</b>	<u>100,971</u>	<u>110,552</u>
<b>Cash Flow From Investing Activities</b>		
Receipts		
Subsidies, donations and contributions for new Capital Expenditure	78,113	90,058
Proceeds from sale of Property, Plant & Equipment	600	600
Payments		
Payment for Property, Plant & Equipment	(187,695)	(194,563)
<b>Net Cash Used in Investing Activities</b>	<u>(108,982)</u>	<u>(103,905)</u>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Borrowings	16,289	16,008
Repayment of Borrowings	(20,891)	(20,380)
<b>Net Cash Provided by Financing Activities</b>	<u>(4,602)</u>	<u>(4,372)</u>
<b>Net Increase/(Decrease) in Cash held</b>	(12,613)	2,275
Cash at Beginning of Reporting Period	86,701	74,088
<b>Cash at End of Reporting Period</b>	<u><u>74,088</u></u>	<u><u>76,363</u></u>

### Key Financial Ratios – Forecast

Sustainability Ratios	Target Ratio	Budget 2012/13	Budget Forecast								
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Working Capital Ratio</b> (Current Assets / Current Liabilities)	1:1-4:1	1.7:1	1.5:1	1.6:1	1.6:1	1.6:1	1.6:1	1.6:1	1.6:1	1.6:1	1.7:1
<b>Operating Surplus Ratio</b> (Net Operating Surplus / Total Operating Revenue) (%)	0.0% - 10%	0.4%	0.0%	0.7%	0.1%	0.3%	0.5%	0.7%	1.3%	1.9%	2.4%
<b>Net Financial Asset / Liability Ratio</b> ((Total Liabilities – Current Assets) / Total Operating Revenue) (%)	<60.0%	89.0%	94.7%	88.9%	82.2%	73.6%	67.7%	62.1%	56.7%	51.3%	44.5%
<b>Interest Coverage Ratio</b> (Net Interest Expense / Total Operating Revenue) (%)	0.0% - 5%	4.9%	4.7%	4.6%	4.2%	3.8%	3.5%	3.2%	2.9%	2.6%	2.3%
<b>Asset Sustainability Ratio</b> (Capital Expenditure on the Replacement of Assets (renewal) / Depreciation Expense) (%)	>90.0%	109.3%	91.2%	90.5%	89.1%	91.0%	90.7%	91.1%	92.9%	94.3%	73.4%
<b>Asset Consumption Ratio</b> (Written Down Value of Infrastructure Assets / Gross Current Replacement Cost of Infrastructure Assets) (%)	40% - 80%	76.9%	75.5%	74.7%	73.6%	72.7%	69.9%	67.1%	64.8%	63.0%	61.1%

**2012-2013 BUDGET**  
TOWNSVILLE CITY COUNCIL



**Council Business Activities – 2012/13**

	Townsville Water	Townsville Waste	Construction & Maintenance	Nursery	Property Management	Performing Arts	Off Street Carparking
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>OPERATING REVENUE</b>							
Rate Charges	-	-	200	-	-	-	-
Utility Charges	164,159	17,643	-	-	-	-	-
Less Discounts & Concessions	(2,433)	-	(27)	-	-	-	-
Fees & Charges	508	10,942	18,616	-	-	890	402
Income From Investments & Financing	685	97	-	-	-	-	-
Contributions Recurrent	888	-	1,694	-	-	-	-
Subsidies & Grants Recurrent	80	-	37,564	-	-	-	-
NCP Revenue/Recovery	2,889	1,377	-	-	-	-	-
Other Revenue	1,049	2,984	17,947	1,041	23,725	763	-
<b>Total Operating Revenue</b>	<b>167,825</b>	<b>33,043</b>	<b>75,995</b>	<b>1,041</b>	<b>23,725</b>	<b>1,653</b>	<b>402</b>
<b>OPERATING EXPENSES</b>							
Employee Costs	16,214	5,420	13,561	357	1,615	1,755	34
Materials & Services	41,464	12,062	83,672	244	17,976	4,448	287
Finance Costs	10,795	1,313	-	-	-	-	-
Depreciation & Amortisation	37,471	2,517	37,025	42	8,527	73	-
NCP Expense/Charges	-	-	-	-	-	-	-
Taxes Other Than Income Tax	442	2	-	-	-	-	-
Other Expenses	18	2	-	514	-	186	-
<b>Total Operating Expenses</b>	<b>106,404</b>	<b>21,316</b>	<b>134,258</b>	<b>1,158</b>	<b>28,117</b>	<b>6,463</b>	<b>320</b>
<b>Operating Surplus/(Deficit) before Capital Items</b>	<b>61,421</b>	<b>11,727</b>	<b>(58,263)</b>	<b>(116)</b>	<b>(4,392)</b>	<b>(4,810)</b>	<b>82</b>
<b>OTHER CAPITAL AMOUNTS</b>							
Contributions Capital	13,571	-	25,830	-	-	-	-
Contributions Non-Cash Capital	4,108	-	16,674	-	-	-	-
Grants & Subsidies Capital	5,831	75	50,612	-	-	-	-
Profit/Loss On Sale Of Assets	(200)	-	(996)	-	(267)	-	-
Revaluation Reserve Retired	-	-	-	-	-	-	-
Land Held For Resale	-	-	-	-	-	-	-
Other Capital Expense	-	-	-	-	-	-	-
<b>Total Other Capital Amounts</b>	<b>23,309</b>	<b>75</b>	<b>92,119</b>	<b>-</b>	<b>(267)</b>	<b>-</b>	<b>-</b>
<b>Increase/(Decrease) in Operating Capability before Tax</b>	<b>84,731</b>	<b>11,802</b>	<b>33,856</b>	<b>(116)</b>	<b>(4,659)</b>	<b>(4,810)</b>	<b>82</b>
Income Tax	17,417	3,527	-	-	-	-	-
<b>Increase/(Decrease) in Operating Capability after Tax</b>	<b>67,314</b>	<b>8,275</b>	<b>33,856</b>	<b>(116)</b>	<b>(4,659)</b>	<b>(4,810)</b>	<b>82</b>

### Business Activity Statement – 2012/13

	Townsville Water \$000	Townsville Waste \$000	Construction & Maintenance \$000	Nursery \$000	Property Management \$000	Performing Arts \$000	Off Street Carparking \$000
<b>Operating Revenue</b>							
Services provided to Local Government	7,935	2,491	31,894	167	18,499	-	-
Services provided to clients other than Local Government	157,385	29,341	44,102	874	5,226	1,653	402
Community Service Obligation	2,505	1,211	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>167,825</b>	<b>33,043</b>	<b>75,995</b>	<b>1,041</b>	<b>23,725</b>	<b>1,653</b>	<b>402</b>
<b>Operating Expense</b>	<b>106,404</b>	<b>21,316</b>	<b>134,258</b>	<b>1,158</b>	<b>28,117</b>	<b>6,463</b>	<b>320</b>
<b>Other Capital Amounts</b>	<b>23,309</b>	<b>75</b>	<b>92,119</b>	<b>-</b>	<b>(267)</b>	<b>-</b>	<b>-</b>
<b>Increase/(Decrease) in Operating Capability before Tax</b>	<b>84,731</b>	<b>11,802</b>	<b>33,856</b>	<b>(116)</b>	<b>(4,659)</b>	<b>(4,810)</b>	<b>82</b>
Income Tax	17,417	3,527	-	-	-	-	-
<b>Increase/(Decrease) in Operating Capability after Tax</b>	<b>67,314</b>	<b>8,275</b>	<b>33,856</b>	<b>(116)</b>	<b>(4,659)</b>	<b>(4,810)</b>	<b>82</b>

### Community Service Obligations - 2012/13

	Townsville Water \$000	Townsville Waste \$000
Water - Remissions applied to charity and not for profit organisations as approved by council.	1,940	-
Wastewater - Remissions applied to charity and not for profit organisations as approved by council.	503	-
Wastewater - Magnetic Island - Arcadia Surf Life Saving Club (Sewerage Pump out)	12	-
Wastewater - Magnetic Island - Sewer connection rebates (\$2k per application)	50	-
Public Place Waste & Recycling Collection	-	224
Public Place Bin Delivery	-	11
Litter Collection - Roads	-	976
<b>Total Community Service Obligations</b>	<b>2,505</b>	<b>1,211</b>

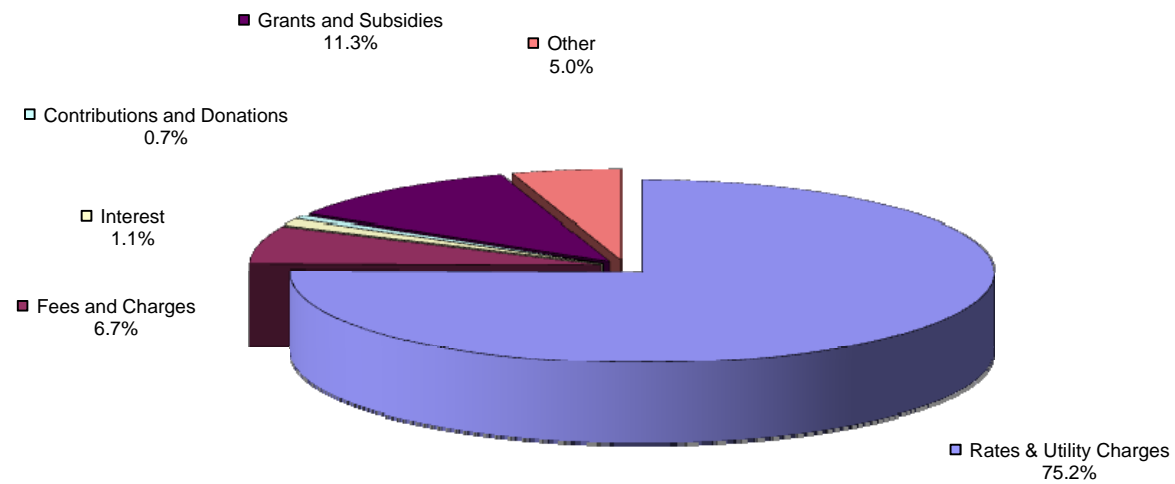




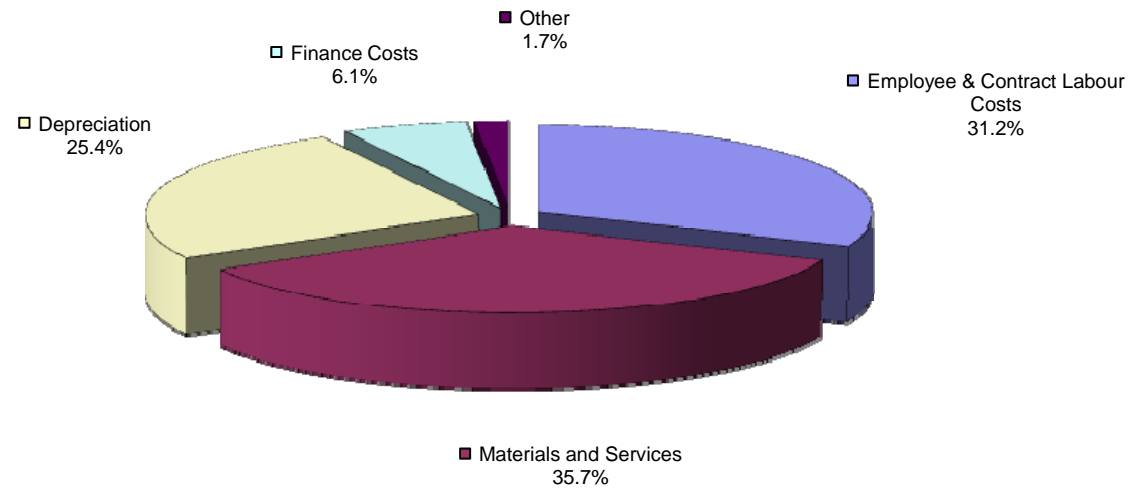
### **3. GRAPHIC REPRESENTATION >>**



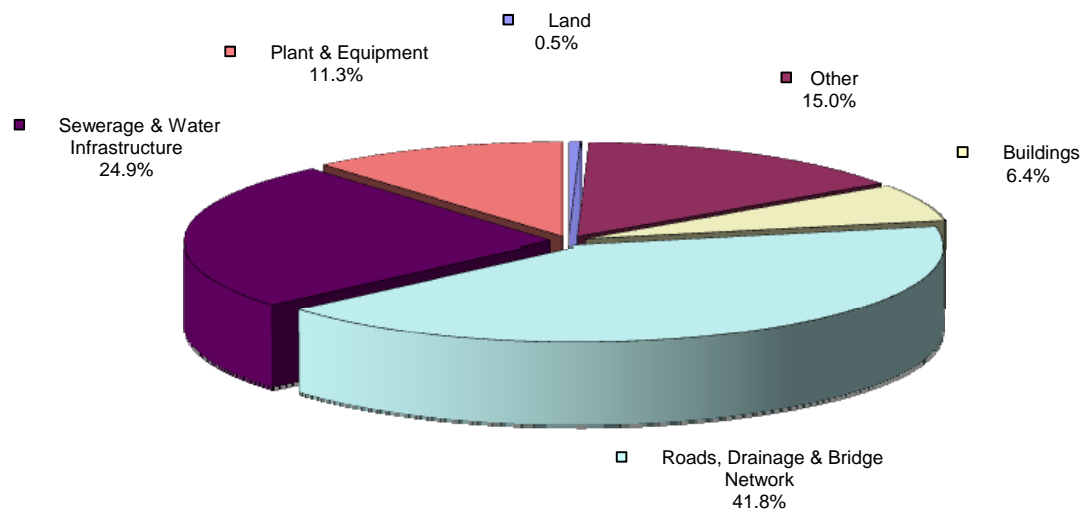
**2012/13 Operating Revenue (\$393.6M)**



**2012/13 Operating Expenses (\$392.1M)**



**2012/13 Capital Works (\$201.7M)**





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## **4. MANAGEMENT REPORTS >>**



**2012-2013 BUDGET**  
TOWNSVILLE CITY COUNCIL



**Divisional Budget**  
for the year ended 30 June 2013 (unconsolidated)

	Corporate Services Division \$000	Planning & Development Division \$000	Community & Environment Division \$000	Townsville Water & Waste \$000	Infrastructure Division \$000
<b>OPERATING REVENUE</b>					
Rate Charges	150,200	-	-	-	200
Utility Charges	-	-	-	181,803	-
Less Discounts & Concessions	(25,985)	-	-	(2,433)	(27)
Fees & Charges	1,386	5,875	5,620	11,450	19,515
Income From Investments & Financing	14,512	-	-	782	-
Contributions Recurrent	-	-	-	888	1,694
Subsidies & Grants Recurrent	4,299	382	1,940	80	37,736
NCP Revenue/Recovery	40,552	-	-	4,515	688
Other Revenue	8,944	3,933	10,012	10,446	42,624
<b>Total Operating Revenue</b>	<b>193,909</b>	<b>10,190</b>	<b>17,572</b>	<b>207,530</b>	<b>102,430</b>
<b>OPERATING EXPENSES</b>					
Employee Costs	26,833	12,212	36,136	27,282	20,218
Materials & Services	30,376	9,566	60,240	57,466	106,316
Finance Costs	24,844	-	-	12,108	-
Depreciation & Amortisation	3,841	9	9,707	40,215	45,658
NCP Expense/Charges	4,515	-	-	-	-
Taxes Other Than Income Tax	-	-	-	444	-
Other Expenses	121	3	1,955	20	3
<b>Total Operating Expenses</b>	<b>90,531</b>	<b>21,790</b>	<b>108,039</b>	<b>137,536</b>	<b>172,195</b>
<b>Operating Surplus/(Deficit) before Capital Items</b>	<b>103,378</b>	<b>(11,601)</b>	<b>(90,467)</b>	<b>69,994</b>	<b>(69,764)</b>
<b>OTHER CAPITAL AMOUNTS</b>					
Contributions Capital	-	-	200	13,571	25,830
Contributions Non-Cash Capital	-	-	-	4,108	16,674
Grants & Subsidies Capital	5,195	-	621	5,906	50,674
Profit/Loss On Sale Of Assets	200	-	-	(200)	(1,263)
Revaluation Reserve Retired	-	-	-	-	-
Land Held For Resale	-	-	-	-	-
Other Capital Expenses	700	-	-	-	-
<b>Total Other Capital Amounts</b>	<b>6,095</b>	<b>-</b>	<b>821</b>	<b>23,384</b>	<b>91,914</b>
<b>Increase/(Decrease) in Operating Capability before Tax</b>	<b>109,473</b>	<b>(11,601)</b>	<b>(89,646)</b>	<b>93,379</b>	<b>22,150</b>
Income Tax	(20,943)	-	-	20,943	-
<b>Increase/(Decrease) in Operating Capability after Tax</b>	<b>130,416</b>	<b>(11,601)</b>	<b>(89,646)</b>	<b>72,435</b>	<b>22,150</b>

**Division / Department Budget**  
For the Year Ending 30 June 2013 (Unconsolidated)

Division Department	OPERATING REVENUE \$000	OPERATING EXPENSES \$000	CAPITAL INCOME & CAPITAL EXPENSE \$000	ASSETS CONSTRUCTED - TOTAL WIP \$000
<b>Corporate Services Division</b>	<b>193,909</b>	<b>90,531</b>	<b>4,695</b>	<b>9,983</b>
Finance	153,479	39,736	4,495	-
Corporate Governance	4,145	9,513	200	-
Human Resources	8,755	9,413	-	-
Knowledge Management	19,661	22,196	-	9,983
Corporate Communications	2,063	2,304	-	-
Events & Protocol	193	1,781	-	-
Together Townsville	821	651	-	-
Customer Service	4,790	4,936	-	-
<b>Planning &amp; Development</b>	<b>10,190</b>	<b>21,790</b>	<b>-</b>	<b>8</b>
Development Assessment	2,347	3,626	-	-
Strategic Planning	4,200	9,812	-	-
Development Governance	342	3,327	-	8
Infrastructure Development	3,301	5,026	-	-
<b>Community &amp; Environment</b>	<b>17,572</b>	<b>108,039</b>	<b>821</b>	<b>3,834</b>
Divisional Support	-	1,364	-	-
Community Services	4,099	29,573	-	162
Library Services	1,084	9,722	-	140
Parks Services	4,977	50,056	821	3,425
Integrated Sustainability	745	5,725	-	107
Environmental Health Services	6,667	11,599	-	-
<b>Townsville Water &amp; Waste</b>	<b>207,530</b>	<b>137,536</b>	<b>23,384</b>	<b>45,059</b>
Townsville Water	167,825	106,404	23,309	44,705
Commercial Performance	2,234	2,075	-	-
Utility Services	37,470	29,057	75	354
<b>Infrastructure Division</b>	<b>102,430</b>	<b>172,195</b>	<b>91,914</b>	<b>137,622</b>
Inf Construction & Maintenance	76,397	134,578	92,119	131,568
Inf Technical Services	24,691	33,987	205	5,688
Inf Executive Department	-	1,266	-	240
Emergency Management	157	1,104	-	-
Inf Corp Asset Mgmt & Systems	1,185	1,260	-	126

**2012-2013 BUDGET**  
TOWNSVILLE CITY COUNCIL



**Capital Works by Department - 2012/13**

Division Department	Land \$000	Buildings \$000	Drainage Infrastructure \$000	Water Infrastructure \$000	Sewerage Infrastructure \$000	Road Pavements \$000	Office Equipment And Furniture \$000	Equipment It \$000	Plant & Equipment \$000	Cultural Assets \$000	Land Improvements \$000	Total \$000
<b>Corporate Services Division</b>	-	-	-	-	-	-	-	9,983	-	-	-	9,983
Finance	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Governance	-	-	-	-	-	-	-	-	-	-	-	-
Human Resources	-	-	-	-	-	-	-	-	-	-	-	-
Knowledge Management	-	-	-	-	-	-	-	9,983	-	-	-	9,983
Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-
Events & Protocol	-	-	-	-	-	-	-	-	-	-	-	-
Together Townsville	-	-	-	-	-	-	-	-	-	-	-	-
Customer Service	-	-	-	-	-	-	-	-	-	-	-	-
<b>Planning &amp; Development</b>	-	-	-	-	-	-	8	-	-	-	-	8
Development Assessment	-	-	-	-	-	-	-	-	-	-	-	-
Strategic Planning	-	-	-	-	-	-	-	-	-	-	-	-
Development Governance	-	-	-	-	-	-	8	-	-	-	-	8
Infrastructure Development	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community &amp; Environment</b>	-	100	-	-	-	-	29	111	148	21	3,425	3,834
Divisional Support	-	-	-	-	-	-	-	-	-	-	-	-
Community Services	-	-	-	-	-	-	-	-	141	21	-	162
Library Services	-	-	-	-	-	-	29	111	-	-	-	140
Parks Services	-	-	-	-	-	-	-	-	-	-	3,425	3,425
Integrated Sustainability	-	100	-	-	-	-	-	-	7	-	-	107
Environmental Health Services	-	-	-	-	-	-	-	-	-	-	-	-
<b>Townsville Water &amp; Waste</b>	-	39	-	25,751	15,655	-	-	-	247	-	3,367	45,059
Townsville Water	-	-	-	25,751	15,655	-	-	-	50	-	3,250	44,705
Commercial Performance	-	-	-	-	-	-	-	-	-	-	-	-
Utility Services	-	39	-	-	-	-	-	-	198	-	117	354
<b>Infrastructure Division</b>	1,000	7,551	5,430	4,185	4,723	78,897	-	-	12,356	-	23,481	137,622
Inf Construction & Maintenance	1,000	2,990	5,430	3,945	4,723	78,897	-	-	11,704	-	22,879	131,568
Inf Technical Services	-	4,560	-	-	-	-	-	-	526	-	602	5,688
Inf Executive Department	-	-	-	240	-	-	-	-	-	-	-	240
Emergency Management	-	-	-	-	-	-	-	-	-	-	-	-
Inf Corp Asset Mgmt & Systems	-	-	-	-	-	-	-	-	126	-	-	126
<b>Total Council</b>	1,000	7,690	5,430	29,935	20,378	78,897	37	10,094	12,752	21	30,273	196,506

## **5. LONG-TERM FINANCIAL FORECAST 2012/13 >>**

## **Overview >>**

Council has developed a Long-Term Financial Forecast pursuant to Section 104 of *the Local Government (Finance, Plans and Reporting) Regulation 2010* which aligns with council's goals, strategies and policies for managing the council's finances, during the 10 year period covered by the Finance Plan.

The long-term financial forecast has been developed consistently with the financial plan, long-term community plan and the asset management plan.

## **Report Information >>**

Council has developed a long-term financial forecast (the Forecast) to help monitor and guide its decision-making to ensure the financial sustainability of council and limit future price shocks on the community.

The Forecast provides for the anticipated growth in Townsville City and funds renewal and new capital infrastructure to maintain service levels and support that growth, with a \$1.893 billion investment in infrastructure over 10 years. Debt is used as required to fund new infrastructure however the Forecast reflects an overall reduction in debt over the forecast period, from \$365 million to \$278 million.

Cash balances are maintained at a level to provide sufficient liquidity to cover working capital requirements.

Expenditure is forecast to grow in line with the increases to council's asset base with an expectation for ongoing efficiency gains from council's operations.

Revenue is forecast to increase in line with the growth in Townsville City and rate increases in line with inflation at around 3.6% per annum over the forecast period.

**2012-2013 BUDGET**  
TOWNSVILLE CITY COUNCIL



**Statement of Income and Expenditure**  
For the year ended 30 June

	<b>Budget</b>				<b>Forecast Budget</b>					
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>										
General Rates	150,274	158,535	167,407	177,117	187,917	198,920	210,185	221,899	234,345	247,679
Utility Charges										
Water	84,378	88,092	91,968	96,294	101,015	105,923	110,867	115,941	121,288	126,980
Sewerage	69,169	72,213	75,390	78,937	82,806	86,830	90,882	95,042	99,425	104,091
Refuse and Recycling	17,643	18,420	19,230	20,135	21,122	22,148	23,182	24,243	25,361	26,551
Trade Waste	3,183	3,342	3,509	3,685	3,869	4,062	4,266	4,479	4,703	4,938
Less Discounts and Concessions	(28,445)	(29,873)	(31,392)	(33,065)	(34,914)	(36,813)	(38,747)	(40,749)	(42,871)	(45,139)
Fees and Charges	26,316	26,926	27,560	28,220	28,908	29,611	30,342	31,102	31,892	32,714
Income from Investments and Financing	4,499	4,800	4,432	4,650	5,072	4,953	5,054	5,238	5,423	5,856
Contributions and Donations	2,585	2,327	2,095	1,886	1,697	1,528	1,376	1,239	1,115	1,004
Grants and Subsidies	44,437	12,489	12,989	13,508	14,049	14,610	15,195	15,803	16,435	17,092
Other Operating Revenue	19,637	20,619	21,650	22,732	23,869	25,062	26,315	27,631	29,013	30,463
<b>Total Revenue</b>	<b>393,676</b>	<b>377,890</b>	<b>394,838</b>	<b>414,099</b>	<b>435,410</b>	<b>456,834</b>	<b>478,917</b>	<b>501,868</b>	<b>526,129</b>	<b>552,229</b>
<b>Less Expenses</b>										
Employee and Contract Labour Costs	122,397	128,468	133,663	138,400	143,681	149,788	155,884	162,159	168,716	175,555
Materials and Services	140,049	118,719	121,176	129,029	138,417	146,395	154,792	163,491	172,584	180,506
Depreciation & Amortisation	99,431	101,142	107,868	116,913	123,123	130,317	136,977	142,292	147,659	156,337
Finance Costs	23,736	22,718	22,482	22,256	21,808	20,768	20,266	19,813	19,234	18,535
Other	6,523	6,706	6,851	7,000	7,155	7,318	7,482	7,650	7,924	8,033
<b>Total Expenses</b>	<b>392,136</b>	<b>377,753</b>	<b>392,040</b>	<b>413,598</b>	<b>434,184</b>	<b>454,586</b>	<b>475,401</b>	<b>495,405</b>	<b>516,117</b>	<b>538,966</b>
<b>Surplus/(Deficit) before capital income</b>	<b>1,540</b>	<b>137</b>	<b>2,798</b>	<b>501</b>	<b>1,226</b>	<b>2,248</b>	<b>3,516</b>	<b>6,463</b>	<b>10,012</b>	<b>13,263</b>
<b>Capital Income</b>										
Contributions, Grants, Subsidies and Donations	122,778	116,995	151,142	149,604	153,358	101,635	102,299	103,589	132,511	136,720
Gain / (Loss) on sale of Capital Assets	(1,463)	-	-	-	-	-	-	-	-	-
Other Capital Expenses	(700)	-	-	-	-	-	-	-	-	-
<b>Total Capital Income</b>	<b>120,615</b>	<b>116,995</b>	<b>151,142</b>	<b>149,604</b>	<b>153,358</b>	<b>101,635</b>	<b>102,299</b>	<b>103,589</b>	<b>132,511</b>	<b>136,720</b>
<b>Increase/(Decrease) in Operating Capability</b>	<b>122,155</b>	<b>117,132</b>	<b>153,940</b>	<b>150,105</b>	<b>154,584</b>	<b>103,883</b>	<b>105,815</b>	<b>110,052</b>	<b>142,523</b>	<b>149,983</b>

**2012-2013 BUDGET**  
TOWNSVILLE CITY COUNCIL



**Balance Sheet**  
As at 30 June

	Budget					Forecast Budget				
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current Assets</b>										
Cash Assets	86,701	74,088	76,363	80,079	84,404	88,561	92,837	97,254	101,900	106,351
Receivables	21,325	20,443	21,392	22,436	23,580	24,761	25,965	27,213	28,532	29,938
Inventories	2,511	2,855	3,212	3,582	3,964	4,361	4,772	5,197	5,638	5,751
Prepayments	278	342	409	479	553	637	726	818	914	956
Other Current Assets	78	1,019	1,996	3,011	4,202	5,322	6,486	7,695	8,953	10,350
<b>Total Current Assets</b>	<b>110,893</b>	<b>98,747</b>	<b>103,372</b>	<b>109,587</b>	<b>116,703</b>	<b>123,642</b>	<b>130,786</b>	<b>138,177</b>	<b>145,937</b>	<b>153,346</b>
<b>Non Current Assets</b>										
Investments	34,044	34,044	34,044	34,044	34,044	34,044	34,044	34,044	34,044	34,044
Other	6,502	6,502	6,502	6,502	6,502	6,502	6,502	6,502	6,502	6,502
Property, Plant and Equipment	3,930,478	4,251,731	4,502,305	4,747,933	4,994,837	5,207,509	5,421,272	5,642,890	5,899,455	6,153,774
<b>Total Non-Current Assets</b>	<b>3,971,024</b>	<b>4,292,277</b>	<b>4,542,851</b>	<b>4,788,479</b>	<b>5,035,383</b>	<b>5,248,055</b>	<b>5,461,818</b>	<b>5,683,436</b>	<b>5,940,001</b>	<b>6,194,320</b>
<b>Total Assets</b>	<b>4,081,917</b>	<b>4,391,024</b>	<b>4,646,223</b>	<b>4,898,066</b>	<b>5,152,086</b>	<b>5,371,697</b>	<b>5,592,604</b>	<b>5,821,613</b>	<b>6,085,938</b>	<b>6,347,666</b>
<b>Current Liabilities</b>										
Payables	12,101	10,315	10,529	11,187	11,971	12,640	13,344	14,073	14,835	15,501
Interest Bearing Liabilities	20,891	20,380	20,057	20,887	22,383	24,229	26,262	28,431	30,751	28,621
Provisions	8,561	8,878	9,208	9,549	9,913	10,327	10,758	11,207	11,674	12,151
Other	23,696	24,682	25,705	26,768	28,010	29,189	30,413	31,687	33,010	34,288
<b>Total Current Liabilities</b>	<b>65,249</b>	<b>64,255</b>	<b>65,499</b>	<b>68,391</b>	<b>72,277</b>	<b>76,385</b>	<b>80,777</b>	<b>85,398</b>	<b>90,270</b>	<b>90,561</b>
<b>Non-Current Liabilities</b>										
Payables	21,147	21,945	22,776	23,636	24,550	25,596	26,683	27,809	28,988	30,175
Interest Bearing Liabilities	344,647	340,556	336,507	328,494	311,095	301,627	292,730	281,764	268,831	250,209
Provisions	29,375	29,217	29,055	28,889	28,720	28,546	27,317	27,135	27,235	27,335
Other	733	733	733	733	733	733	733	733	733	733
<b>Total Non-Current Liabilities</b>	<b>395,902</b>	<b>392,451</b>	<b>389,071</b>	<b>381,752</b>	<b>365,098</b>	<b>356,502</b>	<b>347,463</b>	<b>337,441</b>	<b>325,787</b>	<b>308,452</b>
<b>Total Liabilities</b>	<b>461,151</b>	<b>456,706</b>	<b>454,570</b>	<b>450,143</b>	<b>437,375</b>	<b>432,887</b>	<b>428,240</b>	<b>422,839</b>	<b>416,057</b>	<b>399,013</b>
<b>Net Community Assets</b>	<b>3,620,766</b>	<b>3,934,318</b>	<b>4,191,653</b>	<b>4,447,923</b>	<b>4,714,711</b>	<b>4,938,810</b>	<b>5,164,364</b>	<b>5,398,774</b>	<b>5,669,881</b>	<b>5,948,653</b>
<b>Community Equity</b>										
Asset revaluation reserve	222,394	418,814	522,209	628,374	740,578	860,794	980,533	1,104,891	1,233,475	1,362,264
Retained surplus	3,367,030	3,484,162	3,638,102	3,788,207	3,942,791	4,046,674	4,152,489	4,262,541	4,405,064	4,555,047
Other Reserves	31,342	31,342	31,342	31,342	31,342	31,342	31,342	31,342	31,342	31,342
<b>Total Community Equity</b>	<b>3,620,766</b>	<b>3,934,318</b>	<b>4,191,653</b>	<b>4,447,923</b>	<b>4,714,711</b>	<b>4,938,810</b>	<b>5,164,364</b>	<b>5,398,774</b>	<b>5,669,881</b>	<b>5,948,653</b>

**Statement of Cash Flows**  
For the year ended 30 June

	<b>Budget</b>				<b>Budget Forecast</b>					
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash Flow from Operating Activities</b>										
Receipts										
Net Rates, Utility, Fees & Charges & other receipts	421,287	373,971	389,458	408,405	429,193	450,702	472,658	495,381	519,386	544,968
Interest Received	4,499	4,800	4,432	4,650	5,072	4,953	5,054	5,238	5,423	5,856
Payments										
Materials and Services and Employee Costs	(269,745)	(254,638)	(260,396)	(272,651)	(287,269)	(301,453)	(316,016)	(331,073)	(346,800)	(361,820)
Finance Costs	(23,082)	(22,596)	(22,357)	(22,127)	(21,675)	(20,631)	(20,125)	(19,668)	(19,084)	(18,381)
Other	(9,085)	(566)	(585)	(605)	(627)	(655)	(1,728)	(700)	(537)	(274)
<b>Net Cash Provided by Operating Activities</b>	<b>123,874</b>	<b>100,971</b>	<b>110,552</b>	<b>117,672</b>	<b>124,694</b>	<b>132,916</b>	<b>139,843</b>	<b>149,178</b>	<b>158,388</b>	<b>170,349</b>
<b>Cash Flow from Investing Activities</b>										
Receipts										
Subsidies, Donations and Contributions for capital expenditure	101,997	78,113	90,058	99,541	51,986	51,458	51,091	52,734	54,882	65,229
Proceeds from sale of Property, Plant & Equipment	1,698	600	600	600	600	600	600	600	600	600
Payments										
Payments for Property, Plant & Equipment	(196,505)	(187,695)	(194,563)	(206,914)	(157,052)	(173,196)	(180,394)	(189,297)	(198,612)	(210,976)
Net transfer (to) from Cash Investments	(5,195)	0	0	0	0	0	0	0	0	0
Other	(696)	0	0	0	0	0	0	0	0	0
<b>Net Cash Used in Investing Activities</b>	<b>(98,701)</b>	<b>(108,982)</b>	<b>(103,905)</b>	<b>(106,773)</b>	<b>(104,466)</b>	<b>(121,138)</b>	<b>(128,703)</b>	<b>(135,963)</b>	<b>(143,130)</b>	<b>(145,147)</b>
<b>Cash Flows from Financial Activities</b>										
Proceeds from Borrowings	12,000	16,289	16,008	12,874	4,984	14,762	17,365	17,465	17,818	10,000
Repayment of Borrowings	(19,316)	(20,891)	(20,380)	(20,057)	(20,887)	(22,383)	(24,229)	(26,262)	(28,431)	(30,751)
<b>Net Cash Provided by Financing Activities</b>	<b>(7,316)</b>	<b>(4,602)</b>	<b>(4,372)</b>	<b>(7,183)</b>	<b>(15,903)</b>	<b>(7,621)</b>	<b>(6,864)</b>	<b>(8,797)</b>	<b>(10,613)</b>	<b>(20,751)</b>
<b>Net Increase/ (Decrease) in Cash Held</b>	<b>17,857</b>	<b>(12,613)</b>	<b>2,275</b>	<b>3,716</b>	<b>4,325</b>	<b>4,157</b>	<b>4,276</b>	<b>4,418</b>	<b>4,645</b>	<b>4,451</b>
Cash at Beginning of Reporting Period	68,844	86,701	74,088	76,363	80,079	84,404	88,561	92,837	97,255	101,900
<b>Cash at End of Reporting Period</b>	<b>86,701</b>	<b>74,088</b>	<b>76,363</b>	<b>80,079</b>	<b>84,404</b>	<b>88,561</b>	<b>92,837</b>	<b>97,255</b>	<b>101,900</b>	<b>106,351</b>



### Changes in Equity

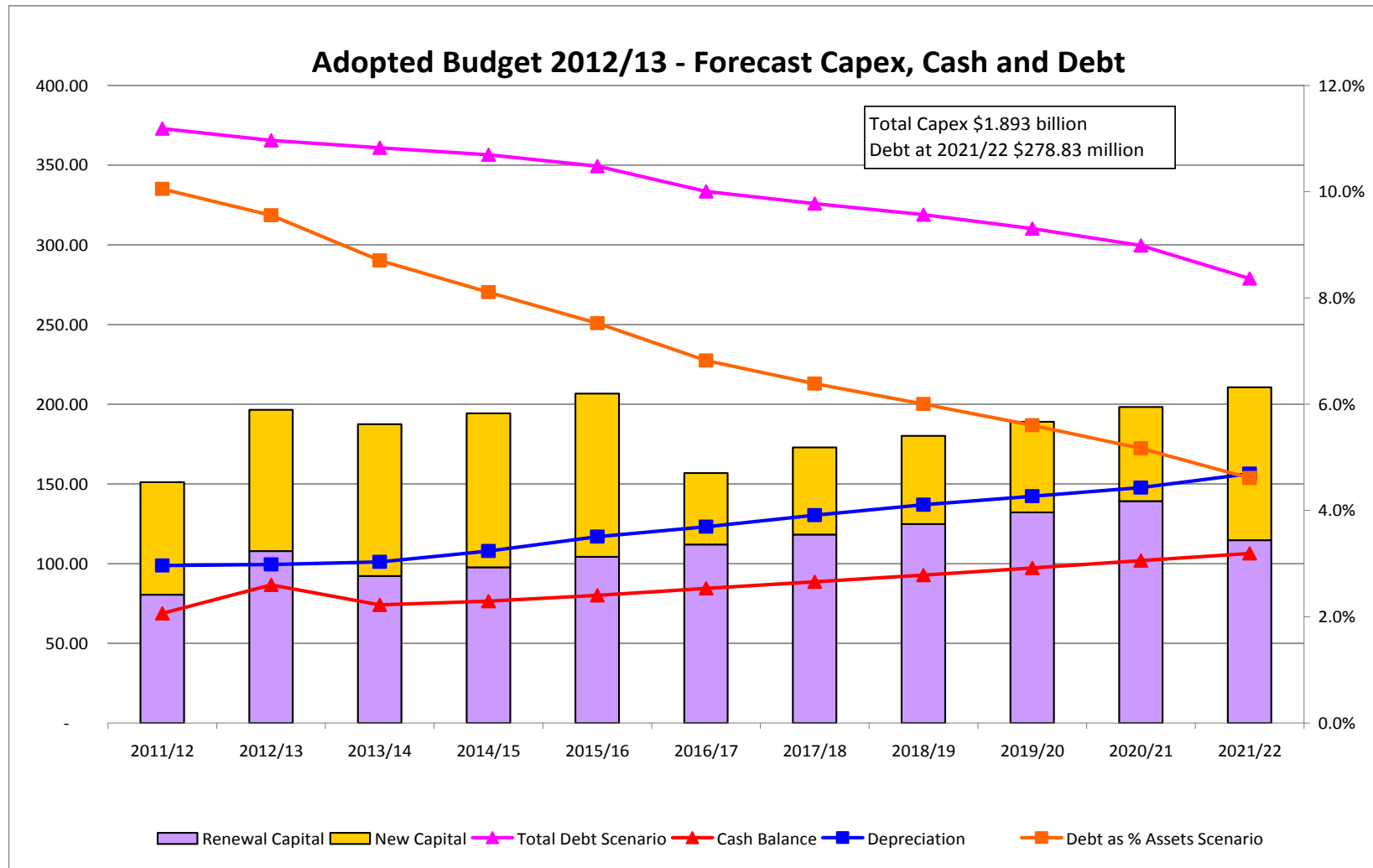
	Total \$'000	Retained Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
<b>Balance at 30 June 2012</b>	3,498,611	3,247,846	222,394	28,371
Net Result for the Period	122,155	122,155	-	-
Transfers to Capital and Reserves	-	(4,926)	-	4,926
Transfers from Capital and Reserves	-	1,955	-	(1,955)
Asset Revaluation Adjustment	-	-	-	-
<b>Balance at 30 June 2013</b>	<b>3,620,766</b>	<b>3,367,030</b>	<b>222,394</b>	<b>31,342</b>
<b>Budget - Forecast</b>				
Net Result for the Period	117,132	117,132	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	196,420	-	196,420	-
<b>Balance at 30 June 2014</b>	<b>3,934,318</b>	<b>3,484,162</b>	<b>418,814</b>	<b>31,342</b>
Net Result for the Period	153,940	153,940	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	103,395	-	103,395	-
<b>Balance at 30 June 2015</b>	<b>4,191,653</b>	<b>3,638,102</b>	<b>522,209</b>	<b>31,342</b>
Net Result for the Period	150,105	150,105	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	106,165	-	106,165	-
<b>Balance at 30 June 2016</b>	<b>4,447,923</b>	<b>3,788,207</b>	<b>628,374</b>	<b>31,342</b>
Net Result for the Period	154,584	154,584	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	112,204	-	112,204	-
<b>Balance at 30 June 2017</b>	<b>4,714,711</b>	<b>3,942,791</b>	<b>740,578</b>	<b>31,342</b>
Net Result for the Period	103,883	103,883	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	120,216	-	120,216	-
<b>Balance at 30 June 2018</b>	<b>4,938,810</b>	<b>4,046,674</b>	<b>860,794</b>	<b>31,342</b>
Net Result for the Period	105,815	105,815	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	119,739	-	119,739	-
<b>Balance at 30 June 2019</b>	<b>5,164,364</b>	<b>4,152,489</b>	<b>980,533</b>	<b>31,342</b>
Net Result for the Period	110,052	110,052	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	124,359	-	124,358	-
<b>Balance at 30 June 2020</b>	<b>5,398,775</b>	<b>4,262,541</b>	<b>1,104,891</b>	<b>31,342</b>
Net Result for the Period	142,523	142,523	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	128,583	-	128,584	-
<b>Balance at 30 June 2021</b>	<b>5,669,881</b>	<b>4,405,064</b>	<b>1,233,475</b>	<b>31,342</b>
Net Result for the Period	149,983	149,983	-	-
Transfers to Capital and Reserves	-	-	-	-
Transfers from Capital and Reserves	-	-	-	-
Asset Revaluation Adjustment	128,789	-	128,789	-
<b>Balance at 30 June 2022</b>	<b>5,948,653</b>	<b>4,555,047</b>	<b>1,362,264</b>	<b>31,342</b>

### Key Financial Ratios – Forecast

Sustainability Ratios	Target Ratio	Budget 2012/13	Budget Forecast								
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Working Capital Ratio</b> (Current Assets / Current Liabilities)	1:1-4:1	1.7:1	1.5:1	1.6:1	1.6:1	1.6:1	1.6:1	1.6:1	1.6:1	1.6:1	1.7:1
<b>Operating Surplus Ratio</b> (Net Operating Surplus / Total Operating Revenue) (%)	0.0% - 10%	0.4%	0.0%	0.7%	0.1%	0.3%	0.5%	0.7%	1.3%	1.9%	2.4%
<b>Net Financial Asset / Liability Ratio</b> ((Total Liabilities – Current Assets) / Total Operating Revenue) (%)	<60.0%	89.0%	94.7%	88.9%	82.2%	73.6%	67.7%	62.1%	56.7%	51.3%	44.5%
<b>Interest Coverage Ratio</b> (Net Interest Expense / Total Operating Revenue) (%)	0.0% - 5%	4.9%	4.7%	4.6%	4.2%	3.8%	3.5%	3.2%	2.9%	2.6%	2.3%
<b>Asset Sustainability Ratio</b> (Capital Expenditure on the Replacement of Assets (renewal) / Depreciation Expense) (%)	>90.0%	109.3%	91.2%	90.5%	89.1%	91.0%	90.7%	91.1%	92.9%	94.3%	73.4%
<b>Asset Consumption Ratio</b> (Written Down Value of Infrastructure Assets / Gross Current Replacement Cost of Infrastructure Assets) (%)	40% - 80%	76.9%	75.5%	74.7%	73.6%	72.7%	69.9%	67.1%	64.8%	63.0%	61.1%

## 2012-2013 BUDGET

TOWNSVILLE CITY COUNCIL



## **6. FINANCIAL POLICIES 2012/13 >>**

# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



## DEBT 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 2009* and the *Local Government (Finance, Plans and Reporting) Regulation 2010*.

### 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.

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



- 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 s133 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*, details of the planned borrowings for the budget year and the following nine (9) 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 >>

*Local Government Act 2009*

*Local Government (Finance, Plans and Reporting) Regulation 2010*

## 8. ASSOCIATED DOCUMENTS >>

Revenue Statement

Revenue Policy

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## CORPORATE SERVICES

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#### Planned borrowings are as follows:

Year and Purpose of Borrowing	Amount 000's	Term
Year ended 30/6/2013 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$12,000	20 Years
Year ended 30/6/2014 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$16,288	20 Years
Year ended 30/6/2015 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$16,008	20 Years
Year ended 30/6/2016 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$12,874	20 Years
Year ended 30/6/2017 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$4,983	20 Years
Year ended 30/6/2018 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$14,761	20 Years
Year ended 30/6/2019 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$17,365	20 Years
Year ended 30/6/2020 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$17,465	20 Years
Year ended 30/6/2021 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$17,817	20 Years
Year ended 30/6/2022 <ul style="list-style-type: none"><li>New Infrastructure Assets</li></ul>	\$10,000	20 Years

The amount projected to be outstanding at 30 June 2013 is \$365.54 million repayment. Term of new loans is 20 years with existing loans having repayment terms between 2 and 18 years. Anticipated loan principal repayments for the year ended 30 June 2013 is \$19.32million.

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## INVESTMENT POLICY

### 1. POLICY STATEMENT >>

Council will manage its investments on a corporate basis and in a centralised manner in accordance with council's Treasury Management Administrative Directive.

### 2. PRINCIPLES >>

This policy identifies council's overall financial risk philosophy and objectives.

### 3. SCOPE >>

This policy applies to all staff who are responsible for transactions which may affect council's investment accounts.

### 4. RESPONSIBILITY >>

The Chief Executive Officer and the Executive Manager Finance are responsible for ensuring this policy is understood and adhered to by staff.

### 5. DEFINITIONS >>

**At call** - an investment that can be redeemed and the moneys invested can be retrieved by the investor from the financial institution within 30 days without penalty.

**Counterparty** - a legal and financial term that refers to the other individual or institution to an agreement or contract.

**Credit risk** - the risk of loss due to the failure of the counterparty of an investment to meet its financial obligations in a timely manner.

**Financial institution** – an authorised deposit-taking institution within the meaning of the *Banking Act 1959 (Cwlth)*.

**Interest rate risk** - a change in the market value of the investment portfolio which arises due to a change in interest rates.

**Investment portfolio** - a collection of short term cash deposit investments.

**Liquidity risk** – the risk that council will have insufficient cash available to meet its

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



working capital needs.

**Transaction risk** - the risk of a direct or indirect loss resulting from inadequate or failed internal processes, people or systems.

**Responsible officer** – council officers who are responsible for activity directly related to the transfers of cash between council's investment accounts e.g. Treasury officers.

## 6. POLICY >>

Council's investments will be managed centrally on a corporate basis and a conservative investment approach will be applied.

Council will:

- preserve capital through the effective management of the investment portfolios exposure to credit risk, interest rate risk, liquidity risk and transaction risk;
- maintain sufficient liquidity of its investment portfolio to meet all reasonably anticipated cash flow requirements, as and when they fall due; and
- maintain an investment portfolio which is expected to achieve a market average rate of return.

### 6.1 Reporting and Performance Measurement

Reporting will be undertaken on a quarterly basis reviewing all investment related exposures, specifically detailing information on the investment portfolio in terms of interest rate, counterparty percentage exposure, year to date running yield (on internal investments) and year to date mark to market valuations.

Regular cash management reports (weekly) will be prepared by the Finance Department.

### 6.2 Documentation & Approval

Any transaction occurring between council's transactional bank account and at call cash deposit accounts will require approval from the Senior Financial Accountant – Treasury and Compliance.

Any transactions occurring between council's at call cash deposit accounts and cash deposit accounts, with a term to maturity of one month or more, will require approval from the Manager Financial Accounting.

Each transaction will require written confirmation by the approved financial institution. Council will maintain the necessary documents related to all transactions with approved

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



financial institutions.

#### 7. LEGAL PARAMETERS >>

*Statutory Body Financial Arrangements Act 1982*

*Statutory Body Financial Arrangements Regulation 2007*

*Local Government (Finance, Plans and Reporting) Regulation 2010*

*Banking Act 1959 (Cwlth)*

#### 8. ASSOCIATED DOCUMENTS >>

List of Authorised Deposit-taking Institutions (<http://www.apra.gov.au/adi/>)

Treasury

Management

Administrative

Directive

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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 2012/13 for the making, levying, recovery and concessions for rates and utility charges and the setting of cost-recovery fees and infrastructure 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 the 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 *Local Government Act 2009*, *Local Government (Finance, Plans and Reporting) Regulation 2010*, and *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*.

### 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 plans 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 payment plans 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.

Council intends to provide concessions, in 2012/13 for properties used for following purposes, or occupied by the following category of owner, subject to conditions and relevant policies of council:

- Pensioners
- Commercial Irrigation
- Caravan Parks
- Retirement Villages
- Charitable and Non-Profit Aged Care Facilities
- Schools
- Clubhouses and Halls - Charitable, and Non-Profit Organisations
- Churches and Church Halls
- Sporting Club Field Irrigation where access to the grounds is restricted
- Sporting Club Field Irrigation where access to the grounds is not restricted
- War Graves
- Special consideration for sale of Council owned land

The purpose of these concessions is to support owners and certain charitable organizations where the land use is considered to contribute to the social, cultural, economic or sporting welfare of the community; or the owner is a pensioner.

#### 6.5 Setting of cost-recovery fees

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



In setting cost-recovery fees, 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).
- fees associated with 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 capital.

### 6.6 Funding of new development

To minimise the impact of infrastructure charges on the efficiency of the local economy, council will be guided by the principle of user pays in the making of infrastructure charges for new development, to the extent permissible by law. However, the council will depart from that approach when it is in the community interest to do so.

Council will also have regard to the principles of:

- transparency in the making of infrastructure charges;
- having in place a infrastructure charging 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.

### 6.7 Funding of reserves

Council has created a number of reserves to cover anticipated future financial commitments. Council holds sufficient cash to ensure funding is available to support the purpose of each reserve. Movements in reserves are authorised in council's budget, as amended.

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



In 2012/13 Council will hold the following reserves:

Reserve	Budgeted balance as at 30 June 2013
Asset Replacement	\$1.713 million
Constrained Works	\$9.930 million
Recurrent	\$6.253 million
Other	\$13.447 million

#### 7. LEGAL PARAMETERS >>

*Local Government Act 2009*

*Local Government (Finance, Plans and Reporting) Regulation 2010*

*Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*

#### 8. ASSOCIATED DOCUMENTS >>

Revenue Statement

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## PENSIONER RATES CONCESSION POLICY

### 1. POLICY STATEMENT >>

Council will provide a rate concession to assist approved pensioner ratepayers..

### 2. PRINCIPLES >>

To provide a rate concession to approved pensioners.

### 3. SCOPE >>

This policy applies to the levying of rates upon approved pensioners.

### 4. RESPONSIBILITY >>

The Executive Manager Finance and the Revenue Co-ordinator are responsible for ensuring this policy is understood and followed by all staff involved in administering the pensioner rates concessions.

### 5. DEFINITIONS >>

#### Approved Pensioner:

- is and remains throughout the rating period 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 in the *Local Government Act 2009*.

**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).

**Pension** - a pension, allowance or benefit paid under a Law of the Commonwealth or State as prescribed by *Local Government (Finance, Plans and Reporting) Regulation 2010*.

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# POLICY

## CORPORATE SERVICES

### FINANCIAL SERVICES



## 6. POLICY >>

Council will provide rates concessions to approved pensioners as follows:.

### 6.1 The Rates Concession

The maximum pensioner rates concession available is 85% of the General Rates levied on an the pensioner's property, or \$800.00 per year, whichever is the lesser.

The amount of pensioner rates concession available to each approved pensioner will be calculated by reference to the proportion of a full pension that the ratepayer receives. That is if an approved pensioner ratepayer receives:

- .

- a full pension, the ratepayer will qualify for the maximum pensioner rates concession;
- a part-pension, the ratepayer will qualify for a pro rata portion of the maximum pensioner rates concession equivalent to the percentage of a full pension that they receive in the form of a part-pension, excluding any additional benefit or allowance;
- an allowance or benefit and not a pension or part-pension, the ratepayer will qualify for a pro rata portion of the maximum pensioner rates concession equivalent to the percentage of a full pension that they receive in the form the additional benefit or allowance.

If an approved pensioner ratepayer receives an Australian qualifying supplementary pension payment in addition to a like qualifying foreign pension payment, the concession 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 concession application, and adding same to the \$ Australian qualifying supplementary pension payment being received.

No pensioner rates concession is applicable where only a foreign pension payment is being received.

All annual applications must be confirmed by written advice by Centrelink.

### 6.2 Ownership

In cases of co-ownership, the pensioner rates concession will apply only to the approved pensioner's proportionate share of the general rates as recorded on the title for the property as registered at the Titles Office and advised to the council on the Property Transfer Information (Form 24) forwarded to council for change of ownership and rates purposes.

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This method of determining an approved pensioner's proportionate share shall apply except when 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 rates concession processed as if the pensioner were the sole owner;
- an approved pensioner and his/her spouse, but the spouse does not 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 tenure is to be treated as sole ownership and the pensioner rates concession processed as if the pensioner were the sole owner.

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

- he or she is listed by name as an owner on the registered Title for 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; or
- the pensioner is eligible as a life tenant to receive the pensioner rates concession as set out in the next part of this policy.

The criteria for determining eligible life tenants will be that:

- the pensioner must not have a major ownership interest in any other residential property (in Townsville or elsewhere); 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.

### 6.3 Tenancies

With the exception of life tenancies as described in Clause 6.2 of this policy, tenancies of any other sort (including life-time leases) are not regarded as the type of tenure that

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would entitle the pensioner to the pensioner rates concession 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

The pensioner rates concession is available only in respect of rates levied on an approved pensioner's principal place of residence located in Townsville, and while the pensioner is actually residing on the property.

For the purpose of determining whether an approved pensioner's residence constitutes his/her principal place of residence Townsville City Council will give due consideration to the following:

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

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.

When a pensioner, for reasons of ill health or infirmity does not permanently reside in the principal place of residence but instead resides in a nursing home or similar type accommodation where personal care is available on site and provided as required, or with family or friends, a pensioner rates concession may be allowed in respect of the pensioner's principal place of residence if it is not occupied on a paid tenancy basis during the absence of the approved pensioner owner/s. The pensioner must satisfy the Townsville City Council that the residence is not occupied on a paid tenancy basis and that the approved pensioner owner is responsible for the payment of rates and charges levied in respect of the property.

In cases where a pensioner owns a multi-unit property, commercial property or a rural property which is his/her principal place of residence, the pensioner rates concession

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may be applied to that property. The provision of the maximum pensioner rates concession has been included to prevent unduly large concessions being granted in such cases.

Notwithstanding these ownership requirements, when the sole registered owner dies and is, at the time of death, an approved pensioner in receipt of the pensioner rates concession, the surviving spouse will be entitled to the pensioner rates concession on a pro-rata basis from the date of his/her spouse's death, provided that:

- (a) he/she is eligible to be an approved pensioner at the time of his/her spouse's death; and
- (b) title to the property 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.

### 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 Withdrawal or Cessation of Pensioner Rates Concession

Pensioner rates concessions will only be allowed if the rates and charges for the period to which the concession relates are paid in full by 31 May of each financial year. Townsville City Council will reverse the pensioner rates concession for the current financial year if rates remain outstanding after 31 May.

Unless ceasing sooner because of the pensioner ceasing to meet other eligibility criteria, a pensioner rates concession will cease on the date of the approved pensioner's death or on the date that the property is sold.

Upon the sale of the property, it is the pensioner's responsibility to ensure that usual conveyancing practice is applied and an adjustment (based on the pensioner concession entitlement at the time of sale and normal rate charges thereafter) made at settlement. The council will not make refunds or allow further concessions as a consequence of this adjustment not being performed.

### 6.7 Prompt Payment Discount

The pensioner rates concession will not affect a pensioner's eligibility for any discount applied upon payment of rates by the due date.

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#### 6.8 Rates Arrears

The pensioner rates concession will be available to rates levied each year even if rates and charges levied in previous years remain outstanding. A concession will not apply to the outstanding rates and charges.

To obtain the concession at least the rates and charges for the current rating period (i.e. the rates and charges against which the concession has been calculated) must be paid by 31 May. *(It is not necessary to pay the rates and charges that are in arrears from previous rating periods to obtain the concession).*

If rates, charges and fire levies are in arrears as at 30 June, from 1 July thereafter the council will charge compound interest at the rate of 11% per annum .

The rates owing on an approved pensioner's property on which council has allowed pensioner rates concessions will be permitted to accumulate until -

- (a) the death of the pensioner; or
- (b) the sale or other disposal of the property; or
- (c) application to subdivide the land is made to the council.

These accumulation 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 will not press a pensioner for payment of arrears of rates and will not take recovery action against the pensioner to whom these accumulation provisions apply.

The council may seek to protect the community from loss by recovering any outstanding rates – including rates owed by a pensioner - when the independent market valuation of the property is less than the amount of outstanding rates.

#### 6.9 Administration

Unless otherwise provided under this policy, pensioner rates concessions will apply only to rates actually levied subsequently to the application being received by the council.

##### Late applications

Townsville City Council may accept late applications when the applicant met all the eligibility requirements at the commencement of the rating period but had not applied at that time. When a late application is accepted, the pensioner rates concession will apply to the rates levied in the rating period in which the application was received and future rates periods only. A concession will not be applied retrospectively to previous rating periods except in exceptional circumstances, in which case a concession may be

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applied to the immediately prior rates period also. A request must be made in writing by the applicant, advising the reason for the late application.

Applicants may be required to obtain payment details and documentation from Centrelink or the Department of Veteran Affairs to support their application. The application will be reviewed by the Executive Manager Finance who will decide if backdating to the maximum period will apply.

#### Confirmation of Eligibility

An application is required:

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

#### Initial or Re-established Eligibility

Council will only allow a pensioner rates concession when there are no rates arrears on the property as at the date the application is received

Application for the pensioner rates concession must be made on the prescribed form and 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 pension or concession card.

When 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 Townsville. 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.

#### Continuing Eligibility

Townsville City Council will verify continuing eligibility for the pensioner rates concession 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.

If the council is unable to confirm continuing eligibility, the pensioner rates concession will cease and the pensioner will have to re-apply if they wish to receive the concession.

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#### Pro-Rata Calculations

When a pensioner rates concession applies to rates on a property during only part of a rating period – such as upon the death of a pensioner or upon the purchase or the sale of the property – the council will calculate rates having regard to the dates of change evidenced by the Property Transfer Information (Form 24) or other official advice forwarded to Townsville City Council regarding change of ownership).

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

*Local Government Act 2009*

*Local Government (Finance, Plans and Reporting) Regulation 2010*

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

Pensioner Rates Concession Application Form  
Revenue Policy

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## **7. REVENUE STATEMENT >>**



## REVENUE STATEMENT >>

### 1. GENERAL RATES

To determine differential rating categories Council will principally use the Land Use Codes determined by the Department of Natural Resources and Mines to classify land within Townsville City Council boundaries and will also have regard to precincts or zones identified in the relevant current planning scheme, where it deems it appropriate.

Council considers these criteria as appropriate to differentiate land uses and the respective owner's capacity to contribute to council's general rate requirements.

Council will use the following categories of differential rates for 2012/13:

<i>Category</i>	<i>Description</i>
1	Residential Owner Occupied
2	Residential Non-Owner Occupied
3	Commercial
4	Warehouse, Bulk Stores
5	General Light Industry
6	Drive-in Shopping Centres (small)
7	Agriculture and Grazing
8	Multi-unit Dwellings
9	Land not otherwise defined
10	Shopping Centre > 40,000 sqm
11	Shopping Centres >20,000sqm and less than 40,001 sqm
12	Shopping Centres <20,000 sqm
13	Retail Warehouse >40,000 sqm
14	Retail Warehouse <40,001 sqm
15	Outdoor Sales Areas
16	CBD Residential Owner Occupied
17	CBD Residential Non-Owner Occupied
18	CBD Commercial
19	CBD Warehouse Bulk Store
20	CBD Light Industry

<i>Category</i>	<i>Description</i>
21	CBD Multi-unit Dwelling
22	CBD Other

## **2. NELLY BAY HARBOUR DEVELOPMENT SPECIAL RATE**

The special rate is levied on identified properties in Nelly Bay Harbour Development and is applied to maintaining water quality in the canals, dredging the canals, maintaining the rock walls around the canal area, and maintaining the sediment basin in Gustav Creek.

## **3. RURAL FIRE BRIGADES - SPECIAL CHARGE**

The special charge is levied on rateable lands serviced by the Black River and Districts, Bluewater, Bluewater Estates, Crystal Creek, Paluma, Purno, 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.

## **4. BLACK RIVER RURAL WATER SUPPLY SCHEME - SPECIAL CHARGE**

Owners of properties in the Black River Rural Water Supply area were given an option of making an up-front capital contribution of \$6000. Property owners who elected not to make the upfront capital contribution are required to pay a special charge of \$920.00 per lot per annum over a ten (10) year period commencing 1 July 2006 for connection to the Black River Rural Water Supply Benefited Area as defined by Council.

## **5. 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.

## **6. JULAGO AND ALLIGATOR CREEK WATER SUPPLY SCHEME**

Owners of properties in the Julago and Alligator Creek Water Supply Scheme 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 started on 1 July 2008.

## **7. COMMERCIAL BUSINESS ACTIVITY - WATER UTILITY CHARGES**

Council conducts Water services as a business activity on a commercial basis. The Utility Charges and other fees and charges for this business activity are set in accordance with Full Cost Pricing principles outlined in the Local Government (Beneficial Enterprises and Business Activities) Regulation 2010.

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

Non-residential water, including commercial, industrial and government agencies will be levied a fixed charged together with a consumption based charge applied to all consumption.

Residential water ratepayers will have a choice between two water pricing plans. Under the first method, Standard Plan ratepayers will be charged for a fixed allocation of water, plus a charge for any consumption in excess of this allocation. Under the second method, residential ratepayers will be charged a Water Watchers Plan (two-part tariff) which includes a fixed service charge and a consumption based charge applied to all consumption. The Standard Plan method will be applied unless a ratepayer indicates otherwise, using the Council's prescribed forms by the specified date.

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 1 January 2004.

Residential vacant land (unconnected) water charges are charged as a fixed access charge per allotment, to obtain a contribution from vacant land property owners towards the cost of water infrastructure available for connection.

The Fees received for the Water Services Activity are disclosed in council's Fees and Charges 2012/2013, the utility charges for this activity are disclosed in the attachment – Utility Charges – Water 2012/13.

## **8. COMMERCIAL BUSINESS ACTIVITY - WASTEWATER UTILITY CHARGES**

Council conducts Wastewater (Sewerage) services as a business activity on a commercial basis. The Utility Charges and other fees and charges for this business activity are set in accordance with Full Cost Pricing principles outlined in the Local Government (Beneficial Enterprises and Business Activities) Regulation 2010.

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

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

- Residential; and
- Non-residential.

Higher charges in the Non-Residential category reflect the greater demands on infrastructure in the high-density accommodation and commercial areas. The charge for the Non Residential category will apply for each pedestal installed on the premises.

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

The fees received for the wastewater activity are disclosed in council's Fees and Charges 2012/2013, the utility charges for this activity are disclosed in the attachment – Utility Charges – Sewerage 2012/13.

## **9. COMMERCIAL BUSINESS ACTIVITY - REFUSE AND RECYCLING UTILITY CHARGES**

Council conducts the Refuse and Recycling (Waste Management) services as a business activity on a commercial basis. The Utility Charges and other fees and charges for this business activity are set in accordance with Full Cost Pricing principles outlined in the Local Government (Beneficial Enterprises and Business Activities) Regulation 2010.

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

For Non-Residential premises, separate charges will apply on the basis of:

- a. Refuse Collection charge based upon each refuse collection service provided
- b. Recycling Collection charge based upon each recycling collection service provided.

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

The fees received for the refuse and recycling activity are disclosed in council's Fees and Charges 2012/2013, the utility charges for this activity are disclosed in the attachment – Utility Charges – Refuse and Recycling 2012/13.

#### **10. PENSIONER CONCESSIONS**

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

Council has adopted a Pensioner Rate Concession Policy in accordance with section 54 (1) (a) of the Local Government (Finance, Plans and Reporting) Regulation 2010 that grants certain pensioners a concession of 85% of the general rate, with a maximum limit as resolved as part of Council's annual budget. A pro-rata concession applies when they receive a part pension. Council's Pensioner Rate Concession Policy outlines the details of eligibility and application of this concession. Any pensioner concession allowed in the financial year will be reversed if rates and charges due for the financial year are not paid in full by 31st May 2013.

#### **11. RATE AND UTILITY CHARGES CONCESSIONS**

Concessions are available for general rates, water and sewerage charges to certain organizations where the land use is considered to contribute to the social, cultural, economic or sporting welfare of the community.

#### **12. LIMITATION OF RATES**

Council applies capping to all owner occupied residential lands which ensures that lands categorized as Category 1 and Category 16 as at 1 July 2012 will not exceed the amount of general rates levied for the property for the previous year plus a percentage increase resolved by council. This is subject to a minimum rate for each category and the provisions set out below.

Provisions for capping of general rates:

- a) Capping will apply to any land categorised as residential Category 1 and Category 16. The concession is not available retrospectively and will only apply from the beginning of a financial year.
- b) Capping will cease to apply, on and from the 1 July 2013, where ownership of any land to which capping previously applied, is transferred on or after the 1 July 2012. Land which is sold during 2012/13, is not eligible for capping in 2013/14. The new owner would be eligible for capping from 1 July 2014.
- c) The purchaser of any uncapped land during 2012/13 will not be eligible for capping until 1 July 2014.
- d) Where a dwelling is completed during 2012/13, on vacant land purchased prior to 1 July 2012, the owner will be eligible for capping from 1 July 2013 only. Where a dwelling is completed during 2012/13, on vacant land purchased during 2012/13, the owner will be eligible for capping from 1 July 2014 only.

### **13. 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 on certain rates and charges.

### **14. 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, at the rate of 11% per year in accordance with section 67 of the Local Government (Finance, Plans and Reporting) Regulation 2010.

Interest, at the above interest rate, 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.

### **15. COST- RECOVERY AND OTHER 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.

In setting cost-recovery and other fees and charges, council will apply the following criteria to be used in deciding the amount of any fee:

- Fees associated with cost recovery (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) where Council considers that it would not be reasonable to charge the full cost.
- 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 capital.

Council's adopted Fees and Charges include a mixture of cost recovery and commercial user-pays fees. The cost recovery (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 or service.

Council's Fees and Charges Register contains full details of fees and charges adopted by Council for the 2012/13 financial year, and is available on Council's website.



## **8. SCHEDULE OF RATES AND CHARGES 2012/13 >>**



## SCHEDULE OF RATES AND CHARGES 2012/13

### 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.
- On Approved Pensioner (detailed below) rates, charges and fire levies that remain unpaid as at 30/06/2013, interest will be charged from 01/07/2013 until date of payment.

#### Discount for Prompt Payment >>

A prompt payment discount is allowed when full payment of all rates and charges, including any arrears, is received by the due date shown on the notice.

Discount of 15% is calculated on the following charges: General Rates, Nelly Bay Harbour Special Rate and the Black River Rural Water Supply Scheme Special Rate.

#### Townsville City Council Pensioner Concession >>

A concession 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 2012/13 financial year are paid in full by 31/05/2013. A concession will also be extended on a pro-rata basis to eligible pensioners receiving less than a maximum qualifying pension. A fully completed Pensioner Application Form must be received by council before any council concession or state government subsidy is considered. When applications are approved, the pensioner concession and state government subsidy will commence in the current rating period. Applications to backdate the commencement of the concession will be considered in accordance with Council's Pensioner Rates Concession Policy. The Policy can be viewed on line at [www.townsville.qld.gov.au](http://www.townsville.qld.gov.au)

#### Approved Pensioner:

- Is and remains the holder of a Queensland Pensioner Concession 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
- Is the owner or life tenant (either jointly or solely) of the property which is his/her principal place of residence; and
- Is either solely or jointly with a co-owner, legally responsible for the payment of rates and charges for the specified property as defined in the Local Government guidelines and/or Council's Pensioner Rates Concession Policy.

The above concession 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.

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

In addition to the council concession, 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 \$200.00 per annum, as

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determined by the Department of Human Services.

This subsidy is paid by the State Government to the Council to be passed on to Approved Pensioners.

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 rating period. This applies within or outside of Queensland.

#### Other Concessions >>

Concessions are available for general rates, and utility charges to certain organisations where the land use is considered to contribute to the social, cultural, economic or sporting welfare of the community. A General rate concession of 100% is allowed for not for profit and charitable organisations. Concessions for utility charges are allowed to certain organisations detailed in the following table. All concessions are subject to written application for the concession. Details of application requirements can be obtained by phoning the Customer Service Centre on 1300 878 001.

Category	Water Concession as a % of Non-residential volumetric charge	Sewerage Concession as a % of the non-residential charge
Commercial irrigation	30%	n/a
Caravan parks	35%	35%
Retirement/lifestyle villages	55%	Nil
Boarding and lodging houses	20%	20%
Charitable and non-profit aged care facilities	73%	Nil
Schools	25%	Nil
Churches, church halls, clubhouses and halls – Charitable and non-profit organisations	73%	15%
Sporting field irrigation – restricted public access	73%	Nil
Sporting field – no public access restrictions *	95%	Nil
War Graves	5%	Nil
Approved transitional sewerage price plans	n/a	62%

\* Where an approved Water Efficiency Management Plan is not in place by 30<sup>th</sup> June 2012, the concession will revert to 73% of the non-residential consumption charge.

#### Owner-Occupied Benefit >>

Townsville City Council offers an 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 Trust, 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, Thuringowa Central & 103 Walker Street, Townsville City or Councils' website [www.townsville.qld.gov.au](http://www.townsville.qld.gov.au)

A fully completed owner occupied benefit form must be received by council before any benefit is considered. When applications are approved the owner occupied benefit is to be provided for the current rating period only and not applied retrospectively to previous rating periods.

#### **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 or property number(s) and/or the street address of any property in the advice.

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

A fee of \$60.00 will apply on each change of land ownership received and recorded by the Council. Various exemptions from the fee apply.

Advices are provided to Council after settlement of all property transfers by the Department of Natural Resources and Mines.

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

A fee of \$13.00 will apply for any/each copy of a notice issued prior to 1 July 2012. This charge also applies to the equivalent information provided verbally or by written advice.

Copies of notices can be obtained free of charge by registering with Council's online services via Council's public website at [www.townsville.qld.gov.au](http://www.townsville.qld.gov.au)

#### **Payment by Arrangement – Payment Plans >>**

Payment plans may be accepted under some circumstances where ratepayers are having financial difficulty. For such payment plans to be accepted ratepayers must contact the Townsville City Council, Customer Service Centre on 1300 878 001 to make an agreed payment plan before the due date shown on any notice. All payment plans will be confirmed in writing. Payment plans will be charged interest on all overdue rates and charges.

#### **LAND VALUATIONS >>**

##### **Rateable Value of Land >>**

Council uses the unimproved capital or site valuation as advised by Department of Natural Resources and Mines to determine the rateable value. The last valuation of the city was 1 October 2011 with the valuation being applied from 1 July 2012.

The rateable value of each property is to be the averaged unimproved or site value of that land. The averaged rateable value for rating purposes for year ending 30 June 2013 is the lesser of:

- a) The current unimproved or site valuation effective from 01/07/2012, or
- b) The amount calculated as follows:
  - i) The average of the last three unimproved capital and / or site valuations, i.e. (current Department of Natural Resources and Mines unimproved, capital and / or site valuation effective from 01/07/2012 + 2011/12 unimproved capital valuation + 2010/11 unimproved capital valuation) divided by three (3).
  - ii) In any other case – the current unimproved capital or site valuation, effective from 01/07/2012 multiplied by the averaging factor (0.995).

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

Section 52 of the Land Valuation Act 2010 provides for a separate valuation record for each lot. This means that a valuation will be issued in the name of the subdivider for each lot on plan. There will be no subsequent split actions. Section 50 provides that the amount of each valuation issued will be adjusted by the Local Council by a reduction of 40%, or other value as contained in the Land Valuation Act 2010. This section applies provided the land is not developed and continues 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 Natural Resources and Mines under the Land Valuation Act 2010 may, within 60 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 the approved form 58S or 58U, against the valuation. Objection forms and full details regarding objections to valuations can be found at

[www.derm.qld.gov.au/property/valuations/objections](http://www.derm.qld.gov.au/property/valuations/objections)

#### **DIFFERENTIAL GENERAL RATES >>**

##### **Categories and Criteria >>**

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

Land owners are advised on each rate notice the Land Use Code under which land is categorised and rated.

##### **Objections to Categorisation of Land for Rating >>**

Objections can be made about an allocated rating category 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, in writing, 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 Division 4 Section 23 of the Local Government (Finance, Plans and Reporting) Regulation 2010.
- f) All correspondence should be addressed to Townsville City Council, PO Box 1268, Townsville Qld 4810.

##### **Differential General Rate Categories>>**

Different rate categories are determined with reference to Land Use Codes and the Town Plan on the following basis:

*Categories 1 to 15 relate to lands not in the area described in the Town Plan as **Central Business District**.*

**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 50 of the Land Valuation Act 2010; 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 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 50 of the Land Valuation Act 2010; 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 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 developed floor space of more than 20,000m<sup>2</sup> and less than 40,000m<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 developed floor space of less than 20,000m<sup>2</sup>.

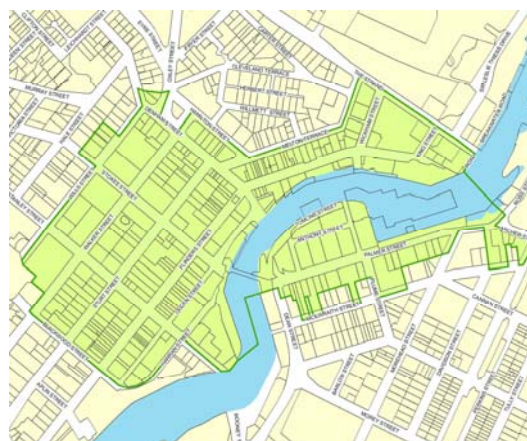
**CATEGORY 13 land is defined by the following Land Use Codes** >> 23, retail warehouse that matches the following description: The centre should have a fully developed floor space in excess of 40,000m<sup>2</sup>.

**CATEGORY 14 land is defined by the following Land Use Codes** >> 23, retail warehouse that matches the following description: The centre should have a fully developed floor space less than 40,000m<sup>2</sup>.

**CATEGORY 15 land is defined by the following Land Use Codes** >> 24, outdoor sales area.

**Categories 16 to 22 relate to lands described in the Town Plan as Central Business District. (See attached map of Central Business District)**

**CATEGORY 16 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 17 land is defined by the following Land Use Codes >> 1, 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 50 of the Land Valuation Act 2010; 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 18 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 outdoor sales area; 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 50 of the Land Valuation Act 2010; 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 19 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 20 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 21 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 22 land is defined by the following Land Use Codes >> all land not included in Categories 16,17,18,19,20 and 21.**

<b>DIFFERENTIAL GENERAL RATE AND MINIMUM RATE FOR EACH CATEGORY</b>		
<b>Category</b>	<b>Rate (cents) In \$</b>	<b>Minimum Rate</b>
Category 1	<b>0.925</b>	<b>\$990</b>
Category 2	<b>1.057</b>	<b>\$1,000</b>
Category 3	<b>1.704</b>	<b>\$1,225</b>
Category 4	<b>1.664</b>	<b>\$1,225</b>
Category 5	<b>1.664</b>	<b>\$1,225</b>
Category 6	<b>1.682</b>	<b>\$1,225</b>
Category 7	<b>0.978</b>	<b>\$1,225</b>
Category 8	<b>1.153</b>	<b>\$1,225</b>
Category 9	<b>1.663</b>	<b>\$1,225</b>
Category 10	<b>3.343</b>	<b>\$625,000</b>
Category 11	<b>1.863</b>	<b>\$600,000</b>
Category 12	<b>2.910</b>	<b>\$335,000</b>
Category 13	<b>3.348</b>	<b>\$110,000</b>
Category 14	<b>2.257</b>	<b>\$1,275</b>
Category 15	<b>1.829</b>	<b>\$1,170</b>
Category 16	<b>1.043</b>	<b>\$1,025</b>
Category 17	<b>1.181</b>	<b>\$1,060</b>
Category 18	<b>3.179</b>	<b>\$1,225</b>
Category 19	<b>3.199</b>	<b>\$1,225</b>
Category 20	<b>2.604</b>	<b>\$1,225</b>
Category 21	<b>1.697</b>	<b>\$1,250</b>
Category 22	<b>3.179</b>	<b>\$1,225</b>

### **Capping of Rates >>**

The following conditions apply to the capping of general rates for the year ending 30 June 2013.

- a) The differential general rate for land categorised as Category 1 and Category 16 as at 1 July 2012, will not exceed the amount

of general rates levied for the property for the previous year (year ending 30 June 2012), plus an increase of 30.0 per centum. This is subject to the provisions set out in (b) below and a Minimum Rate as set in the schedule Differential General Rate and Minimum Rate for each Category.

- b) Provisions for capping of general rates:
- Capping will apply to any land categorised as residential Category 1 and Category 16. The concession is not available retrospectively and will only apply from the beginning of a financial year.
  - Capping will cease to apply, on and from the 1 July 2013, where ownership of any land to which capping previously applied, is transferred on or after the 1 July 2012. Land which is sold during 2012/13, is not eligible for capping in 2013/14. The new owner would be eligible for capping from 1 July 2014.
  - The purchaser of any uncapped land during 2012/13 will not be eligible for capping until 1 July 2014.
  - Where a dwelling is completed during 2012/13, on vacant land purchased prior to 1 July 2012, the owner will be eligible for capping from 1 July 2013 only. Where a dwelling is completed during 2012/13, on vacant land purchased during 2012/13, the owner will be eligible for capping from 1 July 2014 only.

### **SPECIAL RATES >>**



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

#### **Nelly Bay Harbour Development**

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

A special rate of **0.82** cents in the dollar on the averaged rateable value of the land applies to identified properties.

#### **SPECIAL CHARGES >>**

##### **Rural Fire Brigades >>**

The special charge is levied on rateable lands serviced by the rural fire brigades listed below. This is for the purpose of providing these voluntary service brigades with the financial resources to acquire and maintain fire fighting equipment, and to qualify for state subsidies.

<b>Rural Fire Brigades</b>	<b>ANNUAL CHARGE</b>
Oak Valley	\$15
Rollingstone, Toolakea, Puroto	\$20
Clevedon, Horseshoe Bay, Majors Creek, Reid River, Rupertswood, Crystal Creek	\$25
Lime Hills Elliot, Saunders Beach, West Point	\$30
Bluewater Estate, Paluma	\$35
Black River, Bluewater, Cungulla	\$40
Rangewood	\$45

##### **Julago and Alligator Creek Water Supply Scheme**

Owners of properties in the Julago and Alligator Creek Water Supply Scheme 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 year instalments number eight (9) and nine (10) of \$525.00 each will be levied for the financial year 2012/13.

##### **Black River Rural Water Supply**

Owners of properties in the Black River Rural Water Supply area were given an option of making an up-front capital contribution of \$6000.00 Property owners who elected not to make the up-front

capital contribution are required to pay a special charge of \$920.00 per lot per annum over a ten (10) year period commencing 1/7/2006 for connection to the Black River Rural Water Supply Benefited Area as defined by Council.

#### **UTILITY CHARGES >>**

##### **Definitions>>**

**The following definitions apply to the levying of all utility charges.**

##### **Residential >>**

Land used to provide residential premises and whose property types are included in the Council's differential rating category 1, 2, 8, 15, 16, 17 and 21 including multi-unit dwelling (flats) with the exception of land used for the provision of aged care facilities, boarding and lodging houses, guest houses/private hotel and retirement and/or lifestyle villages/communities which will be assessed individually based on the types of services delivered.

##### **Non-Residential >>**

Land uses not provided for in the definition of Residential Customers.

##### **Bulk Water >>**

Non Residential uses where there is a connection to the Council's bulk distribution mains and where water consumption history demonstrates a sustained consumption of at least 150 megalitres per annum.

##### **Non-Potable >>**

Land uses where there is a connection to the Council's water distribution network and water is considered not fit for human contact.

##### **Non-Contributing >>**

Non Residential Land and Residential Land uses where there is a connection and the applicable contribution to the Council's Water Supply under Council's Planning Policies has not been received.

##### **Water Utility Charges >>**

##### **Residential >>**

Townsville City Council offers a choice between the **Standard Plan** and the **Water Watchers Plan** for residential properties.

The default option for developed residential properties will be the **Standard Plan**. This Includes vacant residential land connected to the water supply, unless otherwise advised. Residential property owners can only change their water billing method during the annual opt in period each year, unless there is a change of ownership or land use, or a water meter is connected to vacant land during the financial year.

Customers wishing to change plans should contact the Customer Service Centre. In instances of ownership or land use changes, the change of pricing plan will take effect from the date of the next scheduled water meter reading after the completed application form is received by Council. Pro-rata adjustments will be made according to the number of days the property is on each plan.

Vacant residential blocks of land with underground water infrastructure and no meter connected, will automatically default to the **Water Watchers Plan**. When a water meter is connected to vacant land the owner may choose the water pricing plan as part of the meter connection application.

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

##### **Standard Plan >>**

The following **Standard Plan** charges will apply to residential properties in the 2012/13 year:

A charge of \$681.00 per annum will apply for each dwelling/home unit for an annual allowance of 772 kL (\*). Excess water charges of \$2.61 per kL will apply to all consumption over 772 kL during the consumption year.

**(\*) 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.

##### **Water Watchers Plan >>**

The **Water Watchers Plan** will be calculated on the basis of a fixed annual access charge together with a consumption charge per kL of water used.

The following **Water Watchers Plan** charges will apply to residential properties in the 2012/13 year:

A fixed charge of \$310.00 per annum will apply for each dwelling / home unit / lot. Consumption will be charged at \$1.24 per kL of water used during the 2012/2013 consumption year.

#### **Metered Consumption >>**

Any queries or complaints about water consumption charges must be lodged in writing with Council prior to the due date shown on the relevant notice.

Relief from water charges resulting from leaking water pipes will be considered in line with Council's Reduction of Water Consumption Charges Due to a Water Leak Policy. Water charges being contested will incur interest charges if not paid by the due date in line with Council policy. All 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.

#### **Consumption year >>**

Water billing is based on the individual consumption year of the property, not the financial year.

#### **High Consumption Notice >>**

Council issues advice of high consumption to residential property owners after the completion of each quarterly reading where average daily consumption is in excess 2.5kL per day.

#### **Balance of Water Consumption Charges for the 2011/2012 consumption year >>**

The balance of water consumption charges for the 2011/2012 consumption year will be included on the first rate notice issued for the 2012/2013 year.

#### **Oak Valley Water Supply >>**

In addition to any other levy for the supply of water, each property in the Oak Valley Water Supply area connected to the Mt Jack pipeline must pay a capital contribution of \$7155 per property by way of 20 instalments made over a ten year period. The charge for 2012/13 is \$715.50 per property, being instalments 18 and 19.

#### **Non-Residential >>**

Non-residential water charges will be calculated on the basis of a fixed charge of \$316.00 per lot per annum, including vacant land, together with a consumption charge of \$2.48 per kL for water used.

Water supplied for irrigation purposes to commercial and industrial premises 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. A concession is available and details of Council's concession policy and application requirements are located on Councils' website at [www.townsville.qld.gov.au](http://www.townsville.qld.gov.au)

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

#### **Metered Standpipes >>**

Metered Standpipes - A charge of \$2.48 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 at [www.townsville.qld.gov.au](http://www.townsville.qld.gov.au)

#### **Bulk Water >>**

Bulk water charges will be calculated on the basis of a volumetric charge per kL of water used. Consumption will be charged at \$1.97 per kL used during the 2012/13 consumption year.

#### **Non-Potable Supply >>**

Non potable water charges will be calculated on the basis of a volumetric charge per kL of water used. Consumption will be charged at \$1.97 per kL used during the 2012/13 consumption year.

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

Service charges will apply from the date of registration of the plan where the land is within the water supply area.

Water consumption 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 kL 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 Watchers Plan charge or the Standard Plan charge, whichever is adopted by the consumer.

#### **Body Corporate and Community management Schemes >>**

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

#### **Wastewater (Sewerage) Utility Charges >>**

The following wastewater utility charges apply to land in a sewered area.

#### **Residential >>**

Residential wastewater utility charges will be calculated on the basis of a fixed charge as follows:

- >> For each dwelling, home unit, or flat - \$701.00 per annum or part thereof.
- >> For vacant land - \$631.00 (per lot) per annum or part thereof.

Note: For the purpose of wastewater charges only, aged care facilities and retirement and/or lifestyle villages/communities will be levied as residential properties.

#### **Non-Residential >>**



Non-residential wastewater utility charges will be calculated on the basis of a fixed annual service charge as follows:

- >> For each Pedestal - \$826.00 per annum or part thereof.
- >> For vacant land - \$743.00 (per lot) per annum or part thereof

Where a separate habitation space on non-residential 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 change will commence from the financial year in which the application is received, or from the date thereafter as assessed by Council.

#### **Non-Sewered Occupied Premises >>**

An unconnected property in a declared sewered area shall be levied wastewater utility charges as if it were connected. This excludes instances where another sewerage charge is also being applied to the land parcel(s) under any relevant rating assessment number.

#### **Wastewater Service Supplied under Contract or Agreement >>**

Wastewater services supplied under a contract or agreement with Council will be supplied at the charge specified in that contract or agreement.

#### **Sewerage Infrastructure Alternative Access Fee >>**

Where a property outside the sewered area is connected, an additional charge of \$544.00 per lot per annum applies.

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

##### **Trade Waste Categories >>**

Trade waste charges will be applied to properties based upon the following categories of activity conducted on that land:

- Category 1.1 - Food Industry (with grease trap)
- Category 1.2 - Automotive Industry
- Category 1.3 - Commercial Laundry
- Category 1.4 - Low Risk Generators
- Category 1.5 - Multiple Generators
- Category 2.0 - High strength/any volume discharger

##### **Determination of Charges >>**

Liquid Trade Waste charges will be calculated on the basis of:

- a. An annual access fee for each liquid trade waste approval holder each year dependant on the risk rating, and levied at the following rates:
  - For activities with a risk rating of 1 - \$1,243.00
  - For activities with a risk rating of 2 - \$662.00
  - For activities with a risk rating of 3 - \$482.00
  - For activities with a risk rating of 4 - \$261.00
  - For activities with a risk rating of 5 - \$171.00
  - For activities with a risk rating of 6 - \$81.00
- b. A volume charge for each trade waste approval holder, levied against the deemed trade waste discharge volume at the following rates:
  - For category 1.1 activities - \$1.89 per kL

- For category 1.2 activities - \$1.67 per kL
- For category 1.3 activities - \$1.55 per kL
- For category 1.4 activities - \$1.34 per kL

- For category 1.5 activities - \$1.89 per kL

The deemed trade waste discharge volume = (water consumption - 60 kL per pedestal) x applicable discharge factor.

- c. Pollutant charges for liquid trade waste approval holders in discharge category 2.0 are as follows:

- A trade waste discharge volume charge of \$2.11 per kL
- A chemical oxygen demand charge of \$1.10 per kilogram
- A suspended solids charge of \$1.03 per kilogram
- A Sulphate charge of \$0.59 per kilogram

Trade waste charges are levied in accordance with Council's Trade Waste Policy and Liquid Trade Waste Management Plan. For a copy of these documents please contact the Council's Customer Service Centre.

#### **Refuse and Recycling Utility Charges >>**

##### **Residential >>**

Residential properties will be levied \$224.00 per annum per dwelling, home unit or flat for a combined waste and recycling service, comprising of:

- Weekly kerbside collection of one domestic waste 240 litre wheelie bin (or one 120 litre wheelie bin at the owner's request); and
- Fortnightly kerbside collection of one recyclables 240 litre wheelie bin; and
- Six vouchers for domestic waste disposal at Council's Landfill sites

Additional weekly kerbside collection of one domestic waste 240 litre wheelie bin (or one 120 litre wheelie bin at the owner's request) can be provided at a cost of \$167.00 per annum.

Additional fortnightly kerbside collection of one recyclables 240 litre wheelie bin can be provided at a cost of \$57.00 per annum.

Residential properties in the defined Paluma collection area will be levied \$167.00 per dwelling, home unit, or flat for the weekly kerbside collection of one domestic waste 240 litre wheelie bin and six vouchers for domestic waste disposal at the Council's landfill sites.

Note: For the purposes of refuse and recycling utility charges only, boarding and lodging houses will be levied as residential properties.

##### **Services Outside the Defined Waste Collection Service Area >>**

Residential properties outside the defined waste collection service area can be provided with the following waste and recycling services upon application (conditions apply):

- \$167.00 per annum for a weekly kerbside waste collection service comprising of one 240 litre wheelie bin and six vouchers for the disposal of domestic refuse at the Council's landfill sites.
- \$57.00 per annum for a fortnightly kerbside recyclables collection service comprising of one 240 litre wheelie bin.

- Additional services are available upon application.

#### **Non-Residential >>**

Non-residential properties will be levied refuse and recycling utility charges as follows:

- \$169.00 per annum for a weekly kerbside refuse collection service comprising of one 240 litre wheelie bin; and
- \$76.00 per annum for a fortnightly kerbside recyclables collection service comprising of one 240 litre wheelie bin.
- Additional services are available upon application.

Where the number of equivalent services provided exceeds 12 services in one lift per week, customers or identified customer groups may apply for a quotation of a commercial charge as defined under the Local Government Act.

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

Refuse charges will be effective from the date of commencement of service or the date of the final inspection certificate and/or certification of classification issued, whichever is the sooner.

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

The property owner is responsible for the security and maintenance of any Council supplied wheelie bins and the repair or replacement of any such wheelie bin that may be damaged, lost or stolen. If your wheelie bin has been lost, damaged or stolen please contact the Council's Customer Service Centre on 1300 878 001.

#### **Urban Fire Levy Scheme >>**

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 Approved 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 2012/2013 >>**

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	\$46.00	Group 1	\$20.80
Group 2	\$166.80	Group 2	\$82.00
Group 3	\$404.40	Group 3	\$200.40
Group 4	\$811.80	Group 4	\$404.40
Group 5	\$1,335.80	Group 5	\$664.60
Group 6	\$2,395.60	Group 6	\$1,196.00
Group 7	\$3,911.60	Group 7	\$1,954.20
Group 8	\$5,983.40	Group 8	\$2,990.80
Group 9	\$10,620.00	Group 9	\$5,307.60
Group 10	\$21,806.40	Group 10	\$10,901.80
Group 11	\$36,916.00	Group 11	\$18,455.60
Group 12	\$68,248.00	Group 12	\$34,122.20
Group 13	\$78,234.60	Group 13	\$39,114.60
Group 14	\$117,355.40	Group 14	\$58,674.60
Group 15	\$195,591.80	Group 15	\$97,793.80
Group 16	\$325,992.20	Group 16	\$162,994.40