



**GLADSTONE**  
REGIONAL COUNCIL

# **SPECIAL BUDGET MEETING AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS - CIVIC CENTRE  
101 GOONDOON STREET, GLADSTONE**

**On 24 July 2018**

**Commencing at 9.00am**

**Roslyn Baker  
CHIEF EXECUTIVE OFFICER**

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## **S/1. MAYOR'S 2018/19 BUDGET**

### **S/1.1. MAYOR'S 2018/19 BUDGET OVERVIEW**

**Responsible Officer: Chief Executive Officer**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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#### **Purpose:**

The Mayor presenting an Overview Report on Council's 2018-19 Budget.

#### **Officer's Recommendation:**

That Council receive and adopt the Mayor's Budget Overview Report.

#### **Background:**

I am pleased to present my Council's third budget for this electoral term.

The 2018-19 Budget sees the continuation of the significant steps taken to deliver on several of my priority goals for our region, as per my mandate to the community as part of my election, namely:

- Ensuring the Gladstone Region receives its fair share of state and federal government funding;
- Increasing financial and in kind support for community and sporting groups; and
- Encourage and promote new and existing business development through fair infrastructure charge to create more jobs across the regions;

This is the first budget in line with our new Corporate Plan that envisions a Council that will "Connect Innovate Diversify", in order to deliver on that vision our organisation has been restructured to ensure that there is clear strategies that direct our investments in our assets and community services whilst at all times keeping the customer at the centre of everything we do.

I am pleased to report that 2018/2019 will both establish the baseline to deliver on our Corporate Vision whilst ensuring valued services and infrastructure are maintained and key infrastructure projects funded responsibly.

Council welcomes the continued assistance in funding of \$18.1m towards capital projects within the Gladstone Region, an assistance that is welcome from both the federal and state governments, outside of disaster recovery arrangement, capital grants total \$6.8m. This continued investment by other tiers of government through programmes such as: Works for Queensland, Building our Regions and Roads to Recovery.

My Council and I will continue to lobby and work with all levels of government to sustain or improve this much needed support for community projects and return of funds to the Gladstone Region.

The key contributions across the region that have been included in Council's budget for 2018-2019 are:

- Receipt of 50% of anticipated dividends and tax equivalents from Gladstone Area Water Board, nominally \$1.7m, which will be utilised to fund necessary improvements to the water network;
- Receipt of state government funding under the Works for Queensland Round 2 programme totalling \$2.1m towards: Bray Park (Boyne Island), Community Facilities (Gladstone/Calliope), Footpath Expansion Programme throughout the region;
- Receipt of state government funding through the Building our Regions Programme for key Water, Sewerage and Waste projects totalling \$2.2m, namely: Kirkwood Low Level Reservoir; Chapple Street Pump Station and Agnes Water Waste Transfer Station;
- Receipt of federal government monies under Natural Disaster Recovery and Betterment funding arrangements of \$15.3m, in total, towards works that improve the flood immunity of vulnerable floodways and causeway crossings, and repair impacted road assets throughout the region;
- Also from the Federal Government, it is welcome to see the continuation of Roads to Recovery Funding totalling \$0.55m, that will be a vital funding component for the commencement of the reconstruction of Red Rover Road.

Increasingly, though the burden of funding community assets related to growth has, by default, become a responsibility of the local government and its ratepayers, and is not a burden being shared between all levels of government. It is for this reason that Council welcomes the receipt of a share of GAWB dividends, and is utilising these as a partial funding source for the completion of critical water infrastructure that reduces the overloading of several key catchments, the Kirkwood and Paterson Street Reservoirs along with associated mains in Gladstone (totalling \$4.5m in 2018/2019).

Despite the continued burden, Council has done its very best in this budget to minimise the impact on residential ratepayers, the average general rate increase will be in line with CPI 1.89%. The overall rate increase for the average residential ratepayer will be 3.4%, this includes a 1% increase for the continued provision of recycling services to the Gladstone community that have had substantial additional world market pressures applied for which all alternative service options will be investigated during 2018/2019.

In summary:

- the average residential general rate will increase by CPI, 1.89%, or \$29 per annum
- there will also be a CPI increase in connection charges to the water network;
- there will be an increase in our service charges for sewerage of \$35 per annum for each domestic connection in the Gladstone scheme, to fund appropriately the necessary works to maintain a safe and reliable sewerage network;
- waste collection, will increase by \$30.50 due to recycling costs, to \$326.50 per annum.

Council will continue to break its domestic water and sewerage charges into half - yearly instalments as per 2017/2018. The first instalment is to be included on the Annual Rates Notice in August, and in February, in place of the water consumption notice, a second instalment in the form of a combined half yearly Water and Sewerage notice will be issued. This breakdown of the current annual levy for these services into two instalments, will ease the upfront cost for ratepayers and the continuation of the same levy structure will provide surety to our customers.

Council also retains its discount and instalment structure providing ratepayers with up to 60 days to attain discount, 10% offered for payments within 30 days, and 5% for payments with 60 days. Further, no interest will be applied to outstanding rates in the current year, provided ratepayers enter into an instalment plan.

Council will be delivering several major projects through funding within the 2018-19 Budget that will provide better roads, reliable water and sewerage services, and improved community infrastructure and recreation opportunities for the community, some of these projects include:

- \$14.2m in Flood Damage repair works;
- \$1.7m for reconstruction of Red Rover Road between the Power Station Bridge and Jeff Ringland Drive;
- \$1.06m for Kirkwood Road / Lavendar Boulevard intersection improvements;
- \$3.7m on Footpaths, including \$2.6m on renewals and \$0.7m for the Seventeen Seventy Marina to Seventeen Seventy SES Grounds;
- \$0.9m for Bray Park, Boyne Island – Pump Track;
- \$0.3m Lions Park, Gladstone Amenity Extension;
- \$9.2m on Gladstone Waste Water Treatment Plant, Biosolids Treatment;
- \$3.1m on Yarwun Waste Water Treatment Plant
- \$7.9m on Reservoir works, including \$4.5m for completion of the Kirkwood Road and Paterson Street Reservoirs.

Council thanks both Federal and State Government for their continued co-operation in working towards the delivery of a solution that will facilitate both the four laning of Philip Street and the development in parallel of the first stage of the Philip Street Communities and Families Precinct, that Council has committed \$1.06m to progress final design and early works in 2018-2019, ahead of the substantive works to complete the project of \$15.4m planned for 2019-2020.

Council has increased its assistance to community and sporting groups by increasing its level of Community Support Programmes, inclusive of Community Service Obligations to \$1.2m, this marks a fourfold increase during the current electoral term. This assistance comes from all areas of Council and in many forms such as:

- Subsidies for community and school events at the Gladstone Entertainment Convention Centre;
- Waiving of waste fees for community groups such as Red Cross and St Vincent de Paul;
- Water allocation for sporting clubs of 5,000 kl per hectare;
- Subsidies for development and building fees for community groups;
- Subsidise additional sewerage connections at sporting facilities;
- Support of lane hire fees for pensioners and community groups at Gladstone Aquatic Centre.

Council has continued to focus on business improvement initiatives across the business and the restructuring of Council's business is expected to yield significant achievements not only in operational efficiencies but more focused customer service, asset management and works planning, the long term benefits are expected to far exceed the one off implementation cost of \$3.8m.

### **Strategic Alignment**

The development of the 2018/2019 Budget has involved workshops with Councillors and staff to discuss key aspects of this budget, set the strategy and prioritise major expenditure.

A key aspect of the budget development has been ensuring short term decisions are consistent with Council's Long Term Financial Plan and adopted Asset Management and Debt Forecast Strategies which means Council has been able to consider the long term picture of service levels, rate increases, capital programs and borrowing levels when developing its budget.

Council's Long Term Financial Plan was revised in July 2017, a detailed credit review by Queensland Treasury Corporation is conducted bi-annually, and there is no change to Council's current credit assessment of moderate.

The Long Term Financial Plan principles remain as per adoption in July 2017, and will be extensively reviewed during 2018/2019, in line with the newly adopted operating model for Council.

The same principles of the externally reviewed Long Term Financial Plan, have been applied to inform the financial projection for future years.

Council will have a projected operating surplus of \$0.53m (or 0.3% of operating expenditure) for 2018-19, which is below the long term plan forecast of \$3.0m surplus, primarily due to the implementation costs of our new structure, that once implemented will ensure that we have an organisation that outperforms the current Long Term Financial Plan forecast.

The 2018-19 Budget places Council in a position to maintain a solid financial footing through the next term of Council, and provides a solid, stable platform for our region's continued growth.

## **Capital Expenditure**

Council in 2018-19, will continue to provide the basics of the infrastructure in Water, Sewerage and Roads, required to service our region. The single biggest capital item is the earmarked \$14.2m worth of recovery monies for affected assets from Ex TC Debbie.

An increased focus has been placed on the formulation of considered strategies to guide decision making and to ensure that those policies that guide Council strategy and direction are prioritised so that our future forecasts are informed with the most current and updated forecasts. \$6.7m has been earmarked for both the delivery of community facilities and development projects such as:

- Works for Queensland Round 2 projects for Community Groups of \$1.5m;
- Philip Street Community Precinct \$1.06m;
- CBD Strategies, Planning and Civic Precinct works of Footpath developments \$2.16m;
- Master Planning for Boyne Tannum Pool and Marley Brown - \$0.35m

Council has continued investment in the replacement of its infrastructure with \$84.7m or 81% of the \$103.7m capital budget, earmarked for replacing and upgrading existing assets.

Other major replacement projects, excluding ex-TC Debbie infrastructure repairs and replacements, include:

- Bitumen reseals - \$5.45m;
- Gravel re-sheeting \$2.91m;
- \$1.7m for the reconstruction of Red Rover Road (Power Station Rail Bridge to Jeff Ringland Drive);
- Sewerage asset replacements, including works at the largest Sewerage Pump Station at Chapple Street, improving telemetry control infrastructure through the region and technology across the networks, Gladstone, Yarwun and Boyne Island Waste Water Treatment Plant, total \$27.5m.

In addition to keeping pace with required levels of maintenance and replacement of our asset base, the budget provides for the demand for infrastructure to support the region's continued

growth and development of its communities. \$19.03m of growth or new capital expenditure is earmarked across the region.

The total Capital Budget for 2018-19 of \$103.7m, is broken into the following functional areas of Council:

	<b>2018/2019 Capital Budget</b>
Operations – Fleet, Buildings & Support	\$7.7m
Strategic Planning - incl. Community Projects (W4Q)	\$6.7m
Strategic Asset Design & Planning	\$1.8m
Roads & Drainage Network (include NDRRA Repairs \$14m - TC Debbie)	\$36.9m
Water	\$14.3m
Sewerage	\$29.5m
Waste	\$1.6m
Parks & Community Assets	<u>\$5.2m</u>
	<b><u>\$103.7m</u></b>

The funding of the capital program for 2018/2019 is from the general rate base and capital reserves of \$83.6m with direct capital contributions, grants and subsidies of \$20.1m.

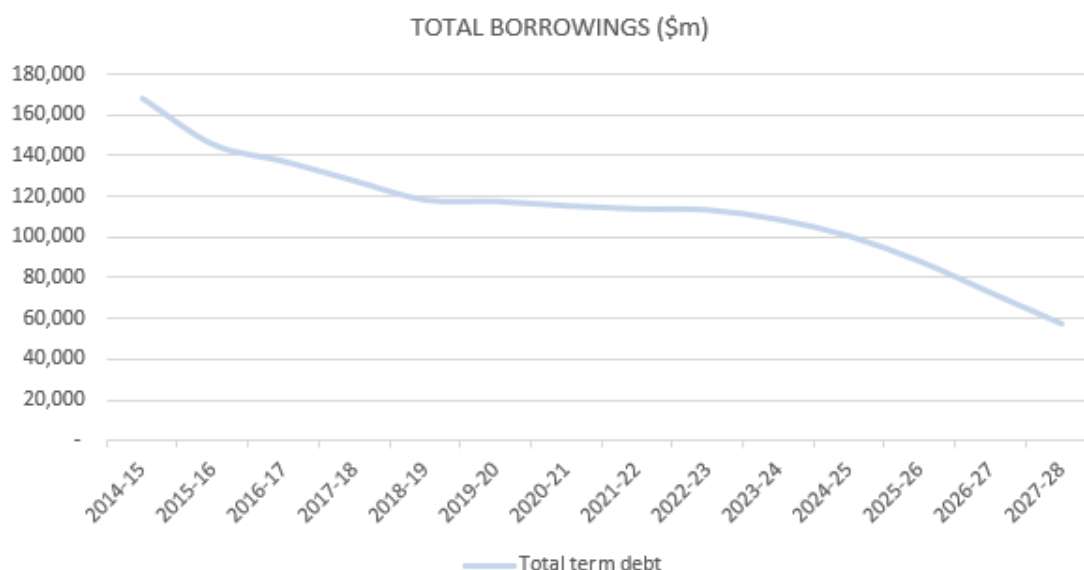
### **Borrowings**

For the sixth consecutive year there are no new borrowings. In 2018-19 loan repayments totalling \$16.7m will reduce the balance of outstanding loans by \$9.4m to \$118.4m out of a total asset base of \$2.594 billion.

The resultant debt ratio equivalent is 4.6% of physical assets, by the end of 2018-19.

Council's total debt has decreased from \$168.4m, at the start of the 2015/2016 financial year, to \$118.4m at the end of this budget period and further is expected to reduce to \$117.7m at the end of this Council term.

There are additional borrowings forecast to assist with the capital funding over the 10 year forecast period, totalling \$57m, with total debt not exceeding the debt level projected for 30 June 2019.



### Rates and Utility Charges

When looking at a typical residential ratepayer in Gladstone, the average increase in 2018-19 is 3.45%, across all services, this is above the current CPI of 1.89% (LGAQ Cost Index 2018):

	18/19	17/18	Movement
<b>Average Valuation</b>	\$112,163	\$125,662	-10.7%
<b>General Rate</b>	\$1,557.51	\$1,528.62	1.89%
<b>Water</b>	\$480.00	\$471.00	1.89%
<b>Sewerage</b>	\$735.00	\$700.00	5.00%
<b>Waste</b>	\$326.50	\$296.00	10.30%
<b>Gross Rates</b>	\$3,099.01	\$2,995.62	3.45%
<b>Discount</b>	-\$309.90	-\$299.56	
<b>Net Rates</b>	\$2,789.11	\$2,696.06	3.45%

Water and sewerage charges differ across the various schemes of Boyne Island/Tannum Sands, Calliope, Agnes Water/Seventeen Seventy and Miriam Vale / Bororen. Charges are detailed in the relevant sections below.

The total value of rates and charges proposed to be levied in 2018/2019 totals \$146.786m, this compares to a total levied in 2017/2018 of \$143.615m. This is a movement of 2.2% in total, of which 0.13% is related to growth in rateable properties.

### General Rates

Council was again the subject of a revaluation by the Valuer-General during the financial year, which saw valuations across the region as a whole decrease by 8.95%.

While the region suffered a valuation decrease during the year, Council continues to mitigate the impact of these fluctuation in valuations through application of a rate cap that identifies a maximum rate increase for properties that may still be transitioning to the full rate in the dollar, after major swings in property values over the past number of years. A cap of 10% for rural and residential properties and 15% for business and light industrial properties has been provided. A total of 10,406 properties are capped for general rates in 2018-19, due to the



significant movement in valuations in 2017-18 this has increased from 7,008 properties in 2017-18.

The CPI for the last 12 months, through to the end of March 2018, has been 1.9%. The local government cost index, prepared by LGAQ, is 1.89% for the 12 months to December 2017.

The average general residential rate, will increase in 2018-19 at a rate equivalent to Council's cost growth of 1.89%, due to the continual fluctuation in valuations there will be movements for individual properties above that rate.

A total of 48% of residential property owners (10,285 properties) will receive a general rate movement, equivalent or lower than CPI. A further 22% of properties (4,891 properties) will see an increase up to 5%. The remaining 30% of properties will have varying increases up to the maximum increase of 10%.

The minimum general rate for rural and residential ratepayers has been increased to \$990, from \$950, whilst this is a large increase, Council's minimum general rate will continue to be below both that of our near neighbours in Rockhampton and Bundaberg, and also below the average of similar sized Regional Council's across the state, which for last financial year was \$1,134.

A minimum general rate is set to ensure that there is a minimum contribution to fund programs where there is not a direct link between the service recipient and the service. Examples include parks, roads, community services and cultural development, general administration, libraries and customer service centres.

General rate revenue from the rural sector will increase in 2017-18 by 8%, with rural properties valuation wise decreasing 3.26% in total across the 4,256 rural properties. 40% of rural properties will have a decrease below CPI.

Council's pensioner concession has been retained at 50% of the general rate up to a maximum of \$290 per annum, which compares favourably to similar sized local governments, with maximum concessions of \$250 and \$140 available in Rockhampton and Bundaberg respectively.

Business, commercial, light and major industrial sectors will see an increase in general rates, at CPI at 1.89%.

### ***Refuse Charges***

Whilst Council underlying waste costs, excluding recycling increased in line with CPI, the recycling component has had significant cost pressures applied that are anticipated to cost Council up to an additional \$600,000 in 2018/2019.

Whilst all options will be looked at with respect to recycling and waste service options in future years, it has been necessary to pass through this cost in this budget.

The refuse charges across the region will increase to \$326.50 per annum, an increase of \$30.50, for a standard 240 litre weekly waste service, and a 240 litre fortnightly recycling service. This charge applies to all premises receiving a domestic waste and recycling service.

### **Sewerage Services**

Domestic sewerage charges for the 2018-19 financial year will increase by \$35 (5%) in the Gladstone domestic sewerage scheme, as Council continues to transition towards an equalised price across the region.

The price for each of Council's domestic sewerage schemes in Gladstone, Boyne Island, Tannum Sands, Calliope, Agnes Water and Seventeen Seventy is as per below:

<b>Sewerage Scheme</b>	<b>2018/2019 Rate</b>	<b>2017/2018 Rate</b>
Gladstone	\$735	\$700
Boyne Island / Tannum Sands / Calliope	\$758	\$744
Agnes Water / Seventeen Seventy	\$901	\$884

The AEC Group produce comparative data in relation to water and waste water charges in the state. The data in the most recent publication titled "2017/2018 Residential Water and Wastewater Price Benchmarking Report " states that the state average charge for sewerage in 2017/2018 was \$663.85 (net of all discounts), and the non-South East Queensland Average was \$705.30.

This compares favourably to the proposed charges in Gladstone of \$661.50 (net), and the smaller schemes of Calliope, Boyne Island and Tannum Sands schemes at a rate of \$682.20 (net).

The Agnes Water and Seventeen Seventy Scheme of \$810.90 (net) is above the published averages for 2017-18, however, given the relative size of this scheme, this is not unexpected.

### **Water Services**

Domestic water access charges for the 2017-18 year will increase in line with CPI in each of the water schemes of Lake Awoonga, Miriam Vale, Bororen, Agnes Water and Seventeen Seventy.

<b>Water Scheme</b>	<b>2018/2019 Rate</b>	<b>2017/2018 Rate</b>
Lake Awoonga	\$480	\$471
Miriam Vale / Bororen / Agnes Water / Seventeen Seventy	\$538	\$528

The consumption charge for those connected to the Miriam Vale / Bororen schemes, will be unchanged at \$3.69 per kilolitre and the Agnes Water / Seventeen Seventy Scheme will see no change, remaining at \$3.74 per kilolitre.

The price for water in the Lake Awoonga treated water supply will increase by 10c per kilolitre to \$1.80 per kilolitre, in line with the expected overall cost per kilolitre of water purchased from Gladstone Area Water Board (GAWB).

Referring to the AEC benchmark data for 2017-18, it is identified that the state average total water charge (access and consumption) for a 200 kl service is \$900.42. Gladstone Region's net figures for 2018-19 are as follows:

<b>Scheme</b>	<b>Consumption Base (in kilolitres)</b>	<b>Total Charge \$ (net)</b>
Lake Awoonga	200	792.00
	400	1,152.00
Miriam Vale / Bororen /	200	1,222.20
	400	1,960.20
Agnes Water / Seventeen Seventy	200	1,232.20
	400	1,980.20

The Lake Awoonga scheme shows a net increase of \$28.10 at 200kl and \$48.10 at 400kl consumption levels in 2018-19, with a \$9 increase in schemes at Miriam Vale, Bororen, Agnes Water and Seventeen Seventy.

The Lake Awoonga scheme compares favourably to the published state average utility prices.

I will leave the balance of my Council's budget to my Councillors who will release key features of the budget to you. I commend this budget for adoption.

**Attachments:**

Nil.

**Tabled Items:**

Nil.

**Report Prepared by:** Mayor Matt Burnett

## **S/1.2. REVENUE STATEMENT**

**Responsible Officer:** General Manager Finance Governance and Risk

**Special Budget Meeting Date:** 24 July 2018

**File Ref:** FM6.1, CM28.2

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### **Purpose:**

The purpose of this report is to allow Council to consider the revised Revenue Statement to support the 2018/2019 Budget.

### **Officer's Recommendation:**

That Council, in accordance with section 172 of the *Local Government Regulation 2012*:

1. Repeal P-2017-37 Revenue Statement; and
2. Adopt P-2018-14 Revenue Statement provided as Attachment 1.

### **Background:**

Under section 169 of the *Local Government Regulation 2012*, Council's budget for each financial year must include the adoption of a revenue statement. The revenue statement sets out an explanation that outlines and explains the revenue raising measures to be adopted in the budget.

### **Consideration:**

Some amendments have been made to this policy and Attachment 2 provides a version highlighting the changes.

### **Legal Environmental and Policy Implications:**

The Revenue Statement has been prepared in accordance with the requirements of section 172 of the *Local Government Regulation 2012*.

### **Attachments:**

1. P-2018-14 Revenue Statement; and
2. P-2018-14 Revenue Statement – Tracked Changes version.

### **Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## **S/1.3. LONG-TERM FINANCIAL FORECAST**

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of the Long-Term Financial Forecast, for the 10 years through to 30 June 2028, prepared in accordance with the requirements of the *Local Government Regulation 2012*.

### **Officer's Recommendation:**

That Council adopt the Long-Term Financial Forecast in accordance with section 171 of the *Local Government Regulation 2012*.

### **Background:**

Council's annual budget for a financial year must include a long-term financial forecast. Section 171 of the *Local Government Regulation 2012* sets out what the forecast must include, being:

- income;
- expenditure;
- the value of assets, liabilities and equity.

The Long Term Financial Plan (or forecast as it is referred to in legislation) is an integral part of the local government planning framework. The forecast is informed by not only the Gladstone Region Community Plan and the Gladstone Regional Council Corporate Plan 2018-2023, but also the latest information available at the time of preparation with respect to:

- master planning documents, inclusive of the Gladstone Region Social Infrastructure Strategic Plan and Sport and Recreation Plan;
- infrastructure schedules (Local Government Infrastructure Plans) included within the Our Place Our Plan Gladstone Regional Council Planning Scheme;
- latest population growth estimates from relevant sources;
- most recent estimates of development activity; and
- Asset Management Plans for the various classes of assets.

### **Consideration:**

It is the intent that this Long-Term Financial Forecast will be a dynamic document with all revenue and expenditure drivers and asset involvement assumptions reviewed regularly.

Legislatively the review period is annually, however in practice that frequency will be more often to ensure currency.

A number of key revenue and expenditure drivers have been identified by the best estimate of officers, with these assumptions having been used in the development of the 10 year forecast. Whilst these broad assumptions give some indication of what may happen over the coming ten years, they remain flexible.

The forecast becomes a guide for Council in future years, with the forecast not replacing the requirement to consider each annual budget in detail. Departing from the forecast assumptions, where appropriate considered, to settle on an acceptable budget position for the region as a whole, will be at the prerogative of Council.

**Communication and Consultation (Internal/External):**

The Long-Term Financial Forecast has been prepared on the basis of a number of individual master plans and assessment management plans, all of which have been subject to individual consultation with relevant stakeholders.

**Financial and Resource Implications:**

The Long-Term Financial Forecast details the statement of comprehensive income, statement of financial position, statement of cash flows, and statement of changes in equity.

**Attachments:**

1. Long-Term Financial Forecast

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## **S/1.4. DEBT POLICY**

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

The purpose of this report is to seek Council's endorsement of the Debt Policy for the 2018/2019 financial year.

### **Officer's Recommendation:**

That Council, in accordance with section 192 of the *Local Government Regulation 2012*:

1. Repeal P-2017-38 Debt Policy; and
2. Adopt P-2018-15 Debt Policy provided as Attachment 1.

### **Background:**

In accordance with the provisions of the *Local Government Regulation 2012*, Council is required to review its Debt Policy annually.

Debt is only used for capital purposes. The term of the debt is matched, as best as possible, to the life of the asset up to the maximum term imposed by Queensland Treasury Corporation (QTC). Borrowings usually have terms of 9, 12 or 15 years. Occasionally, for major capital projects, debt will be borrowed over a maximum term of 20 years.

The level of borrowings drawn each financial year is carefully monitored through long term financial modelling to ensure affordability. A number of financial measures are utilised to assess sustainability, including those mandated by legislation. In addition to internal assessments, Council is required to submit an annual application to the State Government, which includes the long-term financial forecast, to gain approval for all planned borrowings. The external debt assessments focus on the macro view of Council's ability to repay debt.

However, Council manages debt at a more detailed funding level internally, further ensuring the financial sustainability of borrowing decisions. Council seeks to minimise general rates as a funding source to repay debt, preferring to rely on specific revenue sources (water charges, sewerage charges) that are matched to the infrastructure being constructed.

Each year there is an amount of general borrowings that relies on the general rate as a funding source, but this is kept to a minimum.

Council when looking at managing its debt takes a holistic approach with respect to the management of both debt and also cash holdings (investments), and seeks to minimise the net interest cost to Council by focusing on cash management and ensuring the Long Term Financial Plan position is optimised to minimise the holding cost of debt.

**Consideration:**

All borrowing metrics established by the QTC and Department of Local Government and Planning, including interest coverage ratio and net financial liabilities, are within benchmarks for the forecast period.

Attachment 2 provides a version of the proposed policy which highlights the changes.

**Legal Environmental and Policy Implications:**

The Debt Policy has been prepared in accordance with the *Local Government Regulation 2012*.

**Attachments:**

1. P-2018-15 Debt Policy; and
2. P-2018-15 Debt Policy – Tracked Changes version.

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk



## **S/1.5. PROJECTED FINANCIAL STATEMENTS FOR YEAR END 30 JUNE 2019**

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of the projected financial statements for year ending 30 June 2019.

### **Officer's Recommendation:**

That Council adopt the projected financial statements attached for the year ending 30 June 2019 in accordance with section 169 of the *Local Government Regulation 2012*, noting the contents of the Balance Sheet include the statement of estimated financial position for the previous 2017/2018 financial year in accordance with section 205 of the *Local Government Regulation 2012*.

### **Attachments:**

1. Projected Financial Statements for year end 30 June 2019

### **Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## S/1.6. RATE PAYMENT PERIOD AND DISCOUNTS

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of rate payment periods and discounts.

### **Officer's Recommendation:**

That:

1. In accordance with section 107 of the *Local Government Regulation 2012* and section 114 of the *Fire and Emergency Services Act 1990*, Council's rates and charges outlined below will be levied on an annual basis in August / September:
  - general rates;
  - special rates and charges;
  - waste cleansing charges;
  - Emergency Management, Fire and Rescue Levy.
2. In accordance with section 107 of the *Local Government Regulation 2012*, Council rates and charges will be levied on a bi-annual basis in July/August/September and January/February/March:
  - trade waste charges;
  - water charges;
  - sewerage charges.
3. In accordance with section 118 of the *Local Government Regulation 2012*, Council determines that the following rates and charges shall be payable within sixty (60) days of the issue of the rate notice:
  - general rates;
  - special rates and charges;
  - waste cleansing charges;
  - sewerage charges;
  - trade waste charges;
  - water charges; and
  - Emergency Management, Fire and Rescue Levy.
4. In accordance with section 130 of the *Local Government Regulation 2012*, a discount of 10% will be allowed if payment is made in full within the discount period of the initial thirty (30) days of the date of issue of the rate notices and a discount of 5% will be allowed if payment is made in full within the discount period after the initial thirty (30) day period but before sixty (60) days of the date of issue of the rate notice, for the following rates and charges:
  - general rates;
  - waste cleansing charges;
  - sewerage charges;
  - trade waste charges; and
  - water access (fixed costs component) charges.

5. No discount will be offered in respect of the following rates and charges:
  - special rates and charges;
  - water consumption charges; and
  - Emergency Management, Fire and Rescue Levy.
  
6. In accordance with section 129 of the *Local Government Regulation 2012*, ratepayers will be afforded the opportunity to pay their annual rate account by instalments in accordance with the conditions outlined in section 6.10.2 of P-2018-14 Revenue Statement.
  
7. In accordance with section 133 of the *Local Government Regulation 2012*, any rates or charges remaining outstanding from the date on which they become overdue will thereafter bear interest at the rate of 11% per annum, compounding daily.

**Attachments:**

Nil

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## S/1.7. DIFFERENTIAL GENERAL RATES

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of differential general rates.

### **Officer's Recommendation:**

That:

1. In accordance with section 81 of the *Local Government Regulation 2012*:
  - a. the categories into which rateable land is categorised and the description of each of those categories for 2018/2019 financial year is set out in section 6.2.2 of P-2018-14 Revenue Statement; and
  - b. Council delegates to the Chief Executive Officer the power to identify the rating category to which each parcel of rateable land belongs, as set out in section 6.2.2 of P-2018-14 Revenue Statement.
  
2. In accordance with section 94 of the *Local Government Act 2009* and sections 77, 80, and 81 of the *Local Government Regulation 2012* ("Regulation"), the following differential general rates be made and levied for the 2018/2019 financial year:
  - a. for properties within Category 1: 1.428c rate in the dollar, with a minimum rate of \$990.00 and Regulation section 116 shall apply with the amount so levied not to exceed 110% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
  - b. for properties within Category 2: 0.677c rate in the dollar, with a minimum rate of \$6,950.00 and Regulation section 116 shall apply with the amount so levied not to exceed 110% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
  - c. for properties within Category 3: 1.177c rate in the dollar, with a minimum rate of \$990.00 and Regulation section 116 shall apply with the amount so levied not to exceed 110% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
  - d. for properties within Category 4: 1.349c rate in the dollar;
  - e. for properties within Category 5: 1.289c rate in the dollar, with a minimum rate of \$990.00;
  - f. for properties within Category 6: 3.335c rate in the dollar, with a minimum rate of \$990.00 Regulation section 116 shall apply with the amount so levied not to exceed 110% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
  - g. for properties within Category 7: 6.062c rate in the dollar, with a minimum rate of \$1,196.00 Regulation section 116 shall apply with the amount so levied not to exceed 110% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
  - h. for properties within Category 8: 3.526c rate in the dollar, with a minimum rate of \$1,530.00; Regulation section 116 shall apply with the amount so levied not to exceed 110% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;

- i. for properties within Category 9: 2.944c rate in the dollar, with a minimum rate of \$1,090.00; Regulation section 116 shall apply with the amount so levied not to exceed 115% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
- j. for properties within Category 10: 2.085c rate in the dollar, with a minimum rate of \$30,000.00;
- k. for properties within Category 11: 3.344c rate in the dollar, with a minimum rate of \$103,849.00;
- l. for properties within Category 12: 3.747c rate in the dollar, with a minimum rate of \$109,023.00;
- m. for properties within Category 13: 7.581c rate in the dollar, with a minimum rate of \$300,000.00;
- n. for properties within Category 14: 14.74c rate in the dollar, with a minimum rate of \$93,257.00;
- o. for properties within Category 15: 92.437c rate in the dollar, with a minimum rate of \$357,700.00;
- p. for properties within Category 16: 5.685c rate in the dollar, with a minimum rate of \$1,090.00; Regulation section 116 shall apply with the amount so levied not to exceed 115% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
- q. for properties within Category 17: 13.462c rate in the dollar, with a minimum rate of \$2,517.00; Regulation section 116 shall apply with the amount so levied not to exceed 150% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
- r. for properties within Category 18: 11.701c rate in the dollar, with a minimum rate of \$2,517.00 Regulation section 116 shall apply with the amount so levied not to exceed 150% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
- s. for properties within Category 19: 11.175c rate in the dollar, with a minimum rate of \$1,090.00; Regulation section 116 shall apply with the amount so levied not to exceed 150% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
- t. for properties within Category 20: 11.399c rate in the dollar, with a minimum rate of \$2,517.00; Regulation section 116 shall apply with the amount so levied not to exceed 150% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year;
- u. for properties within Category 21: 16.544c rate in the dollar, with a minimum rate of \$1,090.00;
- v. for properties within Category 22: 5.914c rate in the dollar, with a minimum rate of \$67,697.00;
- w. for properties within Category 23: 2.34c rate in the dollar, with a minimum rate of \$1,090.00; Regulation section 116 shall apply with the amount so levied not to exceed 115% of the corresponding annual amount levied as the differential general rate in the 2017/2018 financial year; and
- x. for properties within Category 24: 69.621c rate in the dollar, with a minimum rate of \$3,757,200.00.

**Attachments:**

Nil

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

**S/1.8. PENSIONER REMISSION****Responsible Officer: General Manager Finance Governance and Risk****Special Budget Meeting Date: 24 July 2018****File Ref: FM6.1, CM28.2****Purpose:**

This report seeks the endorsement of P-2018-13 Pensioner Remission policy, to apply to the 2018/2019 financial year.

**Officer's Recommendation:**

That Council:

1. Repeal P-2017-36 Pensioner Remission policy;
2. Adopt P-2018-13 Pensioner Remission policy provided as Attachment 1;
3. In accordance with section 120, 121 and 122 of the *Local Government Regulation 2012* and the requirements of Councils Pensioner Remission Policy, a rebate of the differential general rate of 50% up to a maximum \$290 per annum be granted to all ratepayers who are pensioners and who are eligible for the State Government pensioner remission.

**Background:**

Under section 120(1)(a) of the *Local Government Regulation 2012*, a local government may grant a concession if it is satisfied that "the land is owned or occupied by a pensioner".

**Consideration:**

The concession / remission encourages pensioners to be independent and continue to live in their own home where possible.

Under Council's Policy, eligible pensioners will receive 50% of the Differential General Rate up to a maximum of \$290. This is in addition to the 20% of the gross rates and charges up to a maximum of \$200 available under the Queensland State Government Pension Rebate.

The State Government Rebate is available to those persons who hold a Pensioner Concession Card or a Department of Veterans' Affairs Health Card for all conditions (Gold Card). Similarly to the State Government Scheme, Council's policy requires the pensioner to be the owner and resident of the property. Furthermore, the proportion of benefit for the Council remission will be granted in accordance with that of the State Government Scheme.

**Financial and Resource Implications:**

For the period 01 July 2017 to 30 June 2018:

Total Council remission granted:	\$ 770,078.82
Reversals of Council remission due to sale of properties:	\$ 22,563.79
<b>Total cost to Council 01.01.2017 - 30.06.2018:</b>	<b>\$ 747,515.03</b>

**Attachments:**

1. P-2018-13 Pensioner Remission; and
2. P-2018-13 Pensioner Remission – Tracked Changes version.

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## **S/1.9. WASTE CLEANSING CHARGES**

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of waste cleansing charges for 2018/2019.

### **Officer's Recommendation:**

That in accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the following utility charges be made and levied for the 2018/2019 financial year:

1. Domestic Refuse - Wheeled Bin Collection Normal Collection Day:
  - an annual charge of \$326.50 will be levied for each domestic premises in the designated waste collection area. A domestic bin service provides for the removal from the premises of a weekly 240 litre wheeled cart of refuse and a fortnightly service of a 240 litre wheeled cart of recyclables;
  - optional 240 litre cart of refuse collected and disposed of weekly and one 340 litre wheeled cart of recyclables collected and processed fortnightly shall be \$351;
  - optional 140 litre cart of refuse collected and disposed of weekly and one 240 litre wheeled cart of recyclables collected and processed fortnightly shall be \$307;
  - optional 140 litre cart of refuse collected and disposed of weekly and one 340 litre wheeled cart of recyclables collected and processed fortnightly shall be \$326.50;
  - additional 2nd 240 litre wheeled cart of refuse collected and disposed of weekly carried out in conjunction with the 1st domestic service shall be \$248;
  - additional 2nd 240 litre wheeled cart of recyclables collected and processed fortnightly in conjunction with the 1st domestic service shall be \$154;
  - additional 2nd 340 litre wheeled cart of recyclables collected and processed fortnightly in conjunction with the 1st domestic service shall be \$177.
  
2. Commercial Refuse - Wheeled Bin Collection Normal Collection Day:
  - optional annual charge will be levied for each premises in the designated waste collection area, which charge will be \$409 per Commercial Bin Unit included in the Nominated Bin Unit, for the purpose of providing for the removal from the premises weekly Commercial Refuse and fortnightly Commercial Recycling;
  - optional annual charge will be levied for each premises in the designated waste collection area, which charge will be \$490 per Commercial Bin Unit included in the Nominated Bin Unit, for the purpose of providing for the removal from the premises weekly Commercial Refuse and fortnightly Commercial Recycling based on a 340 litre wheeled cart of recyclables;
  - additional 2nd 240 litre wheeled cart of refuse collected and disposed of weekly carried out in conjunction with the 1st commercial service shall be \$306;



- additional 2nd 240 litre wheeled cart of recyclables collected and processed fortnightly in conjunction with the 1st commercial service shall be \$177;
- additional 2nd 340 litre wheeled cart of recyclables collected and processed fortnightly in conjunction with the 1st commercial service shall be \$258.

3. Bulk Refuse:

In cases where the Owner/Occupier of any multi residential (over 6 units) premises has entered into a contract with a Waste Service Provider for a Bulk Bin service for the whole of the period from 1st July 2018 to the next succeeding June 30th, which has sufficient capacity to contain all refuse likely to be generated in or on such premises then the charges specified in clause 2 shall be waived.

4. Waste Service Contribution for Facing Island and Curtis Island (Waste Transfer Service):

An annual charge of \$326.50 for each premises situated on Facing Island or Curtis Island, for the purpose of providing the Facing Island (including Gatcombe Head) or Curtis Island Waste Transfer Service.

5. New / Additional Service:

The commencement date for application of charges with respect to new and / or additional services will be the earliest of either the plumbing approval or delivery of refuse bins.

**Attachments:**

Nil.

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

**S/1.10. WATER CHARGES****Responsible Officer: General Manager Finance Governance and Risk****Special Budget Meeting Date: 24 July 2018****File Ref: FM6.1****Purpose:**

This report seeks the adoption of water charges for 2018/2019.

**Officer's Recommendation:**

That in accordance with section 94 of the *Local Government Act 2009* and Chapter 4, Part 7 of the *Local Government Regulation 2012*, Council make and levy the following utility charges for the 2018/2019 financial year:

## 1. Fixed Cost Component - Standard Service:

Water Service Size	Lake Awoonga Treated Water Scheme	Miriam Vale & Bororen Treated Water Schemes	Agnes Water / Seventeen Seventy Treated Water Scheme
Vacant	\$480	\$538	\$538
20mm	\$480	\$538	\$538
20mm (sub-meter)	\$360	\$403.50	\$403.50
25mm (domestic)	\$480	\$538	\$538
25mm (commercial)	\$749	\$839	\$839
32mm	\$1,229	\$1,377	\$1,377
40mm	\$1,920	\$2,152	\$2,152
50mm	\$3,000	\$3,363	\$3,363
80mm	\$7,680	\$8,608	\$8,608
100mm	\$12,000	\$13,450	\$13,450
150mm	\$27,000	\$30,263	\$30,263
150mm (Rail Corridor Land)	\$54,384	\$60,955.40	\$60,955.40
200mm	\$48,000	\$53,800	\$53,800
250mm	\$75,000	\$84,063	\$84,063
300mm	\$108,000	\$121,050	\$121,050
375mm	\$168,750		

## 2. Consumption Charge per Kilolitre by Supply Type and Water Scheme:

Scheme	\$ per Kilolitre
Lake Awoonga Treated Water Scheme	1.80
Miriam Vale & Bororen Treated Water Schemes	3.69
Agnes Water / Seventeen Seventy Treated Water Scheme	3.74

- a. In determining water consumption charges, based on the above unit rates, Council will apply section 102 of the *Local Government Regulation 2012* to calculating water consumption charges against land or premises for which consumption charges were made and levied, so that:

- regardless of whether the meter reading for the second half of the 2017/2018 financial year occurs before the end of that financial year or after the beginning of the 2018/2019 financial year, the consumption charge for that half year is calculated in accordance with the relevant basis of charge in Council's rating resolution for the 2017/2018 financial year; and
  - regardless of whether the meter reading for the second half of the 2018/2019 financial year occurs before the end of that financial year or after the beginning of the 2019/2020 financial year, the consumption charge for that half year is calculated in accordance with the relevant basis of consumption charge for the 2018/2019 financial year.
- b. Council will apply section 102(2) of the *Local Government Regulation 2012* to the reading of water meters so that if a meter is due to be read on a particular day (e.g. the last day of a half year) to enable Council to calculate a consumption charge to be levied, the meter will be deemed read on that particular day if it is read within 2 weeks before the day or 2 weeks after the day.
- c. The commencing water meter reading for a consumption charge cycle is the reading last recorded in a biannual charge cycle, or, in the case of a new meter connection, the reading recorded on the day of connection.
3. The Beecher/Burua and Tuckers Road Constant Flow Water System:
- For those properties connected to the constant flow water scheme, the rate is determined based on the charges below and the flow rate permitted by the valve installed on each connection. This will determine the amount of kilolitres charged for those unmetered services.

Fixed or Access Charge	\$480.00 per connection
Consumption Charge	\$1.98 per kilolitre

**Attachments:**

Nil.

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## S/1.11. SEWERAGE CHARGES

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

### Purpose:

This report seeks the adoption of sewerage charges for 2018/2019.

### Officer's Recommendation:

That in accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the following utility charges be made and levied for the 2018/2019 financial year:

#### 1. Sewerage Unit Classifications:

Sewerage charges in the urban areas of Gladstone, Boyne Island, Tannum Sands, Calliope, Agnes Water, and Seventeen Seventy are levied on a "per unit" basis with the number of units allocated to particular land uses, dependent on expected demand:

No.	Category	Unit
1	Each vacant allotment located within the declared sewerage area.	7
2	Each single unit dwelling constructed on an allotment and located within the declared sewerage area.	10
3	First Connection - each commercial, industrial premises connected to the scheme including accommodation units and caravan parks.	10
4	Additional Connections - each commercial, industrial premises connected to the scheme including accommodation units and caravan parks, for each additional pedestal or metre of urinal, as assessed by Council's Plumbing Inspectors.	7

#### 2. Unit Charge:

Urban Sewerage Scheme - Gladstone	\$73.50 per unit
Urban Sewerage Scheme - Boyne Island, Tannum Sands, and Calliope	\$75.80 per unit
Urban Sewerage Scheme - Agnes Water / Seventeen Seventy	\$90.10 per unit

- The sewerage charge levied in respect of the Boyne Aluminium Smelter be \$118,248 being the equivalent of 156 standard dwellings which has been assessed on actual usage.
- The sewerage charge levied in respect of the NRG Power Station, located at Lot 1 CP 818823 Parish Auckland be \$6,618.20 being 20 units at a rate of \$330.91.

## 3. Yarwun Industrial Area:

The following charges be imposed in respect of the Yarwun Industrial Area:

## Sewerage Charge:

a.	ORICA Chemical Plant	\$127,019
b.	Transpacific Plant	\$34,157
c.	Comalco Refinery	\$702,040

## Trade Waste Charge:

a.	ORICA Chemical Plant	\$286,160
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## 4. Curtis Island Sewerage Scheme:

The following volumetric (consumption) charges be imposed in respect of the Curtis Island Sewerage Scheme, in accordance with the principles identified in the respective Service and Special Charge Agreements:

a.	Australia Pacific LNG	107.216 cents per kilolitre of wastewater discharged from the LNG facility.
b.	Queensland Curtis LNG	107.216 cents per kilolitre of wastewater discharged from the LNG facility.
c.	GLNG	107.216 cents per kilolitre of wastewater discharged from the LNG facility.

**Attachments:**

Nil.

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## S/1.12. SPECIAL CHARGE

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of special charges for 2018/2019.

### **Officer's Recommendation:**

That:

1. In accordance with section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, and pursuant to a service and special charge agreement made with each of Australia Pacific LNG (Shared Facilities) Pty Limited (APLNG); QCLNG Land Pty Ltd (QCLNG), and GLNG Operations Pty Ltd (GLNG), Council will levy a special charge "Curtis Island Sewerage Infrastructure Special Charge" on the following rateable land parcels at Curtis Island:
  - a) Lot 3 on SP228454, Lot 3 SP235971, Lease A SP 252872, and Lease B SP252872 (APLNG Land);
  - b) Lot 2 on SP228185, and Lot 2 on SP228454 (QCLNG Land); and
  - c) Lot 1 on SP235007 (GLNG Land).
2. In accordance with section 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, the Council levy the Curtis Island Sewerage Infrastructure Special Charges for 2018/2019 as:
  - APLNG Land - \$1,994,025.16 per annum;
  - QCLNG Land - \$4,942,291.00 per annum;
  - GLNG Land - \$928,373.54 per annum
3. The purpose of the special charge is to reimburse Council the cost it incurs in operating its Curtis Island wastewater collection and reticulation infrastructure (the *Wastewater Infrastructure*) to provide a wastewater disposal and processing service (the *Wastewater Service*) for the special benefit of those land parcels, each of which is used for operations that especially contribute to the need for the service activity. Council created the collection and reticulation infrastructure pursuant to common use infrastructure agreement, dated 24 August 2011 with Gladstone Area Water Board and APLNG.
4. The Overall Plan for the service to which the special charge applies, is as follows:
  - a) Council will operate the Wastewater Infrastructure to service the liquefied natural gas (LNG) production, storage, and distribution facilities (the *LNG Facilities*) that APLNG, QCLNG, and GLNG operate upon the land parcels.
  - b) Council will recoup, pursuant to the service and special charge agreements, its operating and capital costs associated with operating the Wastewater Infrastructure.
  - c) The estimated cost of operating the Wastewater Infrastructure over a 25-year period and recovering capital costs in accordance with the service and special charge agreements is \$129.887 million in current terms.

- d) The estimated time for implementing the overall plan is 25 years, expiring on 30 June 2039.
5. The Annual Implementation Plan for the 2018/2019 financial year is that Council will operate the Wastewater Infrastructure to service the LNG Facilities, and will apply the special charge revenue, which it estimates at \$7,864,689.70, against the operating cost it incurs.

The LNG Facilities land to be levied with the special charge especially benefits from the Wastewater Service because:

- a) operations upon each LNG Facility consume significant volumes of water and produce significant volumes of wastewater;
- b) it was necessary for Council to construct and commission the Wastewater Infrastructure (pursuant to the common use infrastructure agreement) to enable APLNG, QCLNG and GLNG to construct and operate the LNG Facilities; and
- c) the LNG Facilities cannot operate without the Wastewater Service.

**Attachments:**

Nil

**Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk

## **S/1.13. FEES AND CHARGES FOR THE 2018/2019 FINANCIAL YEAR**

**Responsible Officer:** General Manager Finance Governance and Risk

**Special Budget Meeting Date:** 24 July 2018

**File Ref:** FM6.1

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### **Purpose:**

This report seeks the adoption of fees and charges for the 2018/2019 financial year.

### **Officer's Recommendation:**

That Council adopt the 2018/2019 Schedule of Fees and Charges provided as Attachment 1, to be effective from 24 July 2018.

### **Background:**

The fees and charges have been reviewed and collated as part of the budget development process for the 2018/2019 financial year.

Fees and Charges have been determined in line with the principles documented in Council's Revenue Policy (P-2018-19), and dependent on the type of goods or services provided, are a mixture of both:

- commercial and cost recovery fees; and
- subsidised fees that are reflective of the inherent community service value of the goods and services provided so that charging a cost reflective fee would discourage such use or service.

### **Communication and Consultation (Internal/External):**

All Council departments and Councillors have been consulted in the development of the fees and charges for the 2018/2019 financial year.

### **Financial and Resource Implications:**

Levying fees and charges in line with Council's Revenue Policy will enable Council to maintain financial viability and ensure that there is an appropriate recognition of the cost provision of Council services, and recovery through relevant fees and charges where appropriate.

### **Attachments:**

1. 2018/2019 Schedule of Fees and Charges

### **Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance Governance and Risk



## **S/1.14. BUDGET ADOPTION**

**Responsible Officer: General Manager Finance Governance and Risk**

**Special Budget Meeting Date: 24 July 2018**

**File Ref: FM6.1**

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### **Purpose:**

This report seeks the adoption of the 2018/2019 Gladstone Regional Council budget.

### **Officer's Recommendation:**

That Council, pursuant to section 107A of the *Local Government Act 2009* and sections 169 and 170 of the *Local Government Regulation 2012*, adopt Council's Budget for the 2018/2019 financial year as attached, noting its formulation has incorporated:

- i. The statement of financial position;
- ii. The statements of cash flow;
- iii. The statements of income and expenditure;
- iv. The statements of changes in equity;
- v. The long-term financial forecast;
- vi. The revenue statement;
- vii. The revenue policy (adopted by Council resolution on 19 June 2018);
- viii. The relevant measures of financial sustainability; and
- ix. The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.

### **Attachments:**

1. 2018/2019 Budget
2. 2018/2019 Budget Supporting Documents

### **Tabled Items:**

Nil.

**Report Prepared by:** General Manager Finance, Governance & Risk

## **ATTACHMENTS**