

Our Infrastructure, Our Future



2015 - 16 Budget

Isaac Regional Council
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Mayor's Message



I am pleased to deliver the 2015-16 Budget on behalf of Isaac Regional Council and Isaac communities.

Council is not immune to the challenging economic conditions also faced by our communities, businesses and industry and has worked hard to deliver a fiscally responsible budget.

Council has made difficult decisions as part of its commitment to delivering efficient services and sustainable communities for its residents and ratepayers. As the largest mining region in the state we have had to address the forecasted fall in revenue due to the resource sector downturn.

Our key priority this year is to invest in essential infrastructure, ensuring that vital community services meet the long-term needs and priorities of our people.

This means that our roads and drainage, water and sewerage infrastructure and resource recovery are the focus areas of improvement across the region.

We look forward to delivering on \$37.5M in key infrastructure and capital works projects over these next 12 months, and will continue to work hard to help guide Isaac towards a positive and sustainable future.

This Budget is carefully aligned with our recently refreshed key planning documents—our 20 Year Community Plan, 5 Year Corporate Plan and our Annual Operational Plan.

Operationally, our resources have been dedicated to the delivery of core Local Government services and programs such as SHARP (Strengthening Healthy and Attractive Regional Places).

As a Council we are committed to doing our best to serve our communities, so Isaac continues on its journey towards being a vibrant and attractive region to live, work and play.

Anne Baker
MAYOR

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COUNCILLORS

ISAAC REGION COUNCILLORS



Cr Anne Baker
MAYOR



Cr Dale Appleton
DEPUTY MAYOR
Division 1: Glenden and
Clermont Rural



Cr Nick Wheeler
Division 2: Dysart



Cr Gina Lacey
Division 3: Moranbah



Cr Peter Freeleagus
Division 4: Moranbah



Cr Kelly Veale
Division 5: Moranbah



Cr Barbara Stranks
Division 6: Clermont



Cr Jane Pickels
Division 7: Middlemount



Cr Geoff Bethel
Division 8: Nebo and
Coastal Communities

EXECUTIVE SUMMARY

The Budget Document for the 2015-16 financial year has been prepared in accordance with legislation and with the Budget Guidelines released from the Office of the Chief Executive Officer.

Each year the budget process is the most important part of the Corporate Calendar.

Under legislation the Mayor has the extra responsibility of developing and proposing the budget to the Council for adoption.

Changes to legislation in 2009 and 2012 now require local governments to consider the longer term when managing their finances. Copies of the relevant sections of the legislation and the requirements of councils have been included in this document for the purpose of informing the community of this obligation.

Isaac Regional Council has taken this responsibility seriously and has been working to ensure that while this is a legislative requirement, it is also good governance and management practice to ensure that the Council remains financially viable and planning becomes part of the way that we regularly do business.

Legislation changes in 2009 saw a move from a very prescriptive *Local Government Act 1993* to legislation that gave Council more autonomy. However with autonomy comes accountability and the Government provided a set of five local government principles.

To ensure the system of local government is accountable, effective, efficient and sustainable, Parliament requires—

- (a) anyone who is performing a responsibility under this Act to do so in accordance with the local government principles; and
- (b) any action that is taken under this Act to be taken in a way that—
 - (i) is consistent with the local government principles; and
 - (ii) provides results that are consistent with the local government principles, in as far as the results are within the control of the person who is taking the action.

The local government principles are—

- (a) Transparent and effective processes, and decision-making in the public interest; and
- (b) Sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) Democratic representation, social inclusion and meaningful community engagement; and
- (d) Good governance of, and by, local government; and
- (e) Ethical and legal behaviour of councillors and local government employees.

Isaac Regional Council's 2015-16 Budget has been prepared in accordance with these guiding principles.

CORPORATE, OPERATIONAL AND COMMUNITY PLAN OBJECTIVES

The Budget for the 2015-16 financial year is derived from the key strategies defined in our 20 Year Community Strategic Plan, 5 Year Corporate Plan, and our Annual Operational Plan. Our 20 Year Community Strategic Plan - Isaac 2035 is a blueprint for Council's long term vision for the Isaac region over the next twenty years. The 5 Year Corporate Plan – Isaac 2020 acts as a building block towards successfully delivering these objectives through the identification of key goals, strategies and performance indicators to achieve our vision. The Annual Operational Plan is a framework for our operational delivery and targets over the next 12 months.

The following are Council's key themes across our suite of strategic planning documents:

Communities

Isaac will have strong and diverse communities that support all to live, work and raise families.

Economy

Isaac will continue to be Queensland's number one performing regional economy based on a thriving, diverse and resilient mix of industry sectors.

Infrastructure

Isaac will have effective and sustainable infrastructure that supports the needs of the region's communities and economic sectors.

Environment

Isaac will have an appropriate and sustainable balance between environment, economy and community to ensure our natural resources are sustainably managed and protected.

Governance

Council will be a strong and effective advocate for the Isaac region, providing transparent and quality decision making, and efficient and cost-effective service delivery.



The Operational Plan has been structured in accordance with the functional responsibilities of the Isaac Regional Council. These functions are as follows:

Office of the Chief Executive Officer

The Office of the Chief Executive Officer is responsible for the organisational leadership, administration and strategic management of the organisation. This includes organisational development and training, human resources, advocacy, day to day management of all functions of Council and to ensure that the decisions and policy of Council is carried out. The Chief Executive Officer also provides advice to the Councillors and is the custodian of records and documents of Council.

Councillors

Isaac Regional Councillors are responsible for the good rule and local government of the Council area. They are responsible for representing the current and future interests of the community and for setting the strategic direction of the local government. The responsibilities of Councillors are clearly articulated in the *Local Government Act 2009*.

Corporate, Governance and Financial Services

Corporate, Governance and Financial Services provide the following functions; strategic and business continuity planning, legal and insurance administration, brand, media, and communication, governance, risk management, disaster management, asset management, financial services, rating, internal audits, information technology, geographical information services, community leasing, records management, organisational safety, procurement, stores, tenders and contracts.

Engineering and Infrastructure

Engineering and Infrastructure provide the following functions; water and sewerage, land care and open space, resource recovery, engineering design and projects, roads and urban services, fleet and depot management.

Planning, Environment and Community Services

Planning, Environment and Community Services provide the following functions; economic development and tourism, customer service, place management and community relations programs including youth programs, grants administration and management, stock route management, arts and library services, libraries, community development, planning and land development, regulatory and building compliance, native title, MELC childcare, corporate properties, company housing, commercial operations, tenancy, local laws and environmental services.

BUDGET CONTENTS

In accordance with the *Local Government Regulation 2012* section 169 the following documents are to be included in the budget presented to Council -

- a) financial position;
- b) cash flow;
- c) income and expenditure;
- d) changes in equity.

The budget must also include-

- (a) a long-term financial forecast; and
- (b) a revenue statement; and
- (c) a revenue policy.

The statement of income and expenditure must state each of the following-

- a) rates and utility charges excluding discounts and rebates;
- b) contributions from developers;
- c) fees and charges;
- d) interest;
- e) grants and subsidies;
- f) depreciation;
- g) finance costs;
- h) net result;
- i) the estimated costs of-
 - I. the local government's significant business activities carried on using full cost pricing basis; and
 - II. the activities of the local government's commercial business units; and
 - III. the local government's significant business activities.

The budget must include each of the relevant measures of financial sustainability for the financial year for which it is prepared and the following 9 financial years, being-

- (a) asset sustainability ratio;
- (b) net financial liabilities ratio;
- (c) operating surplus ratio.

The budget must include the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.

For calculating the rates and utility charges levied for a financial year, any discounts and rebates must be excluded.

The budget must be consistent with the following documents of the local government-

- (a) its 5-year corporate plan;
- (b) its annual operational plan.

In this section - **Financial management (sustainability) guideline** means the document called 'Financial Management (Sustainability) Guidelines 2013', made by the department.

FINANCIAL SUSTAINABILITY AND ACCOUNTABILITY

In accordance with the *Local Government Act 2009* section 102, to ensure it is financially sustainable, a local government must implement systems to meet the following sustainability criteria;

- (a) manage financial risk prudently;
- (b) financial policies are to be formulated:
 - i. to ensure a reasonable degree of equity, stability and predictability; and
 - ii. so that current services, facilities and activities are financed by the current users of the services, facilities and activities; and
 - iii. having regard to the effect of the policies on the future users of services, facilities and activities;
- (c) full, accurate and timely information about the local government's finances and infrastructure is to be made available to the public on the local government's website;

A local government is **financially sustainable** if the local government is able to maintain its financial capital and infrastructure capital over the long term.

In accordance with the *Local Government Act 2009* section 103, each local government must establish a system of financial management that complies with the requirements prescribed under a regulation and must regularly review the performance of its system of financial management.

FINANCIAL MANAGEMENT, PLANNING AND ACCOUNTABILITY

In accordance with the *Local Government Act 2009* section 104 the system of financial management established by a local government must include -

- (a) the following financial management documents prepared for the local government -
 - (i) an annual budget;
 - (ii) a general purpose financial statement;
 - (iii) a long-term financial forecast;
 - (iv) an asset register;
 - (v) a revenue statement.
- (b) the following planning and accountability documents prepared for the local government -
 - (i) an annual report;
 - (ii) a 5-year corporate plan;
 - (iii) an annual operational plan;
 - (iv) a long-term community plan;
 - (v) a financial plan;
 - (vi) a long-term asset management plan;
 - (vii) a report on the results of an annual review of the implementation of the annual operational plan, 5-year corporate plan and long-term community plan.
- (c) the financial plan includes the following policies -
 - (i) an investment policy;
 - (ii) a debt policy;
 - (iii) a revenue policy.

CONTRACTING PRINCIPLES

In accordance with the *Local Government Act 2009* section 106(3)(4) when entering contract for:

- (a) the supply of goods or service; or
- (b) the carrying out of works; or
- (c) the disposal of asset,

the local government must have regard to the sound contracting principles.

The ***sound contracting principles*** are -

- (a) value for money; and
- (b) open and effective competition; and
- (c) the development of competitive local business and industry; and
- (d) environmental protection; and
- (e) ethical behaviour and fair dealing.

To remove any doubt, it is declared that subsection (1)(a) does not require equal consideration to be given to each of the sound contracting principles.

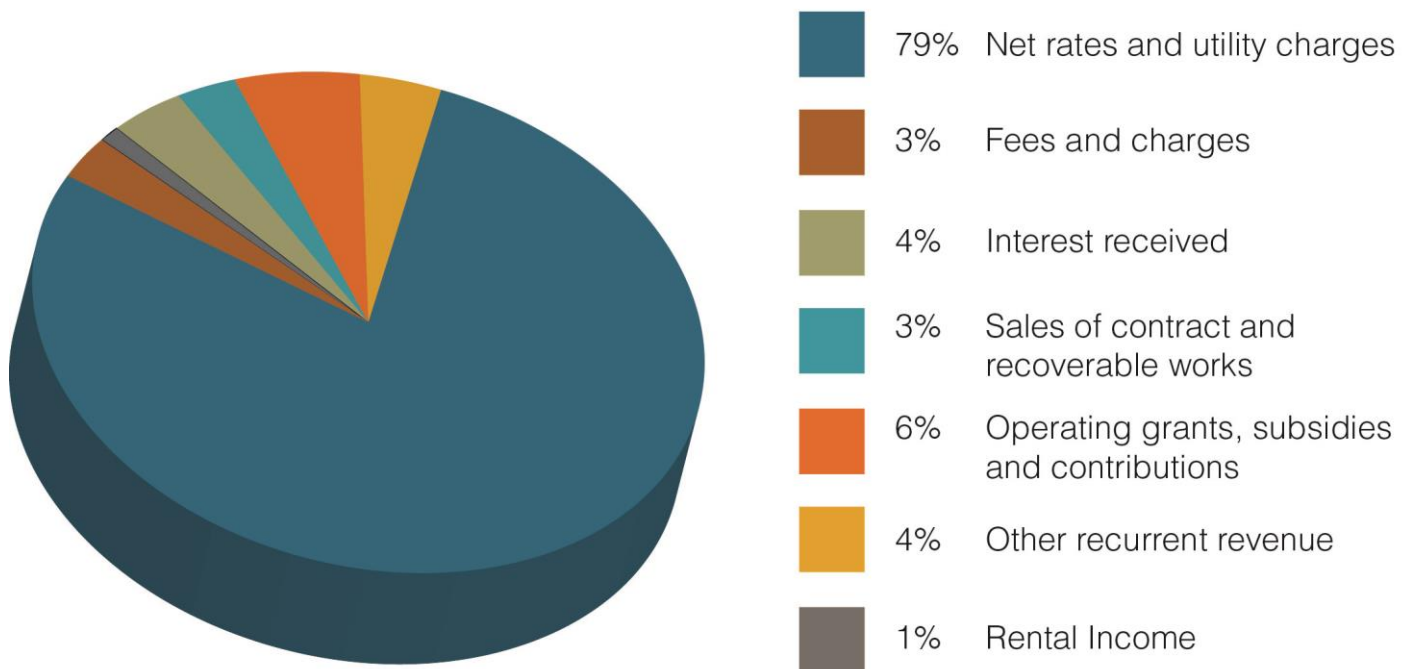
GOVERNANCE

A local government must carry out a review of the implementation of the annual operational plan, 5-year corporate plan and long-term community plan annually.

BUDGET OVERVIEW

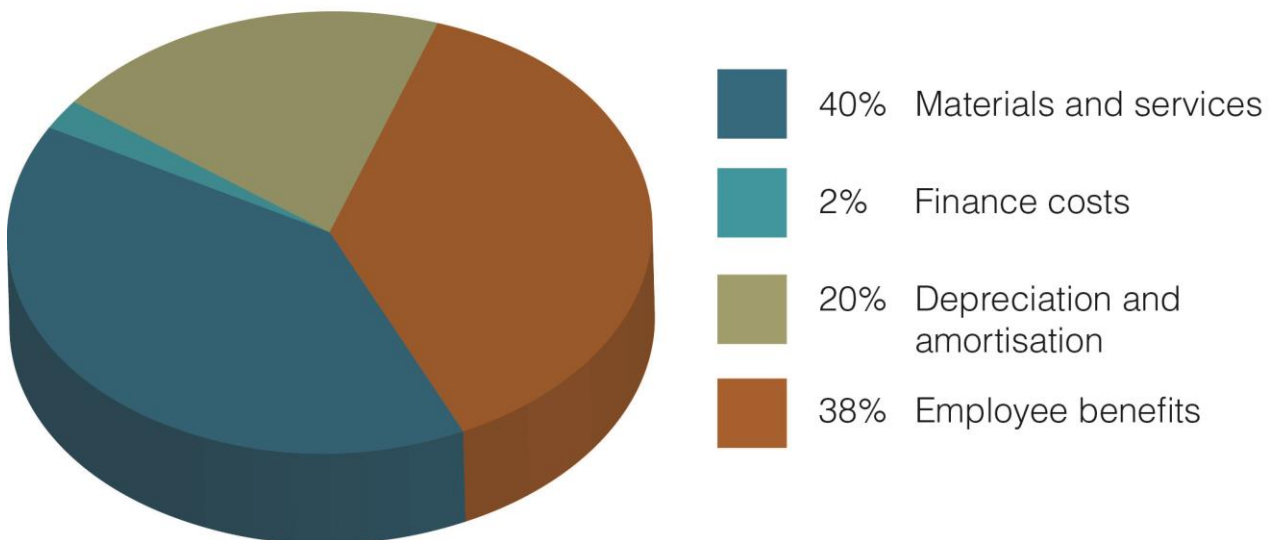
Where does the money come from:

Source of Revenue



Where does the money go:

Application of Expenditure



BUDGET SNAPSHOT

Isaac Regional Council plans to deliver \$37.5 million in new capital expenditure across 17 unique communities including:



\$16.7M Roads & drainage

Bitumen resealing, road gravel resheeting, drainage works, road rehabilitation and road bitumen seal extensions



\$5M Water

Water treatment plant and water network works including installation of meters



\$4.8M Sewerage

Sewage treatment plant and sewerage network works



\$4M Resource Recovery

Works to improve compliance at waste management sites



\$2.7M Facilities/recreation

Includes works at pools, recreation, sports and show grounds, civic centres, halls, sale yards, offices and depots



\$1.8M Parks & gardens

Parks, playground, landscaping and irrigation works



\$1.2M Plant, fleet & workshops

Includes capital replacement of regional fleet



\$1M Service & support

Includes regional disaster management information and alert systems and IT servers



\$0.3M Planning/development

Planning and development works for the Clermont Hoods Lagoon and estates



Community, library & arts

Council will continue to deliver community, library and arts programs and services



For more details, visit www.isaac.qld.gov.au/budget

ISAAC REGIONAL COUNCIL

Budgeted Statement of Comprehensive Income

For the periods ending 30 June -

	Note	Est Act 2015 \$	2015/16 \$	% Incr	2016/17 \$	% Incr	2017/18 \$	% Incr	2018/19 \$	% Incr	2019/20 \$	% Incr
Revenue												
Rates and utility charges	1	73,649,118	81,516,241	11	84,633,902	4	87,244,029	3	89,934,309	3	92,707,222	3
Less Discounts	1	(4,190,645)	(4,989,953)	19	(5,139,650)	3	(5,293,838)	3	(5,452,652)	3	(5,616,231)	3
Net rates and utility charges		69,458,473	76,526,288	10	79,494,252	4	81,950,191	3	84,481,657	3	87,090,991	3
Statutory fees and charges		714,613	635,900	-11	654,977	3	674,624	3	694,860	3	715,703	3
User fees and charges		2,356,707	2,300,304	-2	2,369,312	3	2,440,387	3	2,513,596	3	2,589,000	3
Rental and levies	3	946,214	849,051	-10	874,522	3	900,755	3	927,775	3	955,605	3
Sale of goods and major services	2	3,715,569	3,517,585	-5	3,623,111		3,731,802	3	3,843,755	3	3,959,064	3
Operating grants, subsidies and contributions	5	6,166,304	5,847,556	-5	5,977,031		6,081,672	2	6,264,119	3	6,452,039	3
Interest revenue	4	3,797,935	3,735,100	-2	2,472,971	-34	2,420,701	-2	2,319,017	-4	2,221,474	-4
Total sales of contract and recoverable works		3,647,846	3,543,790	-3	3,593,790		3,593,790		3,593,790		3,593,790	
Proceeds from sales of land developed for resale	6	50,800	-	-100	101,600		254,000	150	8,951,500	3424	16,354,000	83
Other Income		203,104	19,720	-90	20,311	3	20,918	3	21,544	3	22,189	3
		-	-		-		-					
TOTAL OPERATING REVENUES		91,057,565	96,975,294	6	99,181,877	2	102,068,840	3	113,611,613	11	123,953,855	9
Expenses												
Employee benefits	7	(36,055,450)	(36,561,066)	1	(37,833,827)	3	(38,968,827)	3	(40,137,874)	3	(41,341,993)	3
Materials and services	8	(38,750,068)	(38,420,124)	-1	(39,572,703)	3	(40,759,850)	3	(41,996,278)	3	(43,271,690)	3
Current cost of developed land sold	6	(25,057)	-	-100	(50,114)		(125,285)	150	(2,473,042)	1874	(6,306,958)	155
Depreciation and Amortisation	9	(18,880,762)	(19,394,768)	3	(19,728,665)	2	(20,054,541)	2	(20,405,164)	2	(20,751,246)	2
Finance Costs	10	(1,299,573)	(1,283,555)	-1	(1,183,028)	-8	(1,132,954)	-4	(1,080,243)	-5	(1,027,250)	-5
TOTAL OPERATING EXPENSES		(95,010,910)	(95,659,513)	1	(98,368,337)	3	(101,041,457)	3	(106,092,601)	5	(112,699,137)	6
Operating surplus (deficit)		(3,953,345)	1,315,781	-133	813,540	-38	1,027,383	26	7,519,012	632	11,254,718	50
Capital income and expenditure:												
Cash capital grants, subsidies and contributions	5	25,317,488	8,704,853	-66	-	-100	-		-		-	
Other capital expense	11	(2,065,594)	(660,047)	-68	(308,801)	-53	(324,325)	5	(430,307)	33	(412,247)	-4
Net result for the period		19,298,549	9,360,587	-51	504,739	-95	703,058	39	7,088,705	908	10,842,471	53

ISAAC REGIONAL COUNCIL

Budgeted Appropriation Statement

For the periods ending 30 June -

		Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20
	Note	\$	\$	\$	\$	\$	\$
Retained Surplus/(Deficit) from prior years.		(8,082,549)	(2,330,102)	(1,273,320)	93,643	107,159	124,876
Net result for the period		19,298,549	9,360,587	504,739	703,058	7,088,705	10,842,471
		11,216,000	7,030,485	(768,581)	796,701	7,195,864	10,967,347
Appropriations							
Transfers to capital :-							
Funds (utilised for) created from - capital funding	CFS	(1,415,990)	(1,258,999)	253,423	1,356,675	(2,384,600)	(6,795,051)
Adjustment to the working capital cash balance		-	-	-	(2,370,542)	(4,727,632)	-
		(1,415,990)	(1,258,999)	253,423	(1,013,867)	(7,112,232)	(6,795,051)
Transfers from capital :-							
Other capital expense	11	2,065,594	660,047	308,801	324,325	430,307	412,247
Transfer from capital for unfunded depreciation	24	4,498,825	-	-	-	-	-
Adjustment to the working capital cash balance	24	5,178,021	1,000,000	300,000	-	-	100,000
		11,742,440	1,660,047	608,801	324,325	430,307	512,247
Net transfer (to) from capital		10,326,450	401,048	862,224	(689,542)	(6,681,925)	(6,282,804)
Net transfer (to) from the Constrained Works Reserve		(18,969,206)	(6,135,020)	-	-	-	-
Accumulated surplus/(deficit) available for transfer to general reserves		2,573,244	1,296,513	93,643	107,159	513,939	4,684,543
Capital Reserves :							
Transfer (to) from the Land development reserve		-	-	-	-	(389,063)	(4,621,950)
Transfer (to) from the Other infrastructure reserve		(436,802)	-	-	-	-	-
Transfer (to) from the Carry over capital reserve		(5,961,489)	-	-	-	-	-
Transfer (to) from the Mines capital projects reserve		617,707	(2,569,833)	-	-	-	-
Transfer (to) from the Mines operating projects Reserve		877,238	-	-	-	-	-
Retained surplus/(deficit) at period end.		(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593

ISAAC REGIONAL COUNCIL

Budgeted Statement of Financial Position

As at the periods ending 30 June -

	Note	Est Act 2015 \$	2015/16 \$ % Incr	2016/17 \$ % Incr	2017/18 \$ % Incr	2018/19 \$ % Incr	2019/20 \$ % Incr
Current Assets							
Cash and deposits	14	103,450,045	61,452,396	58,720,288	55,711,042	55,146,121	62,178,894
Receivables	15	11,335,040	10,925,663	10,925,663	10,925,663	10,925,663	10,925,663
Inventories	16	26,899,845	27,650,033	28,318,282	31,350,679	34,409,032	32,028,177
		141,684,930	100,028,092	97,964,233	97,987,384	100,480,816	105,132,734
Non-Current Assets							
Receivables	15	8,370,458	8,370,458	8,370,458	8,370,458	8,370,458	8,370,458
Investment properties	17	11,413,958	11,413,958	11,413,958	11,413,958	11,413,958	11,413,958
Property, plant and equipment	18	958,844,058	1,008,055,799	1,007,219,871	1,006,419,235	1,009,453,994	1,014,004,127
Intangible assets	18	51,580	47,441	43,302	39,163	35,024	30,885
Capital Work in Progress		46,835,641	46,835,641	46,835,641	46,835,641	46,835,641	46,835,641
		1,025,515,695	1,074,723,297	1,073,883,230	1,073,078,455	1,076,109,075	1,080,655,069
TOTAL ASSETS		1,167,200,625	1,174,751,389	1,171,847,463	1,171,065,839	1,176,589,891	1,185,787,803
Current Liabilities							
Trade and other payables	19	16,786,246	16,786,246	16,886,688	16,990,144	17,096,704	17,206,460
Provisions	21	298,566	298,566	307,522	316,747	326,249	336,036
Interest bearing liabilities	20	1,502,248	1,584,601	1,665,897	1,751,305	1,836,810	1,935,060
Other	23	300,421	-	-	-	-	-
		18,887,481	18,669,413	18,860,107	19,058,196	19,259,763	19,477,556
Non-Current Liabilities							
Trade and other payables	19	7,154	-	-	-	-	-
Provisions	21	4,739,853	4,739,853	2,806,391	2,874,925	2,945,515	3,018,223
Interest bearing liabilities	20	36,819,930	35,235,329	33,569,432	31,818,127	29,981,317	28,046,257
		41,566,937	39,975,182	36,375,823	34,693,052	32,926,832	31,064,480
TOTAL LIABILITIES		60,454,418	58,644,595	55,235,930	53,751,248	52,186,595	50,542,036
NET COMMUNITY ASSETS		1,106,746,207	1,116,106,794	1,116,611,533	1,117,314,591	1,124,403,296	1,135,245,767
Community Equity							
Capital account	24	694,293,417	744,003,267	744,447,801	747,679,465	757,189,022	763,471,826
Asset revaluation reserve	25	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984
Restricted capital reserves	26	56,906,388	41,008,283	39,701,525	37,159,403	34,331,771	34,331,771
Other capital reserves	27	42,246,079	16,738,139	16,738,139	16,738,139	17,127,202	21,749,152
Recurrent reserves	28	700,441	700,441	700,441	700,441	700,441	700,441
Accumulated surplus/(deficiency)		(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593
TOTAL COMMUNITY EQUITY		1,106,746,207	1,116,106,794	1,116,611,533	1,117,314,591	1,124,403,296	1,135,245,767

ISAAC REGIONAL COUNCIL

Budgeted Statement of Cash Flows

For the periods ending 30 June -

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities						
Receipts						
Net rates and utility charges	69,458,473	76,526,288	79,494,252	81,950,191	84,481,657	87,090,991
Sale of goods and major services	3,715,569	3,517,585	3,623,111	3,731,802	3,843,755	3,959,064
Fees and charges	3,021,320	2,886,204	3,024,289	3,115,011	3,208,456	3,304,703
Rentals and levies	946,214	849,051	874,522	900,755	927,775	955,605
Interest revenue	3,797,935	3,735,100	2,472,971	2,420,701	2,319,017	2,221,474
Contributions and donations	375,202	114,994	72,494	-	-	-
Government subsidies and grants	5,791,102	5,732,562	5,904,537	6,081,672	6,264,119	6,452,039
Total sales of contract and recoverable works	3,647,846	3,543,790	3,593,790	3,593,790	3,593,790	3,593,790
Other Income	203,104	19,720	20,311	20,918	21,544	22,189
Proceeds from sale of developed land	50,800	-	101,600	254,000	8,951,500	16,354,000
GST received for the year	-	409,377	-	-	-	-
	91,007,565	97,334,671	99,181,877	102,068,840	113,611,613	123,953,855
Payments						
Employee benefits	(36,055,450)	(36,561,066)	(37,657,891)	(38,787,612)	(39,951,222)	(41,149,742)
Materials and services	(38,750,068)	(38,427,278)	(39,572,703)	(40,759,850)	(41,996,278)	(43,271,690)
Finance costs	(1,249,573)	(1,983,743)	(1,901,391)	(1,820,094)	(1,734,686)	(1,649,181)
Land and development costs	-	-	-	(2,470,542)	(4,876,952)	(3,304,172)
	(76,055,091)	(76,972,087)	(79,131,985)	(83,838,098)	(88,559,138)	(89,374,785)
Cash provided by / (used in) operational activities	14,952,474	20,362,584	20,049,892	18,230,742	25,052,475	34,579,070
Cash Flow from Investing Activities :						
Proceeds from sale of capital assets	1,650,000	650,000	650,000	650,000	650,000	650,000
Contributions	2,276,866	-	-	-	-	-
Government grants and subsidies	23,040,622	8,704,853	-	-	-	-
Payments for property, plant and equipment	(23,634,585)	(69,912,417)	(19,847,399)	(20,224,091)	(24,516,091)	(26,359,487)
Movement in work in progress	(21,197,428)	(300,421)	-	-	-	-
Payments for rehabilitation work	-	-	(2,000,000)	-	-	-
Payments for intangibles	(25,806)	-	-	-	-	-
Net proceeds (cost) from advances and cash investments	41,137,038	-	-	-	-	-
Net cash provided by investing activities	23,246,707	(60,857,985)	(21,197,399)	(19,574,091)	(23,866,091)	(25,709,487)
Cash Flow from Financing Activities :						
Repayment of borrowings	(1,415,990)	(1,502,248)	(1,584,601)	(1,665,897)	(1,751,305)	(1,836,810)
Net cash provided by financing activities	(1,415,990)	(1,502,248)	(1,584,601)	(1,665,897)	(1,751,305)	(1,836,810)
Net Increase (Decrease) in Cash Held	36,783,191	(41,997,649)	(2,732,108)	(3,009,246)	(564,921)	7,032,773
Cash at beginning of reporting period	66,668,854	103,450,045	61,452,396	58,720,288	55,711,042	55,146,121
Cash at end of Reporting Period	103,450,045	61,452,396	58,720,288	55,711,042	55,146,121	62,178,894

ISAAC REGIONAL COUNCIL

Budgeted Statement of Capital Funding

For the periods ending 30 June -

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$	\$	\$
Capital Funding Sources						
General revenue used (excess funds provided)	1,415,990	1,258,999	(253,423)	(1,356,675)	2,384,600	6,795,051
Proceeds from the sale of non current assets	1,650,000	650,000	650,000	650,000	650,000	650,000
Capital sustainability funds expended	14,381,937	19,394,768	19,728,665	20,054,541	20,405,164	20,751,246
Funds from loan borrowings expended in the period	338,267	126,000	-	2,470,542	2,827,632	-
Constrained grants and developer contributions	13,892,512	21,907,125	1,306,758	71,580	-	-
Buildings reserve	3,904,170	2,231,058	-	-	-	-
Plant and equipment reserve	22,046	11,484	-	-	-	-
Roads infrastructure reserve	353,510	1,587,286	-	-	-	-
Water reserve	260,000	990,000	-	-	-	-
Other infrastructure reserve	394,714	2,722,524	-	-	-	-
Community facilities reserve	43,487	-	-	-	-	-
Carry over capital reserve	9,081,309	17,965,588	-	-	-	-
Mines capital projects reserve	535,867	2,569,833	-	-	-	-
	<u>46,273,809</u>	<u>71,414,665</u>	<u>21,432,000</u>	<u>21,889,988</u>	<u>26,267,396</u>	<u>28,196,297</u>
Capital Funding Applications						
Land and improvements	1,369,239	4,396,791	1,176,867	1,219,884	1,267,528	1,316,692
Buildings	1,612,425	6,825,073	2,035,098	2,116,875	2,206,810	2,300,023
Plant and equipment	4,549,550	5,775,923	3,022,718	3,113,398	3,206,798	5,159,488
Road, bridge and drainage	11,418,022	23,440,511	6,969,590	7,828,479	10,589,490	10,021,761
Water	1,055,378	16,672,470	2,884,493	2,543,526	3,199,218	3,364,550
Sewerage	3,389,548	6,636,394	2,943,100	2,550,367	3,158,495	3,271,192
Waste management	143,064	6,106,187	211,437	229,344	246,868	265,671
Aerodrome	97,359	59,068	604,096	622,218	640,884	660,110
Intangible assets	25,806	-	-	-	-	-
Movement in capitalised work in progress	21,197,428	-	-	-	-	-
	<u>44,857,819</u>	<u>69,912,417</u>	<u>19,847,399</u>	<u>20,224,091</u>	<u>24,516,091</u>	<u>26,359,487</u>
Principle loan repayments:						
Queensland Treasury Corporation	1,415,990	1,502,248	1,584,601	1,665,897	1,751,305	1,836,810
	<u>46,273,809</u>	<u>71,414,665</u>	<u>21,432,000</u>	<u>21,889,988</u>	<u>26,267,396</u>	<u>28,196,297</u>

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Total					
	Est Act 2015 \$	2015/16 \$	2016/17 \$	2017/18 \$	2018/19 \$	2019/20 \$
Balance at the beginning of period	1,087,447,658	1,106,746,207	1,116,106,794	1,116,611,533	1,117,314,591	1,124,403,296
Increase (decrease) in net result	19,298,549	9,360,587	504,739	703,058	7,088,705	10,842,471
Other transfers to Capital and reserves	-	-	-	-	-	-
Transfers from capital and reserves	-	-	-	-	-	-
Transfers between capital and reserves	-	-	-	-	-	-
Balance at the end of period	1,106,746,207	1,116,106,794	1,116,611,533	1,117,314,591	1,124,403,296	1,135,245,767

	Retained Surplus/Deficit					
	Est Act 2015 \$	2015/16 \$	2016/17 \$	2017/18 \$	2018/19 \$	2019/20 \$
Balance at the beginning of period	(8,082,549)	(2,330,102)	(1,273,320)	93,643	107,159	124,876
Increase (decrease) in net result	19,298,549	9,360,587	504,739	703,058	7,088,705	10,842,471
Other transfers to Capital and reserves	(33,131,769)	(9,963,852)	253,423	(1,013,867)	(7,501,295)	(11,417,001)
Transfers from capital and reserves	19,585,667	1,660,047	608,801	324,325	430,307	512,247
Transfers between capital and reserves						
Balance at the end of period	(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Capital					
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	675,793,985	694,293,417	744,003,267	744,447,801	747,679,465	757,189,022
Increase (decrease) in net result			-	-	-	-
Other transfers to Capital and reserves	1,415,990	1,258,999	(253,423)	1,013,867	7,112,232	6,795,051
Transfers from capital and reserves	(11,742,440)	(1,660,047)	(608,801)	(324,325)	(430,307)	(512,247)
Transfers between capital and reserves	28,825,882	50,110,898	1,306,758	2,542,122	2,827,632	-
Balance at the end of period	694,293,417	744,003,267	744,447,801	747,679,465	757,189,022	763,471,826

	Asset Revaluation Surplus					
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984
Increase (decrease) in net result						
Other transfers to Capital and reserves						
Transfers from capital and reserves	-					
Transfers between capital and reserves	-					
Balance at the end of period	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Reserves				
	Est Act 2015 \$	2015/16 \$	2016/17 \$	2017/18 \$	2018/19 \$
Balance at the beginning of period	104,806,238	99,852,908	58,446,863	57,140,105	54,597,983
Increase (decrease) in net result					
Other transfers to Capital and reserves	31,715,779	8,704,853	-	-	389,063
Transfers from capital and reserves	(7,843,227)	-	-	-	-
Transfers between capital and reserves	(28,825,882)	(50,110,898)	(1,306,758)	(2,542,122)	(2,827,632)
Balance at the end of period	99,852,908	58,446,863	57,140,105	54,597,983	52,159,414

Our Infrastructure, Our Future

2015-16 Budget

ISAAC REGIONAL COUNCIL

Financial Ratios of the Budget
For the year ended 30 June :

	Est Act 2015 %	2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %
29 Financial Ratios						
Operating Surplus Ratio						
Extent to which operating revenue covers operational expenses. Target range 0 per cent to 10 per cent.						
A ratio >0% indicates an operating surplus, these funds are available to maintain or increase council's capital value.						
A ratio <0% indicates an operating loss, results in opening capital value declining which has future sustainability issues.						
<u>Net operating surplus</u>						
Total operating revenue	-4.3%	1.4%	0.8%	1.0%	6.6%	9.1%
Asset sustainability ratio						
Current year depreciation divided by replacement/renewal asset expenditure.						
<u>Expenditure on Replacement Assets</u>						
Depreciation expense	85.8%	164.8%	73.9%	76.1%	95.0%	90.6%
Indicator suggests percentage should be >90%.						
This indicator should be averaged over at least 10 years. Not an annual expectation.						
This calculation excludes the following asset classes - land, plant and equipment.						
Net Financial Liabilities Ratio						
<u>Total liabilities-Current Assets</u>						
Operating revenue	-89.2%	-42.7%	-43.1%	-43.3%	-42.5%	-44.0%
A positive percentage <60% indicates a capacity to increase borrowings.						
A positive percentage >60% indicates a limited capacity to increase borrowings.						
Maintenance of Council's Capital Value - Council's Sustainability Performance						
This is the over-riding sustainability indicator - The maintenance of council's opening capital value each year.						
Opening capital value	996,486,410	1,009,223,401	1,064,231,425	1,064,675,959	1,065,437,081	1,072,119,006
Change in opening capital value	-6,018,939	655,734	504,739	703,058	7,088,705	10,842,471
Balance of the opening capital value at period end	990,467,471	1,009,879,135	1,064,736,164	1,065,379,017	1,072,525,786	1,082,961,477
The opening capital value is calculated before recognising new capital income and inflation adjustments during the year.						
A negative change over time will lead to a reduction in service levels and potentially sustainability problems.						
Asset Consumption Ratio						
Seeks to highlight the aged condition of council's infrastructure assets.						
<u>Written down value of infrastructure assets</u>	85.7%	85.7%	80.9%	79.7%	78.9%	77.7%
Replacement cost of infrastructure assets						
Infrastructure assets = road, bridge and drainage, water, sewerage, waste management, aerodrome.						
The lower the percentage the nearer replacement will need to take place. Guidance range between 40% and 80%.						
Interest coverage ratio						
Indicator range is between 0% and 5%						
<u>Net interest expense</u>						
Operating Revenue	-2.9%	-2.7%	-1.4%	-1.4%	-1.2%	-1.1%
This shows the council's capacity to fund additional borrowings.						
A negative percentage indicates interest income exceeds the interest expense.						
Working Capital Ratio :						
This ratio measures extent to which unrestricted liquid assets are available to meet short term liabilities.						
<u>Unrestricted current assets</u>						
Current liabilities	1.9 : 1	2.0 : 1	2.1 : 1	2.2 : 1	2.4 : 1	2.2 : 1
NB. This ratio calculation meets the requirements of the DLGP but inventory (excluding land) held at value in use not at a realisable value. Restricted cash should also be excluded.						
Debt Payment Ratio :						
<u>Debt servicing & redemption cost</u>						
Total operating revenue	2.8%	2.7%	2.7%	2.6%	2.4%	2.2%
Revenue Ratio :						
<u>Rate revenue</u>						
Total revenue	76.3%	78.9%	80.1%	80.3%	74.4%	70.3%
Level of Debt						
<u>Total liabilities</u>						
Total assets	5.2%	5.0%	4.7%	4.6%	4.4%	4.3%
All Rates/Total Operating Costs.						
Median of 48% of costs covered by rates						
Less than 40% puts dependency on grants & other revenue	73.1%	80.0%	80.8%	81.1%	79.6%	77.3%
Net rates & utility charges original budget prior year		69,458,473	76,526,288	79,494,252	81,950,191	84,481,657
Net rates & utility charges budgeted for current year		76,526,288	79,494,252	81,950,191	84,481,657	87,090,991
Change rates and utility charges net of discounts		7,067,815	2,967,964	2,455,939	2,531,466	2,609,334
Percentage change		10.2%	3.9%	3.1%	3.1%	3.1%

INVESTMENT POLICY 2015-16

1. BACKGROUND AND CONTEXT

To provide Council with a contemporary Investment Policy based on an assessment of counterparty, market and liquidity risk within the legislative framework of the *Statutory Bodies Financial Arrangements Act and Regulations*.

2. SCOPE

This policy applies to the investment of all surplus funds held by Isaac Regional Council in accordance with investment powers under Part 6 of the *Statutory Financial Arrangement Act 1982 (SBFAA)*. For the purpose of this policy, investments are defined as arrangements that are acquired or undertaken for the purpose of producing income and/or capital gains.

3. DEFINITIONS

To assist in interpretation, the following definitions shall apply:

Council – Isaac Regional Council

CEO – the person appointed to the position of Chief Executive Officer under the Act and anyone acting in that position

Another employee – all employees of Council including Executive Directors and Managers, but excluding the Chief Executive Officer

Investment Officers – employees engaged in activities related to the physical investment of funds

The Act – *Local Government Act 2009*

SBFAA – *Statutory Bodies Financial Arrangements Act 1982* (as amended)

4. PROVISIONS

Investment of Council's funds is to be in accordance with Council's power of investment as set out in the following flow of legislative Authority:

Section 101 (1) of the *Local Government Act 2009* refers to Local Government as a *Statutory Body* under the *Statutory Bodies Financial Arrangements Act 1982*.

Section 101 (2) points to the *Statutory Bodies Financial Arrangements Act 1982* to determine Council's power of Investment.

Section 42 of the *Statutory Bodies Financial Arrangement Act 1982* refers to three different categories of Investment power.

Schedule 3, 4 and 5 of the *Statutory Bodies Financial Arrangements Regulations 2007* list the statutory bodies' categories and investment power.

Section 44 of the *Statutory Bodies Financial Arrangements Act 1982* dictates the types of Investments that Council may use.

Section 8 of the *Statutory Bodies Financial Arrangements Regulations 1997* prescribes the rating of the Investment arrangements as prescribed under Section 44 (1) (e) of the *Statutory Bodies Financial Arrangements Act 1982*.

4.1 Policy Objectives

Isaac Regional Council's overall objective is to invest funds at the most advantageous rate of interest available to it at the time, for that investment type, and in a way that it considers the most appropriate given the circumstances.

Investment officers are to manage the investment portfolios not for speculation, but for investment and in accordance with the spirit of this Investment Policy. Investment officers are to avoid any transaction that might harm confidence in Isaac Regional Council.

In priority, the order of investment activities shall be preservation of capital, liquidity and return.

4.1.1 Preservation of Capital

Preservation of capital shall be the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security of principal of the overall portfolio. This would include managing credit and interest rate risk within given risk management parameters and avoiding any transactions that would prejudice confidence in Council or its associated entities.

(a) Credit Risk

Isaac Regional Council will evaluate and assess credit risk prior to investment. Credit risk is the risk of loss due to the failure of an investment issuer or guarantor. The investment officer will minimise credit risk in the investment portfolio by pre-qualifying all transactions including the brokers/securities dealers with which they do business, diversify the portfolio and limit transactions to secure investments.

(b) Interest Rate Risk

The investment officers shall seek to minimise the risk of a change in the market value of the portfolio because of a change in interest rates. This would be achieved by considering the cash flow requirements of Council and structuring the portfolio accordingly. This will avoid having to sell securities

prior to maturity in the open market. Secondly, interest rate risk can be limited by investing in shorter term securities.

4.1.2 Maintenance of Liquidity

The investment portfolio will maintain sufficient liquidity to meet all reasonably anticipated operating cash flow requirements of Council, as and when they fall due, without incurring significant transaction costs due to being required to sell an investment.

For these purposes, illiquid investments are defined as investments that are not publicly traded in sufficient volume to facilitate, under most market conditions, prompt sale without severe market price affect.

Examples include:

- investment in private placements
- a security that is not supported or priced by at least two approved brokers/securities dealers
- sub investment grade (ie a lower than rating BBB- (Standard and Poors or equivalent), and in most cases, BBB rated investments, and
- unrated securities

4.1.3 Return on Investments

The portfolio is expected to achieve a market average rate of return and take into account Isaac Regional Council's risk tolerance and current interest rates, budget considerations, and the economic cycle. Any additional return target set by Council will also consider the risk limitations, prudent investment principles and cash flow characteristics identified within this Investment Policy.

4.2 Ethics & Conflicts of Interest

Investment officers/employees shall refrain from personal activities that would conflict with the proper execution and management of Isaac Regional Council's investment portfolio. This includes activities that would impair the investment officers' ability to make impartial decisions.

This policy requires that employees and investment officers disclose to the Chief Executive Officer any conflict of interest or any investment positions that could be related to the investment portfolio.

5. REQUIREMENTS

In accordance with Schedule 3 of the *Statutory Bodies Financial Arrangements Regulation 2007*, Isaac Regional Council has Category 1 investment power.

5.1 Portfolio Investment Parameters

Section 44(1) of SBFAA states that the authorised investments comprise:

- deposits with a financial institution;
- investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
- investment arrangements, managed or operated by QIC or QTC, prescribed under a regulation for this paragraph;
- an investment arrangement with a rating prescribed under a regulation for this paragraph;
- other investment arrangements prescribed under a regulation for this paragraph.

Section 44(2) of SBFAA states that the investment must be:

- at call; or
- for a fixed time of not more than 1 year.

5.2 Prohibited Investments

This investment policy prohibits any investment carried out for speculative purposes. The following investments are prohibited by this investment policy.

- Derivative based instruments (excluding floating rate notices)
- Principal only investments or securities that provide potentially nil or negative cash flow
- Stand alone securities that have the underlying futures, options, forward contracts and sways of any kind, and
- Securities issued in non- Australian dollars

5.3 Placement of Investment Funds

Overall the amount invested with institutions should not exceed the following percentage ranges of average annual funds invested and appropriate documentation must be maintained. Also, when placing investments, consideration should be given to the relationship between credit rating and interest rate.

Investments with Financial Institutions and Investment

Arrangements Offered by QTC Long Term Rating (Standard & Poors)	Short Term Rating (Standard & Poors)	Individual Counterparty Limit	Total Portfolio Limit
AAA to AA-	A1+	Maximum 30%	No Limit
A+ to A	A1	Maximum 20%	Maximum 50%
A- to BBB+	A2	Maximum 10%	Maximum 15%
Unrated or below BBB+	Unrated or below A2	Maximum \$2 million or 5% (whichever is lower)	Maximum 10%
QTC Cash Management Fund	No Limit	No Limit	

Council approves dealings with all financial institutions ('Financial Institution' is defined as an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cwlth), Section 5).

5.4 Maturity

The maturity structure of the portfolio will reflect a maximum term to maturity of one year.

5.5 Liquidity Requirement

Given the nature of the funds invested, no more than 20% of the investment portfolio will be in illiquid securities and at least 10% of the portfolio can be called at no cost or will mature within a maximum of seven (7) days.

6. IMPLEMENTATION

6.1 Internal Controls

The Director Corporate, Governance and Financial Services shall establish internal controls and processes that will ensure investment objectives are met and that the investment portfolios are protected from loss, theft or inappropriate use.

The Chief Executive Officer shall issue a letter to any approved counterparty advising that funds transferred from investments to Council must only be deposited into Council's General Account or Trust Account. This instruction cannot be varied unless a written request is made in writing signed in accordance with Council's account signing authority.

6.2 Delegation of Authority

Authority for implementation of the Investment Policy is delegated by Council to the Chief Executive Officer in accordance with the *Local Government Act 2009*, Section 257 (1) (b).

Authority for the day to day management of Council's Investment Portfolio is to be delegated by the Chief Executive Officer to the Director Corporate, Governance and Financial Services.

6.3 Breaches

Any breach of this Investment Policy is to be reported to the Director Corporate, Governance and Financial Services and rectified within seven (7) days of the breach occurring.

Where Council holds an investment that is downgraded below the minimum acceptable rating level, as prescribed under regulation for the investment arrangement, Council shall, within 28 days after the change becomes known to Council, either obtain Treasurer approval for continuing with the investment arrangement or sell the investment arrangement.

7. REFERENCES AND RELATED DOCUMENTS

Relevant legislation with which this policy complies includes –

- *Local Government Act 2009*
- *Statutory Bodies Financial Arrangements Act 1982*

DEBT POLICY 2015-16

1. BACKGROUND AND CONTEXT

To adopt a policy on borrowings that provides for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties. This policy is in accordance with *Local Government Regulation 2012*.

2. PURPOSE AND SCOPE

To adopt a policy on borrowings for 2015-16.

3. DEFINITIONS

Not applicable.

4. POLICY PROVISIONS

4.1 Purpose of Borrowings

As a general principle, Council recognises that loan borrowings for capital works are an important funding source for Local Government and that the full cost of infrastructure should not be borne entirely by present-day ratepayers but be contributed to by future ratepayers who will also benefit. Whilst recognising the importance of loan borrowings, Council should not place undue reliance upon loans as a source of income.

Council restricts all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority, and which cannot be funded from revenue, as identified by the adopted budget. In no circumstances should Council borrow funds for recurrent expenditure.

The basis for determination of the utilisation of loan funds will be as follows:

- Analysis of existing debt levels with a loan servicing cost target of less than 25% in any one year.
- Where a capital project for a service that is funded by utility or user charges e.g. water, sewer, waste, is determined to be funded by way of loans, the user charge should reflect the cost of providing the service including the loan servicing costs.
- Other specific capital projects, not funded by user charges, should only be considered for loan funding where the project is considered by Council to be beneficial to the majority of ratepayers.
- The term of any loan should not exceed the expected life of the asset being funded.

4.2 Repayment of Borrowings

Borrowings may be reduced ahead of schedule when net sale proceeds of land and development loans are realised. All other repayments on borrowed funds will be made in accordance with the terms of the loan unless otherwise stated in the loan repayment schedule.

TEN YEAR LOAN PROGRAMME FORECAST

Council utilises loan borrowing to fund major capital and infrastructure works so that repayments are spread over the years to which the Capital Works will be utilised by ratepayers. The Borrowing Policy deals with the following areas:

- 1) Ten Year Loan Programme Forecast
- 2) Repayment Schedule

The following ten year programme is proposed by Council, although allocations in future years are revised on an annual basis in conjunction with the review of the Capital/Works Loan Program:

PROJECT	LOAN TERM	2015-16 '000	2016-17 '000	2017-18 '000	2018-19 '000	2019-20 '000	2020-21 '000	2021-22 '000	2022-23 '000	2023-24 '000	2024-25 '000
N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NOTE: Forecast projections after the 2015-16 financial year are yet to be determined.

REPAYMENT SCHEDULE

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation. The Queensland Treasury Corporation maintains Council debt as the Book Debt plus a market provision, to market value the total liability outstanding. The provision is principally a result of past movements in the Market Value of the liabilities within each Debt Pool. If the Council was to liquidate this debt it would be required to pay the Market Value of the loan portfolio. The portfolio has been dissected so that loan borrowings in relation to Land Purchase in Moranbah and Land Development - Moranbah are maintained in separate accounts to more accurately reflect the cost of the provision of this infrastructure. This approach is needed otherwise the loan term is amalgamated and the average term for repayments lengthens.

It is proposed that Council consider maintaining a repayment schedule consistent with an interest and principal repayment calculation so that the exposure to interest rate fluctuations is minimised. This basis of repayment will continue to be assessed even though separate accounts have been established for Land Purchase - Moranbah and Land Development - Moranbah. The Budgeted Loan Portfolio of Council for 2015-16 is as follows:

TABLE (2)
ISAAC REGIONAL COUNCIL
BUDGET INTEREST AND REDEMPTION BY FUND AND FUNCTION
FOR THE YEAR TO 30 JUNE 2016

	A	B	C	D	C(1)	D (A – D + C (1))
FUNCTION DESCRIPTION	EST BOOK DEBT BALANCE 30/06/2015	QTC INTEREST	QTC ADMIN	QTC REDEMPTION	NEW ADVANCES	EST BOOK DEBT BALANCE 30/06/2016
LAND DEVELOPMENT - NEBO	3,894,084	232,376	5,244	189,981	0	3,704,103
SEWERAGE FUNCTIONS	6,530,324	383,871	8,898	270,009	0	6,260,315
LAND DEVELOPMENT – MORANBAH	12,123,943	458,953	14,214	444,961	0	11,678,982
LAND PURCHASE – MORANBAH	15,773,827	730,201	19,987	597,300	0	15,176,527
TOTAL ALL FUNDS	38,322,178	1,805,401	48,343	1,502,251	0	36,819,927

NOTE: This Policy will be reviewed each year with the Adoption of the Budget.

5. AUTHORITIES AND ACCOUNTABILITIES

Delegations as per Isaac Regional Council Delegations Register.

The Chief Executive Officer is responsible for communicating, implementing and enforcing the Borrowing Policy.

6. RELATED DOCUMENTS

This policy complies with the requirements of *Local Government Regulation 2012*.

REVENUE POLICY 2015-16

POLICY TITLE: Revenue Policy 2015-16

POLICY NUMBER: IRC 2015 - STAT - 055

CATEGORY: COUNCIL POLICY

CLASSIFICATION: STATUTORY

STATUS TABLE:

Approved by Council	Meeting number and date	
	Ordinary Council Meeting 23 June 2015	
	Resolution number	
Approved by CEO	N/A	
Effective date	Review date	
23 June 2015	1 June 2016	
Policy Author		
Chief Financial Officer		
Endorsed by		
N/A		
Responsible Position		
Director Corporate, Governance and Financial Services		
Current incumbent	Contact number	Email address
Aaron Johansson	07 4941 4549	Aaron.Johansson@isaac.qld.gov.au

1. PURPOSE

The purpose of this revenue policy is to set out: -

1. The principles intended to be used by Council for:
 - levying of rates and charges;
 - granting concessions for rates and charges;
 - recovering overdue rates and charges;
 - cost-recovery methods; and
2. The purposes for concessions; and
3. The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

2. INTRODUCTION

The Isaac Regional Council (IRC) local government area (LGA) covers an area of 58,862 kilometers square in the resource rich Bowen basin. The estimated resident population of the area is 24,275 as at 2014, however the non-resident workforce associated with the resource sector conservatively estimates the total full time equivalent population to be 35,845 increasing to 37,000 by 2035.

The area is economically dependent on cropping, irrigated cropping, managed resources including cattle, limited forestry and aquaculture. The resource sector, notably coal and developing coal seam gas (CSG) operations is a significant contributor to the area's economy. Despite the recent dip in commodity prices, long term forecasts predict continuing growth in demand for both thermal and coking (metallurgical) coal, indicating Isaac will be in a strong position to continue to contribute to the economic prosperity and social amenity of the region and state well into the future. The physical size and the economic, social and environmental diversity of the IRC area will deliver many challenges for the Council to address.

IRC's budget will be revenue driven rather than expenditure orientated. This approach will mean that Council provides for the necessary administrative, maintenance and operational expenses through revenue. An amount of revenue will be set aside for capital expenditures in the current budget and another amount set apart for future capital expenditure. It is acknowledged that Council must 'maintain' and 'control' expenses and be prepared to allocate necessary resources over an extended period of time in order to purchase discretionary capital items. Council must also seek out and await the allocation of special grants. Borrowing is not a preferred budget option; however it may be contemplated in special circumstances.

Special rates, where raised, are contributions sourced from the lands upon which the area's mining operations are conducted, to defray the special cost of providing specific services to the townships of Dysart and Middlemount which essentially serve the local mining industry

and are home to the employees and families of the mine operators and to those who work within associated industries.¹

The revenue based budget approach reverses the textbook approach to rating. The usual budget model will see rates calculated so as to deliver the difference between budget expenditure and other income. Although the budget expenditures contemplated under the usual model may have been subject to trimming to fit economic circumstances, the underlying approach differs considerably both in theory and in practice to that used by IRC along with many other Regional Councils.

Council has made a decision to trim expenditure so as to permit it to live within its usual income. This may see some expenditure deferred and some temporary acceptance of lower standards for roads or other infrastructure than is ordinarily desirable. However, Council considers that containing rate increases and providing greater certainty about rate levels from year to year is a better option for its community than raising more revenue to fund more or better services that cannot be sustained in the long term.

The rate increases in some differential categories may be higher than those in others. However, such adjustments will be directed at achieving greater rating equity within Council's broader strategy of containing, through conservative budgeting, the increase in aggregate general rate revenue.

The overall rating strategy will continue to see differential rating, minimum rates and concessions used to gather necessary revenue equitably and to acknowledge different patterns for the use of Council's services.

¹ Refer to the principles stated in section 3.1.2, under the heading, "Special Rates and Charges".

3. PROVISIONS

3.1 Principles used for levying rates & charges

In determining rates and charges, Council will be guided by the principle of user pays so as to minimise the impact of rating on the efficiency of the local economy.

Council will also have regard to the principles of:

- transparency in the making of rates and charges;
- having in place a rating regime that is simple and inexpensive to administer;
- equity – namely, ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes; and
- flexibility to take account of changes in the local economy.

In levying rates and charges Council will apply the principles of:

- making clear what is the Council's and each ratepayers responsibility to the rating system;
- making the levying system simple and inexpensive to administer; and
- timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy.

In accordance with section 94 of the *Local Government Act 2009* Council: -

1. must make and levy general rates (which includes determining differential general rates and minimum general rates); and
2. may also levy separate rates and charges; and
3. utility charges to assist in funding the operation and maintenance of Council services and facilities.

Where possible, Council will endeavour to base all rates and charges on a full cost recovery basis.

In making its decisions regarding the quantum of rates and charges, Council will endeavour to avoid undertaking borrowings. It is understood however, that in order for Council to undertake certain specific projects, borrowing may be a necessary requirement.

3.1.1 GENERAL RATES

Council recognises that different categories of land use will generate different needs and requirements for Council services and facilities. Council also recognises that it will incur a different level of resource expenditure to provide the necessary services and facilities.

Although a single general rate would provide simplicity, its adoption would necessitate Council setting a high minimum rate to deal with the fact that land values in towns and villages are very low in relation to rural land but those who live in towns and villages have greater access to council services.

Council believes that the existing distribution of the general rate burden through its differential rates regime is generally equitable as it reflects incremental changes over many years, as well as the results of many years of accounting by financial division.

Council proposes therefore to continue to levy differential general rates to ensure that the rate burden is distributed in similar fashion to the pattern in recent years. Council will continue to gather data and to consider this information so as to further refine this process.

To ensure that owners of land across all differential categories contribute equitably to the cost of common services, Council applies a minimum rate to each differential rating category.

3.1.2 SPECIAL RATES AND CHARGES

Council may make and levy a special rate or charge on rateable land, to help defray the cost of providing a service, facility and or an activity where:

- the land, or the occupier of the land, has or will especially benefit from the provision of the service, facility or activity; or
- the occupier of the land, or the use made or to be made of the land, has, or will, especially contribute to the need for the service, facility or activity.

Examples of services that may necessitate a special rate or charge are:

- maintenance and improvements to specific infrastructure in the towns of Middlemount and Dysart which are necessitated by mining operations;
- rural fire prevention and fire fighting services.

3.1.3 SEPARATE RATES AND CHARGES

Council may make and levy a separate rate or charge for a service, facility or activity in the way it considers appropriate. The rate or charge may include a minimum value to be levied and may be made and levied for a service, facility or activity whether or not the service, facility or activity is supplied by the government itself.

An example of a service that may necessitate a separate rate or charge is:

- road maintenance and improvement to fund road infrastructure improvements, services, activities and facilities.

3.1.4 UTILITY CHARGES

Council may make and levy a utility charge on any land, whether vacant or occupied, and whether or not it is rateable land; or a structure; to recover costs in relation to the provision of services and/or facilities. Examples may include cleansing, sewerage and water charges.

Generally, utility charges will be calculated on a full cost recovery basis.

3.1.5 INTEREST

Council may impose interest on rates and charges that remain unpaid after the date for payment (i.e.: the date on which the discount period closes) and includes assessments that are making payments of outstanding rates by instalment.

3.1.6 LEVYING OF RATES AND CHARGES

In accordance with sections 104-106 of the *Local Government Regulation 2012*, Council will issue a rates notice to the owner of the land on which a rate or charge has been applied. Rates notices shall include the date the notice was issued, the date by which time the rate must be paid and any discounts, rebates or concessions applied.

Council will issue notices on a six monthly basis for the periods 01 July to 31 December, 01 January to 30 June in the respective financial year.

Council will responsibly ensure that the rates and charges applied are correct and are generally issued within the months of March and September to better take into account the financial cycle of the local economy.

3.1.7 PAYMENT OF RATES AND CHARGES

Owner Liability

Section 127 of the *Local Government Regulation 2012* details the liability of the 'owner' to pay rates and charges levied against land held in their name. It also describes the liability of persons' at whose request a service is supplied to a structure or land that is not rateable land.

Where joint ownership of a property exists or other persons are liable to pay a rate, all owners or other persons are jointly and severally liable.

Rates and charges will run with the land i.e. where a change in ownership occurs, the new 'owner' of the land will become liable for payment of all future rates and charges *and* any existing or outstanding rates or charges.

Where land ceases to be rateable land under section 110 of the *Local Government Regulation 2012*, the owner of said land immediately before it ceased to be rateable land is taken to continue as the owner of the land, and the land is taken to continue to be rateable land for the levy, collection or refund of a rate on the land for any period before it ceased to be rateable land.

Discount

In accordance with section 130 of the *Local Government Regulation 2012*, Council may allow a discount on all General Rates and on the Special Rates levied on Mining Leases, if payment is made within 30 clear days from the date of issue of the notice.

If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person's control, from paying the rate in time to benefit from a discount under section 130 of the *Local Government Regulation 2012*, then Council under

section 130(10) of the *Local Government Regulation 2012*, may still allow the discount following written application by the ratepayer.

Methods of Payment

Council may accept the payment of rates and charges by differing methods. These may include cheque, cash, direct debit and/or electronic means.

Payments in Advance

Payments in advance by way of lump sum or instalments may be accepted, however interest will not be payable on any credit balances held.

Payment by Instalments

Council may allow payments by instalment where it will benefit both the individual and the collection of overdue rates and charges.

3.2 Concessions for rates and charges

3.2.1 Principles behind concessions for rates and charges

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

- the same treatment for ratepayers with similar circumstances;
- transparency by making clear the requirements necessary to receive concessions; and
- flexibility to allow Council to respond 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.

3.2.2 Purpose of Concessions

For the 2015/16 financial year, the Council has determined that it will grant concessions for rates and charges for:-

- (a) **eligible pensioners**, for the purpose of alleviating the rating burden on persons who are reliant on a pension; and
- (b) **certain entities whose objects do not include making a profit**, such as religious organizations, sporting clubs and show societies, on the basis that these entities provide benefits to the community;
- (c) **in its discretion, to other persons** where, for example, they are suffering hardship to alleviate the rating burden on such persons.

3.3 Principles used for recovering overdue rates and charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
- equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- flexibility by responding where necessary to changes in the local economy.

Section 132 of the *Local Government Regulation 2012* describes an 'overdue rate' as "an amount of a rate payable to a local government that remains unpaid at the end of the period specified in the rate notice as the period within which the amount of the rate is payable, (including any amount of interest on the rate under section 133 of the Regulation)".

With due regard for financial hardship, Council shall actively pursue the collection of outstanding rates and charges.

Council may use the following as a referral guide for the recovery of rates and charges:

Standard Performance:

- Council may refer overdue rates to a mercantile agent or a solicitor for recovery.
- Generally, an account will not be referred for external recovery action unless it is \$500.00 or greater in value.

3.4 Principles used for cost-recovery fees

Section 97 of the *Local Government Act 2009* allows Council to set cost-recovery fees.

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

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

3.5 Other matters

3.5.1 General Rate Caps

Because general rates are made and levied upon the value of land determined by the Valuer-General, Council recognises that the statutory valuation process may result in unusually high valuation increases for at least some classes of land, if not for all land.

Where it considers that applying the differential general rate to affected lands or classes of land will produce inequities between ratepayers or classes of ratepayer, Council may cap general rate increases for the lands or classes of land concerned.

3.5.2 Discount

In accordance with section 130 of the *Local Government Regulation 2012*, Council may allow a discount on all General Rates and on the Special Rates levied on Mining Leases, if payment is made within 30 clear days from the date of issue of the notice.

If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person's control, from paying the rate in time to benefit from a discount under section 130 of the *Local Government Regulation 2012*, then Council under section 130(10) of the *Local Government Regulation 2012*, may still allow the discount following written application by the ratepayer.

3.5.3 Physical and social infrastructure costs for new development

Council requires developers to pay reasonable and relevant contributions towards the cost of physical and social infrastructure required to support the development. Specific charges are detailed in the policies and other material supporting Councils' town planning schemes.

These policies are based on normal anticipated growth rates. Where a new development is of sufficient magnitude to accelerate the growth rate of a specific community within the region, it may be necessary to bring forward physical and social infrastructure projects. Where this occurs, Council expects developers to meet sufficient costs so that the availability of facilities is not adversely affected and so that existing ratepayers are not burdened with the cost of providing the additional infrastructure.

REVENUE STATEMENT 2015-16

LEGISLATIVE REQUIREMENTS

The preparation of a Revenue Statement is a requirement of S 104(5) (a) of the *Local Government Act 2009*.

Council has noted the requirements of the following legislation which require that certain matters are included in the revenue statement, viz.

Local Government Regulation 2012

Section 172 *Local Government Regulation 2012*

Revenue statement

S172 Revenue Statement

- (1) The revenue statement for a local government must state –
 - (a) if the local government levies differential general rates –
 - (i) the rating categories for rateable land in the local government area; and
 - (ii) a description of each rating category; and
 - (b) if the local government levies special rates or charges for a joint government activity – a summary of the terms of the joint government activity; and
 - (c) if the local government fixes a cost- recovery fee – the criteria used to decide the amount of the cost-recovery fee; and
 - (d) if the local government conducts a business activity on a commercial basis – the criteria used to decide the amount of the charges for the activity's goods and services.
- (2) Also the revenue statement for the financial year must include the following information for the financial year.
 - (a) an outline and explanation of the measures that the local government has adopted for raising revenue, including an outline and explanation of –
 - (i) the rates and charges to be levied in the financial year; and
 - (ii) the concessions for rates and charges to be granted in the financial year;
 - (b) whether the local government has made a resolution limiting an increase of rates and charges.

DIFFERENTIAL GENERAL RATES 2015-16

In accordance with *Local Government Regulation 2012, Chapter 4 Rates and Charges Part 5 Differential General Rates*; Isaac Regional Council will make and levy a differential general rate for the financial year ending 30 June 2016, taking into consideration the following aspects:

- Council recognises that different categories of land use will generate different needs and requirements for Council services and facilities. Council also recognises that it will incur a different level of resource expenditure to provide the necessary services and facilities.
- Council has considered the consequences of adopting 'one' general rate and acknowledges that to do so would seriously disturb the relative distribution of the rate burden.
- Although a 'single general rate' would provide simplicity, its adoption would necessitate Council setting a high minimum rate to deal with the fact that land values in towns and villages are very low in relation to rural land but those who live in towns and villages have greater access to Council services.
- Council proposes therefore to continue to levy differential general rates to ensure that the rate burden is distributed in a similar fashion to the pattern in prior years. Council will continue to gather data and to consider this information so as to further refine this process.
- To ensure that owners of land across all differential categories contribute equitably to the cost of common services, Council applies a minimum rate to each differential rating category.
- Historically Council has maintained its minimum rates at very low levels, given the standards of services it provides; but Council cannot continue to do this without compromising or reducing those standards. Council therefore proposes to increase the minimum rates over a period of years, to enable it at least to maintain the current standards of services it provides.

As noted elsewhere in this revenue statement, special rates and special charges are also used where there is a clearly identifiable service or facility which can readily be attributed to one or more mines.

For the purposes of this document generally, the term "town plan" means the Town Planning Scheme for the former Shire of Broadsound, the former Shire of Nebo and the former Shire of Belyando incorporating all the amendments up to and including 30 June 2015. For avoidance of doubt, and for the purposes of interpreting and applying this statement, the term "town plan" will continue to mean the said town planning scheme, notwithstanding that it may be replaced by a new town planning scheme before 30 June 2016.

Pursuant to section 81 of the *Local Government Regulation 2012*, the categories into which rateable land is categorised, and a description of those categories, is as follows:

Category 1 PPR Urban Land – Isaac Towns (Valuation \$0 - \$109,000)

Description: Land used for residential purposes as the owner's principal place of residence where located in the town areas of the Region as

described in the town plan and having a rateable value between \$0 and \$109,000.

Category 2 PPR Urban Land – Isaac Towns (Valuation \$109,001 - \$149,000)

Description: Land used for residential purposes as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value between \$109,001 and \$149,000.

Category 3 PPR Urban Land – Isaac Towns (Valuation \$149,001- \$270,000)

Description: Land used for residential purposes as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value between \$149,001 and \$270,000.

Category 4 PPR Urban Land – Isaac Towns (Valuation > \$270,000)

Description: Land used for residential purposes as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value greater than \$270,000.

Category 5 NPPR Urban Land – Isaac Towns (Valuation \$0 - \$109,000)

Description: Land used for residential purposes other than as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value between \$0 and \$109,000.

Category 6 NPPR Urban Land – Isaac Towns (Valuation \$109,001- \$149,000)

Description: Land used for residential purposes other than as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value between \$109,001 and \$149,000.

Category 7 NPPR Urban Land – Isaac Towns (Valuation \$149,001- \$270,000)

Description: Land used for residential purposes other than as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value between \$149,001 and \$270,000.

Category 8 NPPR Urban Land – Isaac Towns (Valuation > \$270,000)

Description: Land used for residential purposes other than as the owner's principal place of residence where located in the town areas of the Region as described in the town plan and having a rateable value greater than \$270,000.

Category 9 Commercial/Industrial

Description: Land used, or having the potential for use by virtue of improvements or activities conducted thereon, for commercial or industrial purposes.

Category 10 Rural Residential

Description: Land used for residential purposes where located outside of the town areas of Carmila, Clermont, Coppabella, Dysart, Glenden, Middlemount, Moranbah, Nebo and St. Lawrence as described in the town plan.

Category 11 Rural Land – Animal Husbandry

Description: Land used for the purposes of animal husbandry, including land with a Department of Natural Resources and Mines Land Use Code between 60 and 70.

Category 12 Rural Land – Agriculture and Cropping

Description: Land used for agricultural and cropping purposes, other than land used for the growing of sugar cane and including land with a Department of Natural Resources and Mines Land Use code between 71 to 84.

Category 13 Rural Land – Cane/Timber

Description: Land that is used for growing sugar cane, including land with a Department of Environment & Resource Management Land Use Code 75 – Sugar Cane, and land used for timber or timber related industries with a Department of Natural Resources and Mines Land Use Code 88 – Forestry and Logging.

Category 14 Rural Other

Description: Rural land that does not fall within any other category.

Category 15 Multi Unit (2-4) Land

Description: Land, used for residential purposes with between two (2) and four (4) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 16 Multi Unit (5-9) Land

Description: Land, used for residential purposes with between five (5) and nine (9) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 17 Multi Unit (10-14) Land

Description: Land, used for residential purposes with between ten (10) and fourteen (14) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 18 Multi Unit (15-19) Land

Description: Land, used for residential purposes with between fifteen (15) and nineteen (19) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 19 Multi Unit (20-25) Land

Description: Land, used for residential purposes with between twenty (20) and twenty-five (25) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 20 Multi Unit (26-50) Land

Description: Land, used for residential purposes with between twenty-six (26) to fifty (50) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 21 Multi Unit (>50) Land

Description: Land, used for residential purposes with more than 50 (50) dwellings/units, where located in the town areas of the Region as described in the town plan.

Category 22 Barracks & Quarters / Caravan Parks (50-120)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing fifty (50) to one hundred and twenty (120) accommodation rooms, suites and/or caravan sites.

Category 23 Barracks & Quarters / Caravan Parks (121-250)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing one hundred and twenty one (121) to two hundred and fifty (250) accommodation rooms, suites and/or caravan sites.

Category 24 Barracks & Quarters / Caravan Parks (251-350)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing two hundred and fifty one (251) to three hundred and fifty (350) accommodation rooms, suites and/or caravan sites.

Category 25 Barracks & Quarters / Caravan Parks (351-450)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing three hundred and fifty one (351) to four hundred and fifty (450) accommodation rooms, suites and/or caravan sites.

Category 26 Barracks & Quarters / Caravan Parks (451-650)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing four hundred and fifty one (451) to six hundred and fifty (650) accommodation rooms, suites and/or caravan sites.

Category 27 Barracks & Quarters / Caravan Parks (651-850)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing six hundred and fifty one (651) to eight hundred and fifty (850) accommodation rooms, suites and/or caravan sites.

Category 28 Barracks & Quarters / Caravan Parks (851-1200)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing eight hundred and fifty-one (851) to one thousand two hundred (1200) accommodation rooms, suites and/or caravan sites.

Category 29 Barracks & Quarters / Caravan Parks (1201-2000)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing one thousand two hundred and one (1201) to two thousand (2000) accommodation rooms, suites and/or caravan sites.

Category 30 Barracks & Quarters / Caravan Parks (>2000)

Description: Land used to provide long term accommodation in rooms, suites and/or caravan sites for persons employed in or working in association with a particular industry containing more than two thousand (2000) accommodation rooms, suites and/or caravan sites.

Category 31 Coal Mining (50-100)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 50 and 100 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 50 and 100 employees and/or contractors as at 1 July 2015.

Category 32 Coal Mining (101-250)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 101 and 250 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 101 and 250 employees and/or contractors as at 1 July 2015.

Category 33 Coal Mining (251-350)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 251 and 350 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 251 and 350 employees and/or contractors as at 1 July 2015.

Category 34 Coal Mining (351-450)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 351 and 450 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 351 and 450 employees and/or contractors as at 1 July 2015.

Category 35 Coal Mining (451-550)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 451 and 550 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 451 and 550 employees and/or contractors as at 1 July 2015.

Category 36 Coal Mining (551-650)

Description Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 551 and 650 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 551 and 650 employees and/or contractors as at 1 July 2015.

Category 37 Coal Mining (651- 800)

Description Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 651 and 800 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 651 and 800 employees and/or contractors as at 1 July 2015.

Category 38 Coal Mining (801-900)

Description: Land, with a rateable valuation greater than \$45,000, which is:- a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 801 and 900 employees and/or contractors as at 1 July 2015; or

- (a) a coal mine with between 801 and 900 employees and/or contractors as at 1 July 2015.

Category 39 Coal Mining (901-1000)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 901 and 1,000 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 901 and 1,000 employees and/or contractors as at 1 July 2015.

Category 40 Coal Mining (1001-1400)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 1,001 and 1,400 employees and/or contractors as at 1 July 2015; or
- (b) a coal mine with between 1,001 and 1,400 employees and/or contractors as at 1 July 2015.

Category 41 Coal Mining (1401-2000)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 1,401 and 2,000 employees and/or contractors as at 1 July 2015; or
- (b) used for the purposes of a coal mine with between 1,401 and 2,000 employees and/or contractors as at 1 July 2015.

Category 42 Coal Mining (2001-2500)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with between 2,001 and 2,500 employees and/or contractors as at 1 July 2015; or
- (b) used for the purposes of a coal mine with between 2,001 and 2,500 employees and/or contractors as at 1 July 2015.

Category 43 Coal Mining (>2500)

Description: Land, with a rateable valuation greater than \$45,000, which is:-

- (a) a mining lease issued pursuant to the Mineral Resources Act which forms part of a coal mine with more than 2,500 employees and/or contractors as at 1 July 2015; or
- (b) used for the purposes of a coal mine with more than 2,500 employees and/or contractors as at 1 July 2015.

Category 44 Other Coal

Description: Land that is used for or in association with coal mining, other than land included in Categories 31-43.

Category 45 Quarries (<100000)

Description: Land used for the purpose of conducting an industry which may involve dredging, excavating, quarrying, sluicing or other modes of winning materials from the earth classified under Schedule 2, Part 4 of the Environmental Protection Regulation 2008 for < 100,000 tonnes production, other than land included in categories 31 to 44

Category 46 Quarries (>100000)

Description: Land used for the purpose of conducting an industry which may involve dredging, excavating, quarrying, sluicing or other modes of winning materials from the earth classified under Schedule 2, Part 4 of the Environmental Protection Regulation 2008 for > 100,000 tonnes production, other than land included in categories 31 to 44.

Category 47 Other Mines/Extractive Land

Description: Land used, or having the potential for use by virtue of improvements or activities conducted thereon, for extractive or mining industries purposes other than land included in categories 31-46.

Category 48 Transport Terminal

Description: Land used for the purpose of a transport terminal.

Category 49 Noxious and Hazardous Industries (<50)

Description: Land used for the purpose of noxious, offensive and hazardous industries including concrete batching plants and explosive industries with less than 50 employees or contractors.

Category 50 Noxious and Hazardous Industries (>=50)

Description: Land used for the purpose of noxious, offensive and hazardous industries including concrete batching plants and explosive industries with more than 50 employees or contractors.

Category 51 Shopping Centres

Description: Land used for the purpose of a shopping centre.

Category 52 Gas Extraction/Processing (0-20,000)

Description: Land, with an area of 20,000 hectares of less, which is:-

- (a) a petroleum lease issued pursuant to the *Petroleum Act 1923* or *Petroleum (Production and Safety) Act 2004* for the extraction of gas;
- (b) used, or intended to be used, for the extraction, processing or transportation of gas; or

- (c) used, or intended to be used, for any purpose ancillary to, or associated with, the extraction, processing or transportation of gas, such as water storage or pipelines.

Category 53 Gas Extraction/Processing (>20,000)

Description: Land, with an area greater than 20,000 hectares, which is:-

- (a) a petroleum lease issued pursuant to the *Petroleum Act 1923* or *Petroleum (Production and Safety) Act 2004* for the extraction of gas;
- (b) used, or intended to be used, for the extraction, processing or transportation of gas; or
- (c) used, or intended to be used, for any purpose ancillary to, or associated with, the extraction, processing or transportation of gas, such as water storage or pipelines.

Category 54 Feedlots (4000-12000)

Description: Land used for feedlot purposes with a licensed carrying capacity of 4,000 to 12,000 Standard Cattle Units (SCUs).

Category 55 Feedlots (>12000)

Description: Land used for feedlot purposes with a licensed carrying capacity of more than 12,000 Standard Cattle Units (SCUs).

Coal Mining

A Coal Mine in the above categories is defined as land that is the subject of a coal mining lease (issued pursuant to the *Mineral Resources Act 1989*) or other form of tenure that was used, is used, or intended to be used: -

- as a coal mine (or for purposes ancillary or associated with coal mining such as, for example, washing down, stockpiling, haulage, water storage and rehabilitation); or
- in conjunction with other land (also the subject of a coal mining lease) as part of an integrated coal mining operation.

An Integrated Coal Mining Operation is defined as land subject to more than one mining lease issued pursuant to the *Mineral Resources Act 1989* for the extraction of coal, or other form of tenure, which land was used, is used, or intended to be used in an integrated manner for the purposes of coal mining or purposes ancillary or associated with coal mining such as, for example, washing down, stockpiling, haulage, water storage and rehabilitation.

Department of Natural Resources and Mines Land Use Code

The Department of Natural Resources and Mines Land Use Codes relied upon by Council are set out in Appendix A.

Identification of Land

The Council delegates to the Chief Executive Officer, pursuant to section 81(4) and (5) of the *Local Government Regulation 2012*, the power of identifying the rating category to which each parcel of rateable land belongs.

Principal Place of Residence (PPR)

For the sake of clarity, in identifying the rating category to which residential land belongs, the Council will assume that where a ratepayer's postal address is not the same as the property address, the land will not be the ratepayer's principal place of residence (PPR).

In these circumstances, if a ratepayer considers that land is their PPR, it must submit an application to the Council using the prescribed form. This form can be obtained from any of Council's offices or on Council's website www.isaac.qld.gov.au.

Once completed the form should be returned to council together with any two of the following documents indicating your residency at the property from the time you occupied it:

- Confirmation of electoral enrolment
- A telephone or electricity account in the owner/s name addressed to the property
- Other legal documentation to confirm residency at the dwelling or unit
- Current driver's licence showing dwelling or unit address

If your postal address is a PO Box the document must include the property address.

Adoption of differential general rates for 2015/16

The differential rates set out in the following table have been adopted for 2015-16:

	Category	Cents in the Dollar of Unimproved Valuation 2015-16
Category 1	• PPR Urban Land – Isaac Towns (Valuation \$0 - \$109,000)	0.9283
Category 2	• PPR Urban Land – Isaac Towns (Valuation \$109,001 - \$149,000)	0.8372
Category 3	• PPR Urban Land – Isaac Towns (Valuation \$149,001 - \$270,000)	0.6939
Category 4	• PPR Urban Land – Isaac Towns (Valuation > \$270,00)	0.5502
Category 5	• NPPR Urban Land – Isaac Towns (Valuation \$0 - \$109,000)	1.1139
Category 6	• NPPR Urban Land – Isaac Towns (Valuation \$109,001 - \$149,000)	1.0091
Category 7	• NPPR Urban Land – Isaac Towns (Valuation \$149,001 - \$270,000)	0.8744
Category 8	• NPPR Urban Land – Isaac Towns (Valuation > \$270,000)	0.7627
Category 9	• Commercial/Industrial	1.7888
Category 10	• Rural Residential	0.6348
Category 11	• Rural Land – Animal Husbandry	0.5298
Category 12	• Rural Land – Agriculture & Cropping	0.5264
Category 13	• Rural Land – Cane/Timber	1.0474
Category 14	• Rural Other	0.5472
Category 15	• Multi Unit (2-4) Land	1.2792
Category 16	• Multi Unit (5-9) Land	1.8699
Category 17	• Multi Unit (10-14) Land	1.7591
Category 18	• Multi Unit (15 -19) Land	1.8179
Category 19	• Multi Unit (20-25) Land	2.5308
Category 20	• Multi Unit (26-50) Land	2.5308
Category 21	• Multi Unit (>50) Land	3.8075
Category 22	• Barracks & Quarters/Caravan Parks (50-120)	10.8592
Category 23	• Barracks & Quarters/Caravan Parks (121-250)	10.8592
Category 24	• Barracks & Quarters/Caravan Parks (251-350)	19.2614
Category 25	• Barracks & Quarters/Caravan Parks (351-450)	19.2614
Category 26	• Barracks & Quarters/Caravan Parks (451-650)	26.6093
Category 27	• Barracks & Quarters/Caravan Parks (651-850)	33.1198
Category 28	• Barracks & Quarters/Caravan Parks (851-1200)	33.1198
Category 29	• Barracks & Quarters/Caravan Parks (1201-2000)	56.4514
Category 30	• Barracks & Quarters/Caravan Parks (>2000)	56.4514
Category 31	• Coal Mining (50-100)	8.2940
Category 32	• Coal Mining (101-250)	9.3148
Category 33	• Coal Mining (251-350)	9.3148
Category 34	• Coal Mining (351-450)	9.3148

	Category	Cents in the Dollar of Unimproved Valuation 2015-16
Category 35	• Coal Mining (451-550)	10.2080
Category 36	• Coal Mining (551-650)	10.8460
Category 37	• Coal Mining (651-800)	10.8460
Category 38	• Coal Mining (801-900)	10.8460
Category 39	• Coal Mining (901-1000)	10.8460
Category 40	• Coal Mining (1001-1400)	10.8460
Category 41	• Coal Mining (1401-2000)	10.8460
Category 42	• Coal Mining (2001-2500)	15.3120
Category 43	• Coal Mining (>2500)	15.3120
Category 44	• Other Coal	9.3148
Category 45	• Quarries (< 100000)	0.7229
Category 46	• Quarries (> 100000)	0.7886
Category 47	• Other Mines/Extractive Land	8.8512
Category 48	• Transport Terminal	3.0848
Category 49	• Noxious and Hazardous Industries (<50)	3.9806
Category 50	• Noxious and Hazardous Industries (>=50)	51.0400
Category 51	• Shopping Centres	3.4289
Category 52	• Gas Processing (0 - 20,000)	112.7133
Category 53	• Gas Processing (> 20,000)	69.6218
Category 54	• Feedlots (4000- 12000)	0.6842
Category 55	• Feedlots (> 12000)	0.6842

MINIMUM GENERAL RATE LEVY 2015-16

In accordance with section 77 of the *Local Government Regulation 2012*, the following Minimum General Rate Levies for the various categories of land, shall apply for 2015-16:

	Category	Minimum General Rate (per annum)
Category 1	• PPR Urban Land – Isaac Towns (Valuation \$0 - \$109,000)	\$692
Category 2	• PPR Urban Land – Isaac Towns (Valuation \$109,001 - \$149,000)	\$1,012
Category 3	• PPR Urban Land – Isaac Towns (Valuation \$149,001 - \$270,000)	\$1,248
Category 4	• PPR Urban Land – Isaac Towns (Valuation > \$270,00)	\$1,874
Category 5	• NPPR Urban Land – Isaac Towns (Valuation \$0 - \$109,000)	\$830
Category 6	• NPPR Urban Land – Isaac Towns (Valuation \$109,001 - \$149,000)	\$1,214
Category 7	• NPPR Urban Land – Isaac Towns (Valuation \$149,001 - \$270,000)	\$1,504
Category 8	• NPPR Urban Land – Isaac Towns (Valuation > \$270,000)	\$2,362
Category 9	• Commercial/Industrial	\$1,004
Category 10	• Rural Residential	\$692
Category 11	• Rural Land – Animal Husbandry	\$692
Category 12	• Rural Land – Agriculture & Cropping	\$692
Category 13	• Rural Land – Cane/Timber	\$692
Category 14	• Rural Other	\$692
Category 15	• Multi Unit (2-4) Land	\$1,382
Category 16	• Multi Unit (5-9) Land	\$3,456
Category 17	• Multi Unit (10-14) Land	\$6,910
Category 18	• Multi Unit (15-19) Land	\$10,364
Category 19	• Multi Unit (20-25) Land	\$13,818
Category 20	• Multi Unit (26-50) Land	\$17,968
Category 21	• Multi Unit (> 50) Land	\$35,232
Category 22	• Barracks & Quarters/Caravan Parks (50-120)	\$24,578
Category 23	• Barracks & Quarters/Caravan Parks (121-250)	\$59,476
Category 24	• Barracks & Quarters/Caravan Parks (251-350)	\$123,378
Category 25	• Barracks & Quarters/Caravan Parks (351-450)	\$172,532
Category 26	• Barracks & Quarters/Caravan Parks (451-650)	\$221,686
Category 27	• Barracks & Quarters/Caravan Parks (651-850)	\$319,994
Category 28	• Barracks & Quarters/Caravan Parks (851-1200)	\$418,302
Category 29	• Barracks & Quarters/Caravan Parks (1200-2000)	\$590,340
Category 30	• Barracks & Quarters/Caravan Parks (>2000)	\$952,196
Category 31	• Coal Mining (50-100)	\$91,872
Category 32	• Coal Mining (101-250)	\$153,120

	Category	Minimum General Rate (per annum)
Category 33	• Coal Mining (251-350)	\$191,400
Category 34	• Coal Mining (351-450)	\$216,920
Category 35	• Coal Mining (451-550)	\$236,060
Category 36	• Coal Mining (551-650)	\$280,720
Category 37	• Coal Mining (651-800)	\$306,240
Category 38	• Coal Mining (801-900)	\$344,520
Category 39	• Coal Mining (901-1000)	\$408,320
Category 40	• Coal Mining (1001-1400)	\$446,600
Category 41	• Coal Mining (1401-2000)	\$491,260
Category 42	• Coal Mining (2001-2500)	\$548,680
Category 43	• Coal Mining (>2500)	\$586,960
Category 44	• Other Coal	\$48,488
Category 45	• Quarries (< 100000)	\$12,688
Category 46	• Quarries (> 100000)	\$26,864
Category 47	• Other Mines/Extractive Land	\$864
Category 48	• Transport Terminal	\$1,790
Category 49	• Noxious and Hazardous Industries (<50)	\$2,984
Category 50	• Noxious and Hazardous Industries (>=50)	\$105,142
Category 51	• Shopping Centres	\$6,574
Category 52	• Gas Processing (0-20,000)	\$31,900
Category 53	• Gas Processing (> 20,000)	\$194,942
Category 54	• Feedlots (4000-12000)	\$8,422
Category 55	• Feedlots (> 12000)	\$16,484

LIMITATION OF INCREASE IN RATES LEVIED 2015-16

In accordance with section 116 of the *Local Government Regulation 2012*, for the 2015-16 financial year increases in differential general rates for categories 1 – 14 will be capped at 30% and increases in differential general rates for categories 48 - 49 will be capped at 40%.

SEPARATE CHARGES 2015-16

Separate Charge – Disaster Management

In accordance with section (94)(1)(b) of the *Local Government Act 2009*, Council levies a disaster management separate charge of \$11.98 per rateable assessment, to be levied equally on all rateable assessments in Council's area. The disaster management separate charge will be used solely to assist in funding the recurrent annual disaster management activities of Council, including those costs relating to the operation and maintenance of equipment used by Council in fulfilment of its disaster management obligations, and those costs relating to disaster prevention and disaster planning.

SPECIAL RATES AND CHARGES 2015-16

Special Charge – Capital Projects - Town of Dysart

In accordance with Sections 92 and 94(1)(b) of the *Local Government Act 2009*, Council will make and levy a special charge for capital projects to be undertaken in the mining town of Dysart.

The overall plan for the services, facilities and activities in respect of which the special charge is made and levied shall be identified as follows:

- The rateable land to which the special charge applies is **Lot 1 on MLG1782:ML1782**, Parishes of Dunsmure, Dysart and others and **Lot 1 on MLG70331:ML70331**, Parish of Vermont.
- The service or activity for which the special charge is made is the completion of the following capital projects:

<u>Project Description</u>	<u>Special Charge</u>
Resource Recovery Upgrade	\$200,000
Sewerage Treatment Plant upgrades	\$835,000

- The time for implementing the overall plan is one (1) year, ending 30 June 2016, as the services and activities for which the charge is made will be carried out by this time.
- The estimated cost of implementing the overall plan (being the capital projects listed above for the town of Dysart for 2015-16) is \$1,035,000.
- The special charge is intended to raise \$1,035,000 of the funds necessary to carry out the overall plan.

The occupier of the land to be levied with the special charge specially contributes, to different extents, to the need for the implementation of the overall plan, comprising operation and maintenance of the town of Dysart and capital improvements to the town, because:

- The occupier of the land that is to be levied, conducts a mine on that land, and needs to attract a substantial local resident work force for that purpose.
- The overall level of sporting, recreational, cultural, road, water, sewerage and support infrastructure and services provided for the township of Dysart is of a high standard which could not be provided or maintained without the imposition of the special charge.
- The provision of these services assists in making the town of Dysart a comfortable and attractive place to live for mine employees and their families who constitute a large majority of the population of the town.
- This in turn creates employment and other opportunities leading to the provision of extra support services such as banking, health and education which further enhances the suitability and attraction of the town as a place of residence for mine employees.

The Council has formed the opinion that the land to be levied with the special charge specially contributes to the need for the services and activities to different extents. As such, in accordance with section 94(12) of the *Local Government Regulation*, the special charge shall be levied as follows:-

- (a) Lot 1 on MLG1782:ML1782, \$695,758.05
- (b) Lot 1 on MLG70331:ML70331 \$339,241.95.

Special Charge – Mining Town of Middlemount

In accordance with Sections 92 and 94(1)(b) of the *Local Government Act 2009*, Council will make and levy a special charge for capital projects to be undertaken in the mining town of Middlemount.

The overall plan for the services, facilities and activities in respect of which the special charge is made and levied shall be identified as follows:

- The rateable land to which the special charge applies is **Lot 1 on MLG1831:ML1831**, Parish of Bul Bul and **Lot 1 on MLG70171:ML70171**, Parish of Foxleigh.
- The service or activity for which the special charge is made is the completion of the following capital projects:

Project Description	Special Charge
Cam Park renewals and upgrades	\$60,000
Skate Park Area improvements	\$40,000
Town Entry Statement improvements	\$100,000
Footpath Upgrades and Extensions	\$200,000
Blue Mountain Park improvements	\$100,000
Corporate Venues Roof improvements	\$13,804
Corporate Venues Floor improvements	\$21,029
Water Treatment Plant upgrades	\$600,000
Tip Rectification	\$400,000

- The time for implementing the overall plan is one (1) year, ending 30 June 2016, as the services and activities for which the charge is made will be carried out by this time.

- The works and services specified in the overall plan will be carried out or provided during the year ending 30 June 2016.
- The estimated cost of implementing the overall plan (being the expenditure for the town of Middlemount for 2014-15) is \$1,534,833.

The occupier of the land to be levied with the special charge specially contributes, to different extents, to the need for the implementation of the overall plan, comprising operation and maintenance of the town of Middlemount and capital improvements to the town, because:

- The occupier of the land that is to be levied, conducts a mine on that land, and needs to attract a substantial local resident work force for that purpose.
- The overall level of sporting, recreational, cultural, road, water, sewerage and support infrastructure and services provided for the township of Middlemount is of a high standard which could not be provided or maintained without the imposition of the special charge.
- The provision of these services assists in making the town of Middlemount a comfortable and attractive place to live for mine employees and their families who constitute a large majority of the population of the town.
- This in turn creates employment and other opportunities leading to the provision of extra support services such as banking, health and education which further enhances the suitability and attraction of the town as a place of residence for mine employees.

The Council has formed the opinion that the land to be levied with the special charge specially contributes to the need for the services and activities to different extents. As such, in accordance with section 94(12) of the *Local Government Regulation*, the special charge shall be levied as follows:-

- | | |
|-------------------------------|-----------------|
| (a) Lot 1 on MLG1831:ML1831 | \$1,195,352.80. |
| (b) Lot 1 on MLG70171:ML70171 | \$339,480.20. |

Special Charge(s) – Rural Fire Brigade Districts (Ilbilbie, West Hill, Orkatie, Carmila West, Carmila/Flaggy Rock, Clairview, Nebo and St Lawrence)

In accordance with Section 128A of the *Fire and Emergency Services Act 1990* and Sections 92 and 94(1)(b) of the *Local Government Act 2009*, Council make and levy a special charge for the purpose of raising revenue for each Rural Fire Brigade as set out in the table below.

The overall plan for the services, facilities and activities in respect of which the special charge is made and levied shall be identified as follows:

- The rateable land to which the special charge applies is land within the areas separately described on a cadastral map titled 'Map Showing Rural Fire Brigades and Urban Fire Brigades in Isaac Regional Council'. Where a person owns more than one rateable parcel within a particular rural fire area, this special charge will not be levied on the second or subsequent lots within that particular rural fire area whilst they remain in one ownership.

- The service facility or activity for which the special charge is made is for the provision of fire fighting services in the defined benefit areas.
- The time for implementing the overall plan is one (1) year ending, 30 June 2016. However, provision of fire fighting services is an ongoing activity, and further special charges are expected to be made in future years.
- The works and services specified in the overall plan will be carried out or provided during the year ending on 30 June 2016.
- The estimated cost of implementing the overall plan (being the cost of the planned works and replacement of capital items for 2015-16) is \$2,324.
- The special charge is intended to raise all funds necessary to carry out the overall plan.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, comprising firefighting services, because the brigades are in charge of firefighting and fire prevention under the *Fire and Emergency Services Act 1990* and whose services could not be provided or maintained without the imposition of the special charge. The amount of the special charge to be levied (per parcel) is:

Rural Fire Brigade District	Special Charge
Ilbilbie	\$ 20.00
West Hill	\$ 25.00
Orkatie	\$ 25.00
Carmila West	\$ 25.00
Carmila	\$ 25.00
Clairview	\$ 20.00
Flaggy Rock	\$ 25.00
Nebo	\$ 20.00
St Lawrence	\$ 20.00

CLEANSING, SEWERAGE AND WATER UTILITY CHARGES 2015-16

Council will make and levy a utility charge on any land, whether vacant or occupied, and whether or not it is rateable land; or a structure; to recover costs in relation to the provision of services and or facilities.

The following utility charges will be implemented by Council during 2015-16:

Waste Management

Domestic Waste and Recycling Services

In accordance with Sections 92 and 94(1)(b) of the *Local Government Act 2009*, Council will make and levy a domestic waste management charge and a recycling charge for the provision of refuse removal from all lands, within the designated waste and recycling collection areas and serviced by Council or it's nominated contractor. Council will levy on the owner a per annum charge per dwelling, unit or flat within the designated waste and

recycling area regardless of whether the ratepayer chooses to use the domestic general waste and/or recycling services Council makes available.

The number of charges levied to a domestic property shall be the number of bins the Chief Executive Officer or delegate considers necessary; or the number of bins the owner requests, whichever is the greater.

Residential Premises – Multi-Unit Dwellings

All multi-unit dwelling residential premises located within the designated waste and recycling collection areas and serviced by Council or its nominated contractor will be provided with a waste collection service per dwelling, unit or flat by council or its nominated contractor.

The maximum allowable number of Mobile Garbage Bins (MGB) at a multi-unit dwelling will be determined by an Isaac Waste Services authorised officer following assessment of on-site storage facilities based on the suitability of, and access to, kerbside presentation/service point(s).

If there is no satisfactory kerbside location for presentation of, or service of MGB's, at the discretion of an Isaac Waste Service's authorised officer bulk refuse and recycling may be provided to multi-unit dwellings.

The number of bulk bins, size of bulk bins and frequency of bin services provided will vary according to the size of the development.

An Isaac Waste Services authorised officer will determine the number and size of bulk waste bins, and the frequency of the bulk bin waste service.

The **domestic general waste collection and recycling charge** is for:

- Emptying the MGB once per week for domestic general waste.
- Emptying the MGB fortnightly for recyclables.

Commercial Waste and Recycling Services

Commercial and industrial users will be provided with one mobile bin and one recycling bin*. Additional bins may be provided on application and at the discretion of an Isaac Waste Services authorised officer. Should application be denied or at the option of the commercial and industrial users, arrangements for refuse removal and disposal services are to be made with an approved contractor if their needs exceed this level. A disposal fee applied in accordance with Councils adopted Schedule of Fees and Charges will be charged to defray the cost of handling the commercial and industrial wastes separately collected by the contractor and deposited at any of Council's refuse disposal facilities.

* For the purposes of this charge Units held under a Community Titles Scheme operating as a hotel/motel will be considered Commercial.

The **commercial waste collection and recycling charge** is for:

- Emptying the MGB once per week for commercial waste.
- Emptying the MGB fortnightly for recyclables.

Establishment /Amendment Fee

A fee will be charged on the establishment or replacement of a MGB service. The fee will cover the delivery of an initial bin and/or any additional bins and be charged to the owner via a debtors invoice. **The establishment fee per MGB is \$100.**

Schedule of Waste Collection and Recycling Charges

Service

Domestic Services	Annual Charge
General Waste Service	\$356.04
Recyclable Waste Service	\$89.00
Commercial Services	Annual Charge
Commercial Waste Service	\$406.40
Recyclable Waste Service	\$89.00
Multi-Unit Dwellings	Annual Charge
General Waste Service	\$356.04
Recyclable Waste Service	\$89.00

Additional Services

Additional services may be provided on application and will be charged on a per service per lift per annum rate as listed in the schedule of waste and recycling charges above.

Services Outside the designated waste and recycling collection areas

Domestic properties outside the designated waste and recycling collection areas can be provided with the following waste and recycling services providing the property is located along the route travelled by council or its nominated contractor upon application. Such arrangements are at the sole discretion of an Isaac Waste Services authorised officer and may change subject to route changes by Council or its nominated contractor.

The **domestic general waste collection and recycling charge** is for:

- Emptying the MGB once per week for domestic general waste.
- Emptying the MGB fortnightly for recyclables.

Service

Domestic Services	Annual Charge
General Waste Service – per service per lift	\$356.04
Recyclable Waste Service – per service per lift	\$89.00

Commencement Date for Full Charges

Refuse and recycling 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 bins supplied and the repair and/or replacement of any such wheelie bin that may be damaged, lost or stolen.

Sewerage

In accordance with Sections 92 and (94)(1)(b) of the *Local Government Act 2009*, Council will make and levy a sewerage charge on each property, both vacant and occupied, that Council has or is able to provide with sewerage services.

In order to reflect the different operating costs a separate charge will be made for Dysart, Middlemount, Clermont, Moranbah, Glenden and Nebo. Generally, sewerage charges will be calculated on a full cost recovery basis.

Nebo and Glenden

Sewerage charges for properties in Nebo and Glenden shall be determined, having regard to the use of land, in accordance with the unit charge and table set out below.

Dysart, Middlemount, Clermont and Moranbah

Residential properties which contain a single dwelling, including individual lots which form part of a body corporate under the *Body Corporate and Community Management Act* and *Building Units Group Titles Act*, shall be charged a single pedestal charge for the first pedestal installed and then one half of a pedestal charge for each pedestal installed thereafter (example: two (2) pedestals will be charged 1.5 units).

Residential properties which contain multiple dwellings on a single title, not including individual lots which form part of a body corporate under the *Body Corporate and Community Management Act* and *Building Units Group Titles Act*, shall, for each dwelling, be charged one pedestal charge for the first pedestal installed and then one half of a pedestal charge for each pedestal installed thereafter (example: two (2) pedestals will be charged 1.5 units).

Caravan parks, quarters and barracks and motels, providing single room accommodation (that is capacity to house one individual only) will be charged one pedestal charge for every three pedestals installed in individual rooms.

Commercial properties, excluding caravan parks, quarters, barracks and motels, but including individual lots which form part of a body corporate under the *Body Corporate and Community Management Act* and *Building Units Group Titles Act*, shall be charged the applicable pedestal charge for each pedestal that is connected to the sewerage system.

Vacant land, to which the Council provides, or is able to provide, sewerage services shall be charged a single pedestal charge in Moranbah and Clermont and half of a pedestal charge in Dysart and Middlemount.

Where sewerage services are provided to the common property of scheme land within the meaning of the *Body Corporate and Community Management Act 1997*, the body corporate shall be levied a charge on each pedestal.

Normal charges will apply for pedestals and urinals in all amenity block complex(s) and public toilets. Premises subject to this policy must submit themselves to annual inspection to

be conducted by Council's Environmental Health Officer to determine eligibility. Refusal of an inspection will result in normal charges applying for each pedestal.

A urinal will be deemed to be the equivalent of a pedestal if it is 600mm long or less. For each 600mm or part thereof, a charge equal to that per pedestal will be levied – e.g. 1200mm = two (2) charges: 1350mm = three (3) charges.

Council will, at its discretion, view a premises used by minor clubs and organisations as vacant land and charge accordingly. This view is to reflect the intermittent or occasional use of such premise.

The amount of the sewerage charge (per pedestal) is:

Charge	Dysart	Middlemount	Clermont	Moranbah
Single Dwelling	\$702.70	\$664.56	\$828.50	\$648.50
Commercial & Other Premises	\$702.70	\$664.56	\$828.50	\$648.50
Caravan Parks, Quarters, Barracks & Motels	\$702.70	\$664.56	\$203.42	\$125.80
Additional Pedestals	\$351.34	\$332.28	\$526.56	\$371.54
Vacant Land	\$351.34	\$332.28	\$566.24	\$344.84
Garbage Disposal Unit – Commercial	N/A	N/A	\$647.40	\$475.46
Garbage Disposal Unit - Dwellings	N/A	N/A	\$265.00	\$208.80

The amount of the sewerage charge (per pedestal) is:

Township	Charge
Nebo	\$ 527.92
Glenden	\$ 556.92

The amount of the sewerage charge (per unit) for the following townships of Nebo & Glenden is:

	Units	\$ Charge/Unit Nebo	\$ Charge/Unit Glenden	Comments
Accommodation Camps	1	\$149.98	\$149.98	Per single accommodation unit
Bowls Club	16	\$131.98	\$139.24	
Caravan Park (1-10 sites)	10	\$131.98	\$139.24	
Caravan Park (>10 sites)	10	\$131.98	\$139.24	Plus 1 unit for each additional site
Caravan Park with Residence	10	\$131.98	\$139.24	As for Caravan Park + 2 units
Churches	1	\$131.98	\$139.24	
Concrete Batching Plants	16	\$131.98	\$139.24	
Council Depot	15	\$131.98	\$139.24	
Hotel (with accommodation)	16	\$131.98	\$139.24	Additional donga-style accommodation units to be charged at accommodation camp rates
Licensed Premises – no accommodation (not sports clubs)	14	\$131.98	\$139.24	
Motel	4	\$131.98	\$139.24	For first motel unit/residence + 2 units for each additional motel unit
Multi-Dwelling Unit	4	\$131.98	\$139.24	Per residential unit
Police Station/Residence – Combined Service	6	\$131.98	\$139.24	
Police Barracks	4	\$131.98	\$139.24	
Post Office	4	\$131.98	\$139.24	
Post Office/Residence- Combined Service	6	\$131.98	\$139.24	

Public Amenities	4	\$131.98	\$139.24	
Public Halls	2	\$131.98	\$139.24	
Public Parks	16	\$131.98	\$139.24	
Residential Dwellings (single family)	4	\$131.98	\$139.24	
Service Stations	8	\$131.98	\$139.24	
Schools (< 50 pupils)	5	\$131.98	\$139.24	
Schools (> 50 to 100 pupils)	10	\$131.98	\$139.24	
Schools (>100 pupils)	10	\$131.98	\$139.24	Plus 10 units for each additional 100 pupils, or part thereof
Shop	6	\$131.98	\$139.24	
Shop/Residence – Combined	8	\$131.98	\$139.24	
Show/Rodeo grounds	40	\$131.98	\$139.24	
Telstra Depot	4	\$131.98	\$139.24	
Vacant Land – deemed to be connected within benefited area	2	\$131.98	\$139.24	
Units		\$ Charge/Unit Nebo	\$ Charge/Unit Glenden	Comments
Vacant Land – connected within scheduled area	4	\$131.98	\$139.24	
Other Premises (not specified above)	4	\$131.98	\$139.24	

Commencement Date for Full Charges

Sewerage utility charges will be effective from the date of the final inspection of sewerage pedestals or the date of the final inspection and/or certification of classification issued, whichever is the sooner.

Water Charges

In accordance with Sections (92) and (94)(1)(b) of the *Local Government Act 2009*, Council will make and levy a water charge in the manner described hereafter to be levied on all land within the region whether vacant or occupied to which Council is prepared to supply water, together with any land already connected to Council's various water supply systems.

The charges are also made in respect of any land or other structure, building or place on land to which water is supplied that is not rateable under Section 93 of the *Local Government Act 2009*.

All such charges levied shall be used to defray the cost of constructing water supply facilities, including the payment of interest, depreciation and the costs associated with the operation, maintenance and management of the water supply system.

The basis of the water charge is:

- an **annual charge** which includes a right to use water to a certain level without further charge for any metered premises, and
- a **consumption charge** for each kilolitre of water in excess of a certain amount as registered on a meter installed by Council.

The basis of charge is further defined in terms of a 'unit', such units having been established on a basis that recognises that certain premises will use water at a greater level than other because of the nature of the use to which the land is put.

An annual access charge measured in units is made for all connections to the systems. This annual charge provides for the use of 180 kilolitres per unit in Dysart and Middlemount, 125 kilolitres per unit in St Lawrence and Carmila, 150 kilolitres per unit in Nebo and Glenden, 55 kilolitres per unit for Clermont and 66.25 kilolitres per unit for Moranbah without further charge.

Recreation grounds, sporting clubs and churches will be allowed a water allocation of 360 kilolitres per unit in Dysart and Middlemount and 250 kilolitres per unit in St Lawrence and Carmila for the purpose of calculating excess water charges.

An access charge also measured in units is applied to each parcel of vacant land within the areas to which water may reasonably be connected in the usual course of Council's business.

A consumption charge is made for each kilolitre of water consumed in excess of the allowance amount included with the access charge. Water used is measured by a meter installed by Council.

The amount of the water charges (per unit) are:

Town	Charge Per Unit
Dysart	\$ 240.46
Middlemount	\$257.14
St Lawrence	\$297.80
Carmila	\$297.80
Nebo	\$145.48
Glenden	\$145.48
Clermont	\$97.18
Moranbah	\$65.84

For each kilolitre of water used after the allowed amount, a charge of \$0.50 cents will be made for the towns of Dysart, Middlemount, St Lawrence, and Carmila, a charge of \$1 will be made for the town of Clermont and \$1.30 will be made for the town of Moranbah, and a charge of \$0.80 cents will be made for the towns of Nebo and Glenden.

Meter will be read half-yearly and consumption charges will be retrospectively charged on the first rate notice issued in the following period.

So far as the reading of water meters is concerned, in accordance with section 102 of the *Local Government Regulation 2012*, water meters are taken to have been read during the period that starts 2 weeks before, and ends 2 weeks after, the day on which the water meters are actually read.

Where meter readings record consumption other than in the current financial year the charge to apply for the consumption of water shall be the charge applicable for the year when the consumption occurred.

In the case where a meter is found to be faulty, the Chief Executive Officer shall make such arrangements as he/she considers equitable to cause a suitable estimate of usage to be made.

Please refer to table below for relationships between the use of premises and the units used as a charging measure.

Table 4

Dysart Middlemount, St Lawrence, Carmila and Greenhill Water Schemes –Type of Premises	Chargeable Units
Temporary Single Persons Quarters/Transportable Units/Dongas (not ensuited)	1 units per 2 rooms
Permanent Single Persons Quarters/Transportable Units/Dongas (ensuited)	1 unit per room
Bowls Club	4 units
Small Business or home occupations including an attached dwelling	4 units
Business/Commercial Premises	4 units plus 2 units for each attached dwelling plus 4 units for each separate dwelling
Caravan Park	10 units plus 5 units for each additional 10 sites or part of 10 sites in excess of 10 i.e. 11 sites = 15 units, 21 sites = 20 units plus 3 units for each manager/caretakers residence
Church	2 unit plus 1 unit per church hall plus 4 units for each dwelling, either attached or separate
Commercial Recreational Centre with separate buildings or discrete outdoor sporting or recreational facilities	8 units plus 2 units for any attached residence and/or 4 units for each attached dwelling
Commercial Recreation Centre being single building without discrete outdoor sporting or recreational facilities	4 units plus 2 units for any attached residence and/or 4 units for each detached dwelling
Dwelling	4 units per dwelling
Flats (per flat)/Apartment (per apartment) / Duplex (per unit)	3 units per flat/apartment /duplex 3 units per individual unit (e.g. 2 duplex units = 6 units)
Golf Club	4 units plus 3 units per residence
Hospital	10 units
Hotels with Accommodation	16 units
Hotel with Motel Style Accommodation	15 units plus 1 unit for each motel room plus 3 units for managers/caretakers quarters or residence
Hotel/Motel Donga Style Accommodation	15 units plus 1 unit for every 3 donga style rooms plus 3 units for managers/caretakers quarters or residence
Industrial Premises	4 units plus 4 units for each dwelling unit, either attached or separate

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Dysart Middlemount, St Lawrence, Carmila and Greenhill Water Schemes –Type of Premises	Chargeable Units	
Motel	3 units for Manager/Proprietors residence plus 1 unit per motel room	
Plant Nursery	4 units plus 2 units per dwelling, either attached or separate	
Police	5 units	
Private Club or Organisation	2 units	
Private Swimming Pools - Separate Complex	4 units	
Public Buildings	4 units	
Public Halls	1 unit	
Queensland Ambulance Service	1 unit plus 4 units for attached or separate dwelling	
Racecourse	2 units	
Recreation Grounds and Swimming Pools (per connection)	2 units	
Saleyards	1 unit	
Schools	10 units < 100 pupils 20 units < 200 pupils 30 units < 300 pupils 40 units < 400 pupils 48 units < 500 pupils 54 units > 600 pupils 58 units >= 700 pupils 60 units > 700 pupils plus 4 units for each sporting field that is separately metered	
Service Station	6 units	
Tennis Court - Separate Complex	2 units	
Vacant Land	4 units with meter, 2 units without meter	
Any premises not otherwise mentioned	At the discretion of the Chief Executive Officer	
Clermont & Moranbah Water Schemes – Type of Premises	Chargeable Units Clermont	Chargeable Units Moranbah
Dwelling/Unit/Flat – per Dwelling/Unit/Flat (not operating as a hotel/motel)	12	12
Unit held under a Community Titles Scheme operating as a Hotel/Motel – per Unit	4	4
Commercial unless otherwise specified	10	11

Clermont & Moranbah Water Schemes – Type of Premises	Chargeable Units Clermont	Chargeable Units Moranbah
Multi-unit commercial comprising from four to six individual businesses	35	44
Caravan Park	39	55
Caravan Park – Haig St Clermont	121	
Hotel, motel or combination thereof	39	55
Multi-unit commercial comprising 7 or more individual businesses	39	55
Primary Schools	39	55
High schools	39	66
Hospital	39	67
C.W.A. meeting room, Public library, Pony Club, Girl Guides / Boy Scouts association buildings,	6	6
Building used exclusively for public worship	6	6
Café, restaurant, bakery, butcher shop	16	
Vacant land with no meter connected	10	8
Vacant land with meter connected	12	12
Accommodation Camps	3 per single accommodation unit	3 per single accommodation unit
Nebo & Glenden Water Schemes - Type of Premises	Chargeable Units	Comments
Accommodation Camps	1	Per single accommodation unit
Bowls Club	16	
Caravan Park (1-10 sites)	10	
Caravan Park (> 10 sites)	10	Plus 1 unit for each additional site or part thereof
Caravan Park with residence	10	As for caravan park plus 2 units
Churches	1	
Concrete Batching Plants	16	
Council Depot	15	

Nebo & Glenden Water Schemes - Type of Premises	Chargeable Units	Comments
Hotel (with accommodation)	16	Additional donga-style accommodation units to be charged at accommodation camps rates
Licensed Premises – No accommodation (not sports clubs)	14	
Motel	4	For first motel unit/residence, plus 2 units for each additional motel unit
Multi-Dwelling Unit	4	
Police Station/Residence – Combined Service restaurant, bakery, butcher shop	6	
Police Barracks	4	
Post Office	4	
Public Amenities	4	
Public Halls	2	
Public Parks	16	
Residential Dwellings (Single Family Unit)	4	
Service Stations	8	
Schools (< 50 Pupils)	5	
Schools (> 50 to 100 Pupils)	10	
Schools (> 100 Pupils)	10	Plus 10 units for each additional 100 pupils or part thereof
Shop	6	
Shop/Residence – Combined Service	8	
Show/Rodeo Grounds	40	
Telstra Depot	4	
Vacant Land – deemed to be connected within benefited area	1	

Nebo & Glenden Water Schemes - Type of Premises	Chargeable Units	Comments
Vacant Land – connected within benefited area	2	
Vacant Land – connected within scheduled area	4	Water may be connected to vacant allotments within scheduled area on application to Council
Other Premises (not specified above)	4	
Additional Water Connections	4	Base charge, as for above plus 2 units

Commencement Date for Full Charges

Non-metered vacant land water charges will apply from the date of registration of the plan where the land is within the water supply area.

All other water 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.

ISSUE OF, AND PERIOD COVERED BY, RATE NOTICE

In accordance with the provisions of Section 107 of the *Local Government Regulation 2012*, and unless specified elsewhere in this revenue statement, rates and charges will be levied on a half-yearly basis.

TIME IN WHICH RATES MUST BE PAID

In accordance with the provisions of Section 118 of the *Local Government Regulation 2012*, the rates and charges levied by council must be paid within thirty (30) clear days after the notice is issued.

DISCOUNT FOR PROMPT PAYMENT

In accordance with the provisions of Section 130 of the *Local Government Regulation 2012*, discount at the rate of ten percent shall be allowed on General Rates, excluding all special rates and charges, provided payment of the full amount of outstanding and overdue rates and interest is paid by the due date.

If Council is satisfied that a person liable to pay a rate has been prevented, by circumstances beyond the person's control, from paying the rate in time to benefit from a discount under section 130 of the *Local Government Regulation 2012*, then Council under Section 130(10) of the Regulation, may still allow the discount following written application by the ratepayer.

INTEREST ON OVERDUE RATES

Council will impose interest on rates and charges that remain unpaid after the appointed date for payment (i.e. the date on which the discount period closes) and includes assessments which are making payments of outstanding rates by instalment.

Following the close of discount, interest will be calculated on daily balances of amounts outstanding and charged at the end of the month on a compounding daily interest. Where the amount of interest charged is less than \$10.00 and the rates have been paid in full in the period between the close of discount and the end of the month, the interest may be written off following approval from the Chief Executive Officer.

The Special Charge – Rural Fire Brigade District made in accordance with Section 128A of the *Fire and Emergency Services Act 1990* and Sections 92 and (94)(1)(b) of the *Local Government Act 2009* will not attract interest charges.

Interest on arrears will be calculated in accordance with section 133 of the *Local Government Regulation 2012* and will be set at the rate of 11% per annum.

PAYMENT OF RATES AND CHARGES

Payment by Instalments

Council will allow payments by instalment where it will benefit both the individual and assist with the collection of overdue rates and charges.

Instalment plans shall be based on ability to pay and if possible full recovery within a specified period.

The acceptance of a request to pay by instalment shall not be considered a 'Formal Payment Arrangement' and interest will continue to accrue at the rate determined in the policy statement. Council shall also retain the right to take legal action to recover outstanding rates (arrears) if deemed necessary.

RECOVERY OF RATES AND CHARGES

Council shall use the following as a referral guide for the recovery of rates and charges:
Standard Performance:

- 1st notice issued within 21 days of end of discount period;
- (Ratepayers will be given 21 days from post date of 1st notice to contact Council and either pay the outstanding amount in full or initiate an instalment plan.)
- Where there has been no movement on an account or an instalment plan has defaulted, Council may refer the debt to a debt recovery agent, (elected through quotation or tender).
- Generally an account will not be referred to the collection agent, unless it is \$500.00 or greater in value.

- All debts referred to a recovery agent, shall be subject to their terms and conditions of payment.
- No payment plans will be issued through Council for any debt referred to a collection agent.
- Where the collection agent is unable to trace the interested parties, the account shall be referred back to Council and standard reminder notices will be forwarded periodically.

Further Action:

- Where the collection agent has returned no result, Council may proceed with legal action against the interested parties.
- Properties in default of payment for three (3) or more years may initiate action under Section 140 of the *Local Government Regulation 2012* – Notice of Intention to sell land for overdue rates or charges.

Exceptional Circumstances - Drought Relief or Natural Disaster

Council may at its discretion grant some relief to rural ratepayers who are financially stressed by drought or have been affected by a natural disaster.

The relief may be in the form of an extension to the period during which Council will permit discount to be deducted from rates. This period shall be extended to the end of the period covered by the rate levy (31 December or 30 June). This concession may be available only to primary producers who can provide objective evidence of financial difficulty arising from drought or natural disaster. The Department of Primary Industries shall be the determining body for the process of declaration of drought.

CONCESSIONS

Pensioner Concessions

To alleviate the impact of rates and charges on approved pensioners, Council shall provide concessions of 30% on general rates, water, sewerage and cleansing charges (but not state fire levy and excess water charges) in addition to the State Pensioner Subsidy.

Persons holding a Department of Veterans Affairs or a Queensland Repatriation Health Card issued by the Department of Veterans Affairs will receive the maximum discount allowable.

The concession shall be available to eligible pensioners in addition to the settlement discount.

To be eligible for Council subsidy pensioners must meet the following criteria:

- Concessions are only available to approved pensioners who are in receipt of a pension from the Commonwealth Government.
- An approved pensioner is one who is and remains an eligible holder of a Queensland Pensioner Concession Card issued by Centrelink or the Department of Veterans Affairs, or a Queensland Repatriation Health Card – For all or specific conditions issued by the Department of Veterans Affairs.

- The approved pensioner must be the owner or life tenant of the property that is his/her principal place of residence. In the cases of co-ownership, the Council subsidy will apply only to the approved pensioner's proportionate share of the gross rates and charges.
- The claimant must be a resident of the region on the first day in July in the financial year in which the benefit is being claimed. Pensioners taking residence after that date will be eligible for a pro-rata concession based on the number of day's resident.
- The concession is only available to claimant's who reside in a structure which has been approved by Council to be a habitable dwelling, and/or are in receipt of Council services.
- A pensioner's eligibility shall be confirmed through the Centrelink Customer Confirmation eService in all circumstances.
- Application for the above pensioner concessions is required only on initial application.

Natural Hardship

Council may, at its discretion allow other concessions or remissions if it is of the opinion that some unusual and serious circumstances exist which may prevent payment within the appointed time or otherwise delay the payment of rates and charges as they fall due.

Applications for concession or remission should be able to demonstrate unusual and severe difficulty rather than the usual frustration and trial to which everyone is subjected from time to time.

Economic or Social Incentives

Council may allow rating concessions as an incentive to attract business to the Region in an industrial estate development or in a project with similar economic benefit to the Region.

Not for profit entities and entities which assist cultural development

At Council's discretion, it may remit some or all of the rates and charges that would otherwise be payable by certain clubs or organisations that, in the opinion of the Chief Executive Officer, fulfil useful social and or charitable community needs, as identified in Council's Corporate Plan. The following clubs shall fall into this category and will be granted concessions as listed below for the 2015-16 financial year:

Assessment No	Club	General	Water	Sewerage
80090-00000	Broadsound Coastal Community Development Association	100%	N/A	N/A
80123-00000	QCWA (Carmila)	N/A	100%	N/A
80138-00000	Carmila Anglican Church	N/A	50%	N/A
80141-00000	Carmila Catholic Church	N/A	50%	N/A
80328-00001	St Lawrence & District Bowls Club	N/A	50%	N/A
80463-00000	St Lawrence Anglican Church	N/A	50%	N/A
80526-50000	Dysart Kindergarten Inc.	100%	100%	100%

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Assessment No	Club	General	Water	Sewerage
80631-00003	Dysart Netball Association	N/A	50%	100%
81382-50000	Dysart Owners & Trainers & Rodeo Club	100%	50%	N/A
81394-00002	Dysart Soccer Club	N/A	50%	100%
81394-00003	Dysart Junior Rugby League Club	N/A	50%	100%
81394-90000	Dysart Senior Rugby League Club	100%	50%	100%
81432-00000	Dysart Tennis Club	100%	50%	N/A
81647-00000	Dysart Pottery Club	100%	100%	100%
81648-00000	Guides Queensland	100%	100%	100%
81649-00000	Scout Association (Qld Branch)	100%	100%	100%
81815-30000	Middlemount Rugby League Football Club	100%	50%	100%
81815-50000	Middlemount Community Sports Ass Inc.	100%	50%	100%
81815-70000	Middlemount Touch Football	100%	N/A	100%
82199-00002	Middlemount Netball Association	N/A	50%	100%
82203-00000	Creche & Kindergarten Ass of Qld	100%	100%	100%
83221-00000	Dysart Horse Performance Club	100%	100%	N/A
83242-10000	Middlemount Rodeo Association Inc.	100%	50%	N/A
83242-70000	Capella Polocrosse Club	100%	50%	N/A
83242-90000	Middlemount Horse & Pony Club	100%	50%	N/A
83243-00000	Middlemount Race Club	100%	50%	N/A
83340-90000	Dysart Pony Club Inc.	100%	50%	N/A
83223-05000	Dysart Junior Motorcross Club Inc.	100%	N/A	N/A
81392-10000	Southern Cross Association Inc.	100%	50%	N/A
50080-30000	Queensland Country Womens Ass	100%	100%	100%
50124-50000	Nebo Bowls Club	100%	100%	100%
50174-00000	Glenden Town Club	100%	100%	100%
50249-15000	Glenden Rodeo Association	100%	100%	100%
50249-20000	Glenden Pony Club	100%	100%	100%
50525-10000	Glenden Horse Owners Association	100%	100%	100%

Assessment No	Club	General	Water	Sewerage
50525-90000	Glenden Town Club	100%	100%	100%
50175-50001	Glenden Motor Sports Club	100%	100%	100%
82199-00001	Middlemount Basketball Association	100%	50%	100%
00437-10000	Clermont Motorcycle Club Inc.	100%	N/A	N/A
00000-10766	Clermont Pony Club	100%	N/A	N/A
03158-00000	Clermont Rodeo & Show Society Inc.	100%	N/A	N/A
01141-00000	Moranbah Race Club Inc.	100%	N/A	N/A
02299-00000	Moranbah Scout Group Committee	100%	N/A	N/A
01160-50000	Queensland Mines Rescue Services Ltd	100%	N/A	N/A
01235-10000	R.A.O.B. No 31	100%	N/A	N/A
03231-00000	The Clermont Race Club Inc.	100%	N/A	N/A
00051-00000	The Scouts Ass of Australia Qld Branch	100%	N/A	N/A
00054-10000	The T/Ts of Returned Sailors & Airmen	100%	N/A	N/A
81704-00000	Hinterland Community Care Inc.	100%	N/A	N/A
83119-30000	Clarke Creek Campdraft Association Inc.	100%	N/A	N/A

COST-RECOVERY FEES

Cost-recovery fees are set at, or below, a level which is expected to raise enough funds to meet the cost of each regulatory scheme. The cost-recovery fees set by the Council are shown in the Register of Cost-Recovery Fees.

BUSINESS ACTIVITY FEES

Council has the power to conduct business activities and make business activity fees for services and facilities it provides on this basis. Business activity fees are made where Council provides a service and the other party to the transaction can choose whether or not to avail itself of the service. Business activity fees are a class of charge, which are purely commercial in application and are subject to the Commonwealth's Goods and Services Tax. Business activity fees include but are not confined to the following: rents, plant hire, private works and hire of facilities.

OTHER FEES AND CHARGES

Fees other than cost-recovery fees are contained in Council's schedule of fees and charges. They are set at levels considered appropriate under the various legislative authorities.

DEPRECIATION

Depreciation and other non-cash expenses will be funded to the extent that they are recognised in Council's Accounts. Such funding will be a component of the accumulated surplus in the Appropriation Statement.

Council recognises a value for its roads and other infrastructure assets in its financial statements in accordance with the *Local Government Regulation 2012*. Council notes that the quantum of accumulated depreciation on such classes of assets may be beyond its capacity to fund fully and accordingly has identified assets that it will not replace when their useful life has expired.

APPENDIX A – LAND USE CODES

Primary

VG

L/Use	Description	Description
1	Vacant Urban Land	Land being put to no use in an urban locality
2	Single Unit Dwelling	The use of a parcel of land exclusively as a site for a dwelling
	Multi Unit Dwelling	The use of a parcel of land for two or more self-contained residential flats including group of units held by single companies but not group or strata title
3	(Flats)	
	Large Homesite	A vacant site significantly larger than land of which the highest and best use would be as a residential site
4	Vacant	
	Large Homesite	
5	Dwelling	A parcel of land (similar to code used as single unit residence)
		A parcel of land with a relatively minor shed or garage as the main structural improvement. The improvement would be a gross underdevelopment of the site
6	Outbuildings	
	Guest House, Private	An accommodation building where room only or room and meals are provided and have shared facilities (not a motel)
7	Hotel	
		A parcel of land where the single structure improvement has been surveyed on a SP plan and a Community Entitlement scheme has been established and registered. These developments are now incorporated under the BCCM Act. <i>The secondary use of each strata title should refer to the actual use (ie. commercial, industrial)</i>
8	Building Units	
		A parcel of land where the single structure improvement has been surveyed on a SP plan and a Community Entitlement scheme has been established and registered. These developments are now incorporated under the BCCM Act. <i>The secondary use of each strata title should refer to the actual use (ie. commercial, industrial)</i>
9	Group Titles	
	Combination Multi	Combined multi dwelling and shops ie. Predominantly residential flats with shops but not registered on a Building Unit Plan or
10	Dwelling & Shops	Group Title Plan
11	Shop Single	Shop with or without attached accommodation
	Shops, Shopping	
12	Group (> 6 Shops)	More than six shops on subject property built to road alignment
13	Shopping Group (2 to	Two to six shops on subject property built to road alignment

	6 Shops)	
14	Shops, Main Retail (CBD)	Shops located in main inner city/town commercial area (central business district) - any local govt may have more than one CBD eg. Gold Coast with Southport, Surfers Paradise, Burleigh, etc)
15	Shops, Secondary Retail (Fringe CBD-Presence of Service Industry)	Shops located on fringe of a central business district of city/town commercial areas. Presence of service industry in locality
16	Drive-in Shopping Centre	Drive in shopping minimum 4000sm including - neighbourhood, community and regional centres
17	Restaurant	Isolated prepared food outlet outside commercial area and including fast food outlet. Eg. KFC, McDonalds
18	Special Tourist Attraction	Any development with special recreation, historical or residential features which attracts a large number of people (including tourist village)
19	Walkway	Stratum as walkway
20	Marina	Marina including land based component (boat servicing facilities and storage) not including harbour industries or structural, mechanical repairs
21	Res Institutions (Non-Medical Care)	Aged peoples home - not predominantly medical care
22	Car Parks	An area of land which has been prepared to accommodate vehicles eith below or at ground level or on suspended concrete floors
23	Retail Warehouse	Isolated large showroom, warehouse used for retail purposes, but not in main inner city/town commercial area
24	Sales Area Outdoor	Dealers, Boats, Stock Cars, etc
25	Professional Offices	Building with professional offices, finance, banks, lending agents and brokers which are predominantly offices
26	Funeral Parlours	As code
27	Hospitals, Conv. Homes (Medical Care Private)	Hospitals, aged peoples home, nursing home, convalescent homes. Predominantly medical care
28	Warehouses & Bulk Stores	Not used for retail purposes
29	Transport Terminal	Freight and/or passengers
30	Service Station	Predominantly fuel retailing. If predominantly servicing repairs see Code 36
31	Oil Depots & Refinery	Fuel dumps or storage and oil refineries
32	Wharves	Acutal wharves, jetties and barge landing
33	Builders Yards, Contractors Yards	Building and/or garden material storage centres (not retail or hardware). Fenced area for parking heavy equipment/materials
34	Cold Stores, Iceworks	Isolated
35	General Industry	Heavy manufacturing industries eg. Motor vehicle assembly, plant structural steelworks etc. See Town Planning guidelines
36	Light Industry	Light manufacturing industry and service industry. See Town Planning guidelines
37	Noxious, Offensive Industry	Industry from where a deal of offensive noise, odour, dust, etc. emanates, including abattoirs. See Town Planning guidelines

38	Advertising - Hoarding	As code. Predominantly used for advertising
39	Harbour Industries	Harbour associated service industry. Storage industry and processing
40	Extractive	Any industry which extracts material from the ground. Eg. Quarry, mining, etc
41	Child Care, Ex K'Garten	Facility for safe keeping of below school age children
42	Hotel, Tavern	Premises licensed by Licensing Commission as hotel or tavern for the sale of liquor including casino
43	Motels	Building predominantly used for overnight accommodation of persons plus vehicle
44	Nurseries (Plants)	Plants and associated garden material
45	Theatres & Cinemas	As code
46	Drive-in Theatre	As code
47	Licensed Clubs	Any club with liquor licence/non sporting (not including clubs with attached sporting/recreation facilities). Eg. RSL
48	Sports Clubs, Facilities	All sporting/fitness/health/bowling clubs with or without a liquor licence run as a business
49	Caravan Parks	As code
50	Other Clubs (Non Business)	Boy Scouts/Girl Guides etc. - not run as a business. Memorial halls, QCWA, School of Arts etc. Sporting clubs not run as business including sports fields/area, tennis courts, etc.
51	Religious Cemeteries including	Churches, places of worship, church hall, etc.
52	Crematoria	Including cremetoria
53	Primary Code - Not to be used, Secondary Code - Commonwealth owned land	As code
54	Primary Code - Not to be used, Secondary Code - State owned land	As code
55	Library	As code
56	Showgrounds, Racecourses, Airfields	Airfield parking, hangers - no maintenance - if maintenance See 36
57	Parks, Gardens	Including undeveloped parkland
58	Education inc K'garten	University, Tertiary, State and Private, residential colleges/school and non-residential school, kindergarten
59	Primary Code - Not to be used, Secondary Code - Local Govt owned land	As Code
60	Sheep Grazing - Dry	Poorer country associated with runnin wethers
61	Sheep Breeding	Better class country used for land breeding
62	Not Allocated	Not to be used
63	Not Allocated	Not to be used

64	Cattle Grazing - Breeding	Concentration of the growing and selling of young stock - includes stud breeking
65	Cattle Breeding & Fattening	Mixture of growing and/or selling young and mature stock - includes associated studs
66	Cattle Fattening	Concentration of feeding and grazing mature stock for sale (includes feedlots)
67	Goats	Goat studs and dairies
68	Dairy Cattle - Quota Milk	Supplying to milk factory on a quota basis - includes feed lot dairies
69	Dairy Cattle - Non-Quota Milk	Supplying to milk factory on an entitlement or proportion basis. Includes feed lot dairies
70	Cream	Supplying cream only for manufacturing purposes
71	Oil Seeds	Safflower, sunflower, linseed, etc
	Sec 25 of Valn Land	
72	Act	Lands subdivided under Section 25
73	Grain	All grains including wheat, barley, oats, maize, rye etc.
74	Turf Farms	Growing turf for the purpose of harvesting and sale
75	Sugar Cane	Lands used for the growing of sugar cane or associated experimental purposes
76	Tobacco	Land used for the cultivation of tobacco
77	Cotton	Land used for the cultivation of cotton
78	Rice	Land used for the cultivation of rice
79	Orchards	Includes all orchards - citrus, exotic fruit and nut, stone, other fruits and nuts
80	Tropical Fruits	As separate to orchards eg. Bananas, paw paw
81	Pineapple	The growing of pineapple either for cash crop or manufacturing purposes
82	Vineyard	Grapes
	Small Crops & Fodder Irrigated	All vegetable and small crop items including strawberries, also includes legumes and other improved pasture, used for fodder or stock breeding purposes, grown under irrigation
83	Small Crops, Fodder	
84	Non-Irrigated	As wuth 83 without irrigation
85	Pigs	The breeding and/or growing and/or fattening of pigs in open range or feed lot environment
86	Horses	The breeding and/or growing of horses including stud purposes, including predominantly stables
87	Poultry	Includes breeding, plus the growing for meat and/or egg production either in a controlled environment or by open runs
88	Forestry & Logs	Growing for the purposes of harvesting areas of natural and/or plantation hardwood or softwood owned either privately or by the crown
89	Animals, Special Primary - Not to be used, Secondary - Stratum	Any animal not listed above eg. Deer farms, crocodile farms etc (includes dog kennels, cattery, permanent pounds, quarantine stations, cattle dips)
90		As code
91	Tranformers	Transformer and substation, television/radio, transmission towers
92	Defence Force	As code

	Establishment	
93	Peanuts	Growing of peanuts as predominant use
	Vacant Rural Land (Excl Primary 01 & 04)	A vacant parcel of land where the highest use is for rural pursuits
94	Reservoir, Dams, Bores	Includes permanent pump sites
95	Public Hospital	As coded
96	Welfare Homes, Institutions	Child/Adult welfare institutions eg. Subnormal, MS and similar organisations
97	Primary Code - Not to be used, Secondary - concession valn under Sec 17 of Act	As code
98	Community	Ambulance centre, fire station, state emergency centre and
99	Protection Centre	headquarters, air sea rescue station, coast guard

Long Term Financial Forecast

The Council Long Term Financial Forecast comprises the following and takes into accounts the financial year 2015-16 through to 2024-25:

- Statement of Comprehensive Income;
- Appropriation Statement;
- Statement of Financial Position;
- Statement of Cash Flows;
- Capital Funding Statement;
- Statement of Changes in Equity; and
- Financial Ratios

The long Term Financial Forecast has operational revenues steadily increasing at 3% over the entire forecast period. Operational expenditures are increasing at 3% over the entire forecast period.

The Council remains in a strong financial position throughout the forecast period with its cash holdings initial falling, then steadily increasing. Capital expenditure decreases to \$19.8 million in 2016-17 then steadily increases over the balance of the forecast period to \$24.0 million in 2024-25. The emphasis is sustainability and as such capital expenditure is a direct result of the Long Term Asset Management Plan.

The Council is placing its emphasis on renewal works which is highlighted in the Asset Sustainability Ratio and Asset Consumption Ratio contained in the Financial Ratios. Both ratios indicate that Council is renewing or replacing its existing assets in line with its depreciation expense.

Our Infrastructure, Our Future

2015-16 Budget

ISAAC REGIONAL COUNCIL

Budgeted Statement of Comprehensive Income

For the periods ending 30 June -

	Note	Est Act 2015	2015/16	% Incr	2016/17	% Incr	2017/18	% Incr	2018/19	% Incr	2019/20	% Incr	2020/21	% Incr	2021/22	% Incr	2022/23	% Incr	2023/24	% Incr	2024/25	% Incr
		\$	\$		\$		\$		\$		\$		\$		\$		\$		\$		\$	
Revenue																						
Rates and utility charges	1	73,649,118	81,516,241	11	84,633,902	4	87,244,029	3	89,934,309	3	92,707,222	3	95,565,325	3	98,511,252	3	101,547,722	3	104,677,536	3	107,903,586	3
Less: Discounts	1	(4,190,645)	(4,989,953)	19	(5,139,650)	3	(5,293,838)	3	(5,452,652)	3	(5,616,231)	3	(5,784,716)	3	(5,958,256)	3	(6,137,002)	3	(6,321,111)	3	(6,510,743)	3
Net rates and utility charges		69,458,473	76,526,288	10	79,494,252	4	81,950,191	3	84,481,657	3	87,090,991	3	89,780,609	3	92,552,996	3	95,410,720	3	98,356,425	3	101,392,843	3
Statutory fees and charges		714,613	635,900	-11	654,977	3	674,624	3	694,860	3	715,703	3	737,172	3	759,286	3	782,062	3	805,521	3	829,685	3
User fees and charges		2,356,707	2,300,304	-2	2,369,312	3	2,440,387	3	2,513,596	3	2,589,000	3	2,666,666	3	2,746,661	3	2,829,057	3	2,913,925	3	3,001,339	3
Rental and levies	3	946,214	849,051	-10	874,522	3	900,755	3	927,775	3	955,605	3	984,270	3	1,013,795	3	1,044,207	3	1,075,531	3	1,107,794	3
Sale of goods and major services	2	3,715,569	3,517,585	-5	3,623,111		3,731,802	3	3,843,755	3	3,959,064	3	4,077,835	3	4,200,169	3	4,326,173	3	4,455,957	3	4,589,634	3
Operating grants, subsidies and contributions	5	6,166,304	5,847,556	-5	5,977,031		6,081,672	2	6,264,119	3	6,452,039	3	6,645,598	3	6,844,964	3	7,050,310	3	7,261,816	3	7,479,668	3
Interest revenue	4	3,797,935	3,735,100	-2	2,472,971	-34	2,420,701	-2	2,319,017	-4	2,221,474	-4	2,406,352	8	2,358,899	-2	2,542,899	8	2,498,589	-2	2,498,589	
Total sales of contract and recoverable works		3,647,846	3,543,790	-3	3,593,790		3,593,790		3,593,790		3,593,790		3,593,790		3,593,790		3,593,790		3,593,790		3,593,790	
Proceeds from sales of land developed for resale	6	50,800	-	-100	101,600		254,000	150	8,951,500	3424	16,354,000	83	11,261,500	-31	5,766,500	-49	254,000	-96	254,000		-	-100
Other Income		203,104	19,720	-90	20,311	3	20,918	3	21,544	3	22,189	3	22,853	3	23,537	3	24,241	3	24,966	3	25,714	3
		-	-		-		-		-		-		-		-		-		-		-	
TOTAL OPERATING REVENUES		91,057,565	96,975,294	6	99,181,877	2	102,068,840	3	113,611,613	11	123,953,855	9	122,176,645	-1	119,860,597	-2	117,857,459	-2	121,240,520	3	124,519,056	3
Expenses																						
Employee benefits	7	(36,055,450)	(36,561,066)	1	(37,833,827)	3	(38,968,827)	3	(40,137,874)	3	(41,341,993)	3	(42,582,240)	3	(43,859,688)	3	(45,175,463)	3	(46,530,711)	3	(47,926,617)	3
Materials and services	8	(38,750,068)	(38,420,124)	-1	(39,572,703)	3	(40,759,850)	3	(41,996,278)	3	(43,271,690)	3	(44,539,276)	3	(45,875,415)	3	(47,251,641)	3	(48,669,157)	3	(50,129,196)	3
Current cost of developed land sold	6	(25,057)	-	-100	(50,114)		(125,285)	150	(2,473,042)	1874	(6,306,958)	155	(5,908,725)	-6	(3,102,056)	-48	(125,285)	-96	(125,285)		-	-100
Depreciation and Amortisation	9	(18,880,762)	(19,394,768)	3	(19,728,665)	2	(20,054,541)	2	(20,405,164)	2	(20,751,246)	2	(21,104,855)	2	(21,434,513)	2	(21,759,218)	2	(22,077,042)	1	(22,391,355)	1
Finance Costs	10	(1,299,573)	(1,283,555)	-1	(1,183,028)	-8	(1,132,954)	-4	(1,080,243)	-5	(1,027,250)	-5	(966,484)	-6	(904,964)	-6	(840,139)	-7	(773,571)	-8	(699,769)	-10
TOTAL OPERATING EXPENSES		(95,010,910)	(95,659,513)	1	(98,368,337)	3	(101,041,457)	3	(106,092,601)	5	(112,699,137)	6	(115,101,580)	2	(115,176,636)	0	(115,151,746)	0	(118,175,766)	3	(121,146,937)	3
Operating surplus (deficit)		(3,953,345)	1,315,781	-133	813,540	-38	1,027,383	26	7,519,012	632	11,254,718	50	7,075,065	-37	4,683,961	-34	2,705,713	-42	3,064,754	13	3,372,119	10
Capital income and expenditure:																						
Cash capital grants, subsidies and contributions	5	25,317,488	8,704,853	-66	-	-100	-		-		-		-		-		-		-		-	
Other capital expense	11	(2,065,594)	(660,047)	-68	(308,801)	-53	(324,325)	5	(430,307)	33	(412,247)	-4	(427,036)	4	(353,041)	-17	(336,442)	-5	(354,585)	5	(347,160)	-2
Net result for the period		19,298,549	9,360,587	-51	504,739	-95	703,058	39	7,088,705	908	10,842,471	53	6,648,029	-39	4,330,920	-35	2,369,271	-45	2,710,169	14	3,024,959	12

Our Infrastructure, Our Future

2015-16 Budget

ISAAC REGIONAL COUNCIL

Budgeted Appropriation Statement

For the periods ending 30 June -

Note	Est Act 2015 \$	2015/16 \$	2016/17 \$	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$	2022/23 \$	2023/24 \$	2024/25 \$
Retained Surplus/(Deficit) from prior years.	(8,082,549)	(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593	310	234,027	51,744	69,461
Net result for the period	19,298,549	9,360,587	504,739	703,058	7,088,705	10,842,471	6,648,029	4,330,920	2,369,271	2,710,169	3,024,959
	11,216,000	7,030,485	(768,581)	796,701	7,195,864	10,967,347	6,710,622	4,331,230	2,603,298	2,761,913	3,094,420
Appropriations											
Transfers to capital :-											
Funds (utilised for) created from - capital funding	CFS	(1,415,990)	(1,258,999)	253,423	1,356,675	(2,384,600)	(6,795,051)	(6,323,676)	(4,850,244)	(2,887,996)	(3,047,037)
Adjustment to the working capital cash balance		-	-	-	(2,370,542)	(4,727,632)	-	-	-	-	-
		(1,415,990)	(1,258,999)	253,423	(1,013,867)	(7,112,232)	(6,795,051)	(6,323,676)	(4,850,244)	(2,887,996)	(3,354,402)
Transfers from capital :-											
Other capital expense	11	2,065,594	660,047	308,801	324,325	430,307	412,247	427,036	353,041	336,442	347,160
Transfer from capital for unfunded depreciation	24	4,498,825	-	-	-	-	-	-	-	-	-
Adjustment to the working capital cash balance	24	5,178,021	1,000,000	300,000	-	-	100,000	-	5,000,000	-	-
		11,742,440	1,660,047	608,801	324,325	430,307	512,247	427,036	5,353,041	336,442	347,160
Net transfer (to) from capital		10,326,450	401,048	862,224	(689,542)	(6,681,925)	(6,282,804)	(5,896,640)	502,797	(2,551,554)	(3,007,242)
Net transfer (to) from the Constrained Works Reserve		(18,969,206)	(6,135,020)	-	-	-	-	-	-	-	-
Accumulated surplus/(deficit) available for transfer to general reserves		2,573,244	1,296,513	93,643	107,159	513,939	4,684,543	813,982	4,834,027	51,744	69,461
Capital Reserves :											
Transfer (to) from the Land development reserve		-	-	-	-	(389,063)	(4,621,950)	(813,672)	(4,600,000)	-	-
Transfer (to) from the Other infrastructure reserve		(436,802)	-	-	-	-	-	-	-	-	-
Transfer (to) from the Carry over capital reserve		(5,961,489)	-	-	-	-	-	-	-	-	-
Transfer (to) from the Mines capital projects reserve		617,707	(2,569,833)	-	-	-	-	-	-	-	-
Transfer (to) from the Mines operating projects Reserve		877,238	-	-	-	-	-	-	-	-	-
Retained surplus/(deficit) at period end.		(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593	310	234,027	51,744	69,461

Our Infrastructure, Our Future

2015-16 Budget

ISAAC REGIONAL COUNCIL

Budgeted Statement of Financial Position As at the periods ending 30 June -

	Note	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25									
		\$	\$	% Incr	\$	% Incr	\$	% Incr	\$	% Incr	\$	% Incr									
Current Assets																					
Cash and deposits	14	103,450,045	61,452,396		58,720,288		55,711,042		55,146,121		62,178,894		63,814,603		66,407,437		64,945,226		64,837,020		64,654,541
Receivables	15	11,335,040	10,925,663		10,925,663		10,925,663		10,925,663		10,925,663		10,925,663		10,925,663		10,925,663		10,925,663		10,925,663
Inventories	16	26,899,845	27,650,033		28,318,282		31,350,679		34,409,032		32,028,177		29,341,876		26,786,717		27,168,984		27,511,287		27,934,355
		141,684,930	100,028,092		97,964,233		97,987,384		100,480,816		105,132,734		104,082,142		104,119,818		103,039,873		103,273,970		103,514,559
Non-Current Assets																					
Receivables	15	8,370,458	8,370,458		8,370,458		8,370,458		8,370,458		8,370,458		8,370,458		8,370,458		8,370,458		8,370,458		8,370,458
Investment properties	17	11,413,958	11,413,958		11,413,958		11,413,958		11,413,958		11,413,958		11,413,958		11,413,958		11,413,958		11,413,958		11,413,958
Property, plant and equipment	18	958,844,058	1,008,055,799		1,007,219,871		1,006,419,235		1,009,453,994		1,014,004,127		1,019,969,846		1,022,437,060		1,023,962,194		1,024,413,954		1,025,062,180
Intangible assets	18	51,580	47,441		43,302		39,163		35,024		30,885		26,746		22,607		18,468		14,329		10,190
Capital Work in Progress		46,835,641	46,835,641		46,835,641		46,835,641		46,835,641		46,835,641		46,835,641		46,835,641		46,835,641		46,835,641		46,835,641
		1,025,515,695	1,074,723,297		1,073,883,230		1,073,078,455		1,076,109,075		1,080,655,069		1,086,616,649		1,089,079,724		1,090,600,719		1,091,048,340		1,091,692,427
TOTAL ASSETS		1,167,200,625	1,174,751,389		1,171,847,463		1,171,065,839		1,176,589,891		1,185,787,803		1,190,698,791		1,193,199,542		1,193,640,592		1,194,322,310		1,195,206,986
Current Liabilities																					
Trade and other payables	19	16,786,246	16,786,246		16,886,688		16,990,144		17,096,704		17,206,460		17,319,509		17,435,949		17,555,883		17,679,415		17,806,653
Provisions	21	298,566	298,566		307,522		316,747		326,249		336,036		346,117		356,500		367,195		378,210		389,556
Interest bearing liabilities	20	1,502,248	1,584,601		1,665,897		1,751,305		1,836,810		1,935,060		2,034,128		2,138,300		2,244,831		2,363,155		2,363,155
Other	23	300,421	-		-		-		-		-		-		-		-		-		-
		18,887,481	18,669,413		18,860,107		19,058,196		19,259,763		19,477,556		19,699,754		19,930,749		20,167,909		20,420,780		20,559,364
Non-Current Liabilities																					
Trade and other payables	19	7,154	-		-		-		-		-		-		-		-		-		-
Provisions	21	4,739,853	4,739,853		2,806,391		2,874,925		2,945,515		3,018,223		3,093,112		3,170,248		3,249,698		3,331,531		3,415,819
Interest bearing liabilities	20	36,819,930	35,235,329		33,569,432		31,818,127		29,981,317		28,046,257		26,012,129		23,873,829		21,628,998		19,265,843		16,902,688
		41,566,937	39,975,182		36,375,823		34,693,052		32,926,832		31,064,480		29,105,241		27,044,077		24,878,696		22,597,374		20,318,507
TOTAL LIABILITIES		60,454,418	58,644,595		55,235,930		53,751,248		52,186,595		50,542,036		48,804,995		46,974,826		45,046,605		43,018,154		40,877,871
NET COMMUNITY ASSETS		1,106,746,207	1,116,106,794		1,116,611,533		1,117,314,591		1,124,403,296		1,135,245,767		1,141,893,796		1,146,224,716		1,148,593,987		1,151,304,156		1,154,329,115
Community Equity																					
Capital account	24	694,293,417	744,003,267		744,447,801		747,679,465		757,189,022		763,471,826		771,368,466		770,865,669		774,524,964		777,217,416		780,224,658
Asset revaluation reserve	25	314,929,984	314,929,984		314,929,984		314,929,984		314,929,984		314,929,984		314,929,984		314,929,984		314,929,984		314,929,984		314,929,984
Restricted capital reserves	26	56,906,388	41,008,283		39,701,525		37,159,403		34,331,771		34,331,771		32,331,771		32,331,771		31,224,030		31,224,030		31,224,030
Other capital reserves	27	42,246,079	16,738,139		16,738,139		16,738,139		17,127,202		21,749,152		22,562,824		27,162,824		27,162,824		27,162,824		27,162,824
Recurrent reserves	28	700,441	700,441		700,441		700,441		700,441		700,441		700,441		700,441		700,441		700,441		700,441
Accumulated surplus/(deficiency)		(2,330,102)	(1,273,320)		93,643		107,159		124,876		62,593		310		234,027		51,744		69,461		87,178
TOTAL COMMUNITY EQUITY		1,106,746,207	1,116,106,794		1,116,611,533		1,117,314,591		1,124,403,296		1,135,245,767		1,141,893,796		1,146,224,716		1,148,593,987		1,151,304,156		1,154,329,115

Our Infrastructure, Our Future

2015-16 Budget

ISAAC REGIONAL COUNCIL

Budgeted Statement of Cash Flows

For the periods ending 30 June -

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities											
Receipts											
Net rates and utility charges	69,458,473	76,526,288	79,494,252	81,950,191	84,481,657	87,090,991	89,780,609	92,552,996	95,410,720	98,356,425	101,392,843
Sale of goods and major services	3,715,569	3,517,585	3,623,111	3,731,802	3,843,755	3,959,064	4,077,835	4,200,169	4,326,173	4,455,957	4,589,634
Fees and charges	3,021,320	2,886,204	3,024,289	3,115,011	3,208,456	3,304,703	3,403,838	3,505,947	3,611,119	3,719,446	3,831,024
Rentals and levies	946,214	849,051	874,522	900,755	927,775	955,605	984,270	1,013,795	1,044,207	1,075,531	1,107,794
Interest revenue	3,797,935	3,735,100	2,472,971	2,420,701	2,319,017	2,221,474	2,406,352	2,358,899	2,542,899	2,498,589	2,498,589
Contributions and donations	375,202	114,994	72,494	-	-	-	-	-	-	-	-
Government subsidies and grants	5,791,102	5,732,562	5,904,537	6,081,672	6,264,119	6,452,039	6,645,598	6,844,964	7,050,310	7,261,816	7,479,668
Total sales of contract and recoverable works	3,647,846	3,543,790	3,593,790	3,593,790	3,593,790	3,593,790	3,593,790	3,593,790	3,593,790	3,593,790	3,593,790
Other Income	203,104	19,720	20,311	20,918	21,544	22,189	22,853	23,537	24,241	24,966	25,714
Proceeds from sale of developed land	50,800	-	101,600	254,000	8,951,500	16,354,000	11,261,500	5,766,500	254,000	254,000	-
GST received for the year	-	409,377	-	-	-	-	-	-	-	-	-
	91,007,565	97,334,671	99,181,877	102,068,840	113,611,613	123,953,855	122,176,645	119,860,597	117,857,459	121,240,520	124,519,056
Payments											
Employee benefits	(36,055,450)	(36,561,066)	(37,657,891)	(38,787,612)	(39,951,222)	(41,149,742)	(42,384,221)	(43,655,729)	(44,965,384)	(46,314,331)	(47,703,745)
Materials and services	(38,750,068)	(38,427,278)	(39,572,703)	(40,759,850)	(41,996,278)	(43,271,690)	(44,539,276)	(45,875,415)	(47,251,641)	(48,669,157)	(50,129,196)
Finance costs	(1,249,573)	(1,983,743)	(1,901,391)	(1,820,094)	(1,734,686)	(1,649,181)	(1,550,931)	(1,451,862)	(1,347,690)	(1,241,159)	(1,122,837)
Land and development costs	-	-	-	(2,470,542)	(4,876,952)	(3,304,172)	(2,637,977)	-	-	-	-
	(76,055,091)	(76,972,087)	(79,131,985)	(83,838,098)	(88,559,138)	(89,374,785)	(91,112,405)	(90,983,006)	(93,564,715)	(96,224,647)	(98,955,778)
Cash provided by / (used in) operational activities	14,952,474	20,362,584	20,049,892	18,230,742	25,052,475	34,579,070	31,064,240	28,877,591	24,292,744	25,015,873	25,563,278
Cash Flow from Investing Activities :											
Proceeds from sale of capital assets	1,650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Contributions	2,276,866	-	-	-	-	-	-	-	-	-	-
Government grants and subsidies	23,040,622	8,704,853	-	-	-	-	-	-	-	-	-
Payments for property, plant and equipment	(23,634,585)	(69,912,417)	(19,847,399)	(20,224,091)	(24,516,091)	(26,359,487)	(28,143,471)	(24,900,629)	(24,266,655)	(23,529,248)	(24,032,602)
Movement in work in progress	(21,197,428)	(300,421)	-	-	-	-	-	-	-	-	-
Payments for rehabilitation work	-	-	(2,000,000)	-	-	-	-	-	-	-	-
Payments for intangibles	(25,806)	-	-	-	-	-	-	-	-	-	-
Net proceeds (cost) from advances and cash investments	41,137,038	-	-	-	-	-	-	-	-	-	-
Net cash provided by investing activities	23,246,707	(60,857,985)	(21,197,399)	(19,574,091)	(23,866,091)	(25,709,487)	(27,493,471)	(24,250,629)	(23,616,655)	(22,879,248)	(23,382,602)
Cash Flow from Financing Activities :											
Repayment of borrowings	(1,415,990)	(1,502,248)	(1,584,601)	(1,665,897)	(1,751,305)	(1,836,810)	(1,935,060)	(2,034,128)	(2,138,300)	(2,244,831)	(2,363,155)
Net cash provided by financing activities	(1,415,990)	(1,502,248)	(1,584,601)	(1,665,897)	(1,751,305)	(1,836,810)	(1,935,060)	(2,034,128)	(2,138,300)	(2,244,831)	(2,363,155)
Net Increase (Decrease) in Cash Held	36,783,191	(41,997,649)	(2,732,108)	(3,009,246)	(564,921)	7,032,773	1,635,709	2,592,834	(1,462,211)	(108,206)	(182,479)
Cash at beginning of reporting period	66,666,854	103,450,045	61,452,396	58,720,288	55,711,042	55,146,121	62,178,894	63,814,603	66,407,437	64,945,226	64,837,020
Cash at end of Reporting Period	103,450,045	61,452,396	58,720,288	55,711,042	55,146,121	62,178,894	63,814,603	66,407,437	64,945,226	64,837,020	64,654,541

Our Infrastructure, Our Future

2015-16 Budget

ISAAC REGIONAL COUNCIL

Budgeted Statement of Capital Funding

For the periods ending 30 June -

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Funding Sources											
General revenue used (excess funds provided)	1,415,990	1,258,999	(253,423)	(1,356,675)	2,384,600	6,795,051	6,323,676	4,850,244	2,887,996	3,047,037	3,354,402
Proceeds from the sale of non current assets	1,650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Capital sustainability funds expended	14,381,937	19,394,768	19,728,665	20,054,541	20,405,164	20,751,246	21,104,855	21,434,513	21,759,218	22,077,042	22,391,355
Funds from loan borrowings expended in the period	338,267	126,000	-	2,470,542	2,827,632	-	-	-	-	-	-
Constrained grants and developer contributions	13,892,512	21,907,125	1,306,758	71,580	-	-	2,000,000	-	1,107,741	-	-
Buildings reserve	3,904,170	2,231,058	-	-	-	-	-	-	-	-	-
Plant and equipment reserve	22,046	11,484	-	-	-	-	-	-	-	-	-
Roads infrastructure reserve	353,510	1,587,286	-	-	-	-	-	-	-	-	-
Water reserve	260,000	990,000	-	-	-	-	-	-	-	-	-
Other infrastructure reserve	394,714	2,722,524	-	-	-	-	-	-	-	-	-
Community facilities reserve	43,487	-	-	-	-	-	-	-	-	-	-
Carry over capital reserve	9,081,309	17,965,588	-	-	-	-	-	-	-	-	-
Mines capital projects reserve	535,867	2,569,833	-	-	-	-	-	-	-	-	-
	<u>46,273,809</u>	<u>71,414,665</u>	<u>21,432,000</u>	<u>21,889,988</u>	<u>26,267,396</u>	<u>28,196,297</u>	<u>30,078,531</u>	<u>26,934,757</u>	<u>26,404,955</u>	<u>25,774,079</u>	<u>26,395,757</u>
Capital Funding Applications											
Land and improvements	1,369,239	4,396,791	1,176,867	1,219,884	1,267,528	1,316,692	1,367,553	1,420,261	1,236,745	1,286,398	1,312,865
Buildings	1,612,425	6,825,073	2,035,098	2,116,875	2,206,810	2,300,023	2,396,846	2,497,566	2,602,450	2,711,751	2,779,990
Plant and equipment	4,549,550	5,775,923	3,022,718	3,113,398	3,206,798	5,159,488	5,330,746	5,507,002	5,688,653	5,876,056	6,031,000
Road, bridge and drainage	11,418,022	23,440,511	6,969,590	7,828,479	10,589,490	10,021,761	11,154,599	7,233,412	6,130,842	4,664,030	5,300,000
Water	1,055,378	16,672,470	2,884,493	2,543,526	3,199,218	3,364,550	3,539,536	3,724,344	3,919,240	4,124,560	3,579,747
Sewerage	3,389,548	6,636,394	2,943,100	2,550,367	3,158,495	3,271,192	3,388,514	3,510,561	3,637,463	3,769,371	3,890,000
Waste management	143,064	6,106,187	211,437	229,344	246,868	265,671	285,764	307,173	329,943	354,124	377,000
Aerodrome	97,359	59,068	604,096	622,218	640,884	660,110	679,913	700,310	721,319	742,958	762,000
Intangible assets	25,806	-	-	-	-	-	-	-	-	-	-
Movement in capitalised work in progress	21,197,428	-	-	-	-	-	-	-	-	-	-
	<u>44,857,819</u>	<u>69,912,417</u>	<u>19,847,399</u>	<u>20,224,091</u>	<u>24,516,091</u>	<u>26,359,487</u>	<u>28,143,471</u>	<u>24,900,629</u>	<u>24,266,655</u>	<u>23,529,248</u>	<u>24,032,602</u>
Principle loan repayments:											
Queensland Treasury Corporation	1,415,990	1,502,248	1,584,601	1,665,897	1,751,305	1,836,810	1,935,060	2,034,128	2,138,300	2,244,831	2,363,155
	<u>46,273,809</u>	<u>71,414,665</u>	<u>21,432,000</u>	<u>21,889,988</u>	<u>26,267,396</u>	<u>28,196,297</u>	<u>30,078,531</u>	<u>26,934,757</u>	<u>26,404,955</u>	<u>25,774,079</u>	<u>26,395,757</u>

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Total										
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	1,087,447,658	1,106,746,207	1,116,106,794	1,116,611,533	1,117,314,591	1,124,403,296	1,135,245,767	1,141,893,796	1,146,224,716	1,148,593,987	1,151,304,156
Increase (decrease) in net result	19,298,549	9,360,587	504,739	703,058	7,088,705	10,842,471	6,648,029	4,330,920	2,369,271	2,710,169	3,024,959
Other transfers to Capital and reserves	-	-	-	-	-	-	-	-	-	-	-
Transfers from capital and reserves	-	-	-	-	-	-	-	-	-	-	-
Transfers between capital and reserves	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of period	1,106,746,207	1,116,106,794	1,116,611,533	1,117,314,591	1,124,403,296	1,135,245,767	1,141,893,796	1,146,224,716	1,148,593,987	1,151,304,156	1,154,329,115

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Retained Surplus/Deficit										
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	(8,082,549)	(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593	310	234,027	51,744	69,461
Increase (decrease) in net result	19,298,549	9,360,587	504,739	703,058	7,088,705	10,842,471	6,648,029	4,330,920	2,369,271	2,710,169	3,024,959
Other transfers to Capital and reserves	(33,131,769)	(9,963,852)	253,423	(1,013,867)	(7,501,295)	(11,417,001)	(7,137,348)	(9,450,244)	(2,887,996)	(3,047,037)	(3,354,402)
Transfers from capital and reserves	19,585,667	1,660,047	608,801	324,325	430,307	512,247	427,036	5,353,041	336,442	354,585	347,160
Transfers between capital and reserves											
Balance at the end of period	(2,330,102)	(1,273,320)	93,643	107,159	124,876	62,593	310	234,027	51,744	69,461	87,178

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Capital										
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	675,793,985	694,293,417	744,003,267	744,447,801	747,679,465	757,189,022	763,471,826	771,368,466	770,865,669	774,524,964	777,217,416
Increase (decrease) in net result			-	-	-	-		-	-	-	-
Other transfers to Capital and reserves	1,415,990	1,258,999	(253,423)	1,013,867	7,112,232	6,795,051	6,323,676	4,850,244	2,887,996	3,047,037	3,354,402
Transfers from capital and reserves	(11,742,440)	(1,660,047)	(608,801)	(324,325)	(430,307)	(512,247)	(427,036)	(5,353,041)	(336,442)	(354,585)	(347,160)
Transfers between capital and reserves	28,825,882	50,110,898	1,306,758	2,542,122	2,827,632	-	2,000,000	-	1,107,741	-	-
Balance at the end of period	694,293,417	744,003,267	744,447,801	747,679,465	757,189,022	763,471,826	771,368,466	770,865,669	774,524,964	777,217,416	780,224,658

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Asset Revaluation Surplus										
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984
Increase (decrease) in net result											
Other transfers to Capital and reserves											
Transfers from capital and reserves	-										
Transfers between capital and reserves	-										
Balance at the end of period	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984	314,929,984

ISAAC REGIONAL COUNCIL

Budgeted Statement of Changes in Equity

For the periods ending 30 June -

	Reserves										
	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of period	104,806,238	99,852,908	58,446,863	57,140,105	54,597,983	52,159,414	56,781,364	55,595,036	60,195,036	59,087,295	59,087,295
Increase (decrease) in net result											
Other transfers to Capital and reserves	31,715,779	8,704,853	-	-	389,063	4,621,950	813,672	4,600,000	-	-	-
Transfers from capital and reserves	(7,843,227)	-	-	-	-	-	-	-	-	-	-
Transfers between capital and reserves	(28,825,882)	(50,110,898)	(1,306,758)	(2,542,122)	(2,827,632)	-	(2,000,000)	-	(1,107,741)	-	-
Balance at the end of period	99,852,908	58,446,863	57,140,105	54,597,983	52,159,414	56,781,364	55,595,036	60,195,036	59,087,295	59,087,295	59,087,295

ISAAC REGIONAL COUNCIL

Financial Ratios of the Budget

For the year ended 30 June :

29 Financial Ratios

Operating Surplus Ratio

Extent to which operating revenue covers operational expenses. Target range 0 per cent to 10 per cent.

A ratio >0% indicates an operating surplus, these funds are available to maintain or increase council's capital value.

A ratio <0% indicates an operating loss, results in opening capital value declining which has future sustainability issues.

Net operating surplus

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	%	%	%	%	%	%	%	%	%	%	%
Total operating revenue	-4.3%	1.4%	0.8%	1.0%	6.6%	9.1%	5.8%	3.9%	2.3%	2.5%	2.7%

Asset sustainability ratio

Current year depreciation divided by replacement/renewal asset expenditure.

Expenditure on Replacement Assets

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	%	%	%	%	%	%	%	%	%	%	%
Depreciation expense	85.8%	164.8%	73.9%	76.1%	95.0%	90.6%	92.2%	78.2%	73.8%	79.0%	74.5%

Indicator suggests percentage should be >90%.

This indicator should be averaged over at least 10 years. Not an annual expectation.

This calculation excludes the following asset classes - land, plant and equipment.

Net Financial Liabilities Ratio

Total liabilities-Current Assets

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	%	%	%	%	%	%	%	%	%	%	%
Operating revenue	-89.2%	-42.7%	-43.1%	-43.3%	-42.5%	-44.0%	-45.2%	-47.7%	-49.2%	-49.7%	-50.3%

A positive percentage <60% indicates a capacity to increase borrowings.

A positive percentage >60% indicates a limited capacity to increase borrowings.

Maintenance of Council's Capital Value - Council's Sustainability Performance

This is the over-riding sustainability indicator - The maintenance of council's opening capital value each year.

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Opening capital value	996,486,410	1,009,223,401	1,064,231,425	1,064,675,959	1,065,437,081	1,072,119,006	1,078,401,810	1,086,298,450	1,085,795,653	1,089,454,948	1,092,147,400
Change in opening capital value	-6,018,939	655,734	504,739	703,058	7,088,705	10,842,471	6,648,029	4,330,920	2,369,271	2,710,169	3,024,959
Balance of the opening capital value at period end	990,467,471	1,009,879,135	1,064,736,164	1,065,379,017	1,072,525,786	1,082,961,477	1,085,049,839	1,090,629,370	1,088,164,924	1,092,165,117	1,095,172,359

The opening capital value is calculated before recognising new capital income and inflation adjustments during the year.

A negative change over time will lead to a reduction in service levels and potentially sustainability problems.

Asset Consumption Ratio

Seeks to highlight the aged condition of council's infrastructure assets.

	Est Act 2015	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	%	%	%	%	%	%	%	%	%	%	%
Written down value of infrastructure assets	85.7%	85.7%	80.9%	79.7%	78.9%	77.7%	76.8%	75.4%	74.2%	73.0%	72.0%

Replacement cost of infrastructure assets

Infrastructure assets = road, bridge and drainage, water, sewerage, waste management, aerodrome.

The lower the percentage the nearer replacement will need to take place. Guidance range between 40% and 80%.

ISAAC REGIONAL COUNCIL

Financial Ratios of the Budget

For the year ended 30 June :

	Est Act 2015 %	2015/16 %	2016/17 %	2017/18 %	2018/19 %	2019/20 %	2020/21 %	2021/22 %	2022/23 %	2023/24 %	2024/25 %
Interest coverage ratio											
Indicator range is between 0% and 5%											
<u>Net interest expense</u>											
Operating Revenue	-2.9%	-2.7%	-1.4%	-1.4%	-1.2%	-1.1%	-1.3%	-1.3%	-1.6%	-1.5%	-1.5%
This shows the council's capacity to fund additional borrowings.											
A negative percentage indicates interest income exceeds the interest expense.											
Working Capital Ratio :											
This ratio measures extent to which unrestricted liquid assets are available to meet short term liabilities.											
<u>Unrestricted current assets</u>											
Current liabilities	1.9 : 1	2.0 : 1	2.1 : 1	2.2 : 1	2.4 : 1	2.2 : 1	2.0 : 1	1.9 : 1	1.9 : 1	1.9 : 1	1.9 : 1
NB. This ratio calculation meets the requirements of the DLGP but inventory (excluding land) held at value in use not at a realisable value. Restricted cash should also be excluded.											
Debt Payment Ratio :											
<u>Debt servicing & redemption cost</u>											
Total operating revenue	2.8%	2.7%	2.7%	2.6%	2.4%	2.2%	2.3%	2.3%	2.4%	2.4%	2.4%
Revenue Ratio :											
<u>Rate revenue</u>											
Total revenue	76.3%	78.9%	80.1%	80.3%	74.4%	70.3%	73.5%	77.2%	81.0%	81.1%	81.4%
Level of Debt											
<u>Total liabilities</u>											
Total assets	5.2%	5.0%	4.7%	4.6%	4.4%	4.3%	4.1%	3.9%	3.8%	3.6%	3.4%
All Rates/Total Operating Costs.											
Median of 48% of costs covered by rates											
Less than 40% puts dependency on grants & other revenue	73.1%	80.0%	80.8%	81.1%	79.6%	77.3%	78.0%	80.4%	82.9%	83.2%	83.7%
Net rates & utility charges original budget prior year											
		69,458,473	76,526,288	79,494,252	81,950,191	84,481,657	87,090,991	89,780,609	92,552,996	95,410,720	98,356,425
Net rates & utility charges budgeted for current year		76,526,288	79,494,252	81,950,191	84,481,657	87,090,991	89,780,609	92,552,996	95,410,720	98,356,425	101,392,843
Change rates and utility charges net of discounts		7,067,815	2,967,964	2,455,939	2,531,466	2,609,334	2,689,618	2,772,387	2,857,724	2,945,705	3,036,418
Percentage change		10.2%	3.9%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%

Our Infrastructure, Our Future



2015 - 16 Budget

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