

2021/22 BUDGET FINANCIAL STATEMENTS



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1. COMMUNITY FINANCIAL REPORT

The annual operating budget ensures that Council has adequate revenue to fund expenditure that meets the needs of the community today. The capital budget provides for the delivery of infrastructure to service the region now and in the future. The long term forecast focuses on Council's ability to continue to meet community needs over the long term as the community grows.

Council's operations during 2020/21 continued to be impacted by the COVID-19 pandemic, though on a lesser extent than the previous year. The long term impacts of the pandemic on Council and the wider Cairns region are still unknown, as such the 2021/22 Budget has endeavoured to strike a balance between maintaining essential service levels, the delivery of the capital works program, providing economic stimulus and keeping rates affordable.

The 2021/22 Capital Works program will be \$125M and all ratepayers will receive a 2.5% rate rise, which is 0.3% lower than the 2.8% that was anticipated in the 2020/21 budget.

ANNUAL BUDGET 2021/22 AT A GLANCE

Statement of Income and Expenditure (\$'000)		Financial Position (\$'000)	
Operating Revenue	335,795	Current Assets	51,767
Capital Revenue	52,244	Non-Current Assets	4,296,507
Total Revenue	388,039	Total Assets	4,348,274
Operating Expenses	334,549	Current Liabilities	105,803
Capital Expenses	15,000	Non-Current Liabilities	171,636
Total Expenses	349,549	Total Liabilities	277,439
Net Result	38,490	Net Community Assets	4,070,835
Capital Expenditure (\$'000)		Borrowings (\$'000)	
Capital Works Program	124,531	Outstanding Borrowings	183,195
Repayment of Borrowings	23,525	Borrowings per Assessment \$	2,454

BACKGROUND

The following report outlines Council's budgeted financial position and performance for the 2021/22 financial year. The information contained in this report is based upon Council's budgeted Financial Statements for the three-year period commencing in 2021/22 with a comparison to the 2020/21 forecast year end position. The budgeted financial statements are contained in Section 2 of this report and include:

- **Statement of Income and Expenditure** – expected revenue and expenses.
- **Statement of Financial Position** – anticipated assets (what we own), liabilities (what we owe) and community equity (our net worth).
- **Statement of Cash Flows** – how forecast revenue received and expenses paid will impact on Council's cash balance.
- **Statement of Changes in Equity** – summary of the forecast transfers to and from equity accounts including accumulated surplus, capital and other reserves.

Council has developed, and maintains, a robust long term financial forecast in order to ensure Council continues to be sustainable in the long term. This forecast is used to calculate sustainability ratios in line with Department of State Development, Infrastructure, Local Government and Planning requirements. These ratios are designed to provide an indication of the performance of Council against key financial sustainability criteria which should be met to ensure the prudent management of financial risks. An analysis of these ratios is detailed later in this report.

BUDGET ASSUMPTIONS AND PRINCIPLES

Under the requirements of the *Local Government Regulation 2012*, Council's budget for each financial year must be prepared on an accruals basis and include financial statements for the year for which it was prepared and the next two financial years.

The results of this budget are linked to the Corporate Plan which provides the strategic direction of Council and the Operational Plan which outlines key objectives and deliverables for Council for the upcoming year. The budget forms the basis of Council's Long Term Financial Forecast and is aligned with Council's Asset Management Plan and Capital Works Program.

Council controls and manages infrastructure assets that are largely unique to the public sector. These infrastructure assets include roads, bridges, footpaths, water reticulation and sewerage assets, which generally have very long useful lives and can only be used for providing local government services. The costs associated with the maintenance, depreciation and replacement of these assets form a material part of Council's annual expenditure.

COVID-19 has and will continue to have an impact on Council's financial position, the full extent of which is unknown meaning assumptions have had to be made in the formulation of the 2021/22 Budget. Council is endeavouring to maintain service levels and capital works projects while keeping rate rises at a minimum and not increasing long term debt.

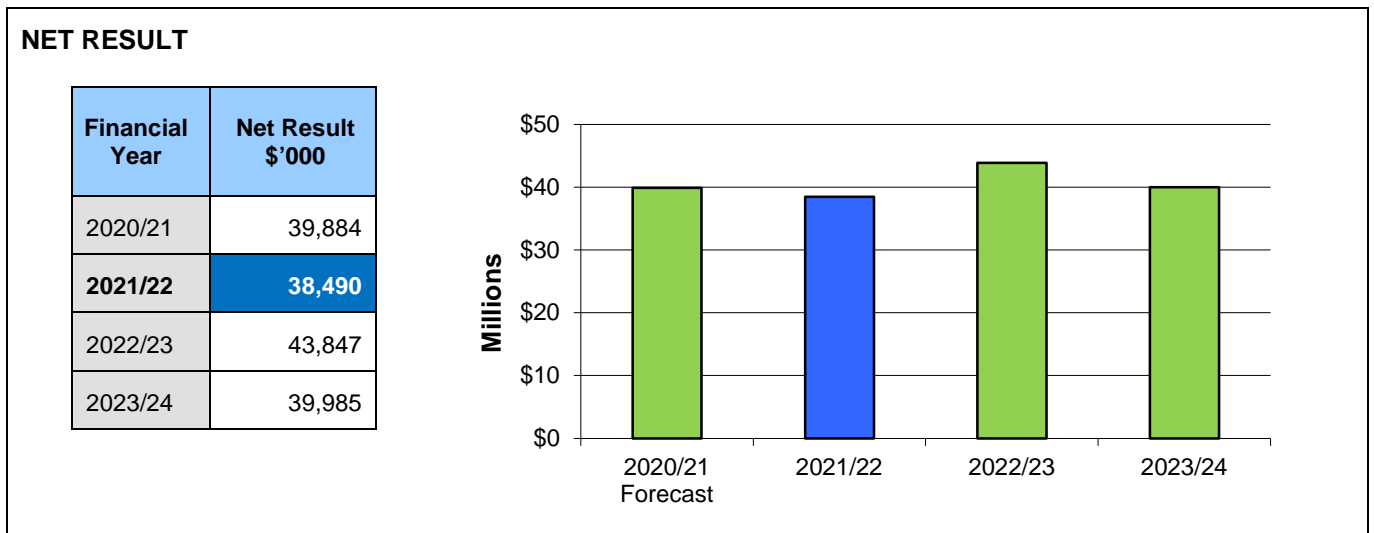
CORPORATE FINANCIAL STATEMENTS

STATEMENT OF INCOME AND EXPENDITURE

NET RESULT

Council's net result reflects total revenue less total expenses. It incorporates capital income and expenditure but does not include expenditure amounts for capital projects.

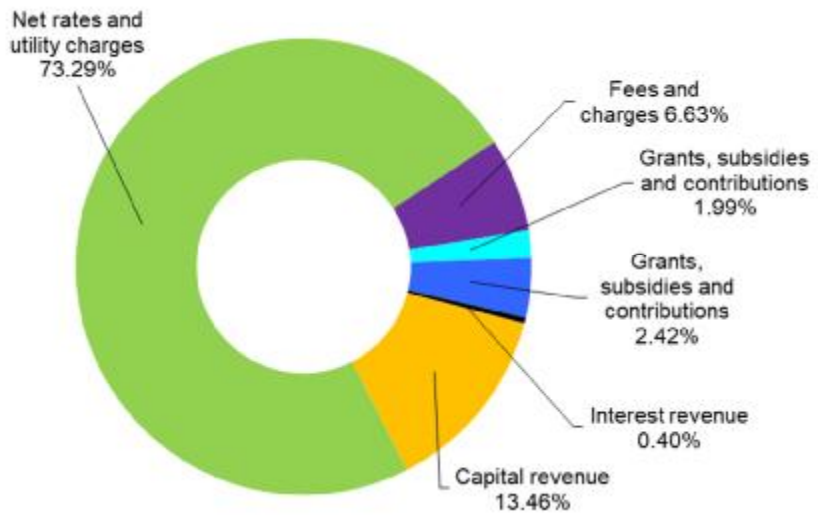
Council has forecasted a net result of \$39.9M for the Financial Year 2020/21, with budgeted results of \$38.5M for the Financial Year 2021/22, \$43.8M for the Financial Year 2022/23 and \$40.0M for the Financial Year 2023/24.



REVENUE

REVENUE CATEGORIES 2021/22

Category	Budget \$'000
Net rates and utility charges	284,394
Fees and charges	25,726
Grants, subsidies and contributions	7,717
Other operating income	16,388
Interest revenue	1,570
Capital revenue	52,244
Total Revenue	388,039

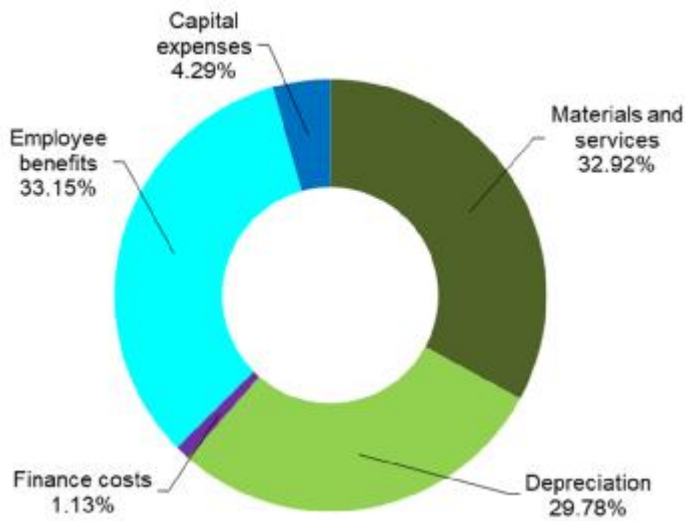


Rates and utility charges continue to be the major source of income for Council. Implicit in Council's revenue assumptions is a growth rate of 1.00% and a rates price increase of 2.5%. There has been a 4% increase to most fees and charges effective from 1 July 2021.

EXPENSES

EXPENSES CATEGORIES 2021/22

Category	Budget \$'000
Employee benefits	115,875
Materials and services	115,085
Depreciation	99,653
Finance costs	3,936
Capital expenses	15,000
Total Expenses	349,549



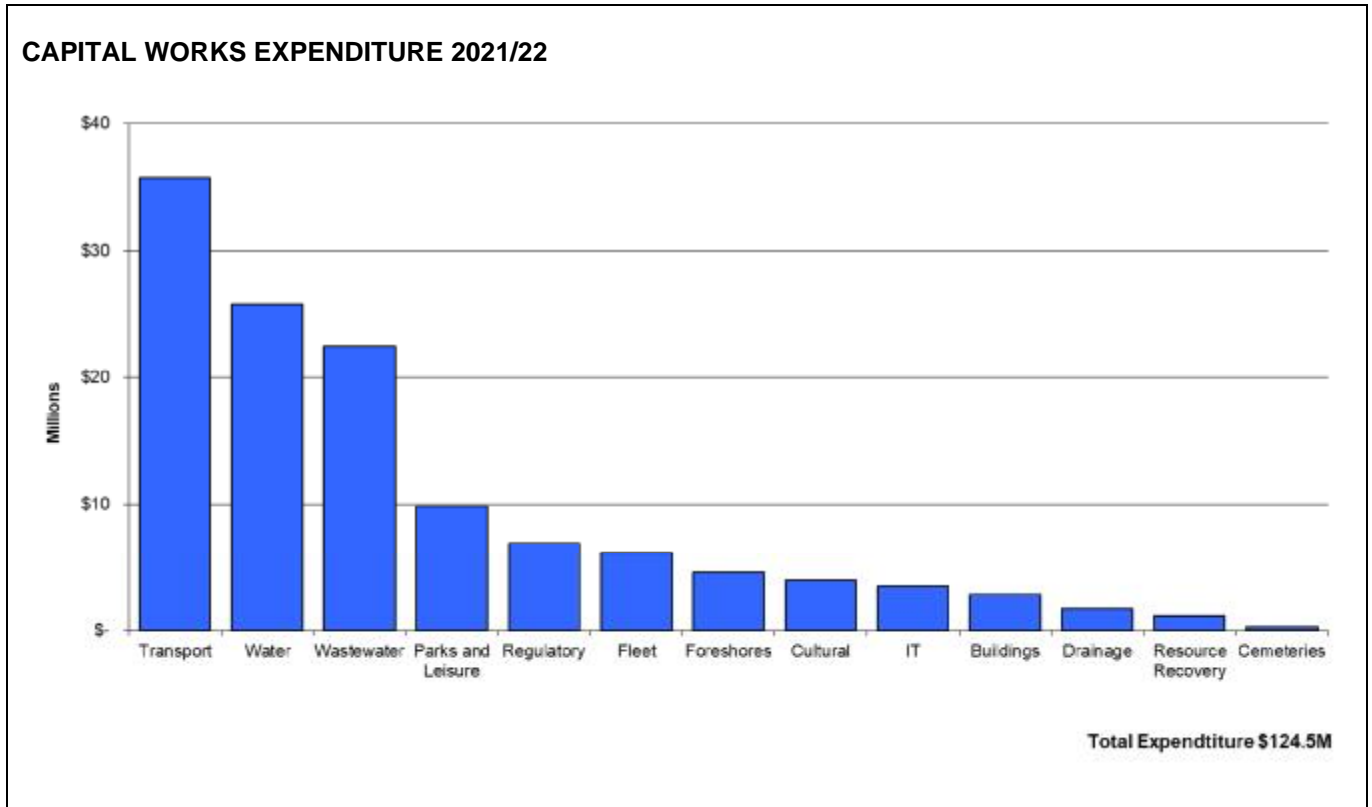
Materials and services together with employee benefits comprise 66% of Council's forecast total operating expenditure. Council is one of the region's largest employers whose strong workforce is responsible for the provision of water and waste services maintenance, planning, community, sport and cultural services and capital infrastructure for the community.

In addition to these expenses, depreciation makes up 29% of Council's planned expenditure. Depreciation represents an allocation of the use or wear and tear of an asset over its expected life. It is impacted by the age, condition and disposal of existing assets as well as the purchase and construction of new assets.

CAPITAL WORKS PROGRAM

Council manages a very diverse range of infrastructure assets with a gross value in excess of \$5.9B. These assets cover categories such as land, buildings, plant and equipment, road and bridge network, drainage, water, sewerage and solid waste disposal. Council is responsible for the construction, upgrade and renewal of the majority of these assets through its capital works program with a small portion of these assets being contributed by developers via various developments throughout the region.

Council's capital works program for 2021/22 is \$124.5M. Council will utilise a combination of revenue, developer contributions, capital grants and loans to fund this program. The following table provides a breakdown of the proposed capital works for the 2021/22 year by asset category.

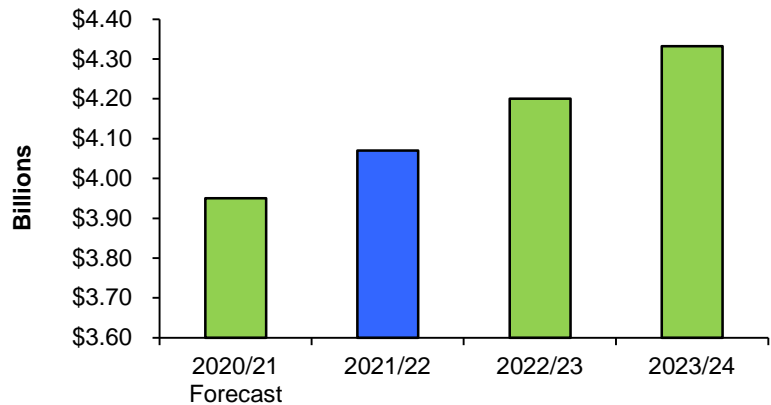


STATEMENT OF FINANCIAL POSITION

Council manages \$4.0B of net community assets on behalf of the ratepayers and residents of the region. Growth of net community assets is projected to increase steadily over the next three years, driven mostly by Council's capital works program.

NET COMMUNITY ASSETS AT JUNE

Budget	Net Community Assets \$'000
2020/21	3,950,793
2021/22	4,070,835
2022/23	4,201,034
2023/24	4,332,605



BORROWINGS

Borrowings are in line with Council's Debt Policy and are obtained from Queensland Treasury Corporation (QTC) with the exception of capital projects funded under interest-free loan agreements with Economic Development Queensland (EDQ).

Borrowings are repaid on a monthly basis in accordance with the terms and conditions set by Queensland Treasury Corporation. Council borrows to fund the construction of long term infrastructure assets that provide essential services and ongoing benefits to the community. These borrowings are set to increase in line with Council's extensive budgeted capital works program.

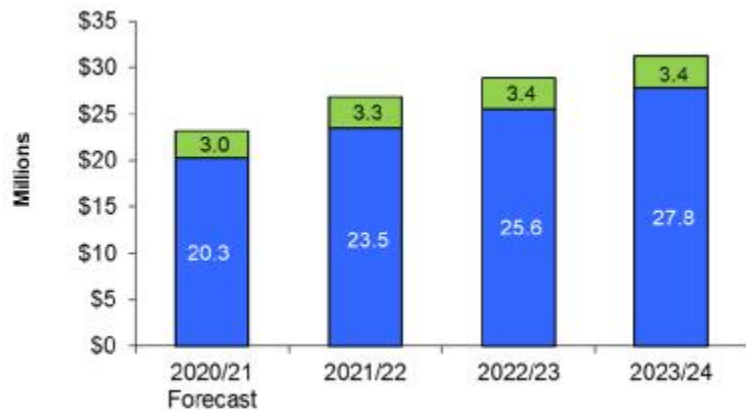
Council also maintains an overdraft facility to effectively manage cash balances throughout the year in order to delay the drawdown of long term debt. Any drawdowns from the facility are typically fully repaid within one year.

Council's long term debt balance is forecast to increase in line with its treasury management strategy of achieving an appropriate balance of cash and debt to fund future capital expenditure needs whilst maintaining rates at an affordable level.

This strategy proves sustainable over the long term as is demonstrated in the long term financial forecast.

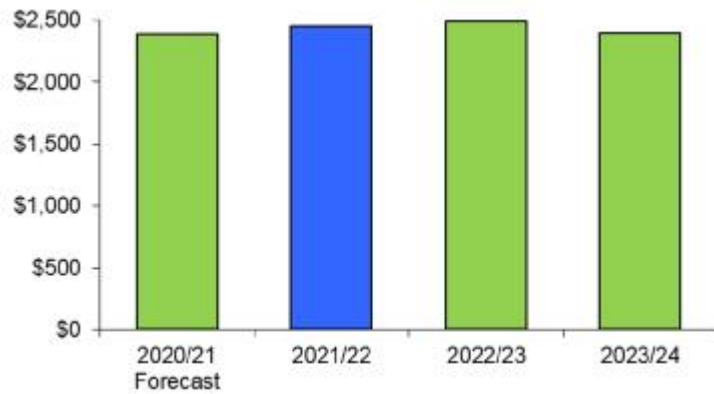
DEBT SERVICE PAYMENTS

Budget	Principal Repayments \$'000	Interest on Borrowings \$'000
2020/21	20,252	2,982
2021/22	23,525	3,329
2022/23	25,568	3,361
2023/24	27,799	3,434



DEBT PER RATEABLE ASSESSMENT

Financial Year	Loan Balance \$'000	Debt per Rateable Assessment \$
2020/21	176,720	2,391
2021/22	183,195	2,454
2022/23	187,627	2,488
2023/24	181,828	2,393



LONG TERM FINANCIAL FORECAST

Council has developed, and maintains, a long term financial forecast in order to ensure it continues to be sustainable in the long term. The forecast covers a period of 10 years and contains forecasts for revenue and expenditure, assets values, liabilities and equity. The long term financial forecast is key to the strategic direction of Council and is consistent with Council's corporate plan and long term asset management plans underpinned by reasonable annual increases in rates.

In Council's 2020 Credit Review by Queensland Treasury Corporation (QTC), Council was rated as Sound with a Developing outlook. The Sound rating category indicates that Council has adequate capacity to meet its financial commitments in the short, medium and long term and to manage core business risks. The outlook change from Neutral to Developing in 2020 reflects key revenue risks associated with COVID along with an increase in debt in forecast periods.

Factors positively contributing to the 2020 sound rating included:

- Moderate operating performance
- Reasonably sized ratepayer base
- Moderate degree of financial flexibility driven by high level of Council controlled revenue

Over the long term, Council's 2021/22 long term financial plan and historical performance is consistent with that assessed as part of the 2020 Credit Review. The next Credit Review for Council is due in 2022.

Further details are contained in Section 4 of this report.

RATE INCREASES

The following table breaks down the forecast rate increases for general rates and fixed utility charges implicit in the long term forecast.

As part of the Cairns Water Security Strategy, Council is set to construct a new water treatment and storage facility at Edmonton in line with water demand projections. The facility is estimated to cost \$215M to build and will have significant operating costs when operational. Detailed design for the facility will commence in 2021/22 and will better inform capital and operating cost estimates. It is anticipated that additional rate increases will be required to accommodate this facility as demonstrated in the table below.

	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Growth	1.00%	1.00%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%
Price - Majority	2.50%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Water Rates – Price	-	-	-	1.01%	0.99%	0.97%	0.95%	-	-	-
Total	3.50%	3.50%	3.25%	3.76%	3.99%	3.97%	3.95%	3.25%	3.25%	3.25%

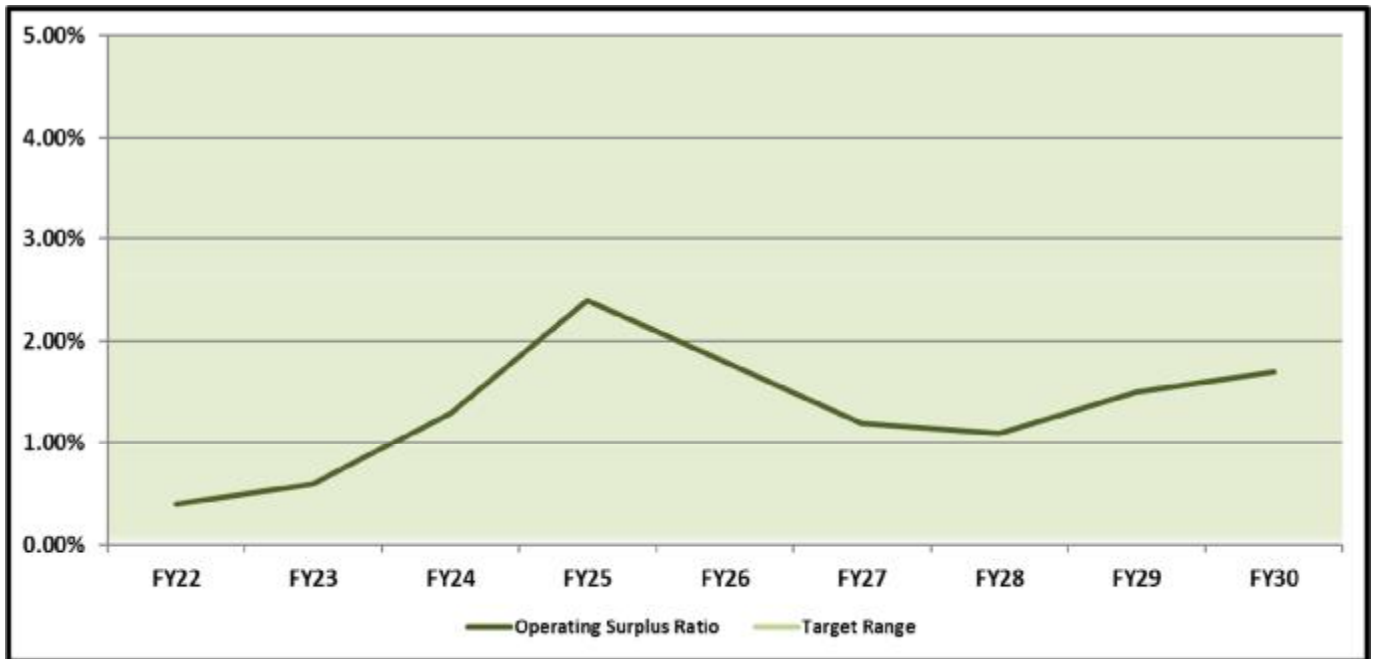
MEASURES OF FINANCIAL SUSTAINABILITY

The following ratios are designed to provide an indication of the performance of Council against key financial sustainability criteria which should be met to ensure the prudent management of financial risks in accordance with Chapter 5, Part 2 Division 3 of the *Local Government Regulation 2012*. Ratios have been calculated for a 10 year period being the three year forecast budget period as well as an additional seven years from Council's Long Term Financial Forecast. The benchmarks used for the prescribed ratios are per the Department of State Development, Infrastructure, Local Government and Planning guidelines.

OPERATING SURPLUS RATIO

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes. The measure for this ratio is the net result divided by total operating revenue and the benchmark is 0-10%.

Council is within the benchmark range for the long term forecast. Council is budgeting operating surpluses in order to service long term debt required to fund the capital works program.



NET FINANCIAL LIABILITIES RATIO

This is an indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues. The measure for this ratio is total liabilities less current assets divided by total operating revenue and the benchmark is less than 60%.

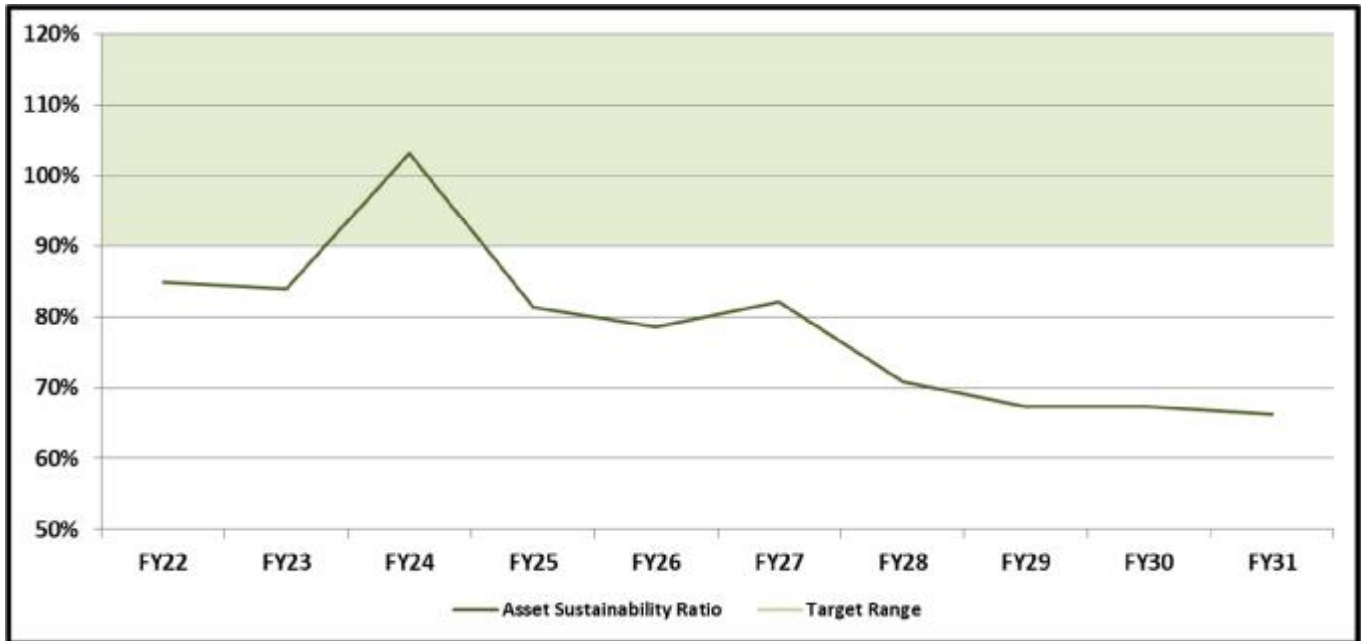
This ratio remains around the benchmark until FY25 when significant borrowing is forecast to fund the construction of a new water treatment and storage facility at Edmonton in order to meet growth demands, after which debt is forecast to decrease leading to the Net Financial Liabilities ratio moving back within the benchmark. Council is confident that this debt is serviceable and its financial position remains sound throughout the forecast period.



ASSET SUSTAINABILITY RATIO

This is an approximation of the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives. The measure for this ratio is capital expenditure on renewals divided by depreciation expense and the benchmark is greater than 90% (on average over the long term).

The Asset Sustainability Ratio is calculated based on the planned capital expenditure on the renewal of assets as indicated by Council's Asset Management Plans. Council's average ratio over the 10 year period is 79%. Council is confident that this expenditure satisfies asset renewal and replacement requirements.



2. BUDGETED FINANCIAL STATEMENTS

Cairns Regional Council - Budgeted Statement of Income and Expenditure

	2020/21 Forecast \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
Operating Revenue				
Rates and utility charges	275,112	289,397	301,226	311,016
Less: rebates	(4,788)	(5,003)	(5,178)	(5,346)
Net rates and utility charges	270,324	284,394	296,048	305,670
Fees and charges	24,796	25,726	27,099	27,159
Interest revenue	1,679	1,570	1,834	2,073
Grants, subsidies and contributions	9,494	7,717	7,871	8,029
Other operating income	14,013	16,388	16,715	17,050
	<u>320,306</u>	<u>335,795</u>	<u>349,567</u>	<u>359,981</u>
Capital Revenue				
Capital grants and subsidies	30,914	20,908	25,340	17,500
Contributions from developers	12,265	11,900	12,100	13,600
Contributed assets	10,230	19,436	19,631	19,778
	<u>53,409</u>	<u>52,244</u>	<u>57,071</u>	<u>50,878</u>
TOTAL REVENUE	<u>373,715</u>	<u>388,039</u>	<u>406,638</u>	<u>410,859</u>
Operating Expenses				
Employee benefits	112,587	115,875	120,511	122,023
Materials and services	106,589	115,085	119,239	121,633
Depreciation	95,945	99,653	103,762	108,007
Finance costs	3,710	3,936	3,949	3,544
	<u>318,831</u>	<u>334,549</u>	<u>347,461</u>	<u>355,207</u>
Capital Expenses				
Loss on disposal of non-current assets	15,000	15,000	15,330	15,667
TOTAL EXPENSES	<u>333,831</u>	<u>349,549</u>	<u>362,791</u>	<u>370,874</u>
NET RESULT	<u>39,884</u>	<u>38,490</u>	<u>43,847</u>	<u>39,985</u>
Other Comprehensive Income				
Increase/(decrease) in asset revaluation surplus	55,305	81,552	86,352	91,586
TOTAL COMPREHENSIVE INCOME	<u>95,189</u>	<u>120,042</u>	<u>130,199</u>	<u>131,571</u>
Estimated Costs of Significant Business Activities for 2021/22				
(i) the local government's significant business activities carried on using a full cost pricing basis;		-		
(ii) the activities of local government's commercial business units:				
Cairns Water		90,889		
Cairns Resource Recovery		30,582		
(iii) the local government's significant business activities		-		
Total of Cairns Water and Cairns Resource Recovery		<u>121,471</u>		

Refer to the Estimated Costs of Commercial Business Units at Section 3 for more information

Cairns Regional Council - Budgeted Financial Position

	2020/21 Forecast \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
Current Assets				
Cash assets and equivalents	-	-	24,104	23,356
Receivables	57,729	49,523	50,525	50,887
Inventories	2,200	2,244	2,289	2,335
	<u>59,929</u>	<u>51,767</u>	<u>76,918</u>	<u>76,578</u>
Non-Current Assets				
Property, plant and equipment	4,186,710	4,296,507	4,406,994	4,534,837
	<u>4,186,710</u>	<u>4,296,507</u>	<u>4,406,994</u>	<u>4,534,837</u>
TOTAL ASSETS	<u>4,246,639</u>	<u>4,348,274</u>	<u>4,483,912</u>	<u>4,611,415</u>
Current Liabilities				
Trade and other payables	49,189	51,049	51,305	51,927
Working capital facility	14,645	317	-	-
Interest bearing liabilities	23,504	25,570	27,801	29,596
Other liabilities	23,647	16,233	16,801	17,347
Provisions	17,634	12,634	12,784	12,916
	<u>128,619</u>	<u>105,803</u>	<u>108,691</u>	<u>111,786</u>
Non-Current Liabilities				
Interest bearing liabilities	153,216	157,625	159,826	152,232
Provisions	14,011	14,011	14,361	14,792
	<u>167,227</u>	<u>171,636</u>	<u>174,187</u>	<u>167,024</u>
TOTAL LIABILITIES	<u>295,846</u>	<u>277,439</u>	<u>282,878</u>	<u>278,810</u>
NET COMMUNITY ASSETS	<u>3,950,793</u>	<u>4,070,835</u>	<u>4,201,034</u>	<u>4,332,605</u>
Community Equity				
Asset revaluation surplus	1,275,889	1,357,441	1,443,793	1,535,379
Retained surplus / (deficit)	2,674,904	2,713,394	2,757,241	2,797,226
TOTAL COMMUNITY EQUITY	<u>3,950,793</u>	<u>4,070,835</u>	<u>4,201,034</u>	<u>4,332,605</u>

Cairns Regional Council - Budgeted Statement of Cash Flows

	2020/21 Forecast \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
Cash flows from operating activities				
Receipts				
Receipts from customers	309,453	333,178	338,838	349,490
Interest revenue	1,680	1,569	1,834	2,073
Operating grants and contributions	9,476	9,209	7,848	8,009
	<u>320,609</u>	<u>343,956</u>	<u>348,520</u>	<u>359,572</u>
Payments				
Payments to suppliers and employees	(218,791)	(234,707)	(239,583)	(242,580)
Finance costs	(3,152)	(3,329)	(3,361)	(3,436)
	<u>(221,943)</u>	<u>(238,036)</u>	<u>(242,944)</u>	<u>(246,016)</u>
Cash provided by / (used in) operational activities	<u>98,666</u>	<u>105,920</u>	<u>105,576</u>	<u>113,556</u>
Cash flows from investing activities				
Receipts				
Proceeds/ (loss) from the sale of non-current assets	1,018	1,500	1,500	1,500
Proceeds from developers and government for capital projects	40,662	25,394	38,008	31,646
	<u>41,680</u>	<u>26,894</u>	<u>39,508</u>	<u>33,146</u>
Payments				
Payments for property, plant and equipment	(168,500)	(124,961)	(125,095)	(141,651)
	<u>(168,500)</u>	<u>(124,961)</u>	<u>(125,095)</u>	<u>(141,651)</u>
Cash provided by / (used in) investing activities	<u>(126,820)</u>	<u>(98,067)</u>	<u>(85,587)</u>	<u>(108,505)</u>
Cash flows provided from financing activities				
Receipts				
Proceeds from borrowings	30,000	30,000	30,000	22,000
Net proceeds from working capital facility	14,645	-	-	-
Payments				
Repayment of borrowings	(20,252)	(23,525)	(25,568)	(27,799)
Net repayment of working capital facility	-	(14,328)	(317)	-
	<u>24,393</u>	<u>(7,853)</u>	<u>4,115</u>	<u>(5,799)</u>
Cash provided by / (used in) financing activities	<u>24,393</u>	<u>(7,853)</u>	<u>4,115</u>	<u>(5,799)</u>
Net increase / (decrease) in cash held	<u>(3,761)</u>	<u>-</u>	<u>24,104</u>	<u>(748)</u>
Cash at beginning of reporting period	3,761	-	-	24,104
Cash at end of reporting period	-	-	24,104	23,356

Cairns Regional Council - Budgeted Statement of Changes in Equity

	Total			
	2020/21	2021/22	2022/23	2023/24
	Forecast \$'000	\$'000	\$'000	\$'000
Balance at the beginning of the period	3,855,604	3,950,793	4,070,835	4,201,034
Increase (decrease) to asset revaluation surplus	55,305	81,552	86,352	91,586
Increase (decrease) in net result	39,884	38,490	43,847	39,985
Balance at the end of the period	3,950,793	4,070,835	4,201,034	4,332,605

	Asset Revaluation Surplus			
	2020/21	2021/22	2022/23	2023/24
	Forecast \$'000	\$'000	\$'000	\$'000
Balance at the beginning of the period	1,220,584	1,275,889	1,357,441	1,443,793
Increase (decrease) to asset revaluation surplus	55,305	81,552	86,352	91,586
Balance at the end of the period	1,275,889	1,357,441	1,443,793	1,535,379

	Retained Surplus/(Deficit)			
	2020/21	2021/22	2022/23	2023/24
	Forecast \$'000	\$'000	\$'000	\$'000
Balance at the beginning of the period	2,635,020	2,674,904	2,713,394	2,757,241
Increase (decrease) in net result	39,884	38,490	43,847	39,985
Balance at the end of the period	2,674,904	2,713,394	2,757,241	2,797,226

Cairns Regional Council - Notes to and forming part of the Budgeted Accounts

	2020/21 Original \$	2020/21 Forecast \$	2021/22 \$	2022/23 \$	2023/24 \$
1 Rates and utility charges					
General rates	118,764	119,066	123,232	129,246	133,445
Water	23,092	23,225	24,035	24,876	25,685
Sewerage	75,645	75,876	78,522	81,270	83,912
Special charges	1,005	1,005	981	1,015	1,048
Water usage	28,762	27,480	33,198	34,360	35,477
Cleansing charges	28,379	28,460	29,429	30,459	31,449
	<u>275,647</u>	<u>275,112</u>	<u>289,397</u>	<u>301,226</u>	<u>311,016</u>
Less: rebates	(4,717)	(4,788)	(5,003)	(5,178)	(5,346)
	<u>270,930</u>	<u>270,324</u>	<u>284,394</u>	<u>296,048</u>	<u>305,670</u>

	2020/21	2020/21	2021/22	2020/21 Original vs 2021/22 Original Budget		2020/21 Forecast vs 2021/22 Original Budget	
	Original \$	Forecast \$	Original \$	Variance \$	Variance %	Variance \$	Variance %
Rates and utility charges - value of change							
General rates and utility charges ¹							
General rates	118,764	119,066	123,232	4,468	3.76%	4,166	3.50%
Water	23,092	23,225	24,035	943	4.08%	810	3.49%
Sewerage	75,645	75,876	78,522	2,877	3.80%	2,646	3.49%
Cleansing charges	28,379	28,460	29,429	1,050	3.70%	969	3.40%
	<u>245,880</u>	<u>246,627</u>	<u>255,218</u>	<u>9,338</u>	<u>3.80%</u>	<u>8,591</u>	<u>3.48%</u>
Water usage ²	<u>28,762</u>	<u>27,480</u>	<u>33,198</u>	<u>4,436</u>	<u>15.42%</u>	<u>5,718</u>	<u>20.81%</u>

Note 1

Movements in general rates and utility charges incorporates an assumed growth in rateable properties of 1.00%.

Note 2

Water usage movements reflect price and growth increase listed in note 1 as well as assumptions around consumption.

3. ESTIMATED COSTS OF COMMERCIAL BUSINESS UNITS

Cairns Regional Council - Budgeted Income Statement

Cairns Water

	2020/21 Forecast \$	2021/22 \$	2022/23 \$	2023/24 \$
Operating Revenue				
Rates and utility charges	126,446	135,583	140,328	144,889
Fees and charges	6,677	6,436	6,741	6,792
Interest revenue	756	736	755	774
Other operating income	1,342	1,356	1,383	1,410
	<u>135,221</u>	<u>144,111</u>	<u>149,207</u>	<u>153,865</u>
Capital Revenue				
Capital grants, subsidies and contributions	1,417	1,898	1,917	1,931
Contributed assets	3,551	6,747	6,871	6,922
	<u>4,968</u>	<u>8,645</u>	<u>8,788</u>	<u>8,853</u>
TOTAL REVENUE	<u>140,189</u>	<u>152,756</u>	<u>157,995</u>	<u>162,718</u>
Operating Expenses				
Employee benefits	24,093	24,211	24,817	25,561
Materials and services	25,375	26,716	27,384	28,000
Depreciation	38,717	39,962	40,381	41,987
Finance costs	1	-	-	-
	<u>88,186</u>	<u>90,889</u>	<u>92,582</u>	<u>95,548</u>
Capital Expenses				
Loss on disposal of non-current assets	3,501	4,444	6,732	6,867
TOTAL EXPENSES	<u>91,687</u>	<u>95,333</u>	<u>99,314</u>	<u>102,415</u>
NET RESULT	<u>48,502</u>	<u>57,423</u>	<u>58,681</u>	<u>60,303</u>
Other Comprehensive Income				
Increase in asset revaluation surplus	25,929	25,875	26,575	28,020
TOTAL COMPREHENSIVE INCOME	<u>74,431</u>	<u>83,298</u>	<u>85,256</u>	<u>88,323</u>

Cairns Regional Council - Budgeted Income Statement

Cairns Resource Recovery

	2020/21 Forecast \$	2021/22 \$	2022/23 \$	2023/24 \$
Operating Revenue				
Rates and utility charges	28,460	29,429	30,459	31,449
Fees and charges	3,498	3,161	3,311	3,185
Interest revenue	169	165	169	173
Other operating income	5,835	6,435	6,564	6,695
Grants, subsidies and contributions	250	-	-	-
	<u>38,212</u>	<u>39,190</u>	<u>40,503</u>	<u>41,502</u>
Capital Revenue				
Capital grants, subsidies and contributions	1,830	16	-	-
TOTAL REVENUE	<u>40,042</u>	<u>39,206</u>	<u>40,503</u>	<u>41,502</u>
Operating Expenses				
Employee benefits	5,040	4,943	5,067	5,219
Materials and services	23,367	24,077	24,679	25,234
Depreciation	1,110	1,562	1,565	1,597
	<u>29,517</u>	<u>30,582</u>	<u>31,311</u>	<u>32,050</u>
Capital Expenses				
Loss on disposal of non-current assets	45	300	310	320
TOTAL EXPENSES	<u>29,562</u>	<u>30,882</u>	<u>31,621</u>	<u>32,370</u>
Net Result	10,480	8,324	8,882	9,132
Other Comprehensive Income				
Increase in asset revaluation surplus	184	271	285	277
TOTAL COMPREHENSIVE INCOME	<u>10,664</u>	<u>8,595</u>	<u>9,167</u>	<u>9,409</u>

4. 2021/22 LONG TERM FINANCIAL FORECAST

Cairns Regional Council - Long Term Financial Forecast (extract)

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenue											
Rates and utility charges	270,324	284,394	296,048	305,670	317,156	330,378	343,308	357,294	368,910	381,652	394,059
Fees and charges	24,796	25,726	27,099	27,159	28,306	28,389	29,610	29,699	30,999	31,117	32,481
Interest revenue	1,679	1,570	1,834	2,073	1,884	1,902	2,596	3,005	3,311	3,580	3,802
Grants, subsidies and contributions	9,494	7,717	7,871	8,029	8,189	8,353	8,520	8,691	8,864	9,042	9,223
Other operating income	14,013	16,388	16,715	17,050	17,391	17,739	18,093	18,455	18,824	19,201	19,585
	320,306	335,795	349,567	359,981	372,926	386,761	402,127	417,144	430,908	444,592	459,150
Capital Revenue											
Capital grants and subsidies	30,914	20,908	25,340	17,500	37,600	37,800	18,000	18,100	18,400	18,600	18,800
Contributions from developers	12,265	11,900	12,100	13,600	13,700	18,400	18,600	18,700	23,700	24,000	24,300
Contributed assets	10,230	19,436	19,631	19,778	19,926	20,125	20,327	20,530	20,787	21,046	21,309
	53,409	52,244	57,071	50,878	71,226	76,325	56,927	57,330	62,887	63,646	64,409
TOTAL REVENUE	373,715	388,039	406,638	410,859	444,152	463,086	459,054	474,474	493,795	508,238	523,559
Operating Expenses											
Employee benefits	112,587	115,875	120,511	122,023	125,685	129,769	133,987	138,340	143,182	148,195	153,379
Materials and services	106,589	115,085	119,239	121,633	121,588	124,578	130,660	137,453	141,199	145,685	150,316
Depreciation	95,945	99,653	103,762	108,007	114,140	120,696	125,759	130,422	135,123	139,858	144,874
Finance costs	3,710	3,936	3,949	3,544	2,531	4,824	6,703	6,350	5,150	3,497	1,633
	318,831	334,549	347,461	355,207	363,944	379,867	397,109	412,565	424,654	437,235	450,202
Capital Expenses											
Loss on disposal of non-current assets	15,000	15,000	15,330	15,667	16,010	16,360	16,717	17,082	17,453	17,832	18,219
TOTAL EXPENSES	333,831	349,549	362,791	370,874	379,954	396,227	413,826	429,647	442,107	455,067	468,421
Net result	39,884	38,490	43,847	39,985	64,198	66,859	45,228	44,827	51,688	53,171	55,138
Capital works program expenditure	165,414	124,531	124,472	140,524	228,677	244,684	151,916	126,833	121,854	119,621	131,494
Community Assets											
Total assets	4,246,639	4,348,274	4,483,912	4,611,415	4,831,915	5,070,445	5,219,397	5,341,592	5,457,027	5,571,853	5,696,558
Total liabilities	295,846	277,439	282,878	278,810	335,598	398,587	387,139	344,577	284,124	217,509	154,481
Net Community Assets	3,950,793	4,070,835	4,201,034	4,332,605	4,496,317	4,671,858	4,832,258	4,997,015	5,172,903	5,354,344	5,542,077

5. 2021/22 CODE OF COMPETITIVE CONDUCT STATEMENT

STATEMENT OF ACTIVITIES TO WHICH THE CODE OF COMPETITIVE CONDUCT (CCC) APPLIES

Council has decided by resolution that the CCC is to be applied to the following Prescribed Business Activities for the 2021/22 financial year:

- Cairns Water
- Cairns Resource Recovery

2021/22 ESTIMATED ACTIVITY STATEMENT

Description	Cairns Water \$	Cairns Resource Recovery \$
Estimated Revenue		
Services provided to the local government	15,456,988	3,216,470
Services provided to anyone else	152,674,496	39,206,016
Community Service Obligations (net cost)	564,988	853,129
Revenue Total	168,696,472	43,275,615
Estimated Expenses		
Employee Costs	23,949,719	5,093,007
Materials and Services	42,999,517	27,996,960
Depreciation	39,962,411	1,562,335
Other Expenditure	3,515,130	240,000
Income Tax	17,480,908	2,514,994
Expenditure Total	127,907,685	37,407,296
Estimated Surplus or (Deficit) before dividend:	40,788,787	5,868,319

2021/22 ESTIMATED COSTS OF CARRYING OUT COMMUNITY SERVICE OBLIGATIONS

Activities	Description of the nature of the Community Service Obligation	Net Cost of CSO \$
Cairns Water		
<i>Water Services</i>	Repairs and maintenance undertaken on fire hydrants free of charge	524,583
	Repairs and maintenance undertaken on water hydrants free of charge	2,319
	Total	526,902
<i>Wastewater Services</i>	Repairs and maintenance undertaken on sewer locations free of charge	38,086
	Total	38,086
Total cost of Community Service Obligations		564,988
Cairns Resource Recovery		
<i>Waste Services</i>	Free green waste initiative conducted twice a year	480,715
	Charity exemptions for waste disposal	185,844
	Collection and disposal relating to community clean up events	2,215
	Free hazardous waste disposal to prevent incorrect disposals	141,555
	Recycling services free of charge to schools	35,385
	Concessions for patients receiving home dialysis	5,416
	Donations of buy back shop to charity	2,000
Total cost of Community Service Obligations		853,130

6. REVENUE POLICY



CAIRNS REGIONAL COUNCIL

General Policy

REVENUE POLICY

- Intent** To set out the principles used by Council for:
- The levying of rates and charges
 - Granting concessions for rates and charges
 - Recovering overdue rates and charges
 - The establishment of cost-recovery methods (fees)
 - The purpose of concessions
 - Infrastructure charges for a new development

Scope This policy applies to Cairns Regional Council and all of the Council's commercial business units.

PROVISIONS

The Levying of Rates and Charges

In levying rates and charges the following principles will be applied:

- Consider the level of revenue that can be achieved from direct user charges, grants and subsidies, contributions and other sources.
- Consider the level of the cost of maintaining existing facilities and necessary services and the need for additional facilities and services.
- Make clear what is the Council's and each ratepayers' responsibility to the rating system.
- Timing the levy of rates to ensure a sustainable cash flow for the operation of Council and to spread the burden to the ratepayer over the financial year.
- Equity through flexible payment arrangements.
- Transparency in the making of rates and charges.
- Having in place a rating regime that is simple and inexpensive to administer.
- Flexibility to take account of changes to the local economy.

Council will consider contemporary water issues whilst reviewing the water consumption and access prices.

Council will distribute the rates burden by use of differential rating categories with banding applied in relevant rating categories. Council will consider the lowest and highest rating outcomes for each differential category. Council may consider levying special and separate rates and charges when appropriate, to recover the costs associated with a particular service, project or facility that provides direct or additional benefit to the ratepayers or class of ratepayer.

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.
- Flexibility to allow Council to respond to local economic issues.

Council may give consideration to granting a concession to a class of landowner without the need for an individual application in accordance with s122 (4) of the *Local Government Regulation 2012*.

The Purpose of Concessions

Council will support community objectives through the application of concessions to:

- reduce the financial burden of rates and charges payable by pensioners, including those in eligible retirement villages;
- support the community activities of not for profit organisations and support their economic development;

- provide assistance to ratepayers suffering genuine financial hardship;
- reduce the cost of water usage for home dialysis users;
- provide assistance to offset larger than normal water usage accounts due to the existence of a concealed leak for residential and not for profit organisations.

Recovering of 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 to 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.
- Flexibility by responding where necessary to changes in the local economy.

Council will charge interest on all overdue rates and charges. Council's Debt Recovery Policy sets out the detail of the processes used to recover outstanding rates and charges.

Cost Recovery Methods

Section 97 of the *Local Government Act 2009* allows Council to set cost-recovery fees. Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social, economic, environmental and other corporate goals. 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 cognisant 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.

Infrastructure Charges for a New Development

Under Section 113 of the *Planning Act 2016* local governments may, by resolution, adopt charges for providing trunk infrastructure for development (infrastructure charges). Schedule 16 of the *Planning Regulation 2017* states the maximum amount for each charge.

Infrastructure Charges are levied by an Infrastructure Charges Notice issuing with a Development Approval. Infrastructure charges contribute to the provision of trunk infrastructure as contained in Council's Local Government Infrastructure Plan for: trunk water supply, wastewater, stormwater, transport, parks and land for community facilities networks that supports the growth and development in the Region.

Infrastructure Charges rates are contained in Council's Infrastructure Charges. Infrastructure charges rates are identified for particular types of development (residential and non-residential) in a particular area that are no greater than the maximum amount for each charge contained in the *Planning Regulation 2017*. Quarterly increases are applied to the Infrastructure Charges rates using the Consumer Price Index: All Groups, Brisbane.

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This policy is to remain in force until otherwise determined by Council

General Manager Responsible for Review:

Chief Financial Officer

ORIGINALLY ADOPTED: 21/06/2002

CURRENT ADOPTION: 24/06/2020

DUE FOR REVISION: 24/06/2024

REVOKED/SUPERSEDED:

**Mica Martin
Chief Executive Officer**

7. REVENUE STATEMENT



CAIRNS REGIONAL COUNCIL

General Policy

REVENUE STATEMENT

INTRODUCTION

This Revenue Statement is produced in accordance with section 104 of the *Local Government Act 2009* and sections 169 and 172 of the *Local Government Regulation 2012*.

DIFFERENTIAL GENERAL RATING

Differential General Rating – General Comments

Council has decided that in accordance with section 81 of the *Local Government Regulation 2012*, differential general rates will be levied on all rateable land in the region. In Council's opinion, differential general rating enables there to be a more equitable relationship between revenue raised from particular land and the circumstances relevant to that land, than would be the case under a standard rating system where rates are levied at a single rate in the dollar on all rateable land.

In determining its differential rating system, Council's objective is to ensure 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.

In summary, the differential rating categories have been determined having regard to matters such as:

- land use;
- availability of services;
- consumption of services;
- valuation; and
- income producing capacity of land.

Summary of Differential General Rating Categories and Descriptions

Refer to SECTION 1 for the full list of categories, descriptions and identification for each category.

The following categories and descriptions are to be used for rating purposes for all rateable properties:

Category	Description
Residential A	Residential properties with a valuation from \$1 to \$500,000.
Residential B	Residential properties with a valuation from \$500,001 to \$1,000,000.
Residential C	Residential properties with a valuation of \$1,000,001 or over.
Residential J	Residential properties not subject to banding.
Residential K	Residential properties that are building units.
Residential L	Multi Unit Dwellings (Flats).
Residential M	Residential land which is subject to section 50 of the <i>Land Valuation Act 2010</i> .

Category	Description
Commercial B	Major Shopping Centres over 34,999m2 Gross Lettable Area – Retail (GLAR).
Commercial D	Commercial properties located within the Inner City.
Commercial E	Commercial properties not included in Commercial Categories B, D, F & G.
Commercial F	Properties used by Not for Profit Recreation, Sporting and Community Groups that are eligible for Rates Based Financial Assistance.
Commercial G	Major Shopping Centres over 20,000m2 and less than 35,000m2 GLAR.
Rural Productive	All properties which are used predominantly for Primary Production.
Other Land	Land not included in any of the above categories.

Council delegates to the Chief Executive Officer (CEO) the power to determine which category a particular rateable assessment should be allocated into. In this regard, the CEO will be guided by the list of land use codes set out in SECTION 1.

Further information that the CEO may utilise in this regard includes:

- the land use codes as adopted by the Department Resources - Titles and Valuations for formulating Local Authority valuations;
- the current zones in CairnsPlan 2016;
- other such criteria as outlined within this statement and existing as at 1 July 2021.

The definitions of rateable and non-rateable land are outlined in section 93 of the *Local Government Act 2009* and section 73 of the *Local Government Regulation 2012* and are attached as SECTION 2.

Limiting the Increase in Rates and Charges

For the 2021/22 financial year, Council will not be passing any resolution (pursuant to section 116 of the *Local Government Regulation 2012*) limiting the increase in rates or charges.

CALCULATION OF LEVIES

Provisions

- differential General Rates will apply based on categories
- minimum general rates will apply
- there will be no “rate capping” (see above Limiting the Increase in Rates and Charges).

Application of General Rates by Category

Residential

Category	Description
Residential A	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential B	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential C	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential J	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential K	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential L	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential M	A single rate in the dollar to apply to all properties included in this category with no minimum, as required under section 50 of the <i>Land Valuation Act 2010</i> .

Commercial

Category	Description
Commercial B	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Commercial D	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Commercial E	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Commercial F	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Commercial G	A single rate in the dollar to apply to all properties included in this category with a set minimum.

Rural Productive

A single rate in the dollar to apply to all properties included in this category with a set minimum.

Other Land

A single rate in the dollar to apply to all properties included in this category with a set minimum.

Refer SECTION 3 for details of Rates and Charges for the 2021/22 Financial Year.

ISSUE OF NOTICES

All Rates and Charges made, levied and imposed for the 2021/22 financial year (other than Water Usage Charges – Potable and Water Usage Charges – Recycled) will be issued twice a year for the periods 1 July to 31 December 2021 and 1 January to 30 June 2022 respectively.

The due date for payment is defined as being at least 30 days from the date of issue of the rate notice.

Water Usage Charges – Potable and Water Usage Charges – Recycled imposed for the 2021/22 financial year will be issued three times a year and that Council adopts section 102(2) of the *Local Government Regulation 2012* to assist it levying these particular charges.

The due date for payment is defined as being at least 33 days from the date of issue of the water notice.

INTEREST

Pursuant to section 133 of the *Local Government Regulation 2012*, interest will be charged at the prescribed rate of 8.03% per annum calculated at compound interest on daily rests, on all rates and charges which remain unpaid after the expiration of the due date for payment. Interest is still applicable where ratepayers enter into direct debit payment arrangements.

The prescribed rate is the sum of –

- (a) The bank bill yield rate for the day, rounded to 2 decimal places; and
- (b) 8%

The bank bill yield rate, for a day, means the monthly average yield off 90-day bank accepted bills published by the Reserve Bank of Australia (RBA) for the month of March in the financial year immediately before the financial year in which the day occurs. The bank bill yield rate is available on the RBA website - <https://www.rba.gov.au/statistics/tables/xls/f01hist.xls>

DEFERRAL OF LIABILITY

Pursuant to section 125 of the *Local Government Regulation 2012*, the amount of premium for Council agreeing to enter into arrangements to defer the payment of rates and charges is the amount equivalent to the amount of interest that would have been raised if the arrangement had not been entered into.

The premium for allowing pensioners to accumulate rates are set at equal to the amount of interest that would have been raised if such arrangement had not been approved.

REMISSIONS AND CONCESSIONS

Lodgement of Applications

All applications for remission must be in writing on the prescribed form and contain a signed declaration as to the accuracy of the information contained therein. All applications forms and relevant policies are available on Council's website at www.cairns.qld.gov.au

Pensioner Remission

Applications in respect of a new financial year should be submitted before the commencement of each rating period. New applications for remission received after the commencement of a rating period will be accepted for consideration provided the applicant meets all the criteria at the time of the application and such remission will be effective from the date of the application on a pro rata basis and not applied retrospectively to previous rating periods.

Once an application for remission is approved it shall remain in force from year to year without further renewal whilst the applicant remains owner/occupier of the property in question. Where an owner has multiple properties, remission will only be granted to one property only.

Where an applicant's circumstances alter it is incumbent upon the applicant to notify Council. Council will conduct periodic audits to verify current entitlements.

The rebate will be up to 40% of the General Rate to a maximum of \$1,350.00 per annum.

The upper limit of total remission will not exceed 5% of Council's total net general rates at which point the 40% remission is to be reduced on a pro rata basis.

The following guidelines apply in respect of persons applying for pensioner remission:

- The applicant(s) must be the sole owner(s) of the property in respect of which remission is sought or be life tenant(s) under a will with responsibility to pay all rates and charges.
- Such property must be the principal place of residence for all applicants.
- To be entitled to Council's remission all applicant(s) MUST be the primary holder(s) of one of the following Queensland cards:
 - Centrelink Pensioner Concession Card
 - Department of Veterans' Affairs Pensioner Concession Card
 - Department of Veterans' Affairs Repatriation Health Card. (Full Conditions only).
- If a pensioner becomes the owner of a new property, they must make application for remission in respect of that property.
- Such remission of rates will only apply if the applicant(s) pay their rates or make an attempt to pay their rates prior to the end of the financial year for which remission is granted. An attempt to pay shall be shown by reasonable part payments being made on a regular basis. Where an attempt to pay has not occurred in a financial year, the remission already granted for that year will be revoked.

Where a pensioner is receiving Council pensioner remission in respect of a property owned by that person and the person dies, Council remission will cease at the end of the rating period in which records obtained from the Department of Human Services for entitlement purposes do not match Council's records. When the property title is transferred under a will to a beneficiary who qualifies for Council pensioner remission, that person will be granted Council remission retrospectively to the beginning of the rating period, provided the pensioner would also have met all the relevant criteria at the commencement of such rating period.

Pensioners may be entitled to a State Government subsidy (currently 20%, up to a maximum of \$200 per property per annum). Where the State Government subsidy applies, Council will remit the appropriate amount off the rate notice and claim reimbursement from the State Government.

Retirement Village Remissions

A remission will be extended to retirement villages (as classified under Land Use Code 21), where a legal entity separate to the residents is the owner and the pensioners are responsible for paying the rates, to the extent that residents of the village are pensioners.

Thirty days prior to the commencement of any rating period the owner of the land shall lodge an application for remission in the following form:

- There shall be a Declaration by the owner that pensioners that reside in the complex will be given the benefit of the remission.
- A list of all residents in the village and an indication as to which of those residents are pensioners.
- Where residents are pensioners, their pension number.
- A declaration from residents or their legal representatives (where they were residents) that they received the benefit of the remission in the prior year.

A pensioner remission will then apply based on the number of dwellings occupied by pensioners as a percentage of the total number of dwellings in the village.

Rates Based Financial Assistance

Council maintains a Rates Based Financial Assistance (RBFA) Policy which allows Council to consider applications for remission of general rates, water access charges and sewerage charges from Not for Profit Recreation, Sporting and Community Groups.

To qualify for assistance, the constitution of these organisations must clearly state prohibitions on any member of the organisation making a private profit or gain, either from ongoing operations of the organisation or as a result of distribution of assets if the organisation is wound up.

Financial Hardship Policy

Council recognises the effect of the Covid-19 pandemic on the Cairns community and in particular, the adverse financial impact on ratepayers through loss of income, wages or downturn in business. The Financial Hardship policy has been developed to provide assistance through extended payment plans and waiver of interest for outstanding rates and water usage debts.

Independent Rates Relief Tribunal

This policy has been adopted to provide a safety net for those ratepayers suffering genuine financial hardship.

The Independent Rate Relief Tribunal consists of a minimum of two voluntary members and two current Councillors. Voluntary appointees may come from a number of backgrounds.

The main role of the Tribunal is to recommend, in certain circumstances, the most appropriate form of assistance to those ratepayers experiencing serious hardship and, as a result, are unable to pay their rates and charges. The policy is only to apply to the principal place of residence of the ratepayer and no commercial benefit can be derived from the property. Not for Profit Recreation, Sporting and Community Groups that are already receiving Rates Based Financial Assistance or would be eligible if they did not have rates outstanding, may also apply.

Concession for Home Dialysis Policy

Financial assistance is available to offset water usage costs and the provision of additional recycling services for users of Home Dialysis Equipment. Written applications must be submitted to Cairns Regional Council for approval.

Concealed Leak Policy for Residential and Not for Profit

Financial assistance is available to offset larger than normal water accounts due to the existence of a concealed leak for residential and Not for Profit organisations. Written applications must be submitted to Cairns Regional Council for approval in line with Council's Concealed Water Leak Policy.

SPECIAL CHARGES

Refer SECTION 3 for details of Rates and Charges for the 2021/22 Financial Year.

Holloways Beach Rock Wall Stage 1

Pursuant to section 92 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council resolves to levy a Special Charge on all rateable land within the area defined on the map marked Holloways Beach Rock Wall – Stage 1 in accordance with the Overall Plan adopted by Council on 19 June 2003.

For the 2021/22 financial year, Council resolves to adopt the Annual Implementation Plan for the purpose of raising funds to repay the interest and principal on the Queensland Treasury Corporation (QTC) loan of \$519,866 borrowed to cover the construction costs of the rock wall.

All land within the area receives a special benefit from the completed work. The levy is based on the requirement to service interest and principal charges associated with the loan and agreed to annually by Council.

The levy will continue for each parcel of land within the area on the map marked Holloways Beach Rock Wall - Stage 1 for a period of 20 years from 1 July 2003. The levy will form part of the half yearly rates levy issued twice yearly.

Holloways Beach Rock Wall Stage 2A

Pursuant to section 92 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council resolves to levy a Special Charge on all rateable land within the area defined on the map marked Holloways Beach Rock Wall – Stage 2A in accordance with the Overall Plan adopted by Council on 30 June 2004.

For the 2021/22 financial year, the Council resolves to adopt the Annual Implementation Plan for the purpose of raising funds to repay the interest and principal on the Queensland Treasury Corporation (QTC) loan of \$382,189.78 borrowed to cover the construction costs of the rock wall.

All land within the area receives a special benefit from the completed work. The levy is based on the requirement to service interest and principal charges associated with the loan and agreed to annually by Council.

The levy will continue for each parcel of land within the area on the map marked Holloways Beach Rock Wall - Stage 2A for a period of 20 years from 1 July 2004. The levy will form part of the half yearly rates levy issued twice yearly.

Holloways Beach Rock Wall Stage 2B

Pursuant to section 92 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council resolves to levy a Special Charge on all rateable land within the area defined on the map marked Holloways Beach Rock Wall – Stage 2B in accordance with the Overall Plan adopted by Council on 30 June 2004.

For the 2021/22 financial year, Council resolves to adopt the Annual Implementation Plan for the purpose of raising funds to repay the interest and principal on the Queensland Treasury Corporation (QTC) loan of \$338,369.78 borrowed to cover the construction costs of the rock wall.

All land within the area receives a special benefit from the completed work. The levy is based on the requirement to service interest and principal charges associated with the loan and agreed to annually by Council.

The levy will continue for each parcel of land within the area on the map marked Holloways Beach Rock Wall - Stage 2B for a period of 19 years from 1 July 2005. The levy will form part of the half yearly rates levy issued twice yearly.

Bluewater Canal

Pursuant to section 92 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council resolves to levy a special charge to cover the cost of dredging the Bluewater Canal, Half Moon Creek and the Offshore Channel in accordance with the Overall Plan adopted by Council 30 June 2021.

The special charge is to be levied pursuant to section 92 (3) (a) (b) (c) of the Act and section 94 (12) of the Regulation as the land or occupiers of the land specified below receive a special benefit from the dredging work and specifically contribute to the need for the dredging work.

For the 2021/22 financial year, Council resolves to adopt the Annual Implementation Plan for the purpose of raising funds to cover these ongoing costs.

The charge forms part of a ten-year overall plan for works undertaken by Council. The amount of revenue proposed to be collected for the 2021/22 is \$638,190.

The charge will be applied to:

- land which has an immediate water frontage (other than Council lots) and is identified on the map marked Bluewater Canal (refer to Bluewater Canal Special Charge – Report to Special (Budget) Meeting 30 June 2021); and
- all berths within the Bluewater and Yorkeys Knob Marinas.

The aforementioned land receives a special benefit from the dredging work.

The levy is based on the requirement to meet the ongoing costs (other than Council's share) associated with dredging of the Canal, Half Moon Creek and Offshore Channel under Dredging and Maintenance, Bluewater Canals and Offshore Channel.

SEPARATE CHARGES

Waste Levy

Pursuant to section 92(5) of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council intends to levy a Separate Charge on all rateable land in its local government area to recover the costs imposed on Council's operations through the introduction of the Queensland Government Waste Levy. The Separate Charge will be levied in arrears, to recover the actual costs incurred.

There will be no Separate Charge levied in the 2021/22 financial year. The Separate Charge will be set having regard to the annual payment that will be made by the Queensland Government to Council pursuant to section 73D of the amended *Waste Reduction and Recycling Act 2011*, which must be used by Council to mitigate any direct impacts of the Waste Levy on households in Council's local government area.

UTILITY CHARGES

Refer SECTION 3 for details of Rates and Charges for the 2021/22 Financial Year.

Water Potable

Water Supply Schemes and Catchments

Babinda	Bessie Point	Goldsborough
Bartle Frere	Bramston Beach	Mirriwinni
Behana Creek	Copperlode Falls Dam	Orchid Valley/Mountain View
Bellenden Ker	Fishery Falls	Any other groundwater and run off river sources

Residential

All properties in this class of consumer receiving water from the above Water Supply Schemes and Catchments shall be levied the following charges:

- an access charge for all residential type improvements.
- water usage charged at a prescribed rate.
- water usage charges levied three times during the year.

In circumstances where improvements are built over the boundary line of two allotments, the total land area of both allotments is less than 1190m² and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property.

Commercial

All properties in this class of consumer regardless of supply scheme shall be levied the following charges:

- an access charge per improvement.
- water usage charged at a prescribed rate.
- water usage charges levied three times during the year.

In circumstances where commercial/industrial improvements are built over the boundary line of two allotments and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property.

Rural Productive

All properties in this class of consumer receiving water from the above Water Supply Schemes and Catchments shall be levied the following charges:

- an access charge for all residential type improvements.
- an access charge for all rural productive improvements with water connected.
- water usage charged at a prescribed rate.
- water usage charges levied three times during the year.

All Categories

For Residential, Commercial and Rural Productive where improvements are of a joint nature, water usage charges will be calculated using the water usage rate applicable to the category on which general rates are levied or would be levied if the property was rateable.

Meters shall be read on a rotational basis, three times each year.

Where residential type improvements share a meter with commercial improvements and the Department of Natural Resources and Mines land use code for that assessment is commercial, water usage charges will be levied at the commercial rate.

For Residential and Commercial properties, where improvements are built on one parcel of land any adjoining parcels with the same owners shall be rated separately for utility charges.

Water Recycled

Residential and Commercial

All properties in these classes of consumer receiving water from Council's Recycle Water Reticulation System shall be levied the following charges:

- an access charge for all residential and commercial type improvements.
- water usage charged at a prescribed rate.
- water usage charges levied three times during the year.

Meters shall be read on a rotational basis, three times each year.

Sewerage

Residential

A base charge will be levied for each vacant allotment, residence, flat and each strata-title unit where Council is prepared to accept sewage.

In circumstances where improvements are built over the boundary line of two allotments, the total land area of both allotments is less than 1190m² and the ratepayer proves to Council that this is the case, Council shall levy utility charges as if it were one property. In circumstances where pedestals/urinals are built on common property associated with Strata Title units a standard commercial charge per water closet will apply.

Commercial

To be charged per water closet.

Rural Productive

- A base charge will be levied for all residency type improvements.
- A charge per water closet (WC) will apply for all rural productive improvements connected to the sewer.

Cleansing

Domestic Cleansing Charge - A base charge will be levied for all residency type improvements.

FEES AND CHARGES

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

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

Council's Fees and Charges Register contains full details of fees and charges adopted by Council and is available on council's website.

Cost Recovery Fees

Fees associated with cost-recovery (regulatory) services will be set at no more than the full cost of providing the service or taking the action for which the fee is charged. Council may choose to subsidise the fee where Council considers that it would not be reasonable to charge the full cost.

Business Activity Fees

In relation to fees associated with Councils commercialised business activities, Council has developed a system of full cost pricing as its vehicle for service delivery and the setting of user fees and charges. All direct and indirect costs involved in providing the services will be reflected in the price charged for each service. Overheads, which are not incurred in the cost centre providing the service but which are necessary for the service to be provided, are a component of the full cost of providing services and will be allocated to the service area in an appropriate way.

POLICY FOR RATING EXEMPTIONS

Upon receipt of a written submission Council shall:

- Decide if the land is rateable land after considering section 93 of the *Local Government Act 2009*.
- If the land is rateable land, consider if the land is exempt under section 73 of *Local Government Regulation 2012* – Refer SECTION 2
- If the land is still considered rateable after due consideration to the above, Council may grant financial relief under section 96 of the *Local Government Act 2009* and Chapter 4 Part 10 of *Local Government Regulation 2012* by way of a concession. Refer to Remissions and Concessions.

SECTION 1 - LAND USE CATEGORIES

Note: The zones in CairnsPlan 2016 may be a factor in determining the rating categories for Land Use Codes 01, 04, 06, 09, and 72.

Residential

Residential A

Properties used, or capable of being used for residential purposes with a valuation up to \$500,000.

Ordinarily properties with the following land use codes would fall within this category:

- 01 Vacant urban land (excluding those included in commercial categories D and E);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category J and those in commercial categories D and E);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category J);
- 06 Outbuildings (excluding those in category J and those in commercial categories D and E);
- 09 Group Titles;
- 94 Vacant rural land.

Residential B

Properties used, or capable of being used for residential purposes with a valuation from \$500,001 to \$1,000,000.

Ordinarily properties with the following land use codes would fall within this category:

- 01 Vacant urban land (excluding those included in commercial categories D and E);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category J and those in commercial categories D and E);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category J);
- 06 Outbuildings (excluding those in category J and those in commercial categories D and E);
- 09 Group Titles;
- 94 Vacant rural land.

Residential C

Properties used, or capable of being used for residential purposes with a valuation of \$1,000,001 or over

Ordinarily properties with the following land use codes would fall within this category:

- 01 Vacant urban land (excluding those included in commercial categories D and E);
- 02 Residential single unit dwelling - urban and rural;
- 04 Large homesite - vacant urban and rural (excluding those in category J and those in commercial categories D and E);
- 05 Large homesite - dwelling - urban and rural; (excluding those in category J);
- 06 Outbuildings (excluding those in category J and those in commercial categories D and E);
- 09 Group Titles;
- 94 Vacant rural land.

Residential J

Properties (excluding those in categories A to C) where that land's zone is included in CairnsPlan2016 as Rural residential with a total land area over 10 hectares or Low density residential with a total land area over 0.5 hectares or Low-medium density residential with a total land area over 3.5 hectares or Medium density residential with a total land area over 0.5 hectares or Tourist accommodation with a total land area over 0.5 hectares or Community facilities with a total land area over 1 hectare.

Ordinarily properties with the following land use codes would fall within this category:

- 04 Large Homesite - Vacant Urban and Rural (excluding those in commercial categories D and E);
- 06 Outbuildings (excluding those in commercial categories D and E); and

Properties (excluding those in categories A to C) where that land's Planning Area is included in CairnsPlan2016 as Low density residential with a total land area over 5 hectares or Low-medium density residential with a total land area over 3.5 hectares or Medium density residential with a total land area over 1.5 hectares or Tourist accommodation with a total land area over 0.5 hectares or Community facilities with a total land area over 1 hectare.

Ordinarily properties with the following land use code would fall within this category:

- 05 Large Homesite – Dwelling - Urban and Rural; and

Properties used as Residential Institutions (non-medical care).

Ordinarily properties with the following land use code would fall within this category:

- 21 Residential Institutions (non-medical care);

Residential K

Properties that are used for residential purposes and the lot is part of a Community Title Scheme.

Ordinarily properties with the following land use code would fall within this category:

- 08 Building Units

Residential L

Properties that are used for multi residential (flats) purposes.

Ordinarily properties with the following land use code would fall within this category:

- 03 Dual/Multi Occupancy (Flats & Dwellings)

Residential M

Properties that comply with section 50 of the *Land Valuation Act 2010*.

Ordinarily properties with the following land use code would fall within this category:

- 72 Residential land which is subject to section 50 of the *Land Valuation Act 2010*.

Commercial

Commercial B

Properties that comprise Drive In Shopping Centres and in which the anchor tenants are a variety of department store(s) and/or discount department store(s) and large grocery supermarket(s) with major on-site parking facilities and having a gross lettable area retail (GLAR) over 34,999m².

Ordinarily properties with the following land use codes would fall within this category:

- 12 Shopping Group (more than 6 shops);
- 13 Shopping Group (2 to 6 shops);
- 14 Shops Main Retail;
- 15 Shops Secondary Retail;
- 16 Drive-In Shopping Centres.

Commercial D

Properties that are used or capable of being used for commercial/industrial purposes and are contained within the shaded area on the map shown as Commercial Inner City in Appendix 1.

Ordinarily properties with the following land use codes would fall within this category:

07	Guest House/Private Hotel;	33	Builders Yard/Contractors Yard;
08	Building Units;	34	Cold Stores - Iceworks;
09	Group Titles;	35	General Industry;
10	Combined Multi Dwelling and Shop;	36	Light Industry;
11	Shop - Single;	37	Noxious/Offensive Industry;
12	Shops - Shopping group (more than 6 shops, excluding those in Categories B and G);	38	Advertising - Hoarding;
13	Shopping group (2 to 6 shops, excluding those in Categories B and G);	39	Harbour Industries;
14	Shops - Main Retail (excluding those in Categories B and G);	40	Extractive;
15	Shops - Secondary Retail (excluding those in Categories B and G);	41	Child Care;
16	Drive In Shopping Centres (excluding those in Categories B and G);	42	Hotel/Tavern;
17	Restaurant;	43	Motel;
18	Special Tourist Attraction;	44	Nurseries;
19	Walkway;	45	Theatres and Cinemas;
20	Marina;	46	Drive-In Theatre;
22	Car Park;	47	Licensed Clubs;
23	Retail Warehouse;	48	Sports Clubs/Facilities;
24	Sales Area Outdoor;	49	Caravan Parks;
25	Offices;	50	Other Clubs; Non-Business;
26	Funeral Parlours;	51	Religious;
27	Hospitals; Convalescent Homes (Medical Care) (Private);	52	Cemeteries (including Crematoria);
28	Warehouses and Bulk Stores;	55	Library;
29	Transport Terminal;	56	Showgrounds/Racecourses/Airfields;
30	Service Station;	57	Parks and Gardens;
31	Oil Depot and Refinery;	58	Educational - including Kindergartens;
32	Wharves;	91	Transformers;
		92	Defence Force establishments;
		95	Reservoir, Dam, Bores;
		96	Public Hospital;
		97	Welfare Homes/Institutions;
		99	Community Protection Centre.

Also including the following properties where that land is included as Principle centre, Major centre, District centre, Local centre, Neighbourhood centre, Mixed-use precinct 1, Mixed-use precinct 2, Low-impact industry, Medium-impact industry, High-impact industry, Waterfront and marine industry, Specialised centre, Strategic Port Land zones within CairnsPlan 2016.

Ordinarily properties with the following land use codes would fall within this category:

01	Vacant urban land;
04	Large vacant urban land;
06	Outbuildings;
09	Group Titles;
72	Refer to section 50 of the <i>Land Valuation Act 2010</i> .

Commercial E

Properties that are used or capable of being used for commercial/industrial purposes (excluding those in Commercial Categories B, D and G) and are not contained within the shaded area on the map shown as Commercial Inner City.

Ordinarily properties with the following land use codes would fall within this category:

- | | |
|--|---|
| 07 Guest House/Private Hotel; | 35 General Industry; |
| 08 Building Units; | 36 Light Industry; |
| 09 Group Titles; | 37 Noxious/Offensive Industry; |
| 10 Combined Multi Dwelling and Shop; | 38 Advertising - Hoarding; |
| 11 Shop - Single; | 39 Harbour Industries; |
| 12 Shops - Shopping group (more than 6 shops); | 40 Extractive; |
| 13 Shopping group (2 to 6 shops); | 41 Child Care; |
| 14 Shops - Main Retail; | 42 Hotel/Tavern; |
| 15 Shops - Secondary Retail; | 43 Motel; |
| 16 Drive In Shopping Centres; | 44 Nurseries; |
| 17 Restaurant; | 45 Theatres and Cinemas; |
| 18 Special Tourist Attraction; | 46 Drive-In Theatres; |
| 19 Walkway; | 47 Licensed Clubs; |
| 20 Marina; | 48 Sports Clubs/Facilities; |
| 22 Car Park; | 49 Caravan Parks; |
| 23 Retail Warehouse; | 50 Other Clubs; Non-Business; |
| 24 Sales Area Outdoor; | 51 Religious; |
| 25 Offices; | 52 Cemeteries (including Crematoria); |
| 26 Funeral Parlours; | 55 Library; |
| 27 Hospitals; Convalescent Homes (Medical Care) (Private); | 56 Showgrounds/Racecourses/Airfields; |
| 28 Warehouses and Bulk Stores; | 57 Parks and Gardens; |
| 29 Transport Terminal; | 58 Educational - including Kindergartens; |
| 30 Service Station; | 91 Transformers; |
| 31 Oil Depots and Refinery; | 92 Defence Force establishments; |
| 32 Wharves; | 95 Reservoir, Dam, Bores; |
| 33 Builders Yard/Contractors Yard; | 96 Public Hospital; |
| 34 Cold Stores - Iceworks; | 97 Welfare Homes/Institutions; |
| | 99 Community Protection Centre. |

Also including the following properties where that land is included as Principle centre, Major centre, District centre, Local centre, Neighbourhood centre, Mixed-use precinct 1, Mixed-use precinct 2, Low-impact industry, Medium-impact industry, High-impact industry, Waterfront and marine industry, Specialised centre zones within CairnsPlan2016.

Ordinarily properties with the following land use codes would fall within this category:

- 01 Vacant urban land;
- 04 Large vacant urban land;
- 06 Outbuildings;
- 09 Group Titles;
- 72 Refer to section 50 of the *Land Valuation Act 2010*.

Commercial F

Properties in this category must qualify for rate assistance under Council's Rates Based Financial Assistance Policy.

Commercial G

Properties that comprise Drive In Shopping Centres and in which the anchor tenants are a variety of department store(s) and/or discount department store(s) and large grocery supermarket(s) with major on-site parking facilities and having a gross lettable area retail (GLAR) over 20,000m² and less than 35,000m².

Ordinarily properties with the following land use codes would fall within this category:

- 12 Shopping Group (more than 6 shops);
- 13 Shopping Group (2 to 6 shops);
- 14 Shops Main Retail;
- 15 Shops Secondary Retail;
- 16 Drive-In Shopping Centres.

Rural Productive

Properties which are used predominately for Primary Production.

Ordinarily properties with the following land use codes would fall within this category:

- | | |
|-----------------------------------|--------------------------------------|
| 60 Sheep Grazing - Dry; | 77 Cotton; |
| 61 Sheep Breeding; | 78 Rice; |
| 64 Cattle Grazing - Breeding; | 79 Orchards; |
| 65 Cattle Breeding and Fattening; | 80 Tropical Fruits; |
| 66 Cattle Fattening; | 81 Pineapples; |
| 67 Goats; | 82 Vineyards; |
| 68 Milk - Quota; | 83 Small Crops and Fodder Irrigated; |
| 69 Milk - No Quota; | 84 Small Crops Fodder Non-irrigated; |
| 70 Cream; | 85 Pigs; |
| 71 Oil Seeds; | 86 Horses; |
| 73 Grains; | 87 Poultry; |
| 74 Turf Farms; | 88 Forestry and Logs; |
| 75 Sugar Cane; | 89 Animals Special; |
| 76 Tobacco; | 93 Peanuts. |

Other Land. Land not included in any of the above categories.

SECTION 2 - RATEABLE AND NON RATEABLE LAND DEFINITIONS

Rateable land is any land or building unit, in the local government area, that is not exempt from rates.

The following land is exempt from rates:

- unallocated State land within the meaning of the Land Act;
- land that is occupied by the State or a government entity, unless
 - the government entity is a Government Owned Corporation or its subsidiary (within the meaning of the *Government Owned Corporations Act 1993*) and the government entity is not exempt from paying rates; or
 - the land is leased to the State or a government entity by someone who is not the State or a government entity;
- land in a state forest or timber reserve, other than land occupied under -
 - an occupation permit or stock grazing permit under the *Forestry Act 1959*; or
 - a lease under the *Land Act 1994*;
- Aboriginal land under the *Aboriginal Land Act 1991* or Torres Strait Islander land under the *Torres Strait Islander Land Act 1991*, other than a part of the land that is used for commercial or residential purposes;
- the following land under the *Transport Infrastructure Act 1994* -
 - strategic port land that is occupied by a port authority, the State, or a government entity;
 - strategic port land that is occupied by a wholly owned subsidiary of a port authority, and is used in connection with the Cairns International Airport or Mackay Airport
 - existing or new rail corridor land;
 - commercial corridor land that is not subject to a lease;

- airport land, within the meaning of the *Airport Assets (Restructuring and Disposal) Act 2008*, that is used for a runway, taxiway, apron, road, vacant land, buffer zone or grass verge;
- land that is owned or held by a local government unless the land is leased by the local government to someone other than another local government;
- land that is –
 - primarily used for show grounds or horse racing; and
 - exempted from rating by resolution of a local government,
- land that is exempted from rating, by resolution of a local government, for charitable purposes;
- land that is exempted from rating under -
 - another Act; or
 - a regulation, for religious, charitable, educational or other public purposes.

The following land is included in the above dot point:

- land owned by a religious entity if the land is less than 20ha and is used for one or more of the following purposes -
 - religious purposes, including, for example, public worship;
 - the provision of education, health or community services including facilities for aged persons and persons with disabilities;
 - the administration of the religious entity;
 - housing incidental to a purpose mentioned in subparagraph above;
- land vested in, or placed under the management and control of, a person under an Act for -
 - a public purpose that is a recreational or sporting purpose; or
 - charitable purposes;
- land used for the purposes of a public hospital if -
 - the public hospital is -
 - part of a private hospital complex; or
 - a private and public hospital complex; and
 - the land used for the purpose is more than 2ha and is separated from the rest of the complex;
- land owned by a community organisation if the land is less than 20ha and is used for providing the following -
 - accommodation associated with the protection of children;
 - accommodation for students;
 - educational, training or information services aimed at improving labour market participation or leisure opportunities;
- land used for a cemetery.

SECTION 3 – RATES AND CHARGES FOR THE 2021/22 FINANCIAL YEAR

DIFFERENTIAL RATE

By virtue of the provisions of section 94 of the *Local Government Act 2009* and sections 80 and 81 of the *Local Government Regulation 2012*, the Differential General Rate and minimum rate for each category is as follows:

Category	Cents in the dollar	Minimum
Residential A	0.607576	\$939.10
Residential B	0.546818	\$3,037.88
Residential C	0.486060	\$5,468.18
Residential J	0.607576	\$939.10
Residential K	1.137260	\$939.10
Residential L	0.885138	\$1,513.00
Residential M	0.607576	Nil
Commercial B	4.718298	\$1,210,001.84
Commercial D	1.730380	\$967.80
Commercial E	0.921978	\$967.80
Commercial F	0.607576	\$939.10
Commercial G	3.418084	\$509,398.10
Rural Productive	1.155698	\$967.80
Other	0.921978	\$967.80

MINIMUM GENERAL RATE

Pursuant to section 77 of the *Local Government Regulation 2012*, the minimums for each category appear in the table above. In addition, no minimum will apply to land to which section 50 of the *Land Valuation Act 2010* applies.

SPECIAL RATES & CHARGES

Pursuant to sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council has resolved to raise and levy the following special charges:

Holloways Beach Rock Wall Stage 1

An amount of **\$253.81** per lineal metre of constructed rock wall to be levied on each parcel to the extent specified below and identified on the map marked Holloways Beach Rock Wall - Stage 1 contained in the separate report to Council (Refer to Holloways Beach Rock Wall Stage 1 report #6603816).

Lot No.	Plan	Lineal Metres
1	RP711882	15.98
2	RP711882	18.87
301	SP218293	10.12
302	SP218293	10.12
4	RP709285	10.12
8	RP742713	10.57

Holloways Beach Rock Wall Stage 2A

An amount to the extent specified below to be levied on each parcel identified on the map marked Holloways Beach Rock Wall - Stage 2A contained in the separate report to Council (Refer to Holloways Beach Rock Wall Stage 2A report #6603787).

Lot No.	Plan	Amount
14	RP709285	\$2,480.12
48	RP709285	\$2,480.12
8	RP742713	\$947.40

Holloways Beach Rock Wall Stage 2B

An amount to the extent specified below to be levied on each parcel identified on the map marked Holloways Beach Rock Wall - Stage 2B contained in the separate report to Council (Refer to Holloways Beach Rock Wall Stage 2B report #6603723).

Lot No.	Plan	Amount
9	RP745145	\$1,534.12
15	RP709285	\$1,534.12
16	RP709285	\$2,020.22
17	RP709285	\$3,068.24
18	RP709285	\$1,534.12
19	RP709285	\$4,041.70
20	RP709285	\$4,041.70
1	RP738098	\$5,510.66
2	RP738098	\$5,510.82

Bluewater Canal

- (a) An amount of **\$2,183.24** to be levied on each lot identified below and also identified on the map marked Bluewater Canal (Refer to Bluewater Canal Special Charge – Report to Special (Budget) Meeting 30 June 2021)

Lot No.	Plan
1 to 37	SP165903
1 to 2	SP279525
39 to 41	SP165903
42	SP241494
44 to 65	SP165903
79 to 116	SP165903
117	SP261231
119 to 130	SP165903
22 to 23	SP224676
1 to 3	SP301538
26 to 31	RP737271
32 to 43	RP737260

- (b) A total amount of **\$235,789.92** for Bluewater Marina (lot 1860 SP264300). Refer to Bluewater Canal Special Charge – Report to Special (Budget) Meeting 30 June 2021.
- (c) A total amount of **\$98,929.46** for Yorkeys Knob Marina (lot 26 SP122863). Refer to Bluewater Canal Special Charge – Report to Special (Budget) Meeting 30 June 2021.

UTILITY CHARGES

Pursuant to sections 92 and 94 of the *Local Government Act 2009* and chapter 4, part 7 of the *Local Government Regulation 2012*, Council has resolved to raise and levy the following utility charges:

Cleansing

(a) Domestic

- (i) A Domestic Cleansing Charge, for the purpose of removal and disposal of refuse for the 2021/22 financial year be set at an amount of **\$397.82** per service and applied in accordance with the following schedule:

Type of Improvement	No. of Services
Residence	1
Flats (each domicile)	1
Strata Title Units	1
Boarding House/Guest House/Hostel for each four (4) persons able to be accommodated or part thereof	1

- (ii) A minimum charge of one service to apply on all improved properties for refuse removal and disposal and that a minimum of one annual charge of one service be made and levied on each separate occupancy (whether occupied or vacant) within the Council solid waste area of coverage and that such charge shall apply whether or not a service is rendered, save and except that where land is for the first time built on during the year the charge shall be made from the date the structure is ready for occupancy, calculated proportionately for the unexpired part of the year.
- (iii) A minimum charge of **\$198.92** to apply to all properties of South Woolanmaroo Reserve and Russell Heads Reserve East Russell, where those ratepayers have signed an agreement for Council to remove household refuse from an agreed location.

Sewerage

Sewerage charges shall be made for the cost of supplying a service for the removal of sewage for the 2021/22 financial year in accordance with the following:

(a) Residential

- (i) A standard charge of **\$830.50** to be applied in accordance with the following:
- For each residence, each flat and each strata title unit.
 - For each residence and/or each flat erected over two allotments of land with a total land area of less than 1190m² where Council is prepared to accept sewage.
- (ii) A charge of **\$661.20** to be applied to each vacant allotment.
- (iii) A standard commercial charge per WC will apply to properties where strata title units have pedestals/urinals servicing common property.

(b) Commercial

A standard charge of **\$710.54** per WC to be applied in accordance with the following:

- (i) In respect of sewered premises designed or used as boarding houses, hostels, guest houses, hotels or motels or designed or used for commercial, manufacturing, repairing, servicing, building and like industries, erected on one allotment of land, a separate charge for each WC
- (ii) In respect of sewered premises designed or used as boarding houses, hostels, guest houses, hotels or motels or designed or used for commercial, manufacturing, repairing, servicing, building and like industries, erected over two or more allotments of land, a separate charge for each WC
- (iii) In respect of sewered premises designed or used as boarding houses, hostels, guest houses, hotels or motels or designed or used for commercial, manufacturing, repairing, servicing, building and like industries, which are not connected to a sewer main, but in respect of which the Council is prepared to accept sewage, a charge shall be made in accordance with the applicable basis set out in subclause (i & ii) hereof.
- (iv) In respect of any structure, building or improvement on land exempt from rating under section 93 of the *Local Government Act 2009* and section 73 of the *Local Government Regulation 2012* excluding however, places of worship, a charge in accordance with the applicable basis set out in sub-clause (i) to (iii) hereof shall be levied on the person or body, or Commonwealth or State Department at whose request the structure, building or improvement was provided with sewerage.
- (v) In respect of places of public worship and nursing homes listed under section 73 of the *Local Government Regulation 2012* a charge of 50% of the standard charge for each WC, with the total charge being rounded up to the next full charge.
- (vi) In respect of caravan parks connected to sewer mains, a charge of 25% of the standard charge for each caravan, each tent site and each cabin without facilities, and 50% of the standard charge for each fully self-contained cabin (FSC) shall apply with the total charge being rounded up to the next full charge.
- (vii) In respect of vacant land where Council is prepared to accept sewage, a standard charge equivalent to one WC per allotment shall apply.
- (viii) Each residence, each flat, each strata title unit that has for the purposes of differential rating been categorised as co-existing within a commercial category a standard residential charge equivalent to one WC per residential improvement shall apply.
- (ix) The rating on the basis set out above to be charged from the date on which sewer connections are completed to the premises concerned. In the case of vacant land, or in the case where an owner or occupier refuses or delays permission to enter his land to complete connections, the rating be charged from the date on which connections would have been made if there was a building or improvement on the land or if the owner or occupier had not refused or delayed permission. In all those cases where the sewer connection is completed or would have been completed (as the case may be) after 1 July 2021 the rate shall be apportioned.

(c) Rural Productive

A standard charge of **\$830.50** to be applied in accordance with the following:

- (i) In respect of all sewered premises designed or used for rural productive purposes, a standard charge per WC shall apply.
- (ii) In addition, where a residential improvement co-exists, the standard sewerage charge shall apply for each barrack, each residence, each flat, and each strata title unit and vacant allotment where Council is prepared to accept sewage.

(d) All Categories

In respect of sewerage for Residential, Commercial and Rural Productive properties the following shall apply:

- (i) Subject to sub-clause (ii), properties and/or improvements capable of being connected to the scheme will be charged in accordance with the charges set out above.
- (ii) Council reserves the right to exempt certain properties from sewerage charges if such properties as defined by Council are not, in Council's opinion, capable of being connected within the foreseeable future.
- (iii) A charge for treatment of effluent from effluent storage tanks of **\$351.30** for each residence, each flat, each strata title unit, each shop etc shall apply.

Water Charges - Potable

Water Charges shall be made for the purpose of supplying water for the 2021/22 financial year on the following basis:

Residential

- (i) An access charge of **\$280.64** shall be applied in accordance with the following:
 - For each barrack, each residence, each flat, each strata title unit and each vacant allotment categorised as residential.
 - For each residence and/or each flat erected over two allotments of land with a total land area less than 1190m².
- (ii) In respect of all properties and/or premises at which a water meter is installed on the water service connection to such property and/or premises, water usage shall be charged at the rate of **\$1.43** per kilolitre for all water passing through the water meter within the water year.

Commercial

- (i) An Access Charge of **\$277.40** shall be applied in accordance with the following:
 - For each vacant allotment, each shop, each office, each school, each hotel, each motel, each hostel, each boarding house, each club, each hospital and each other commercial/industrial improvement not otherwise specified.
 - In respect of hotels and motels, one additional access charge shall apply for every three rooms or part thereof, provided for accommodation.
 - In respect of caravan parks, one additional access charge shall apply for every three accommodation units and every six tent/van sites or part thereof.
 - For each residence, each flat, each strata title unit co-existing with commercial/industrial improvements.
- (ii) Where water is supplied through a water meter, which is not a trial water meter, all water consumed will be charged at the rate of **\$1.50** per kilolitre for all water passing through the meter within the water year. The only exception being:
 - Water supplied to Far North Queensland Ports Corporation Ltd for shipping, which is to be charged at **\$2.00** per kilolitre for each kilolitre passing through the meter. Lessees of Far North Queensland Ports Corporation Ltd will be charged at the commercial rate with no access charged levied against the shared properties.
- (iii) Each residence, each flat, each strata title unit that has for the purposes of differential rating been categorised as co-existing within a commercial category a standard residential charge per residential improvement shall apply.

Rural Productive

- (i) An access charge of **\$280.64** to be applied in accordance with the following:
 - For each barrack, each residence, each flat, each strata title unit.
 - For each vacant allotment with a water meter connected.
 - For each rural productive improvement with a water meter connected.
- (ii) In respect of all properties and/or premises at which a water meter is installed on the water service connection to such property and/or premises, water usage shall be charged at the rate of **\$1.43** per kilolitre for all water passing through the water meter within the water year.

All Categories

In respect of Residential, Commercial and Rural Productive properties, the following shall apply:

- (i) In respect of newly subdivided vacant land, water charges shall be levied proportionately for the unexpired part of the year from the date the plan of subdivision is registered at the Titles Office or from the date of connection of water to the subject land, whichever date shall be the earlier.
- (ii) In respect of improvements erected during the year, water charges shall be levied proportionately for the unexpired part of the year from the date the improvement is ready for occupation, or from the date of connection of water to the subject land, whichever date shall be the earlier.
- (iii) Where residential type improvements share a meter with commercial improvements and the Department of Natural Resources and Mines land use code for that assessment is commercial, water usage charges will be levied at the commercial rate.
- (iv) Where improvements are of a joint nature, water usage charges will be calculated using the water usage rate applicable to the category on which general rates are levied or would be levied if the property were rateable.
- (v) Meters shall be read on a rotational basis three times each year.
- (vi) Accounts for water usage will be issued three times during the year.

Water Charges - Recycled

Residential

- (i) An access charge of **\$68.02** shall be applied for each residence, each flat, each strata title unit and each vacant allotment categorised as residential, which is supplied recycled water through a water meter.
- (ii) In respect of all properties and/or premises at which a water meter is installed on the recycled water service connection to such property and/or premises, recycled water usage shall be charged at the rate of **\$0.71** per kilolitre for all water passing through the water meter within the water year.
- (iii) Water charges shall be levied proportionately for the unexpired part of the year from the date of connection of the water meter to the subject land.
- (iv) Meters shall be read on a rotational basis three times each year.
- (v) Accounts for recycled water usage will be issued three times during the year.

Commercial

- (i) An access charge of **\$68.02** shall be applied for each separate improvement, as per the commercial rate for potable, and each vacant allotment categorised as commercial, which is supplied recycled water through a water meter.
- (ii) In respect of all properties and/or premises at which a water meter is installed on the recycled water service connection to such property and/or premises, recycled water usage shall be charged at the rate of **\$0.71** per kilolitre for all water passing through the water meter within the water year.
- (iii) Water charges shall be levied proportionately for the unexpired part of the year from the date of connection of the water meter to the subject land.
- (iv) Meters shall be read on a rotational basis three times each year.
- (v) Accounts for recycled water usage will be issued three times during the year.

DEFINITIONS

- (a) That for the purpose of calculation of sewerage rates and charges for Commercial and Rural Productive properties:
 - (i) Each 1.8m of urinal or part thereof shall be deemed to be a WC
 - (ii) Each three individual wall hung urinals or part thereof shall be deemed to be a WC
 - (iii) Each pedestal shall be deemed to be a WC
- (b) For the purpose of charging water usage charges for water meters read after 1 July 2021 the charge made shall be at the rate specified for the 2021/22 financial year.
- (c) That for the purpose of calculating utility charges, the term "Strata Title Unit" is deemed to be each lot created pursuant to the provisions of the *Body Corporate and Community Management Act 1997*.

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This policy is to remain in force until otherwise determined by Council.

General Manager Responsible for Review:

Chief Financial Officer

**ORIGINALLY ADOPTED: 30/06/2004
CURRENT ADOPTION: 01/07/2020
DUE FOR REVISION: 01/07/2021
REVOKED/SUPERSEDED:**

**Mica Martin
Chief Executive Officer**

Appendix 1 – Map Commercial Inner City

