

SPECIAL BUDGET MEETING

22 JUNE 2022

24**ADOPTION OF BUDGET**

J Rillstone | 63/2/10-01 | #6971345

RECOMMENDATION:

It is recommended that, pursuant to section 107A of the *Local Government Act 2009* and sections 169 and 170 of the *Local Government Regulation 2012*, Council's Budget for the 2022/23 financial year, incorporating:

- i. The statements of financial position;
- ii. The statements of cash flow;
- iii. The statements of income and expenditure;
- iv. The statements of changes in equity;
- v. The long-term financial forecast;
- vi. The revenue statement;
- vii. The revenue policy (adopted by Council resolution on 15 June 2022);
- viii. The relevant measures of financials sustainability; and
- ix. The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget,

as tabled, be adopted by Council.

EXECUTIVE SUMMARY:

Council's Annual Budget for 2022/23 is presented for adoption by Council. The Annual Budget is developed in accordance with the *Local Government Act 2009* (LGA) and *Local Government Regulation 2012* (LGR).

COMMENT:**Budget Financial Statements**

Section 170 of the *Local Government Regulation 2012* requires Council to adopt, by resolution, a budget for each financial year. Section 169 of the *Local Government Regulation 2012* requires that the budget include the following:

- Financial statements for the financial year for which the budget is prepared and the next two financial years; and
- A long term financial forecast, revenue statement and revenue policy; and
- Measures of financial sustainability for the financial year for which the budget is prepared and the next nine financial years; and
- The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget.

Section 169 of the *Local Government Regulation 2012* stipulates that the budget be consistent with the following Council documents:

- Five Year Corporate Plan
- Annual Operational Plan

Section 34 of the *Local Government Regulation 2012* requires Council to include an Estimated Activity Statement (included in the Code of Competitive Conduct Statement) in the annual budget.

As required by Section 204 of the *Local Government Regulation 2012*, monthly financial statements will be prepared and presented to Council which will state progress that has been made against the budget.

Attachment 1 includes the 2022/23 Budget Financial Statements.

Revenue Statement

Each year, as part of the adoption of the Annual Budget, Council is required to adopt a Revenue Statement which sets out the differential rating categories under which rates will be levied for the year, the criteria used for setting cost recovery fees and business activity fees as well as explanations of the measures that Council has adopted for raising revenue for the year.

The Revenue Statement also contains the differential rates and minimums to be levied as well as the utility and special charges for 2022/23.

The Revenue Statement for 2022/23 also incorporates the following amendments:

- The interest rate charged on overdue rates amended to the prescribed rate of 8.17%.
- Remissions will now be referred to consistently as Concessions
- Pensioner concession reduction (and grandfathering of existing applicants)
- Rating categories:
 - Notification of change to rating of Non-Principle Place of Residences from 1 July 2023
 - New rating categories for Multi-unit Dwellings (formally referred to as Flats) have been introduced in a step to address the inconsistency in rating for multi-unit dwellings and strata title units (Residential Category K)
 - Bandings for Residential B and C have been removed and properties within consolidated into Residential A
 - Residential J has been removed and properties within re-categorised as Residential A or Residential R
 - Residential R has been created to accommodate Retirement Villages and Lifestyle Resorts

Attachment 1 includes the 2022/23 Revenue Statement.

OPTIONS:**Option 1 (recommended)**

It is recommended that, Pursuant to section 170A of the *Local Government Act 2009* and sections 169 and 170 of the *Local Government Regulation 2012*, Council's Budget for the 2022/23 financial year, incorporating:

- i. The statements of financial position;
- ii. The statements of cash flow;
- iii. The statements of income and expenditure;
- iv. The statements of changes in equity;
- v. The long-term financial forecast;
- vi. The revenue statement;
- vii. The revenue policy (adopted by Council resolution on 15 June 2022);
- viii. The relevant measures of financials sustainability; and
- ix. The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget,

as tabled, be adopted

Option 2

That Council do not adopt the 2022/23 Budget at this present time.

CONSIDERATIONS:**Council Finance and the Local Economy:**

The 2022/23 Budget specifies the anticipated financial activity for Council for the 2022/23 financial year.

The budgeted financial statements for 2022/23 contained in this report will be used for budget performance reporting throughout the year.

Corporate and Operational Plans:

The 2022/23 budget has been constructed to meet Council's Corporate and Operational Plan objectives.

Statutory:

In formulating the 2022/23 Budget, Council has complied with all relevant sections of the *Local Government Act 2009* and *Local Government Regulation 2012*.

CONSULTATION:

Council Officers and Managers from across the business were involved in the formulation of the budget. Additionally, workshops were held with Councillors and Executive Officers throughout the budget process.

ATTACHMENTS:

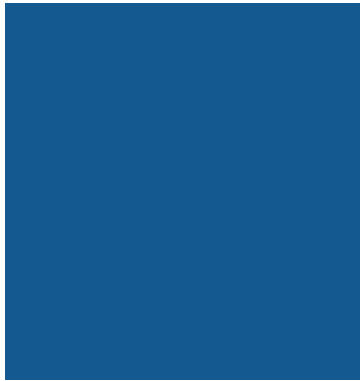
Attachment 1 – 2022/23 Budget Financial Statements ([#6938037](#))

Jason Ritchie
Executive Manager Finance

A handwritten signature in cursive script, appearing to read "L Whitton".

Lisa Whitton
Chief Financial Officer

Attachment 1 – 2022/23 Budget Financial Statements ([#6938037](#))



**2022/23 BUDGET
FINANCIAL
STATEMENTS**



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1. COMMUNITY FINANCIAL REPORT

BACKGROUND

The following report outlines Council's budgeted financial position and performance for the 2022/23 financial year. The information contained in this report is based upon Council's budgeted Financial Statements for the three-year period commencing in 2022/23 with a comparison to the 2021/22 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 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.

ANNUAL BUDGET 2022/23 AT A GLANCE

Statement of Income and Expenditure (\$'000)		Financial Position (\$'000)	
Operating Revenue	352,007	Current Assets	74,372
Capital Revenue	51,049	Non-Current Assets	4,406,564
Total Revenue	403,056	Total Assets	4,480,936
Operating Expenses	351,583	Current Liabilities	116,073
Capital Expenses	18,095	Non-Current Liabilities	174,276
Total Expenses	369,678	Total Liabilities	290,349
Net Result	33,378	Net Community Assets	4,190,587
Capital Expenditure (\$'000)		Borrowings (\$'000)	
Capital Works Program	144,558	Outstanding Borrowings	189,366
Repayment of Borrowings	26,627	Borrowings per Assessment \$	2,537

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 and 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 2021/22 continued to be affected by the COVID-19 pandemic. With the recommencement of domestic and international travel, Cairns has been able to welcome back tourists meaning the impacts of COVID-19 on the region have not been as severe as previous years, but they are still present. Considering this and the uncertainty surrounding inflation and interest rates, Council's 2022/23 Budget has endeavoured to strike a balance between maintaining essential service levels, the delivery of the capital works program, and keeping rates affordable.

The 2022/23 Budget sets out a Capital Works program of \$145M and sees 75% of ratepayers receiving a 3.1% rate rise or less.

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.

During 2022/23 Council will continue to manage costs by ensuring that the business is operating efficiently and effectively while keeping rate rises at a minimum and not increasing reliance on long term debt.

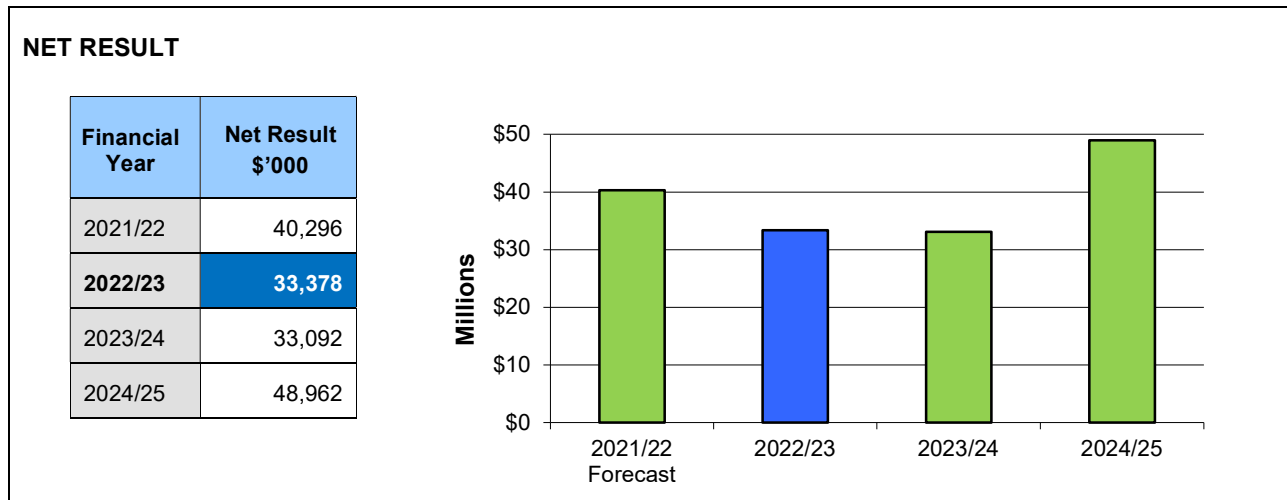
CORPORATE FINANCIAL STATEMENTS

STATEMENT OF INCOME AND EXPENDITURE

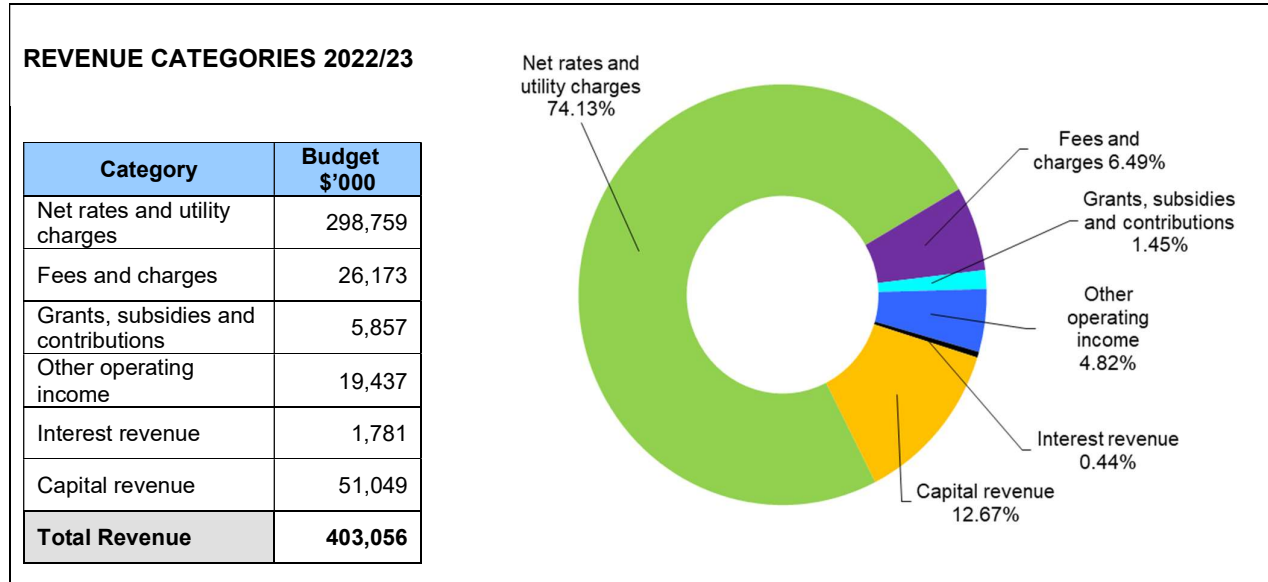
NET RESULT

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 \$40.3M for the Financial Year 2021/22, with budgeted results of \$33.4M for the Financial Year 2022/23, \$33.1M for the Financial Year 2023/24 and \$49.0M for the Financial Year 2024/25.



REVENUE

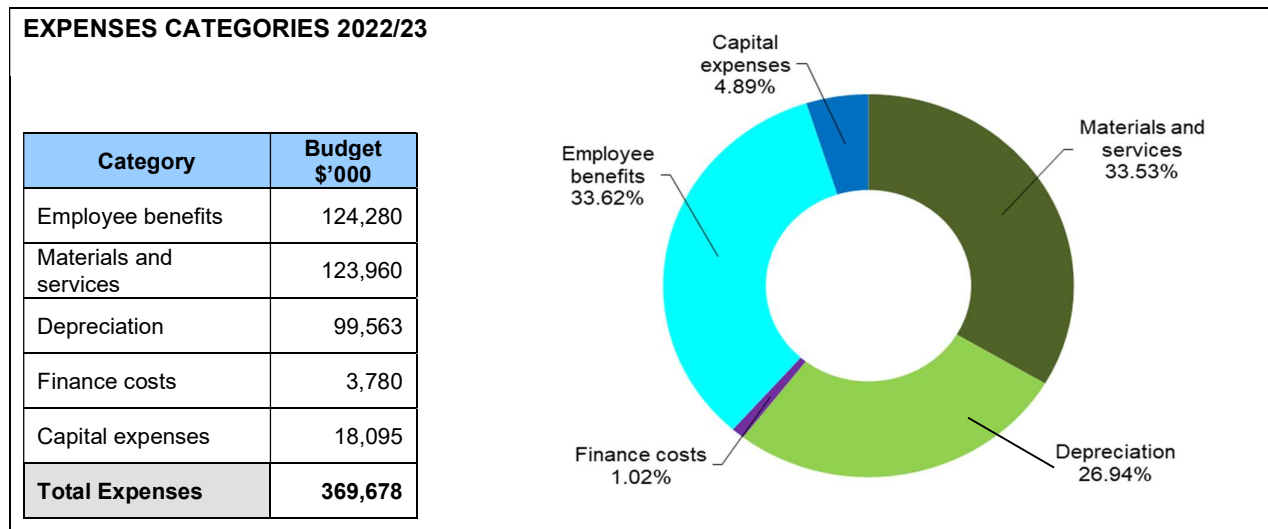


Rates and utility charges continue to be the major source of income for Council. Implicit in Council's revenue assumptions is a growth rate of 1.25% and a general price increase of 3.1%.

Due to the impacts of land valuation movements and a few rating category changes, not all ratepayers will receive the same increase. Overall, 75% of ratepayers will receive a 3.1% or less general rates increase.

There has been a 5% increase to most fees and charges effective from 1 July 2022.

EXPENSES



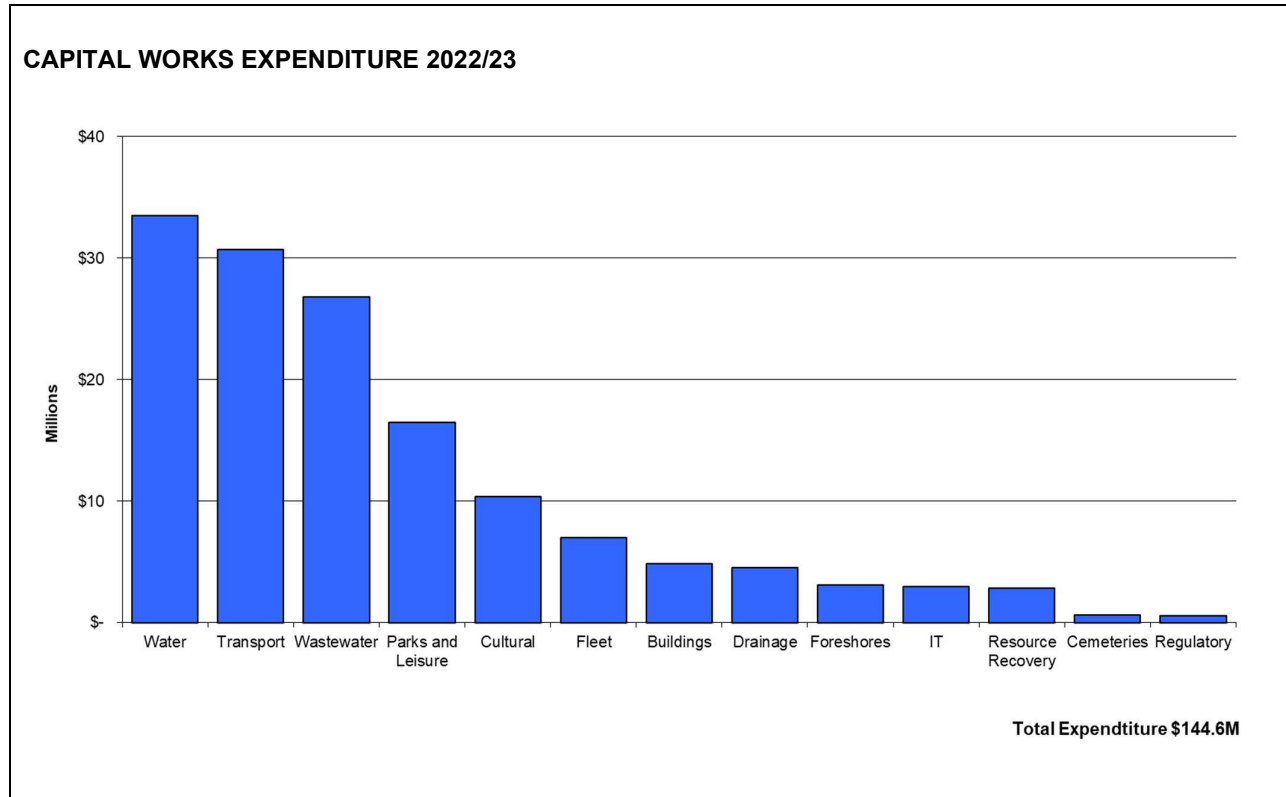
Materials and services together with employee benefits comprise 67% of Council's forecast total expenditure. Council is one of the region's largest employers whose strong workforce is responsible for the provision of water and waste services maintenance, planning, community, sport and cultural services and capital infrastructure for the community.

In addition to these expenses, depreciation makes up 27% 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

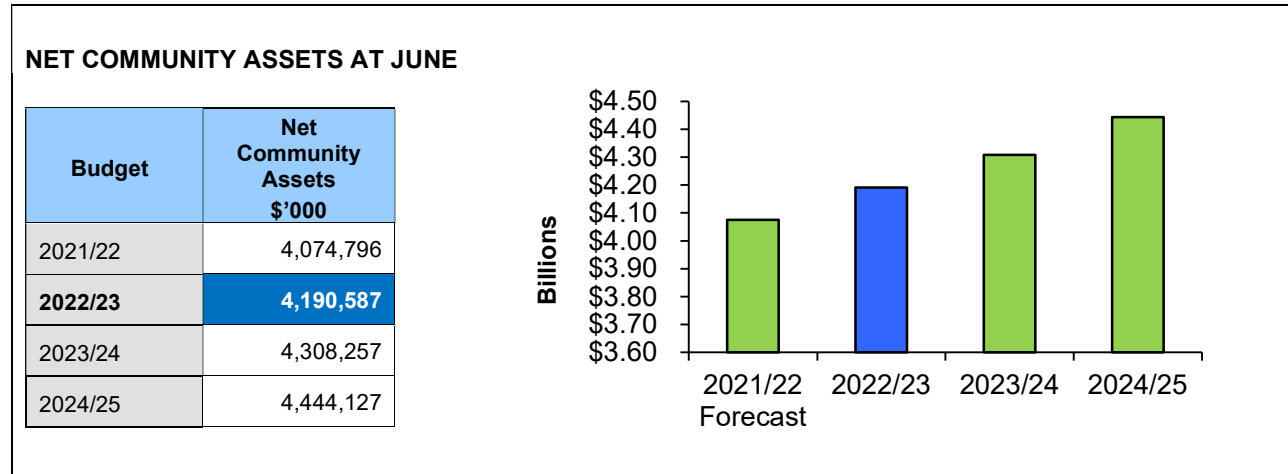
Council manages a very diverse range of infrastructure assets with a gross value in excess of \$6.0B. These assets cover categories such as land, buildings, plant and equipment, road and bridge network, drainage, water, sewerage and solid waste disposal. Council is responsible for the construction, upgrade 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 2022/23 is \$144.6M. 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 2022/23 year by asset category.



STATEMENT OF FINANCIAL POSITION

Council manages \$4.1B of net community assets on behalf of 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.



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).

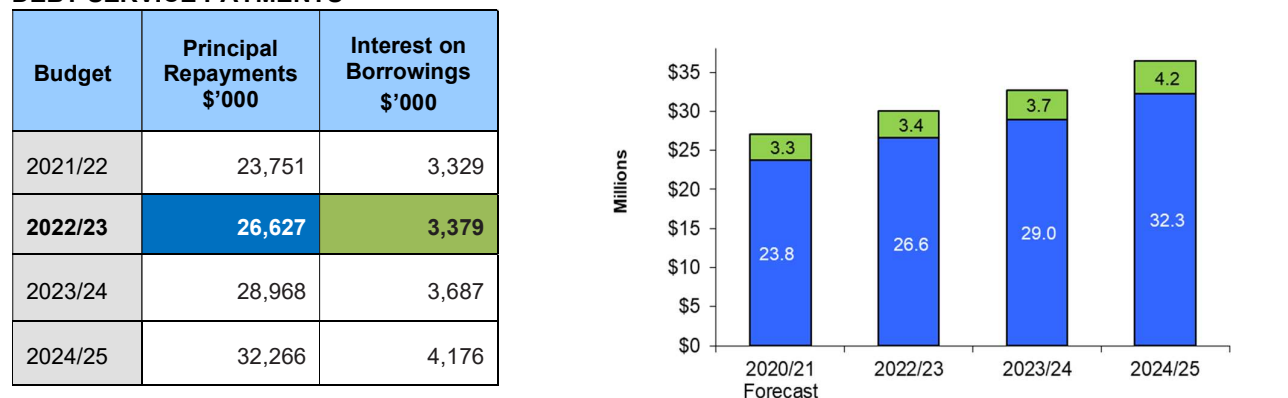
Borrowings are repaid on a monthly basis in accordance with the terms and conditions set by Queensland Treasury Corporation. Council borrows to fund the construction of long term infrastructure assets that provide essential services and ongoing benefits to the community. These borrowings are set to increase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

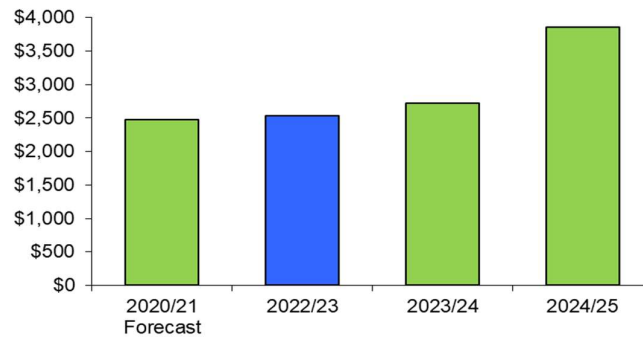
Council's borrowings are projected to increase significantly over the 2024/25 to 2026/27 financial years in line with the expenditure on Council's Water Security Strategy. At the time of the finalisation of the 2022/23 Budget, Council has received a Federal Government election commitment of \$107.5M in funding towards the project however this is not yet included in the Federal Government's forward estimates and has therefore not been included in Council's Long Term Financial Plan.

DEBT SERVICE PAYMENTS



DEBT PER RATEABLE ASSESSMENT

Financial Year	Loan Balance \$'000	Debt per Rateable Assessment \$
2021/22	182,994	2,476
2022/23	189,366	2,537
2023/24	205,398	2,724
2024/25	293,132	3,859

**LONG TERM FINANCIAL FORECAST**

Council 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 2022/23 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 \$248M (\$238M unindexed) to build and will have significant operating costs once commissioned. Detailed design for the facility will commence in 2022/23 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.

	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Growth	1.25%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Price - Majority	3.10%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Water Rates – Price	-	-	1.52%	1.48%	1.43%	1.39%	-	-	-	-
Total	4.35%	3.50%	5.02%	5.48%	4.93%	4.89%	4.00%	3.50%	3.50%	4.00%

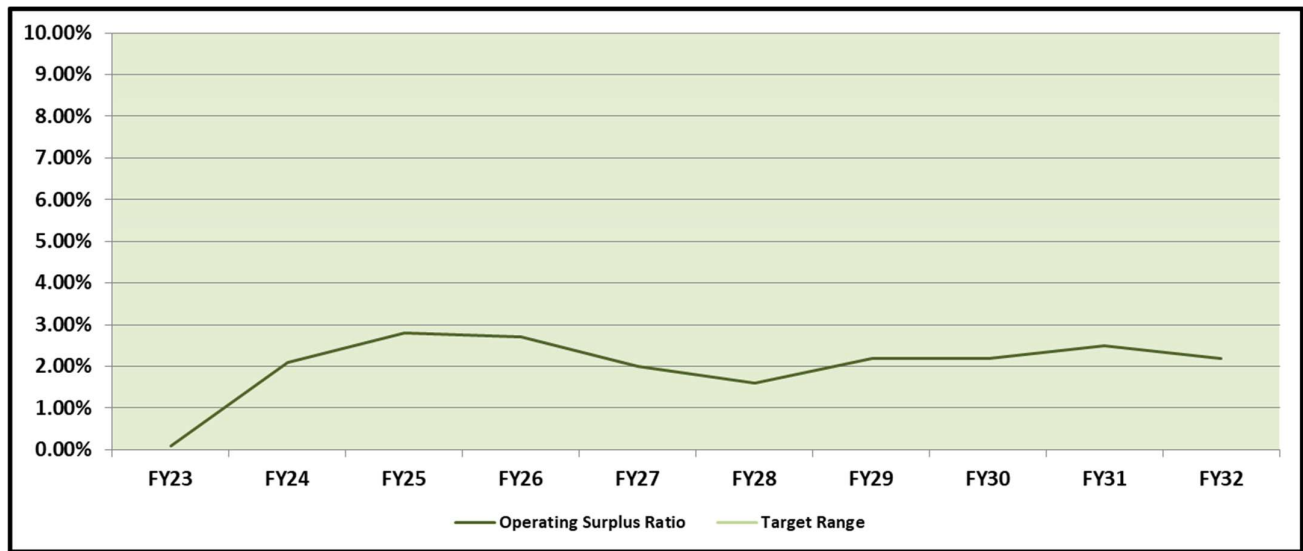
MEASURES OF FINANCIAL SUSTAINABILITY

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%.

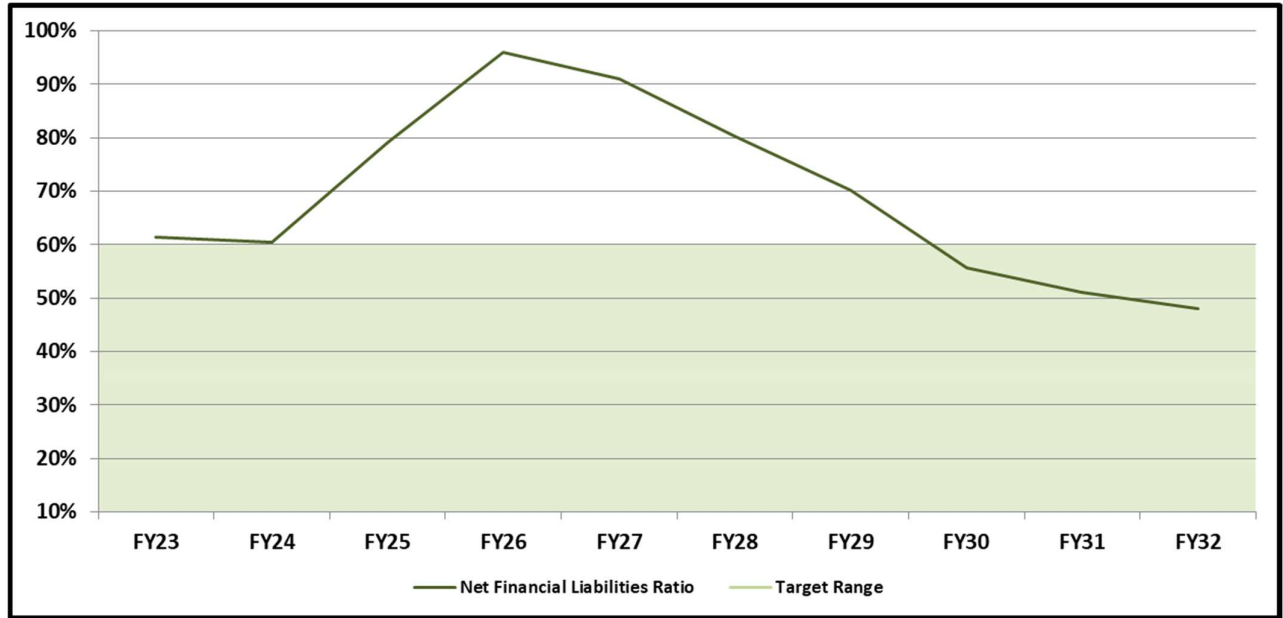
Council is within the benchmark range for the long term forecast. Council is budgeting operating surpluses in order to service long term debt required to fund the capital works program.



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%.

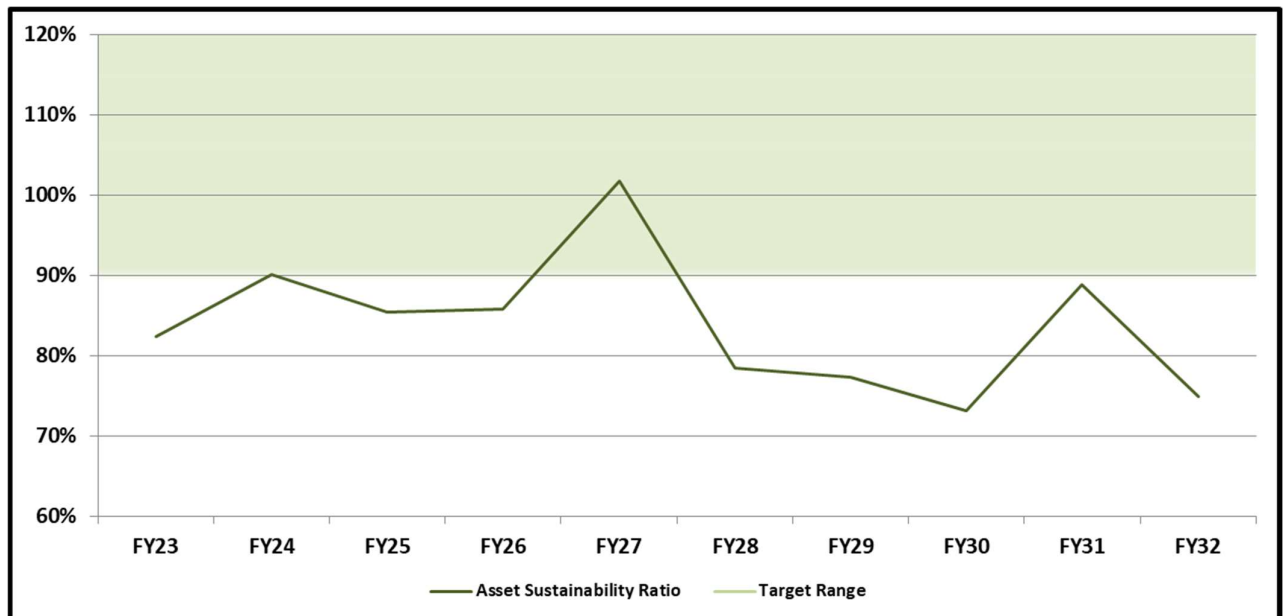
This ratio remains around the benchmark until FY25 when significant borrowing is forecast to fund the construction of a new water treatment and storage facility at Edmonton in order to meet growth demands, after which debt is forecast to decrease leading to the Net Financial Liabilities ratio moving 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 84%. Council is confident that this expenditure satisfies asset renewal and replacement requirements.



BUDGETED FINANCIAL STATEMENTS

Cairns Regional Council - Budgeted Statement of Income and Expenditure

	2021/22 Forecast \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Operating Revenue				
Rates and utility charges	289,055	303,890	319,526	335,491
Less: rebates	(4,955)	(5,131)	(5,311)	(5,497)
Net rates and utility charges	284,100	298,759	314,215	329,994
Fees and charges	26,856	26,173	26,406	27,810
Interest revenue	1,744	1,781	2,046	1,716
Grants, subsidies and contributions	10,493	5,857	7,665	7,639
Other operating income	17,779	19,437	20,117	20,821
	340,972	352,007	370,449	387,980
Capital Revenue				
Capital grants and subsidies	25,302	24,325	16,700	25,200
Contributions from developers	11,900	13,000	13,500	18,100
Contributed assets	14,020	13,724	13,861	14,000
	51,222	51,049	44,061	57,300
TOTAL REVENUE	392,194	403,056	414,510	445,280
Operating Expenses				
Employee benefits	116,280	124,280	126,904	130,730
Materials and services	113,018	123,960	127,847	131,206
Depreciation	98,133	99,563	104,155	110,836
Finance costs	4,467	3,780	3,927	4,459
	331,898	351,583	362,833	377,231
Capital Expenses				
Loss on disposal of non-current assets	20,000	18,095	18,585	19,087
TOTAL EXPENSES	351,898	369,678	381,418	396,318
NET RESULT	40,296	33,378	33,092	48,962
Other Comprehensive Income				
Increase/(decrease) in asset revaluation surplus	94,941	82,413	84,578	86,908
TOTAL COMPREHENSIVE INCOME	135,237	115,791	117,670	135,870

Estimated Costs of Significant Business Activities for 2022/23

(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

91,475

Cairns Resource Recovery

34,860

(iii) the local government's significant business activities

-

Total of Cairns Water and Cairns Resource Recovery

126,335

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

Cairns Regional Council - Budgeted Financial Position

	2021/22 Forecast \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Current Assets				
Cash assets and equivalents	14,502	10,150	19,612	24,515
Receivables	58,469	61,696	63,465	65,405
Inventories	2,526	2,526	2,589	2,647
	<u>75,497</u>	<u>74,372</u>	<u>85,666</u>	<u>92,567</u>
Non-Current Assets				
Property, plant and equipment	4,284,404	4,406,564	4,532,198	4,751,460
	<u>4,284,404</u>	<u>4,406,564</u>	<u>4,532,198</u>	<u>4,751,460</u>
TOTAL ASSETS	<u>4,359,901</u>	<u>4,480,936</u>	<u>4,617,864</u>	<u>4,844,027</u>
Current Liabilities				
Trade and other payables	48,852	54,015	56,102	57,445
Interest bearing liabilities	25,570	28,971	32,279	39,002
Other liabilities	22,585	17,162	17,763	18,384
Provisions	17,015	15,925	15,640	15,794
	<u>114,022</u>	<u>116,073</u>	<u>121,784</u>	<u>130,625</u>
Non-Current Liabilities				
Interest bearing liabilities	157,424	160,395	173,119	254,130
Provisions	13,659	13,881	14,704	15,145
	<u>171,083</u>	<u>174,276</u>	<u>187,823</u>	<u>269,275</u>
TOTAL LIABILITIES	<u>285,105</u>	<u>290,349</u>	<u>309,607</u>	<u>399,900</u>
NET COMMUNITY ASSETS	<u>4,074,796</u>	<u>4,190,587</u>	<u>4,308,257</u>	<u>4,444,127</u>
Community Equity				
Asset revaluation surplus	1,366,058	1,448,471	1,533,049	1,619,957
Retained surplus / (deficit)	2,708,738	2,742,116	2,775,208	2,824,170
TOTAL COMMUNITY EQUITY	<u>4,074,796</u>	<u>4,190,587</u>	<u>4,308,257</u>	<u>4,444,127</u>

Cairns Regional Council - Budgeted Statement of Cash Flows

	2021/22 Forecast \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Cash flows from operating activities				
Receipts				
Receipts from customers	322,254	335,786	359,174	376,606
Interest revenue	1,744	1,781	2,046	1,703
Operating grants and contributions	10,493	6,513	7,397	7,661
	<u>334,491</u>	<u>344,080</u>	<u>368,617</u>	<u>385,970</u>
Payments				
Payments to suppliers and employees	(232,943)	(239,647)	(252,367)	(260,269)
Finance costs	(3,331)	(3,379)	(3,687)	(4,176)
	<u>(236,274)</u>	<u>(243,026)</u>	<u>(256,054)</u>	<u>(264,445)</u>
Cash provided by / (used in) operational activities	<u>98,217</u>	<u>101,054</u>	<u>112,563</u>	<u>121,525</u>
Cash flows from investing activities				
Receipts				
Proceeds/ (loss) from the sale of non-current assets	1,500	1,500	1,500	1,500
Proceeds from developers and government for capital projects	37,202	31,902	30,801	43,922
	<u>38,702</u>	<u>33,402</u>	<u>32,301</u>	<u>45,422</u>
Payments				
Payments for property, plant and equipment	(122,527)	(145,181)	(151,434)	(249,778)
	<u>(122,527)</u>	<u>(145,181)</u>	<u>(151,434)</u>	<u>(249,778)</u>
Cash provided by / (used in) investing activities	<u>(83,825)</u>	<u>(111,779)</u>	<u>(119,133)</u>	<u>(204,356)</u>
Cash flows provided from financing activities				
Receipts				
Proceeds from borrowings	30,000	33,000	45,000	120,000
Payments				
Repayment of borrowings	(23,751)	(26,627)	(28,968)	(32,266)
Net repayment of working capital facility	(15,382)	-	-	-
	<u>(9,133)</u>	<u>6,373</u>	<u>16,032</u>	<u>87,734</u>
Cash provided by / (used in) financing activities	<u>(9,133)</u>	<u>6,373</u>	<u>16,032</u>	<u>87,734</u>
Net increase / (decrease) in cash held	<u>5,259</u>	<u>(4,352)</u>	<u>9,462</u>	<u>4,903</u>
Cash at beginning of reporting period	9,243	14,502	10,150	19,612
Cash at end of reporting period	<u>14,502</u>	<u>10,150</u>	<u>19,612</u>	<u>24,515</u>

Cairns Regional Council - Budgeted Statement of Changes in Equity

	Total			
	2021/22 Forecast	2022/23	2023/24	2024/25
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the period	3,939,559	4,074,796	4,190,587	4,308,257
Increase (decrease) to asset revaluation surplus	94,941	82,413	84,578	86,908
Increase (decrease) in net result	40,296	33,378	33,092	48,962
Balance at the end of the period	4,074,796	4,190,587	4,308,257	4,444,127

	Asset Revaluation Surplus			
	2021/22 Forecast	2022/23	2023/24	2024/25
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the period	1,271,117	1,366,058	1,448,471	1,533,049
Increase (decrease) to asset revaluation surplus	94,941	82,413	84,578	86,908
Balance at the end of the period	1,366,058	1,448,471	1,533,049	1,619,957

	Retained Surplus/(Deficit)			
	2021/22 Forecast	2022/23	2023/24	2024/25
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the period	2,668,442	2,708,738	2,742,116	2,775,208
Increase (decrease) in net result	40,296	33,378	33,092	48,962
Balance at the end of the period	2,708,738	2,742,116	2,775,208	2,824,170

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

	2021/22 Original \$	2021/22 Forecast \$	2022/23 \$	2023/24 \$	2024/25 \$
1 Rates and utility charges					
General rates	123,232	122,847	130,574	140,143	145,049
Water	24,035	23,979	25,017	25,893	31,580
Sewerage	78,522	78,547	82,002	84,872	87,843
Special charges	981	916	932	965	998
Water usage	33,198	33,272	34,602	35,813	37,067
Cleansing charges	29,429	29,494	30,763	31,840	32,954
	<u>289,397</u>	<u>289,055</u>	<u>303,890</u>	<u>319,526</u>	<u>335,491</u>
Less: rebates	(5,003)	(4,955)	(5,131)	(5,311)	(5,497)
	<u>284,394</u>	<u>284,100</u>	<u>298,759</u>	<u>314,215</u>	<u>329,994</u>

	2021/22	2021/22	2022/23	2021/22 Original vs 2022/23 Original Budget		2021/22 Forecast vs 2022/23 Original Budget	
	Original \$	Forecast \$	Original \$	Variance \$	Variance %	Variance \$	Variance %
Rates and utility charges - value of change							
General rates and utility charges ¹							
General rates	123,232	122,847	130,574	7,342	5.96%	7,727	6.29%
Water	24,035	23,979	25,017	982	4.09%	1,038	4.33%
Sewerage	78,522	78,547	82,002	3,480	4.43%	3,455	4.40%
Cleansing charges	29,429	29,494	30,763	1,334	4.53%	1,269	4.30%
	<u>255,218</u>	<u>254,867</u>	<u>268,356</u>	<u>13,138</u>	<u>5.15%</u>	<u>13,489</u>	<u>5.29%</u>
Water usage ²	<u>33,198</u>	<u>33,272</u>	<u>34,602</u>	<u>1,404</u>	<u>4.23%</u>	<u>1,330</u>	<u>4.00%</u>

Note 1

Movements in general rates and utility charges incorporates an assumed growth in rateable properties of 1.25%.

The General rates increase includes changes to the Flats rating structure, removal of Residential Bands B & C and the impact of land valuations.

Note 2

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

ESTIMATED COSTS OF COMMERCIAL BUSINESS UNITS

Cairns Regional Council - Budgeted Income Statement

Cairns Water

	2021/22 Forecast \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Operating Revenue				
Rates and utility charges	135,604	140,463	145,379	152,677
Fees and charges	6,421	3,244	3,277	3,473
Interest revenue	727	754	773	793
Other operating income	1,185	822	843	864
	143,937	145,283	150,272	157,807
Capital Revenue				
Capital grants, subsidies and contributions	-	1,076	229	-
Contributed assets	5,138	5,284	4,851	4,900
	5,138	6,360	5,080	4,900
TOTAL REVENUE	149,075	151,643	155,352	162,707
Operating Expenses				
Employee benefits	24,065	16,599	17,006	17,593
Materials and services	24,957	34,495	35,358	36,153
Depreciation	40,104	40,381	42,049	45,369
	89,126	91,475	94,413	99,115
Capital Expenses				
Loss on disposal of non-current assets	5,066	5,200	8,034	8,235
TOTAL EXPENSES	94,192	96,675	102,447	107,350
NET RESULT	54,883	54,968	52,905	55,357
Other Comprehensive Income				
Increase in asset revaluation surplus	15,050	26,188	27,039	28,566
TOTAL COMPREHENSIVE INCOME	69,933	81,156	79,944	83,923

Cairns Regional Council - Budgeted Income Statement

Cairns Resource Recovery

	2021/22 Forecast \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000
Operating Revenue				
Rates and utility charges	29,494	30,763	31,840	32,954
Fees and charges	3,679	2,411	2,435	2,556
Interest revenue	183	190	195	200
Other operating income	8,033	8,150	8,354	8,563
Grants, subsidies and contributions	69	-	-	-
	41,458	41,514	42,824	44,273
Capital Revenue				
Capital grants, subsidies and contributions	180	-	-	-
TOTAL REVENUE	41,638	41,514	42,824	44,273
Operating Expenses				
Employee benefits	5,512	5,718	5,858	6,060
Materials and services	25,394	27,415	28,100	28,733
Depreciation	1,888	1,727	1,777	1,844
	32,794	34,860	35,735	36,637
Capital Expenses				
Loss on disposal of non-current assets	490	-	-	-
TOTAL EXPENSES	33,284	34,860	35,735	36,637
Net Result	8,354	6,654	7,089	7,636
Other Comprehensive Income				
Increase in asset revaluation surplus	315	530	560	553
TOTAL COMPREHENSIVE INCOME	8,669	7,184	7,649	8,189

2022/23 LONG TERM FINANCIAL FORECAST

Cairns Regional Council - Long Term Financial Forecast (extract)

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenue											
Rates and utility charges	284,100	298,759	314,215	329,994	346,950	363,729	381,019	395,137	408,972	423,291	438,978
Fees and charges	26,856	26,173	26,406	27,810	27,899	29,383	29,478	31,048	31,150	32,810	32,919
Interest revenue	1,744	1,781	2,046	1,716	1,793	2,758	3,112	3,153	3,591	3,780	3,504
Grants, subsidies and contributions	10,493	5,857	7,665	7,639	7,778	8,050	8,332	8,624	8,926	9,238	9,561
Other operating income	17,779	19,437	20,117	20,821	21,550	22,304	23,085	23,893	24,729	25,595	26,491
	340,972	352,007	370,449	387,980	405,970	426,224	445,026	461,855	477,368	494,714	511,453
Capital Revenue											
Capital grants and subsidies	25,302	24,325	16,700	25,200	25,800	22,600	23,200	23,900	24,600	25,300	26,000
Contributions from developers	11,900	13,000	13,500	18,100	18,300	18,500	18,700	18,900	19,100	19,200	19,400
Contributed assets	14,020	13,724	13,861	14,000	14,140	14,281	14,424	14,568	14,714	14,861	15,010
	51,222	51,049	44,061	57,300	58,240	55,381	56,324	57,368	58,414	59,361	60,410
TOTAL REVENUE	392,194	403,056	414,510	445,280	464,210	481,605	501,350	519,223	535,782	554,075	571,863
Operating Expenses											
Employee benefits	116,280	124,280	126,904	130,730	134,207	138,836	143,627	148,580	153,706	159,011	164,494
Materials and services	113,018	123,960	127,847	131,206	134,718	143,095	152,850	157,412	163,070	168,277	175,067
Depreciation	98,133	99,563	104,155	110,836	117,662	123,032	128,095	133,438	138,647	144,457	150,816
Finance costs	4,467	3,780	3,927	4,459	8,416	12,818	13,366	12,340	11,395	10,469	9,621
	331,898	351,583	362,833	377,231	395,003	417,781	437,938	451,770	466,818	482,214	499,998
Capital Expenses											
Loss on disposal of non-current assets	20,000	18,095	18,585	19,087	19,602	20,129	20,670	21,224	21,793	22,375	22,972
TOTAL EXPENSES	351,898	369,678	381,418	396,318	414,605	437,910	458,608	472,994	488,611	504,589	522,970
Net result	40,296	33,378	33,092	48,962	49,605	43,695	42,742	46,229	47,171	49,486	48,893
Capital works program expenditure	122,077	144,558	150,434	248,778	255,820	171,051	146,821	153,296	135,145	189,377	201,299
Community Assets											
Total assets	4,359,901	4,480,936	4,617,864	4,844,027	5,068,033	5,206,028	5,313,969	5,429,004	5,548,636	5,676,884	5,811,425
Total liabilities	285,105	290,349	309,607	399,900	483,431	482,626	450,155	419,180	389,567	364,463	343,367
Net Community Assets	4,074,796	4,190,587	4,308,257	4,444,127	4,584,602	4,723,402	4,863,814	5,009,824	5,159,069	5,312,421	5,468,058

2022/23 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 2022/23 financial year:

- Cairns Water
- Cairns Resource Recovery

2022/23 ESTIMATED ACTIVITY STATEMENT

Description	Cairns Water	Cairns Resource Recovery
	\$	\$
Estimated Revenue		
Services provided to the local government	9,238,760	3,885,663
Services provided to anyone else	151,642,867	41,514,000
Community Service Obligations (net cost)	957,203	1,006,534
Revenue Total	161,838,830	46,406,197
Estimated Expenses		
Employee Costs	16,626,164	5,812,746
Materials and Services	44,664,691	32,212,580
Depreciation	40,381,367	1,726,878
Other Expenditure	5,200,060	-
Income Tax	16,489,964	1,996,198
Expenditure Total	123,362,246	41,748,402
Estimated Surplus or (Deficit) before dividend:	38,476,584	4,657,795

2022/23 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>	Water Rates RBFA	54,241
	Total	54,241
<i>Wastewater Services</i>	Sewerage Rates RBFA	902,962
	Total	902,962
	Total cost of Community Service Obligations	957,203
Cairns Resource Recovery		
<i>Waste Services</i>	Free green waste initiative conducted twice a year	501,226
	Charity exemptions for waste disposal	215,690
	Collection and disposal relating to community clean up events	2,361
	Free hazardous waste disposal to prevent incorrect disposals	243,434
	Recycling services free of charge to schools	36,098
	Concessions for patients receiving home dialysis	5,724
	Donations of buy back shop to charity	2,000
	Total cost of Community Service Obligations	1,006,534

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.



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: 15/06/2022

DUE FOR REVISION: 15/06/2023

REVOKED/SUPERSEDED:

Mica Martin
Chief Executive Officer

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
Residential K	Residential properties that are building units.
Residential L2	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 2
Residential L3	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 3
Residential L4	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 4
Residential L5	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 5
Residential L6	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 6
Residential L7	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 7
Residential L8	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 8

Category	Description
Residential L51	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 51
Residential L52	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 52
Residential L53	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 53
Residential L54	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 54
Residential L55	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 55
Residential L56	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 56
Residential L57	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 57
Residential L58	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 58
Residential L59	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 59
Residential L60+	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 60+
Residential M	Residential land which is subject to section 50 of the <i>Land Valuation Act 2010</i> .
Residential R	Retirement Villages/ Lifestyle Resorts
Commercial B	Major Shopping Centres over 34,999m ² 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 20,000m ² and less than 35,000m ² GLAR.
Rural Productive	All properties which are used predominantly for Primary Production.
Other Land	Land not included in any of the above categories.

Notice of Future Change for the 2023/24 financial year:

Council intends to create a new rating category – Residential N with the description ‘Residential properties – Non Principal Place of Residence (NPPR)’. The intention of this category is to apply a separate rate in the dollar for owners of residential properties which are not used as their Principal Place of Residence (PPR). More specific information in relation to this new category will be supplied to owners with the January 2023 rates notice.

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 of Resources - Land and Property for formulating land valuations;
- the current zones in CairnsPlan 2016;
- other such criteria as outlined within this statement and existing as at 1 July 2022.

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 2022/23 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 K	A single rate in the dollar to apply to all properties included in this category with a set minimum.
Residential L2 to L60+	A single rate in the dollar to apply to all properties included in these categories 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> .
Residential R	A single rate in the dollar to apply to all properties included in this category with a set minimum.

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 to **SECTION 3** for details of Rates and Charges for the 2022/23 Financial Year.

ISSUE OF NOTICES

All Rates and Charges made, levied and imposed for the 2022/23 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 2022 and 1 January to 30 June 2023 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 2022/23 financial year will be issued three times a year in accordance with section 102 (2) of the *Local Government Regulation 2012*.

The due date for payment is defined as being at least 30 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 8.17% 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.

CONCESSIONS

Lodgement of Applications

All applications for concession 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 Concession

Applications in respect of a new financial year should be submitted before the commencement of each rating period. New applications for concession 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 concession 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 concession 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, concession 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.

New Applications

For new approved applications, from 01/07/2022, for Council's Pensioner Concession the following will apply:

The rebate will be a set amount of \$300.00 per annum.

Pre-existing Council Pensioner Concession

For existing recipients (e.g. approved prior to 01/07/2022) of Council's Pensioner Concession the following will apply:

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

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

Guidelines

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

- The applicant(s) must be the sole owner(s) of the property in respect of which concession 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 concession 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 concession in respect of that property.
- Such concession 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 concession 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 concession already granted for that year will be revoked.

Where a pensioner is receiving Council pensioner concession in respect of a property owned by that person and the person dies, Council concession will cease at the end of the rating period in which records obtained from the Services Australia 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 concession, that person will be granted Council concession 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 Concessions

A concession will be extended to retirement villages 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 concession per resident on the prescribed form including:

- A declaration by the owner that pensioners that reside in the complex will be given the benefit of the concession; and
- A list of all residents in the village who are pensioners and their pension number.

Sufficient evidence that the eligible residents have received the benefit of the concession in the prior rating period must be provided. Failure to supply evidence of payment will result in non-eligibility for further concessions.

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

The concession will not be extended to owners in a Land Lease Community (LLC), e.g. Lifestyle Resort for over 50's, with a perpetual land lease from the site owner under a Residential Site Agreement, governed by the *Manufactured Homes (Residential Parks) Act 2003*.

Rates Based Financial Assistance

Council maintains a Rates Based Financial Assistance (RBFA) Policy which allows Council to consider applications for concession 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 Council for approval in line with Council's Concealed Water Leak Policy.

SPECIAL CHARGES

Refer to **SECTION 3** for details of Rates and Charges for the 2022/23 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 2022/23 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 2022/23 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 2022/23 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 2022/23 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 2022/23 year is \$653,020.

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 separate report to Council – Bluewater Canal Special Charge Report document #6933867); 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 (2022/23 document #6933867).

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 2022/23 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 2022/23 Financial Year.

Definition

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*.

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

Definition

For all water usage notices issued after 1 July 2022 the charge shall be at the rate specified for the 2022/23 financial year.

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 Resources 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

Definition

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 water closet (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

Residential

A base charge will be levied for each vacant allotment, residence, Multi Unit Dwelling (MUD) 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 WC will apply.

Commercial

To be charged per WC.

Rural Productive

- A base charge will be levied for all residency type improvements.
- A charge per 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 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.

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 commercial categories D and E)
05	Large homesite - dwelling - urban and rural
06	Outbuildings (excluding those in commercial categories D and E)
09	Group Titles
94	Vacant rural land

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
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Residential L2 to L60+

Properties that are used for Multi Unit Dwellings (MUDs) purposes.

Multi Unit Dwelling means a property which contains more than one self-contained dwelling house/unit/flat either detached, semi-detached or integrated.

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

03	Dual/Multi Units Dwellings (MUDs)
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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 <i>Land Valuation Act 2010</i> .
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Residential R

Properties that are used for Retirement Villages and Lifestyle Resorts.

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

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

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

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 <i>Land Valuation Act 2010</i> .

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 2022/23 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	Description	Cents in the dollar	Minimum \$
Residential A	Residential properties	0.545240	968.20
Residential K	Residential properties that are building units.	0.970084	968.20
Residential L2	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 2	0.772726	1,936.40
Residential L3	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 3	0.772726	2,904.60
Residential L4	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 4	0.772726	3,872.80
Residential L5	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 5	0.772726	4,841.00
Residential L6	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 6	0.772726	5,809.20
Residential L7	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 7	0.772726	6,777.40
Residential L8	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 8	0.772726	7,745.60
Residential L9	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 9	0.772726	8,713.80
Residential L10	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 10	0.772726	9,682.00
Residential L11	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 11	0.772726	10,650.20
Residential L12	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 12	0.772726	11,618.40
Residential L13	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 13	0.772726	12,586.60
Residential L14	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 14	0.772726	13,554.80
Residential L15	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 15	0.772726	14,523.00
Residential L16	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 16	0.772726	15,491.20
Residential L17	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 17	0.772726	16,459.40
Residential L18	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 18	0.772726	17,427.60
Residential L19	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 19	0.772726	18,395.80
Residential L20	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 20	0.772726	19,364.00
Residential L21	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 21	0.772726	20,332.20
Residential L22	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 22	0.772726	21,300.40
Residential L23	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 23	0.772726	22,268.60
Residential L24	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 24	0.772726	23,236.80
Residential L25	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 25	0.772726	24,205.00
Residential L26	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 26	0.772726	25,173.20
Residential L27	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 27	0.772726	26,141.40
Residential L28	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 28	0.772726	27,109.60

Category	Description	Cents in the dollar	Minimum \$
Residential L29	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 29	0.772726	28,077.80
Residential L30	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 30	0.772726	29,046.00
Residential L31	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 31	0.772726	30,014.20
Residential L32	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 32	0.772726	30,982.40
Residential L33	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 33	0.772726	31,950.60
Residential L34	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 34	0.772726	32,918.80
Residential L35	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 35	0.772726	33,887.00
Residential L36	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 36	0.772726	34,855.20
Residential L37	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 37	0.772726	35,823.40
Residential L38	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 38	0.772726	36,791.60
Residential L39	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 39	0.772726	37,759.80
Residential L40	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 40	0.772726	38,728.00
Residential L41	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 41	0.772726	39,696.20
Residential L42	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 42	0.772726	40,664.40
Residential L43	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 43	0.772726	41,632.60
Residential L44	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 44	0.772726	42,600.80
Residential L45	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 45	0.772726	43,569.00
Residential L46	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 46	0.772726	44,537.20
Residential L47	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 47	0.772726	45,505.40
Residential L48	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 48	0.772726	46,473.60
Residential L49	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 49	0.772726	47,441.80
Residential L50	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 50	0.772726	48,410.00
Residential L51	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 51	0.772726	49,378.20
Residential L52	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 52	0.772726	50,346.40
Residential L53	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 53	0.772726	51,314.60
Residential L54	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 54	0.772726	52,282.80
Residential L55	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 55	0.772726	53,251.00
Residential L56	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 56	0.772726	54,219.20
Residential L57	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 57	0.772726	55,187.40
Residential L58	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 58	0.772726	56,155.60
Residential L59	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 59	0.772726	57,123.80
Residential L60+	Where the number of Multi-Unit Dwellings (MUDs) on the property is equal to 60+	0.772726	58,092.00

Category	Description	Cents in the dollar	Minimum \$
Residential M	Residential land which is subject to section 50 of the <i>Land Valuation Act 2010</i> .	0.545240	Nil
Residential R	Retirement Villages/ Lifestyle Resorts	0.545240	968.20
Commercial B	Major Shopping Centres over 34,999m ² Gross Lettable Area – Retail (GLAR).	4.864566	1,247,511.90
Commercial D	Commercial properties located within the Inner City.	1.717056	997.80
Commercial E	Commercial properties not included in Commercial Categories B, D, F & G.	0.770128	997.80
Commercial F	Properties used by Not for Profit Recreation, Sporting and Community Groups that are eligible for Rates Based Financial Assistance.	0.545240	968.20
Commercial G	Major Shopping Centres over 20,000m ² and less than 35,000m ² GLAR.	3.493282	525,189.44
Rural Productive	All properties which are used predominantly for Primary Production.	0.816270	997.80
Other Land	Land not included in any of the above categories.	0.770128	997.80

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 #6970864).

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 #6971111).

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

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 #6958260).

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 **\$2,243.28** to be levied on each lot identified below and also identified on the map marked Bluewater Canal (Refer to Blue Water Canal Special Charge – Report to Special (Budget) meeting 22 June 2022)

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

- (c) A total amount of **\$242,274.24** for Bluewater Marina (lot 1860 SP264300). Refer to Bluewater Canal Special Charge – Report to Special (Budget) Meeting 22 June 2022.
- (d) 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 22 June 2022.

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 2022/23 financial year be set at an amount of **\$410.16** per service and applied in accordance with the following schedule:

Type of Improvement	No. of Services
Residence	1
Multi Unit Dwellings (MUDs) (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 **\$205.08** 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 2022/23 financial year in accordance with the following:

(a) Residential

- (i) A standard charge of **\$856.26** to be applied in accordance with the following:
- For each residence, each Multi Unit Dwelling (MUD) and each strata title unit.
 - For each residence and/or each Multi Unit Dwelling (MUD) 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 **\$681.70** to be applied to each vacant allotment.
- i. 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 **\$732.58** per WC to be applied in accordance with the following:

- (i) In respect of seweraged 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 seweraged 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 Multi Unit Dwelling (MUD), 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 2020 the rate shall be apportioned.
- (c) **Rural Productive**
A standard charge of **\$856.26** 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 Multi Unit Dwelling (MUD), 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 **\$362.20** for each residence, each Multi Unit Dwelling (MUD), 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 2022/23 financial year on the following basis:

Residential

- (i) An access charge of **\$289.34** shall be applied in accordance with the following:
 - For each barrack, each residence, each Multi Unit Dwelling (MUD), each strata title unit and each vacant allotment categorised as residential.
 - For each residence and/or each Multi Unit Dwelling (MUD) 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 **\$1.48** per kilolitre for all water passing through the water meter.

Commercial

- (i) An Access Charge of **\$286.00** 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 Multi Unit Dwelling (MUD), 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 **\$1.55** per kilolitre for all water passing through the meter. The only exception being:
 - Water supplied to Far North Queensland Ports Corporation Ltd for shipping, which is to be charged at **\$2.05** 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 Multi Unit Dwelling (MUD), 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 **\$289.34** to be applied in accordance with the following:
 - For each barrack, each residence, each Multi Unit Dwelling (MUD), 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 **\$1.48** per kilolitre for all water passing through the water meter.

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 Resources 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 each year.

Water Charges - Recycled

Residential

- (i) An access charge of **\$70.14** shall be applied for each residence, each Multi Unit Dwelling, 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 **\$0.74** per kilolitre for all water passing through the water meter.
- (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 **\$70.14** 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 **\$0.74** per kilolitre for all water passing through the water meter.
- (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.

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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: 01/07/2022

DUE FOR REVISION: 01/07/2023

REVOKED/SUPERSEDED:

Mica Martin
Chief Executive Officer

Appendix 1 – Map Commercial Inner City

