

Livingstone Shire Council Budget and Operational Plan

2018/19



Table of Contents

Part 1: Overview of Budget and Operational Plan

1.1	Mayor's Message.....	2
	Budget Overview.....	6
	Operational Services.....	7
	Major Projects delivered in 17/18.....	8
	Capital Works.....	9
	Budget at a Glance.....	10
1.2	Preamble.....	12
1.3	Corporate Planning Framework.....	13
1.4	Corporate Plan Goals and Key Strategies.....	14
1.5	Services Provided to the Community.....	19
1.6	Measuring Achievement of the Budget and Operational Plan.....	20

Part 2: Annual Operational Plan 2018-2019

2.1	Introduction.....	22
2.2	Operational Key Performance Indicators.....	24

Part 3: Revenue and Rating Strategy 2018-2019

3.1	Revenue Policy.....	37
3.2	Revenue Statement.....	35
3.3	Rates, Rebates and Remissions Policy.....	75

Part 4: Budget 2018-2019

4.1	Budget Principles.....	82
4.2	Strategic Financial Parameters.....	85
4.3	Significant Influences.....	89
4.4	Key Assumptions of the Long Term Financial Forecast.....	90
4.5	Financial Statements.....	91
	4.5.1 Statement of Income and Expenditure.....	92
	4.5.2 Statement of Financial Position.....	93
	4.5.3 Statement of Cash Flows.....	94
	4.5.4 Statement of Changes in Equity.....	95
	4.5.5 Measures of Financial Sustainability.....	96
4.6	Asset Management.....	99
	4.6.1 Capital Works Program - Summary by Asset Class.....	101
	4.6.2 Capital Works - Source of Capital Funds.....	102
	4.6.3 Long Term Capital Works Program.....	105
4.7	Financial the Capital Works Program.....	113

Part 5: Financial Management Policies 2018-2019

5.1	Debt Policy.....	115
5.2	Investment Policy.....	118

Part 6: Commercial Business Unit Activities 2018-2019

6.1	Commentary on Commercial Business Activities.....	124
6.2	Commercial Business Activities Estimated Activity Statement.....	125

Part 7: Appendices

7.1	Estimated Financial Position as at 30 June 2018.....	127
7.2	Glossary.....	130

Overview

Part One



Mayor's Message

LIVINGSTONE Shire Council's 2018-19 Budget is the sixth budget this Council has brought down since Livingstone residents regained their independence in 2014.

A culmination of months of extensive workshops between Councillors, the senior management team and key departmental officers this budget is both prudent and financially responsible in all respects.

I would also like to acknowledge the exceptional input of our very capable Deputy Mayor Nigel Hutton in helping shape this budget. In his capacity as Chairman the Planning, Finance, Innovation and Business Excellence Advisory Committee as well as the leadership role in Chairing the Audit, Risk and Business Improvement Committee Cr Hutton's contribution has been outstanding.

While the budget has an overarching focus on consolidation and long-term financial sustainability, it is also very much focussed on maintaining Council's 'whole of Shire' commitment to the highest possible levels of affordable service delivery for our community.

Building on the solid foundation of previous budgets this budget will also ensure Council can continue to appropriately maintain its assets, and be well positioned to continue to deliver the necessary future capital works and facilities our community needs and expects.

In bringing down this budget it is appropriate to reflect on the necessary and deliberate strategies of previous budgets. Those strategies were focussed on regaining the Shire's economic momentum lost through the forced amalgamation process, meeting the significant cost burden imposed on our community in regaining our independence and the subsequent imperatives of reconstruction of existing and major new infrastructure following Tropical Cyclone Marcia.

In taking a well-considered and pro-active strategic approach Council was able to set a clear vision for our future and secure over \$120 million in State and Federal funding to help deliver more than \$227 million of critical trunk infrastructure and major job-creating economic development projects.

This is an outstanding result given the total combined increase in overall borrowings to deliver those extraordinary \$227 million in capital works over the 4 year period has been only \$9 million.

This is remarkable achievement well above and beyond what would be considered possible for a Council of our size, especially when put in the context of working through the combined challenges and impacts of de-amalgamation and five declared weather events that have impacted on our Shire.

Projects completed or still in train have ranged from major strategic infrastructure like Panorama Drive Statue Bay reconstruction and waste-water facilities along with tourism infrastructure, foreshore and town centre redevelopments in both Yeppoon and Emu Park, Centenary of Anzac Precinct, The Gateway Business and Industry Precinct, Capricorn Coast Homemakers Centre, a dedicated Disaster Management and Community Resilience Training Hub as well as major integrated sports facilities at Barmaryee and Emu Park, and shire-wide community playground, recreation and parkland upgrades.

With the economic and community benefits of these major projects now progressively flowing through, Council's focus on consolidation through the 2018-19 budget is both timely and well-considered.

Capital Expenditure

Council's Capital Works Program for the 2018-19 budget is \$48.3million, once again with a significant proportion amounting to \$14.6million secured from State and Federal funding sources.

Major projects on track to be delivered during 2018-19 include:

- » Yeppoon Sewage Treatment Plant Augmentation - \$14.1m
- » Emu Park Village & Foreshore Revitalisation - \$2.9m
- » Capricorn Coast Memorial Gardens - \$2.9m
- » 2.9km shared pathway along Scenic Highway – \$2.3m
- » Completion of civil works for the Homemaker Centre - \$1.8m
- » Roundabout construction at Old Rockhampton and Barmaryee Road - \$1.6m
- » Sealing of 2.1km of Svendsen Road - \$1.6m
- » Upgrade parking facilities at St Christophers Chapel Road in conjunction with TMR planned upgrades at the Nerimbera Boat Ramp - \$1.2m
- » Upgrade of St Christophers Chapel Road to 8m to suit Type 1 road trains - \$1.0m
- » Signalised intersection on Taranganba Road to improve school safety - \$1.2m
- » Renewal of unsealed rural gravel roads - \$1.1m
- » Rural sealed pavement renewal program - \$1.0m
- » Replace and widening Daly Creek bridge - \$850,300
- » Thirteen concrete rural floodway upgrades across the Shire - \$774,244
- » Flood mitigation works for Yeppoon Creek outlets - \$773,000
- » Reseal urban road program - \$1.0m
- » Yeppoon Town Centre Smart Precinct and Lighting Project - \$895,000

In total, just over \$19million has been set aside in the capital budget for roads and associated transport infrastructure with a further \$6.5million planned for maintenance programs.

Economic Development

The 2018-19 budget will continue to support and facilitate major economic stimulus projects, business development and networking as well as supporting and encouraging existing and new sporting, cultural and festival events that grow our local economy and jobs.

This year Council finalised and delivered a comprehensive Economic Development Plan for the Shire in consultation with local business and industry sectors. The budget will support and facilitate the objectives of the plan and provide continuing support for previous initiatives like the business E-newsletter, "For Business and Investment" Council website, digital economy investment, supporting local start-up businesses and entrepreneurs, Capricorn Coast Joblink and economic modelling services. Council will also continue to support local businesses in making funding applications to other levels of government to assist their businesses to grow with the flow-on that success provides in creating new jobs.

These initiatives will continue to complement Council's on-going support in the areas of tourism promotion and economic development through its funding commitments to Capricorn Enterprise and initiatives like Council's highly successful 'place-making' strategy.

Livingstone 2018-19 Budget Focus On More Equitable Distribution of Rates and Charges

This year Livingstone Shire Council undertook a comprehensive review of its rating methodology in order to refine the equitable distribution of rates and charges.

Councils are required to raise revenue based on both land valuation as well as the land's capacity to generate revenue. In line with these principles the review recommended the introduction of 'non-owner occupied residential categories' similar to those introduced by many other local governments throughout Queensland.

The recommendation was reinforced by the fact that up to 27% (or more than 4,300) of residential properties in Livingstone are currently 'non-owner occupied'. These properties are generally investment or rental properties where the land can generate a margin on rental returns.

In considering this new category Council has been mindful to ensure its introduction does not have a major impact on property owners. To achieve this General Rates, Utility Services and Separate Charges increases will average 4.5% or approximately \$3.19 per week (63 cents more than average owner occupied premises).

In comparison the average increase on combined General Rates, Utility Services and Separate Charges across owner-occupied urban, large and rural residential properties will be 3.3% or approximately \$2.56 per week.

Commercial/Light Industrial Categories

The majority of commercial/light industrial properties will benefit from another significant recommendation of the rating review which will see the introduction of valuation banding for commercial/light industrial categories.

Once again these recommendations, which were aimed at achieving more equitable distribution of rates and charges have resulted in comparatively lower increases and in some cases rate decreases.

General rates across commercial/light industrial categories will range from decreases of up to 5% for properties with valuations less than \$400,000 and 2.9% increases for properties where valuations are above \$400,000.

Retail Warehouse, Business/Shopping Complex or Outdoor Sales Category

This new category has been created for larger scale business on land with an area greater than 400m² and where the dominant use or intended use is a retail warehouse, business/shopping complex, or outdoor sales. These properties will have an average combined General Rates, Utility Services and Separate Charges increase of 6.96%.

Major shopping Complexes in turn will have combined General Rates, Utility Services and Separate Charges increases ranging from 8.43%.

Major Tourism Category

Major tourism facilities will have a combined average increase of 9.1% to reflect the significant funding Council has invested into new tourism infrastructure. Island tourism Categories will increase by 5% while most other smaller tourism operations will increase as per the commercial/light industrial rates.

Beef Cattle Production and Other Rural

Increases in other land use categories include Beef Cattle Production and Other Rural primary production properties which will have a combined General Rate and Separate Charge increase of approximately 3.9%.

Heavy/Noxious and Extractive Categories

The relatively high-impact land uses of the Heavy/Noxious and Extractive categories will see average combined General Rates, Utility Services and Separate Charge increases of 13.61% and 12.58% respectively.

Utility Service and Separate Levy Charges have all increased by 3.9%, the exception is the Environmental Levy which has increase by \$4.90 (8.2%) to \$65.00. A new Disaster Response Levy of \$20.00 has also been introduced help improve the Shire's disaster response capability and community awareness activities. To partially offset rate increases for eligible pensioners on fixed incomes, Council has maintained the maximum rebate of \$280, which is addition to the \$200 available from the State Government for eligible concession card holders. Livingstone continues to provide a higher rebate than most other comparable councils.

Financial Position and Borrowings

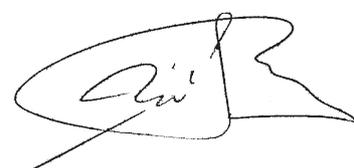
With the significant investment Council has already made in the areas of job creating projects and major trunk infrastructure in the past five budgets there are no new planned borrowings in this budget or future budgets until 2024-25. This will see debt decrease from a maximum of \$85.3million in 2017-18, to \$80.5 million this financial year and forecast to reduce by approximately 69% to \$27million by 2027-28.

On another positive note the total value of the community's net assets has increased over the past 12 months from \$855.1million to a current value of \$949million and forecast to reach approximately \$1.15billion by 2028.

The budget's positive long term forecast is a direct reflection of Council's proactive commitment in supporting and implementing the recommended streamlining of organisational structures to realise greater operational efficiencies.

These measures have seen an improved operating position for 2018-19 financial year of approximately \$4million and have put Council on track to deliver operating surpluses from the 2019-20 budget, one year earlier than previous budget forecasts.

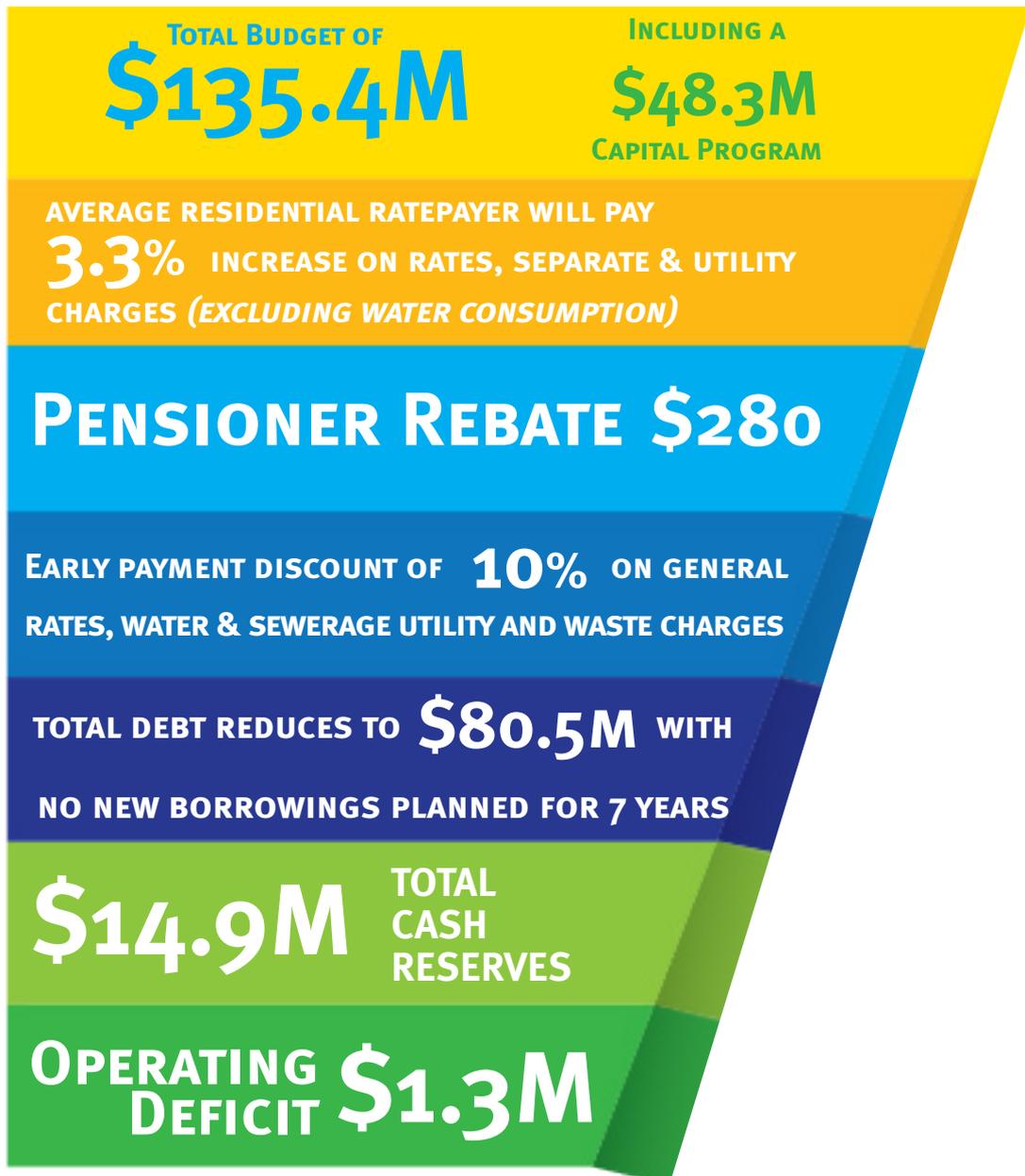
In commending the 2018-19 Budget for adoption, I would like to once again acknowledge the excellent collaborative efforts of our Chief Executive Officer, Chief Financial Officer, Finance Department, and Executive Leadership Team in assisting Council in delivering a responsible budget that will continue to both underpin the liveability and strong economic growth our Shire and region needs.



Mayor Cr Bill Ludwig



Budget Overview





Operational Services





YEPPON LAGOON

Major **Projects** delivered in **17/18**



STATUE BAY



WRECK POINT



'THE HUB'



PANORAMA DRIVE



'EMU PARK SPORT & RECREATION RESERVE'



APPLETON PARK



Capital Works

Along with our day to day operations, Livingstone Shire Council will be investing \$48.3 million in the renewal of existing assets and construction of new assets for a growing population.

\$48M Capital Works Budget

Amount (\$ Millions)

Key Areas of Investment will include:

\$14.1	Yeppoon Sewage Treatment Plant Augmentation
\$ 2.95	Site improvements Emu Park Village and Foreshore Stage 2
\$2.90	Capricorn Coast Memorial Gardens – Stage 2 Internal works
\$2.28	Design and construction 2.9KM shared pathway Scenic Highway
\$2.20	St Christopher's Chapel Road and Parking Facilities upgrade
\$1.90	Fleet replacement programme
\$1.86	Completion of Homemaker Centre Land Development
\$1.60	Completion of Rockhampton/Barmaryee Roads Roundabout
\$1.20	Taranganba Road signalised intersection
\$1.60	Svensden Rd 2.1km of unsealed road to sealed standard 6.5m wide
\$0.85	Daly Creek Bridge works
\$0.83	Various water main replacement works
\$0.77	Flood mitigation Yeppoon Creek outlets

Budget at a Glance

Overview of Key Projects

1. Significant investment in major infrastructure projects to support and grow regional economic development, sport and recreation and tourism to generate jobs, community amenities and wellbeing and a more diversified regional economy. These major projects include:

Amount (\$)	Project
\$1,600,000	Upgrade 2.1km Svendsen Road to sealed standard
\$1,200,000	St Christophers Chapel Road and parking facilities upgrade
\$1,000,000	Upgrade St Christophers Chapel Road to 8m to suite Type 1 road trains
\$2,950,000	Completion of Stage 2 Emu Park Village & Foreshore Revitalisation Project

2. New projects and other infrastructure to service support a growing Shire, including:

Amount (\$)	Project
\$1,200,000	Signalised intersection on Taranganba Road
\$145,000	Bus shelter program
\$100,000	Hill Street Yeppoon Bus Stop upgrade
\$70,000	Street Lighting (new)
\$3,400,000	Stage 1 of Capricorn Coast Cemetery Replacement including the intersection and road

3. Renewal and upgrade of urban and rural strategic road network, including:

Amount (\$)	Project
\$850,300	Replace and widen Daly Creek Bridge on Bungundarra Road
\$120,000	Replace Pumpkin Creek Bridge on Joskeleigh Road
\$78,000	Undertake repair work on the Appleton Drive Bridge
\$1,630,000	Completion of the Old Rockhampton Road/Barmaryee Road roundabout
\$1,100,000	Renewal of unsealed gravel running surface
\$1,000,000	Sealed pavement renewal program
\$1,600,000	Urban & rural reseal program

\$625,000	Stage 1 Reconstruction of Morris Street
\$100,000	Road safety and guardrail safety fencing
\$45,000	Renewal of access into Glenlee Park

4. Investing in water, sewage and waste infrastructure to create a sustainable future, including:

Amount (\$)	Project
\$14,136,000	Yeppoon Sewage Treatment Plant Upgrade
\$93,750	Completion of the Stanage Bay Septic Upgrade
\$244,000	Replacement and renewal of sewerage infrastructure
\$1,230,000	Water main reticulation replacement
\$869,500	Replacement and refurbishment across the water infrastructure networks
\$250,000	Relocation of Yeppoon Landfill weighbridge

5. Creation of new business and investment including:

Amount (\$)	Project
\$1860,000	Completion of the subdivision works for the Capricorn Homemaker Centre
\$495,000	Yeppoon Town Centre Smart Lighting Project
\$400,000	Yeppoon Town Centre Smart Precinct Project

6. Disaster management, restoration, improved flood mitigation and resilience, including:

Amount (\$)	Project
\$774,244	Thirteen concrete floodway upgrades across the Shire
\$773,000	Flood mitigation works for Yeppoon creek outlets
\$100,000	Asphalt overlay to Milman Road floodway
\$620,000	Completion of the reconstruction of Scenic Highway at Statue Bay
\$500,000	Gus Moore Street maintenance works
\$500,000	Repair landslip and stabilisation of the bluff along Farnborough Road
\$200,000	Replace guardrail/barrier along centre median at start of Farnborough Road

7. Other services/programs, including:

Amount (\$)	Project
\$493,000	Building repairs and rectification works
\$100,000	Provide a new roof structure and wall sheeting at the Cooee Bay Heated Pool
\$60,000	Yeppoon SES boatshed slab & building sprinkler system
\$30,000	Shade sail over Thwaite Park Playground
\$115,000	Improving public spaces including playgrounds, bin surrounds, park furniture & fixtures and BBQ's

1.2 Preamble

In accordance with sections 169 and 170 of the *Local Government Regulation 2012*, Council is required to prepare and adopt a budget for each financial year prior to 1 August or at a later date decided by the Minister.

Livingstone Shire Council's Budget and Operational Plan 2018-19 has been developed within the context of Council's Integrated Planning Framework, with particular consideration to the Corporate Plan 2014-19. The Budget and Operational Plan includes:

- Annual Operational Plan 2018-19;
- Budget 2018-19;
- Long Term Financial Forecast for 2018-19 to 2027- 28; and
- Revenue Policy and Revenue Statement for 2018-19.

The Budget 2018-19, as presented within this document, has been developed via an extensive process of consultation and review by Council officers and Councillors, and follows on from significant community consultation. It is Council's opinion that the Annual Budget should be reflective of the Long Term Financial Forecast 2018-29 to 2027-28 which aims to achieve and maintain financial sustainability.

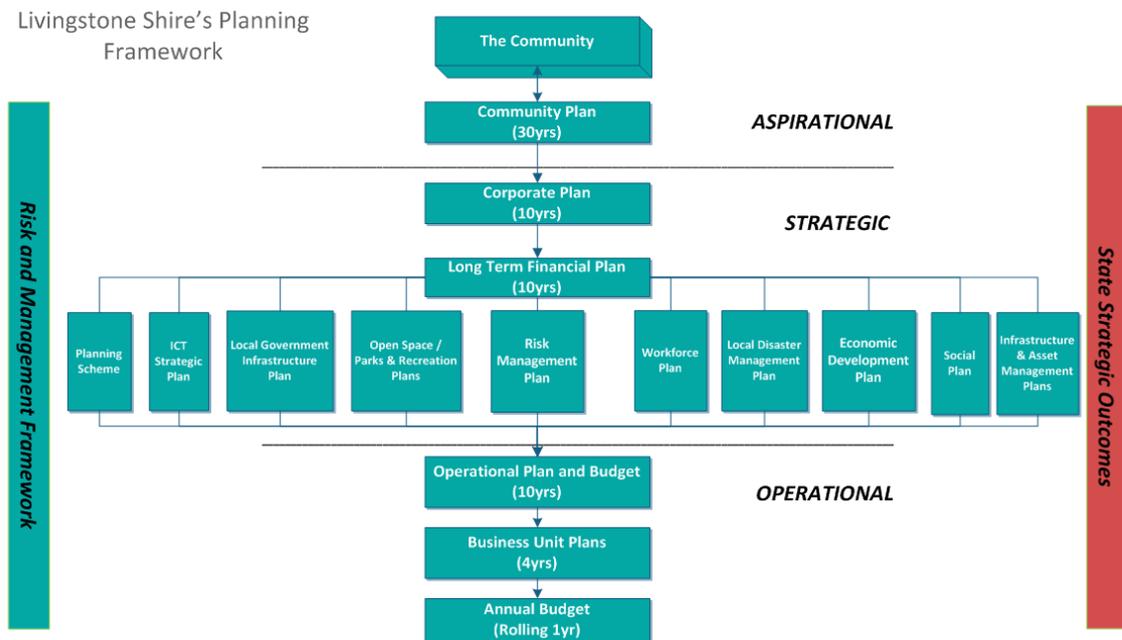
The Long Term Financial Forecast has been developed to assist Council in adopting a budget within a prudent, longer term financial framework. The key objective of the forecast is financial sustainability in the medium to long term, whilst still achieving Council's goals as specified in the Corporate Plan.

Through the implementation of the Budget and Operational Plan, Council will deliver quality services, infrastructure and facilities to the community, both today and for the future.

1.3 Corporate Planning Framework

The Corporate Plan provides the key goals and strategies for Council and the community over a five year period. Council has developed a more detailed planning framework to ensure we have a streamlined and outlined approach to achieving the Corporate Plan goals and strategies.

Council is transitioning towards a new Integrated Planning and Reporting Framework that will engage the wider community in setting the vision, strategies and priorities and expected service levels for the next ten years.



1.4 Corporate Plan Goals and Key Strategies

A corporate plan is a legislative requirement under the *Local Government Act 2009* and the *Local Government Regulation 2012*, and details the strategic direction for Council over a five year period.

Council adopted its Corporate Plan 2014-2019 in June 2014. This plan is Council's key long term planning document to guide Council in the allocation of resources and delivery of services to the community, and is the principal document from which Council's other plans and strategic documents are developed. In simple terms, it is Council's direct response to our community's needs and expectations.

Strategies contained within the Corporate Plan 2014-2019 will form the basis of the Operational Plan and Budget for each year of the five-year Corporate Plan.

KEY STRATEGIC THEMES

Assets

Goal:

Reliable, durable, cost effective infrastructure and Council assets which meet the needs and aspirations of the communities of Livingstone Shire.

Key Strategies:

- » *Strategy AM1:* Develop an innovative and integrated framework for long term, cost effective asset management.
- » *Strategy AM2:* Identify infrastructure and assets requirements through community consultation and technical expertise.
- » *Strategy AM3:* Design and implement practical infrastructure solutions.
- » *Strategy AM4:* Operate, maintain and use Council assets to deliver efficient and cost effective service to the community.

Indicators of performance:

During the term of this Corporate Plan the following will be indicators that the key strategies are being pursued and progress toward the goal is being achieved.

- » Council has implemented an organisation wide fully integrated asset management system covering all classes of assets.
- » Infrastructure requirements have been identified through the compilation of a holistic ten year infrastructure and capital works plan.
- » Design and programming of infrastructure and asset acquisition, construction, renewal and replacement is established as a proactive management activity based on effective asset management planning and resourcing.
- » The operation, maintenance and use of Council assets is regularly measured, monitored and reported on to demonstrate cost effective outcomes.

Environment

Goal:

An environment which is valued and sustainable, and maintains a balance between the natural and built forms for the benefit of current and future generations.

Key Strategies:

- » *Strategy EN1:* Apply environmentally responsible land use planning to balance environmental and development outcomes.
- » *Strategy EN2:* Recognise and understand the various eco-systems of the Shire to encourage their sustainable use and appreciation through appropriate accessibility.
- » *Strategy EN3:* Minimise impact on the natural environment through effective waste management and pollution control policies and programs.
- » *Strategy EN4:* Actively participate in conservation and enhancement programs to ensure the preservation of natural assets and identifiable built form.
- » *Strategy EN5:* Proactively advocate to government on matters which impact on the health, wellbeing and sustainability of our Shire's natural environment.

Indicators of performance:

During the term of this Corporate Plan the following will be indicators that the key strategies are being pursued and progress toward the goal is being achieved.

- » The Council's new Planning Scheme is compiled and implemented demonstrating outcomes consistent with its terms and supporting policies.
- » An extensive inventory of eco-systems in the Shire is developed and accessible for use by planners and regulators to advance Council's environmental goal.
- » A comprehensive waste management strategy is compiled and implemented and an appropriate suite of pollution control plans, policies and programs is adopted and implemented.
- » A range of environmental conservation and enhancement programs are evident in Council's Operational Plans, demonstrating effective preservation of valued natural resources.
- » Regular dialogue and representations are made to relevant State and Commonwealth departments and agencies on environmental issues impacting on the Shire.

Economy

Goal:

A diverse, strong, innovative and sustainable local economy providing employment and business opportunities for current and future generations.

Key Strategies:

- » *Strategy EC1:* Identify and capitalise on economic opportunities for the benefit of the community.
- » *Strategy EC2:* Facilitate, encourage and enable the establishment of businesses and industries and the retention, growth and diversification of existing businesses and industries in suitable locations.
- » *Strategy EC3:* Promote Livingstone Shire as a desirable destination for investment, business, industry, tourism and living.
- » *Strategy EC4:* Establish initiatives including partnerships with both government and the private sector to create enterprises and undertake projects that generate jobs, wealth creation opportunities and sustainable economic growth.

Indicators of performance:

- » During the term of this Corporate Plan the following will be indicators that the key strategies are being pursued and progress toward the goal is being achieved.
- » A comprehensive local economic development strategy is compiled and implemented.
- » Resources and accountabilities are identified and applied to implementing the strategy.
- » Relevant economic statistics for the Shire demonstrate increasing employment opportunities, business activity, visitor numbers and population growth.
- » A growing number of collaborative private and public sector enterprise creation and development projects are observable.

Community

Goal:

Diverse and unique communities that are connected with the larger community in the common pursuit of an engaged, supportive, inclusive, creative and confident Shire.

Strategies:

- » *Strategy CO1:* Facilitate, encourage and enable self-sustainable community associations and volunteer groups to pursue their diverse aspirations.
- » *Strategy CO2:* Facilitate programs and support local social, cultural, artistic and community building initiatives.
- » *Strategy CO3:* Provide community facilities and services to encourage and enable participation in active and healthy lifestyles.
- » *Strategy CO4:* Promote and encourage community health and wellbeing through programs addressing environmental health, community safety issues, social cohesion and inclusiveness.
- » *Strategy CO5:* Facilitate the provision of programmes, activities and facilities which create opportunities for the Shire's youth to develop skills and pursue endeavours to equip them for life and enable them to make a valued contribution to the community.

Indicators of performance:

During the term of this Corporate Plan the following will be indicators that the key strategies are being pursued and progress toward the goal is being achieved.

- » A comprehensive directory of community organisations and volunteer groups active in the Shire is compiled and demonstrates a wide and growing range of interests and capabilities for initiating and implementing programmes at community level.
- » A range of facilitative and support programmes are evident in Council's Operational Plans, demonstrating effective capacity building amongst community groups.
- » Community facilities and services provided by Council encourage accessibility across all geographic areas and community sectors within the Shire and regular reporting demonstrates growing use and high levels of satisfaction by users.
- » Relevant demographic statistics demonstrate levels of community health and safety comparing favourably with regional, state and national benchmarks.
- » A range of youth development and support programmes are evident in Council's Operational Plans, demonstrating effective engagement with and development of growth opportunities for young people in the Shire.

Governance

Goal:

An efficient, progressive, transparent and financially sustainable organisation which is responsive to the needs of the community through sound decision making and leadership.

Strategies:

- » *Strategy GO1:* Inform and empower the community through ongoing engagement and communication.
- » *Strategy GO2:* Develop strategic plans and policies to address local and regional issues and guide service provision.
- » *Strategy GO3:* Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk.
- » *Strategy GO4:* Provide transparent and accountable decision making reflecting positive leadership to the community.
- » *Strategy GO5:* Deliver customer focused and responsive services efficiently and effectively.

Indicators of performance:

During the term of this Corporate Plan the following will be indicators that the key strategies are being pursued and progress toward the goal is being achieved.

- » A comprehensive programme of ongoing community engagement is compiled and implemented with regular reports demonstrating growing levels of participation.
- » The range of strategic plans and policies to guide service provision is growing and demonstrates positive influence on delivery of outcomes.
- » A comprehensive resourcing strategy (human, physical and financial) has been compiled and guides all decision making toward financial sustainability and effective management of risk.
- » Results of regular community surveys demonstrate high satisfaction with the leadership and integrity of Council's decision processes and reporting from the Council's Complaints Management System reveals low levels of substantiated complaints.
- » Regular measurement demonstrates high conformance with agreed service delivery levels and standards across Council.
- » Council demonstrates business improvement and legislative compliance through periodic audits.

1.5 Services Provided to the Community

In accordance with the *Local Government Act 2009* Council must adhere to the Local Government Principles to ensure the system of local government is accountable, effective, efficient and sustainable.

The Local Government Principles are:

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

In general, Council has basic civic responsibilities to residents and ratepayers including:

- » Supporting local government elections;
- » Settling rates and preparing a corporate plan, operational plan, annual budget and strategic management plans for the Shire;
- » Maintenance of civic infrastructure including roads, footpaths, parks, public open spaces and stormwater drainage;
- » Supporting economic development and growth;
- » Provision of water supply, reticulated sewerage and waste collection and disposal services; and
- » Development planning and control including safety assessments.

Council provides two categories of services to the community; broadly defined as operational services or project-based services.

Operational services account for the bulk of Council services and deliver the core day-to-day business of Council to the community. The core activities of Council can be found within the Operational Plan and remain relatively consistent from year to year.

Project based services include short term and one off projects in addition to projects with a longer term focus that may eventually become part of Council's core business, and support particular needs of the community. In any given financial year the amount of available project funding is dependent on a number of factors including external funding opportunities, ongoing commitments by Council and Council's capacity to fund projects.

Project-based services are split between operating projects and capital projects. Capital projects include new, renewal or upgrade of Council assets. The extent of these services is summarised in section 4.9 of the Budget and Operational Plan.

The Budget and Operational Plan 2018-19 has been prepared with reference to Council's existing service levels. Council will undertake a thorough review of service level standards over the coming years, in consultation with the community, to ensure Council delivers services in accordance with community aspirations and capacity to pay.

1.6 Measuring Achievement of the Budget and Operational Plan

Regularly measuring performance is critical to the process of implementing the Budget and Operational Plan and ensuring best practice facilities and service delivery to residents and ratepayers. In addition to documenting the strategic drivers, actions and planned outcomes for the 2018-19 financial year, the Budget and Operational Plan will be used by Council as a basis against which organisational performance will be regularly monitored and reported.

Quarterly reports will be presented to Council to enable ongoing tracking of actual performance against planned projects, performance targets and achievement of stated outputs. In addition to monthly financial reporting, a quarterly review of actual results against the Annual Budget will be prepared to monitor the financial performance of Council. Annual organisational performance will be reported in Council's Annual Report.

Annual Operational Plan 2018-2019

Part Two

2.1 Annual Operational Plan 2018-19

The Operational Plan is a key strategic document that is developed and adopted with the annual budget. The Operational Plan captures key projects, and priorities to be actioned based on the outcomes of the Corporate Plan 2014-2019.

The Operational Plan 2018-19 sets the one-year direction for Council. It articulates Council's deliverables, areas of responsibility, addresses Council's risks and monitors the overall performance of Council.

Section 104(5)(a) of the *Local Government Act 2009*, identifies the annual Operational Plan as one of the key financial planning documents of Council. The annual Operational Plan is required to be prepared under Section 174(1) of the *Local Government Regulation 2012* and must be consistent with the annual Budget, showing how Council will progress the implementation of the five (5) year Corporate Plan and state how Council will manage its operational risks. Section 174(5) of the *Local Government Regulation 2012* requires Council to discharge its responsibilities in a way that is consistent with its annual Operational Plan.

The Operational Plan 2018-19 was prepared in response to achieving the outcomes of the Corporate Plan 2014-2019. The development process was undertaken in conjunction with the 2018-19 budget process in consultation with key Council staff.

This Operational Plan links the key initiatives to the strategic themes and strategies contained in the Corporate Plan. The Operational Plan 2018-19 breaks the organisation into business units. For each business unit the plan incorporates key projects and the significant key performance indications associated. Progress for the plan is reported to Council every quarter.

As well as the functional key performance indicators the following organisational key performance indicators have been identified:

1. Manage Councils budget in alignment with financial sustainability ratios
2. Provide a safe work environment for employees and encourage a proactive approach to Work Health and Safety
3. Ensure provision of quality innovative customer service to internal and external customers
4. Organisational Asset Management
5. Organisational Culture Development Program

Not all business units or functions are included specifically in the Operational Plan. The following areas work across the organisation:

- » Internal Audit provides an independent and objective assurance and advisory function for the organisation. In accordance with the Local Government Regulation, Internal Audit will follow an Annual Plan developed with consideration to organisational risk and provide reports to the Audit Committee and other key stakeholders on the overall activity of the functions and the results of reviews performed.
- » The Office of the CEO and Mayor plays a vital role in coordinating Councillors and Council meetings as well as the activities of the CEO and Mayor.

Operational Key Performance Indicators

2018-2019

Infrastructure Directorate

Budget 2018/19	
Category	\$
Operational Expenditure	370,708

Systems & Administration

Budget 2018/19	
Category	\$
Operational Expenditure	426,260

Community Assets

Budget 2018/19	
Category	\$
Capital Expenditure	2,971,750
Operational Revenue	6,721,000
Operational Expenditure	13,990,779
Corporate Plan strategies to be delivered:	
AM1 - Develop an innovative and integrated framework for long term, cost effective asset management	
Key Performance Indicator	Annual Target
Annual review of Asset Management Plans	100% reviewed (Roads, Water & Sewer, Fleet & Buildings) and updated
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Availability of online mapping functionality	97% uptime
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Key Performance Indicator	Annual Target
Plant Replacement - Annual asset renewals program achieved in accordance with replacement guidelines	90% achieved in accordance with replacement thresholds
Council business units have met minimum plant utilisation targets	70% of business units meeting target across all vehicles or plant
Deliver Capital Program for building assets and community facilities	Allocated capital projects delivered within +/- 5% of total projects adopted/revised budget
Delivery of maintenance program (Facilities and Fleet)	95% of maintenance requirements delivered

Construction & Maintenance

Budget 2018/19	
Category	\$
Capital Revenue	3,299,770
Capital Expenditure	27,719,899
Operational Revenue	2,863,205
Operational Expenditure	17,055,066
Corporate Plan strategies to be delivered:	
AM1 - Develop an innovative and integrated framework for long term, cost effective asset management	
Key Performance Indicator	Annual Target
Development of operational works program for roads and drainage infrastructure (2019/20)	Program of works 100% completed and entered into budget
Regularly inspect roads and drainage infrastructure and prioritise maintenance works	100% as per adopted inspection frequency
AM2 - Identify infrastructure and assets requirements through community consultation and technical expertise	
Key Performance Indicator	Annual Target
2019/20 to 2028/29 Capital projects relevant to the business unit are identified and submitted for inclusion into the Corporate Project Register	100% complete prior to annual budget adoption
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Deliver roads and drainage capital works program	Allocated capital projects delivered within +/- 5% of total projects adopted/revised budget and 100% compliance with funding agreement
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Deliver annual road and stormwater maintenance program	100% complete within budget
EN4 - Actively participate in conservation and enhancement programs to ensure the preservation of natural assets and identifiable built form	
Key Performance Indicator	Annual Target
Minimise impact on the environment of all construction and maintenance activities	Zero breaches

Engineering Services

Budget 2018/19	
Category	\$
Operational Revenue	5,500
Operational Expenditure	1,368,416
Corporate Plan strategies to be delivered:	
AM2 - Identify infrastructure and assets requirements through community consultation and technical expertise	
Key Performance Indicator	Annual Target
Inspect assets 'to be contributed' at hold points identified in development Decision Notice	100% of inspections complete
AM3 - Design and implement practical infrastructure solutions	
Key Performance Indicator	Annual Target
Designs completed for projects in the Forward Works Program	95% of applications received responded to
EN1 - Apply environmentally responsible land use planning to balance environmental and development outcomes	
Key Performance Indicator	Annual Target
Development Applications responded to within statutory timeframes	10 completed and construction ready per annum

Infrastructure Planning & Design

Budget 2018/19	
Category	\$
Capital Revenue	2,353,350
Capital Expenditure	5,156,700
Operational Revenue	2,000
Operational Expenditure	902,193
Corporate Plan strategies to be delivered:	
AM2 - Identify infrastructure and assets requirements through community consultation and technical expertise	
Key Performance Indicator	Annual Target
Review Adopted Infrastructure Charges Resolution (AICR) No.3 and Schedule of Trunk Works	Adopted Infrastructure Charges Resolution (AICR) No.4

Infrastructure Project Management

Budget 2018/19	
Category	\$
Capital Revenue	2,560,000
Capital Expenditure	2,750,000
Operational Expenditure	140,588

Corporate Plan strategies to be delivered:

AM3 - Design and implement practical infrastructure solutions

Key Performance Indicator	Annual Target
Comprehensive project budget estimates are prepared for planning, project delivery and construction management, including contingencies	Allocated capital projects delivered within +/- 5% of total projects adopted/revised budget
Projects are delivered within established timeframes	90% of preconstruction and construction activities are completed within the project program milestones

Water & Waste

Budget 2018/19

Category	\$
Capital Expenditure	300,000
Loan Redemption	2,214,558
Operational Revenue	34,232,918
Operational Expenditure	32,003,665

Corporate Plan strategies to be delivered:

AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community

Key Performance Indicator	Annual Target
Provision of safe and reliable water supply	98% of samples taken to be compliant with Drinking Water Quality Management Plan
Provision of reliable sewerage service	95% of Sewerage Treatment Plant discharges to comply with environmental authority requirements
Management of trade waste discharges to sewer	Trade waste approvals for 100% of relevant businesses operating

EN3 - Minimise impact on the natural environment through effective waste management and pollution control policies and programs

Key Performance Indicator	Annual Target
Waste and recycling service delivered across the shire	98% of bins for new services provided within 4 days of receipt of customer request and 100% of missed services rectified within 2 days
Implementation of Waste Reduction and Recycling Plan	2 community education/awareness activities

Office of the CEO & Mayor

Budget 2018/19

Category	\$
Operational Expenditure	1,547,222

Internal Audit

Budget 2018/19	
Category	\$
Operational Expenditure	201,980

Finance & Business Excellence

Budget 2018/19	
Category	\$
Operational Revenue	183,500
Operational Expenditure	4,455,109

Corporate Plan strategies to be delivered:

GO2 - Develop strategic plans and policies to address local and regional issues and guide service provision

Key Performance Indicator	Annual Target
Develop and implement a service review framework	Coordinate and conduct 4 service reviews in accordance with the approved service review framework
Implementation of business unit planning for all business units to capture forward planning and business as usual activities	100% completed (for all Units)
Organisational project management capability	Project Management training and development programs delivered in the organisation

GO3 - Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk

Key Performance Indicator	Annual Target
2017-18 financial audit completed on program, with unmodified audit opinion	Unqualified external audit opinion on 2017-18 General Purpose Financial Statements
Sustainable financial position maintained	Strategic Financial Plan
Develop and implement a whole-of-organisational approach to quality assurance	Formal improvement framework established
Review of Council's Risk Management Framework	Undertake a Risk Management Maturity Assessment
Procurement Transformation Program	Program of improvement initiatives delivered as per approved project baseline
Development of Annual Procurement Plan	60% of total purchasing spend occurs under a buying arrangement
Debt recovery actions undertaken in accordance with Council policy and in a responsible manner to minimise outstanding balances with Council	<5% bi-annually rates outstanding as a percentage of rates levied, prior to six monthly rates billing 50% of invoices paid within 60 days (14/15 18%, 15/16 23%, 16/17 30%)

GO4 - Provide transparent and accountable decision making reflecting positive leadership to the community

Key Performance Indicator	Annual Target
Compliance with statutory and corporate requirements for Council meetings and decision making	Implementation of Phase 1 online legislative compliance software and Implementation of authorisations and delegations software

Develop and deliver a procurement and contract management training and development program	Training program delivered
Develop and implement a project governance framework	Project Portfolio Management system and reporting
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Validate Council can continue business operations in the unlikely event of an event impacting the organisation	Successful test of Business Continuity Plans

ICT Services

Budget 2018/19	
Category	\$
Capital Expenditure	237,000
Operational Expenditure	3,848,886
Corporate Plan strategies to be delivered:	
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Develop and implement appropriate Service Level Agreements for customer requests	100% complete
ICT Services Applications are available, secure and up-to-date	100% of ICT Applications are updated in accordance with patching Service Level Agreements
ICT Improvement Initiatives are identified and scheduled for implementation	100% of Improvement Initiatives are assessed and actioned
	Server and Storage uptime to be \geq 98% uptime
ICT Services will provide a resilient, scalable and high performing platform for the delivery of IT services	Successful delivery of Server and Storage Upgrade
	Successful delivery of 10G Networking across Council
AM1 - Develop an innovative and integrated framework for long term, cost effective asset management	
Key Performance Indicator	Annual Target
Develop Asset Management Plans for all ICT assets	100% complete

People and Culture

Budget 2018/19	
Category	\$
Operational Revenue	4,500
Operational Expenditure	2,194,890
Corporate Plan strategies to be delivered:	
GO3 - Pursue financial sustainability through effective use of the Council's resources and assets and prudent management of risk	
Key Performance Indicator	Annual Target
Annual Performance Reviews for Internal Staff	90% completed
Facilitate Compliance Training for all Council employees	100% of staff compliant with position requirements
Comply with Local Government WorkCover Self Insurance Audit	75% compliance achieved
Regular review of Safe Work Method Statements	80% reviewed, updated and endorsed
Workplace Hazard Inspections	90% completed to schedule per quarter
Develop Workforce Plan and identify key strategies and actions	100% complete
Development of Leadership Program	100% complete
Asbestos Health Monitoring Programme	100% complete
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Approved Recruitment of Vacancies	100% completed within 30 working days of position closing date
Implement online recruitment program	100% complete

Liveability & Wellbeing Directorate

Budget 2018/19	
Category	\$
Operational Expenditure	632,869
GO2 - Develop strategic plans and policies to address local and regional issues and guide service provision	
Key Performance Indicator	Annual Target
Livingstone Shire Whole of Community Plan	The Whole of Community Strategic Plan completed that provides a blueprint for sustainability, developing a practical sustainable growth management strategy with a focus on improving quality of life, future focused and adaptable to changing circumstances

Community Wellbeing

Budget 2018/19	
Category	\$
Capital Revenue	1,625,000
Capital Expenditure	6,370,000
Operational Revenue	1,578,993
Operational Expenditure	8,056,192
Corporate Plan strategies to be delivered:	
AM4 - Operate, maintain and use Council assets to deliver efficient and cost effective service to the community	
Key Performance Indicator	Annual Target
Manage Council's property portfolio	100% of tenures issued in accordance with relevant legislation; Zero deficiencies in Councils process identified by external stakeholders; Breaches of Council tenure actioned within 5 days; Breaches rectified by client within 2 weeks of notification from Council
CO1 - Facilitate, encourage and enable self-sustainable community associations and volunteer groups to pursue their diverse aspirations	
Key Performance Indicator	Annual Target
Provide a broad range of opportunities for volunteers	Growth in number of new volunteers; Duration of volunteership (hours, years of service); Area of land maintained and number of new sites established
CO2 - Facilitate programs and support local, cultural, artistic and community building initiatives	
Key Performance Indicator	Annual Target
Delivery of community development programmes which build the capacity of Livingstone's community	100% compliance with Service Contracts (Strengthening Family Connections, Community Centre, Livingstone Loop (Emu Park and other communities) and adherence to funding agreements
CO4 - Promote and encourage community health and wellbeing through programs addressing environmental health, community safety issues, social cohesion and inclusiveness	
Key Performance Indicator	Annual Target
Maintain open spaces	Park maintenance service standards 100% achieved and 100% of works up to date
CO5 - Facilitate the provision of programmes, activities and facilities which create opportunities for the Shire's youth to develop skills and pursue endeavours to equip them for life and enable them to make a valued contribution to the community	
Key Performance Indicator	Annual Target
Plan and deliver capacity building sessions / workshops to community organisations	4 per annum
GO4 - Provide transparent and accountable decision making reflecting positive leadership to the community	
Key Performance Indicator	Annual Target
A Local Disaster Management Group and Local Disaster Co-ordination Centre staff who are trained and prepared for events	100% compliance with the <i>Disaster Management Act 2003</i> and the Inspector General Emergency Management Framework and Get Ready initiatives implemented in accordance with funding agreement

EN2 - Recognise and understand the various eco-systems of the Shire to encourage their sustainable use and appreciation through appropriate accessibility	
Key Performance Indicator	Annual Target
Deliver projects to repair or restore native ecosystems	5 projects per annum

Community Engagement

Budget 2018/19	
Category	\$
Operational Revenue	400,000
Operational Expenditure	4,006,684
Corporate Plan strategies to be delivered:	
GO1 - Inform and empower the community through ongoing engagement and communication	
Key Performance Indicator	Annual Target
Ensure provision of quality innovative customer service to internal and external customers	95% accuracy with distribution of customer request to other areas of the organisation; 80% of Average Handling Times to be under 340 seconds and Annual increase of 10% users of Council's Online Services Portal
Establish organisational Community Engagement Register	Register 100% developed, implemented and functioning
GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Develop a Records Management Strategy	Strategy 100% complete
Complete and implement deliverables of the Channel Management Strategy	100% of deliverables complete
Maintain compliant and effective Record Management practices at all times with overall goal of digitisation	10% reduction in costs associated with storage
Partner with internal peers to develop a website that reflects the desires of the organisation and the evolving community	50% of project scope completed
Completion of Library Service Review	Service review 100% completed and recommendations within review adopted
Provide effective monitoring regarding delivery and approval processes for Event Management and Sponsorship	80% completion achieved with post event and sponsorship evaluation surveys
EC3 - Promote Livingstone Shire as a desirable destination for investment, business, industry, tourism and living	
Key Performance Indicator	Annual Target
Utilise marketing channels to successfully support and promote the region as a destination for business, tourism and lifestyle	Develop and implement 4 dynamic marketing plans per annum which promote Council services, tourism and our economy

CO2 - Facilitate programs and support local, cultural, artistic and community building initiatives	
Key Performance Indicator	Annual Target
Provide quality social inclusion and participation activities that cater to the diversity of the community	10% increase in library membership per annum and 10% annual participation increase at all Library and Cultural Events
Assist with the development of an Event Management Strategy	100% completion of business unit tasks required

Liveability

Budget 2018/19	
Category	\$
Operational Revenue	1,651,300
Operational Expenditure	3,954,391

Corporate Plan strategies to be delivered:

EN1 - Apply environmentally responsible land use planning to balance environmental and development outcomes	
Key Performance Indicator	Annual Target
Building and plumbing certification services comply with statutory requirements	100% of building and plumbing approvals determined within 10 business days from the commencement of the decision stage and Peer review of 12 building and plumbing approvals per annum
Development assessment services comply with statutory requirements	85% of development related approvals determined within twenty-five (25) business days. Note statutory period is thirty-five (35) business days
Planning scheme complies with legislative requirements and Council's growth management objectives	Livingstone Planning Scheme 2018 reviewed and 100% of relevant amendments initiated

GO2 - Develop strategic plans and policies to address local and regional issues and guide service provision	
Key Performance Indicator	Annual Target
Strategies are developed through the QCoast2100 programme to address the potential impacts of coastal hazards	100% compliance with funding agreement
Climate Change mitigation and adaptation strategies adopted and embedded into Council's mainstream operations	1 organisational carbon strategy produced and Governance Framework established for the organisation to address climate change

GO5 - Deliver customer focused and responsive services efficiently and effectively	
Key Performance Indicator	Annual Target
Building and plumbing certification services are client connected and outcome driven	100% of building and plumbing related customer requests responded to within two business days and 95% customer satisfaction

Development assessment services are client connected and outcome driven	100% of development related customer requests responded to within 2 business days; 95% customer satisfaction and 100% of development applications considered by the Development Control Unit within 5 business days
Environmental health services are client connected and outcome driven	100% of environmental health related customer requests are responded to within 2 business days
Pest and vector services are client connected and outcome driven	100% of pest weed contracts completed within contractual time frames and 100% of pest and vector related customer requests are responded to within 2 business days
Local law services are client connected and outcome driven	100% of local law related customer requests responded to within 2 business days and proactive patrols undertaken
Building and plumbing compliance services are client connected and outcome driven	100% of building and plumbing compliance complaints are responded to within 2 business days
CO4 - Promote and encourage community health and wellbeing through programs addressing environmental health, community safety issues, social cohesion and inclusiveness	
Key Performance Indicator	Annual Target
Undertake development compliance services	100% of development compliance complaints are risk rated in accordance with Council's Risk Based Land Use Compliance Policy
Environmental health services comply with statutory requirements	100% of food licence/permit applications completed in accordance with legislative requirements and 95% of food licence audits to be completed annually
Environmental health compliance activities are undertaken in accordance with Council's Risk Based Land Use Compliance Policy	100% of relevant environmental health compliance complaints are risk rated in accordance with Council's Risk Based Land Use Compliance Policy
Vector breeding locations identified and managed to reduce potential impacts on the community	100% of permanent vector control sites monitored weekly and 20 vector surveys undertaken each month between 1 October 2018 and 31 May 2019
Local law services comply with statutory requirements	100% of local law renewals completed within legislative or policy timeframes; 100% of licence/permit applications processed within 10 days and 2 local laws 'Work Instructions' reviewed for effectiveness
Building and plumbing compliance activities are undertaken in accordance with Council's Risk Based Land Use Compliance Policy	100% Building and Plumbing/Compliance complaints are risk rated in accordance with Council's Risk Based Land Use Compliance Policy and 5% of notifiable plumbing works (Form 4) audits are completed per annum

Economy & Places

Budget 2018/19	
Category	\$
Capital Revenue	497,000
Capital Expenditure	905,000
Operational Expenditure	1,255,846
Corporate Plan strategies to be delivered:	
EC1 - Identify and capitalise on economic opportunities for the benefit of the community	
Key Performance Indicator	Annual Target
Implement Invest Capricorn Coast Region Economic Development Plan	100% of year 2 actions implemented; 1 quarterly workshop held and attendance numbers recorded; Number of business contacts made/inquiries fielded; The Invest Capricorn Coast Leadership Alliance operating successfully; Successful grant applications and engagement with investors
EC2 - Facilitate, encourage and enable to establishment of businesses and industries and the retention, growth and diversification of existing businesses and industries in suitable locations	
Key Performance Indicator	Annual Target
Implement Capricorn Coast Smart Region Strategy (Yeppoon Town Centre Smart Lighting Project and Yeppoon Town Centre Smart Precinct Project)	90% of actions achieved
The Gateway Business and Industry Park	Achieve 3 land sales in Stages 1 and 2
EC3 - Promote Livingstone Shire as a desirable destination for investment, business, industry, tourism and living	
Key Performance Indicator	Annual Target
Capricorn Enterprise funding agreement established and yearly actions implemented	100% of year 1 actions complete
EC4 - Establish initiatives including partnerships with both government and the private sector to create enterprises and undertake projects that generate jobs, wealth creating opportunities and sustainable economic growth	
Key Performance Indicator	Annual Target
Leverage international partnerships to attract investment, progress export-readiness of local businesses and international education opportunities	Progress of the Friendship City Partnership with Yangzhong, Zhenjiang Prefecture in China; International Education Partnerships established and Australia Singapore Military Training Initiative and Shoalwater Bay Training Area Expansion realised
CO2 - Facilitate programs and support local, cultural, artistic and community building initiatives	
Key Performance Indicator	Annual Target
Yeppoon Place Making Strategy Year 2 initiatives implemented	90% of actions achieved

**Revenue & Rating Strategy
2018-2019**

Part Three

3.1 Revenue Policy

REVENUE POLICY (STATUTORY POLICY)

1. Scope

This Revenue Policy (this 'Policy') is effective from the date of Council's resolution and will apply for the financial period 1 July 2018 to 30 June 2019. The Council may, by resolution, amend its Revenue Policy for a financial year at any time before the year ends.

This Policy is Council's strategic Revenue Policy, and therefore sets out Council's strategic vision and attitude in relation to raising revenue. However, there are a range of administrative policies and arrangements that make up the total Council response to revenue management.

2. Purpose

The purpose of this Policy is to provide Council with a contemporary Revenue Policy that:

- a) Complies with legislative requirements in all respects; and
- b) Sets out the principles used by Council in the 2018-19 Financial Year for:
 - i) the making and levy of rates and charges;
 - ii) exercising its powers to grant rebates and concessions for rates and charges;
 - iii) recovery of unpaid amounts of rates and charges; and
 - iv) cost recovery.

3. References (legislation/related documents)

Local Government Act 2009

Local Government Regulation 2012

4. Definitions

To assist in interpretation, the following definitions shall apply:

CEO	<i>Chief Executive Officer</i> A person appointed under section 194 of the <i>Local Government Act 2009</i> , including a person acting in that position.
Council	Livingstone Shire Council.
LGA	<i>Local Government Act 2009</i> .
LGR	<i>Local Government Regulation 2012</i> .

5. Policy Statement

In accordance with the *Local Government Act 2009*, this Revenue Policy will be used in developing Council's budget for the financial period from 1 July 2018 to 30 June 2019.

Where appropriate, Council will be guided by the principles of equity and user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy.

This policy is prepared in accordance with section 104(5)(c) of the *Local Government Act 2009* and section 193 of the *Local Government Regulation 2012* which provides as follows:-

- (1) *A local government's revenue policy for a financial year must state—*
 - (a) *the principles that the local government intends to apply in the financial year for—*
 - (i) *levying rates and charges; and*
 - (ii) *granting concessions for rates and charges; and*
 - (iii) *recovering overdue rates and charges; and*
 - (iv) *cost-recovery methods; and*
 - (b) *if the local government intends to grant concessions for rates and charges—the purpose for the concessions; and*
 - (c) *the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.*
- (2) *The revenue policy may state guidelines that may be used for preparing the local government's revenue statement.*
- (3) *A local government must review its revenue policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.*

5.1 Making and Levying Rates and Charges

In making rates and charges, Council is required to comply with the requirements of Commonwealth and State legislation. Council will also have regard to the principles of:

- a) Equity by taking into account the actual and potential demands placed on Council, location and use of land, the unimproved and site value of land and the land's capacity to generate revenue;
- b) Transparency in the making of rates and charges;
- c) Having in place a rating regime that is simple and efficient to administer;
- d) National Competition Policy legislation where applicable (user pays);
- e) Clarity in terms of responsibilities (Council's and ratepayers') in relation to the rating process; and
- f) Timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist the smooth running of the local economy.

5.2 Granting Rebates and Concession for Rates and Charges

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

- a) Equity - by having regard to the different levels of capacity to pay within the local community;

- b) Transparency - by making clear the requirements necessary to receive concessions;
- c) Flexibility – to allow Council to respond to local economic issues;
- d) Impartiality – the same treatment for ratepayers with similar circumstances; and
- e) Responsiveness - by being aware of community expectations of what activities should attract assistance.

5.2.2 Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the Queensland Government.

5.3 Recovery of Unpaid Rates and Charges

Council will exercise its rates recovery powers pursuant to the provisions of Chapter 4, Part 12 of the *Local Government Regulation 2012*, in order to reduce the overall rate burden for ratepayers. It will be guided by the following principles:

- a) Transparency – by making clear the obligations of ratepayers, and the processes used by Council in assisting them to meet their financial obligations;
- b) Clarity and cost effectiveness – in the processes used to recover outstanding rates and charges;
- c) Equity – by having regard to the financial circumstances of different sectors of the community and providing the same treatment for ratepayers with similar circumstances; and
- d) Flexibility – by responding where necessary to changes in the local economy.

5.4 Payments in Advance

Council accepts payments in advance via lump sum or instalments. Interest is not payable on any credit balances held.

5.5 Principles Used for Cost-Recovery Fees

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

5.5.2 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 shire's rating base cannot subsidise the specific users or clients of Council's regulatory products and services.

5.6 Other Matters

5.6.1 Purpose of Concessions

Statutory capability exists for Council to rebate or defer rates in certain circumstances. In considering the application of concessions, Council will be guided by the principles set out in paragraph 5.2 of this policy.

5.6.2 Physical and Social Infrastructure Costs for New Developments

Council requires developers to pay reasonable and relevant contributions towards the cost of physical and social infrastructure required to support their development. Specific charges are set by the State Government pursuant to section 112 of the *Planning Act 2016* and section 52 and Schedule 16 of the *Planning Regulation 2017*.

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

5.7 Delegation of Authority

5.7.1 Authority for the implementation of the Revenue Policy is delegated by Council to the CEO in accordance with section 257 of the *Local Government Act 2009*.

5.7.2 Authority for the day-to-day management of the Revenue Policy is to be delegated by the CEO to the Chief Financial Officer.

6. Changes to this Policy

This Policy is to remain in force until otherwise amended/replaced by resolution of the Council or as required by legislation each year at the commencement of the annual budget process.

7. Repeals

This Policy repeals the former Livingstone Shire Council Policy titled 'Revenue Policy v6' adopted 3 July 2018.

CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER

3.2 Revenue Statement

REVENUE STATEMENT

1 July 2018 – 30 June 2019

The Livingstone Shire Council 2018–19 Revenue Statement has been drafted to comply with section 104(5) of the *Local Government Act 2009* and in accordance with sections 169(2)(b) and 172 of the *Local Government Regulation 2012*.

1. Overview

This Revenue Statement has been developed to outline:

- the rates and charges that will be levied in the 2018-19 financial year;
- the differential general rating categories which will be levied;
- a description of each rating category;
- special rates and charges that will be applied;
- concessions that will be granted for rates and charges;
- criteria for cost-recovery fees; and
- criteria used to determine charges for business activities.

Council will apply the principles set out in the Revenue Policy when making and levying rates and charges, granting concessions and recovering unpaid amounts.

2. Applicability

This Revenue Statement applies to the financial period from 1 July 2018 to 30 June 2019. It is approved in conjunction with the Budget as presented to Council.

It is not intended that this Revenue Statement reproduce all related policies. Related adopted policies will be referred to within the Revenue Statement where appropriate.

3. Rates and Charges (s 94 *Local Government Act 2009*)

For the financial year beginning 1 July 2018, Livingstone Shire Council will make and levy rates and charges. Rates and charges to be levied will include:

- a) Differential General Rates;
- b) Special Rates and Charges;
- c) Separate Charges, and
- d) Utility Charges for Water, Sewerage and Waste Management.

4. General Rates Rationale

Council calculates and levies rates and charges utilising the rateable value of the land. This valuation is set by the Department of Natural Resources each year. The general rate charged on each parcel of land may be determined by dividing the total income needed from general rates by the rateable valuation of lands. However, there is considerable diversity in the Shire in terms of land use and location (such as between the urban and rural areas), land values, access to, and actual and potential demands for services and facilities.

Council is committed to spreading the general rates burden equitably among categories and classes of ratepayers. This does not mean the general rate is levied on a “user pays system”. Instead, Council has designed the general rating system taking into account the following factors:

- The relative rateable value of lands and the general rates that would be payable if only one general rate were levied;
- The use of the land as it relates to actual and potential demand for Council services;
- Location of the land as it relates to actual and potential demand for Council services; and
- The impact of rateable valuations on the level of general rates to be paid.

6. **General Rates – Categories and Descriptions** (Chapter 4, Part 5, Division 1 *Local Government Regulation 2012*)

Council adopts Differential General Rating for the following reasons:

- Council is committed to spreading the general rates burden equitably;
- The use of a single general rate would not result in an equitable distribution of the rates burden among ratepayers;
- Certain land uses and locations of lands require and/or impose greater demands on Council services relative to other land uses and locations; and
- Valuation relativities between commercial/industrial, lands used for tourist facilities, rural, islands, urban, productive and residential uses, do not reflect the intensity of land use nor the actual or potential demands on Council services and facilities.

For the purpose of making and levying Differential General Rates, Council has resolved to categorise all rateable land in its area into categories specified in Schedule 1. The Council delegates to the Chief Executive Officer the power to identify the rating category applicable to each parcel of rateable land. In undertaking this task the Chief Executive Officer will be guided by the descriptions of each category. Further:

- The identifiers for the purpose of such categories are set out within each of the categories specified hereunder in the schedule;
- In applying those identifiers to the rateable land within its area, the Chief Executive Officer may have regard to the intention expressed in relation to the description determined in respect of each such category;
- The primary land use codes supplied by the Department of Natural Resources and Mines and recorded in Council's rating files, identify the principal uses of the land as the indicators of whether rateable land falls within a particular category (until otherwise decided or amended, those land use codes shall constitute the "land use codes" for rating and charging purposes, see Schedule 2);
- In cases where there are multiple land uses; the land will be categorised with reference to its primary economic use;
- Where information becomes available that the land use code provided by the Department of Natural Resources and Mines has been superseded or is incorrect, the property may be included in another rating category by reference to the actual land use of the property and the description adopted for that rating category; and
- Subdivisions have a primary Council land use code of 72 and will be placed into the general rating category in which they would normally be situated (prior to the discounted valuation – Site Value or Unimproved Value). The value of subdivisions will be discounted by 40% for rating purposes in accordance with section 50(2) of the *Land Valuation Act 2010*.

The terms 'UV', 'Unimproved Valuation' 'SV' and 'Site Valuation' refer to the unimproved valuation and Site Valuation assigned by the Queensland Department of Natural Resources and Mines for the applicable year of valuation.

7. **Link with other Council Plans**

Rates and Charges have been set with Council's Long Term Financial Forecast, Corporate Plan, Operational Plan and Asset Management Plans in mind. The alignment of these plans will ensure that Council is able to deliver the services at the level expected by the community and over the long term Council will be better equipped to deliver on the aspirations of each of

the communities in the region. Council's Operational Plan, Asset Management Plans and Budget are the mechanisms used to ensure that steps towards the delivery of the Long Term Financial Forecast are being made. It is Council's assessment that the Rates and Charges set in this Revenue Statement will generate revenue for Council that will deliver the Budget as set and the first steps toward the delivery of sustainable services as documented in the long term financial plan.

Commencing with the 2018-19 Budget Council will ensure that the funds required from rates for capital renewal and replacements is determined by reference to Council's asset management plans and asset management system. Council utilises a system which determines that timing of asset renewal and replacement based on condition assessments and the life of each asset.

8. Operating Capacity

Council's current budget and long term financial goal is to increase, where possible, the operating capability of Council. Council's position is to maintain a reasonable level of services across all activities and functions. Council plans to maintain, replace and upgrade infrastructure in line with the level of revenue raised and Council's asset management plans and systems.

Council policy is to:

- (i) replace plant and equipment in accordance with the Plant Replacement Program;
- (ii) maintain and upgrade the Regional Road Network;
- (iii) improve and upgrade Water Supply infrastructure;
- (iv) improve and upgrade Waste Water infrastructure;
- (v) maintain and upgrade other infrastructure; and
- (vi) maintain and improve the current level of services to residents.

The maintenance, upgrading and improvements to services and infrastructure will be based on current revenue levels and in accordance with the current borrowing policy.

Provisions

Council will ensure cash funds are available to cover 100% of the current liability in respect of Long Service Leave and Annual Leave and the pro-rata portion of the non-current Long Service Leave Entitlements payable upon a person ceasing employment with Council.

Depreciation Policy

In order to comply with the requirements of the *Local Government Act 2009* and *Local Government Regulation 2012*, Council will fund depreciation so as to reduce significant financial outlays required to replace existing assets. In determining the extent of depreciation funding Council will give consideration to the current needs of the Region. It is Council's intention to fund major infrastructure depreciation where the replacement of the asset could not be easily undertaken with funds obtained on a year-by-year basis. In particular, this relates to water and waste water assets, and plant and machinery. In relation to other assets Council will attempt to undertake works that are either of a capital or preventative major maintenance nature to the equivalent level of depreciation so as to maintain the existing value of the asset. This particularly applies to roads and buildings.

Application of the Code of Competitive Conduct

Council will be adopting and applying the Code of Competitive Conduct to the Water and Sewerage Operations, Waste Operations, Caravan Parks, and Building Certification business activities during the 2018-19 year.

National Competition Policy

In accordance with section 47 of the *Local Government Act 2009*, the Code of Competitive Conduct shall be applied for the 2018-19 financial year to all of Council's businesses. Pursuant to section 43 and section 44 of the *Local Government Act 2009*, the following Council

businesses when combined are over the limit set to be considered as a Type 2 Significant Business Activity (\$13.96 Million 2018-19):

- Water
- Waste Water (Sewerage)

The Public Benefit Assessment of the Water and Waste Water activity recommended that Council operate this part of Council's activities by application of the Full Cost Pricing methodology of pricing the Two Part Water Tariff. Council will apply the Competitive Neutrality Principle and attempt to set rates, fees and charges on the basis of Full Cost Pricing. The implementation of the business reforms are designed to make Council activities more transparent and accountable. An assessment of the 2018-19 Charges has been made to determine whether the charges are set at a level to recover full costs or are set at a full cost price level.

GENERAL RATING CATEGORIES 2018-19

Schedule 1

No.	Category	Description	Identifiers (Land Use Codes)
L1	Commercial/ Light Industry ≤\$400,000	Lands where the dominant use or intended use is commercial and light industrial purposes and the rateable valuation is \$400,000 or less.	1,4,6,7,10 to 49 and 72 (excl. lands in any other category).
L1A	Commercial/ Light Industry >\$400,000	Lands where the dominant use or intended use is commercial and light industrial purposes and the rateable valuation is greater than \$400,000.	1,4,6,7,10 to 49 and 72 (excl. lands in any other category).
L2	Retail Warehouse, Business/Shop ping Complex or Outdoor Sales	Lands where the dominant use or intended use is a retail warehouse, business/shopping complex, or outdoor sales with an area greater than 400m ² .	10,11,12,13,14,15,16,23,24,28,33, 35 inclusive and 36.
L2A	Major Shopping Centres with a floor area 0 – 10,000 sqm	Lands where the dominant use or intended use is a major shopping centre with onsite parking and a floor area of 0 – 10,000 sqm.	12 to 16 inclusive and 23.
L2B	Major Shopping Centres with a floor area 10,001 – 50,000 sqm	Lands where the dominant use or intended use is a major shopping centre with onsite parking and a floor area greater than 10,001 up to 50,000 sqm.	12 to 16 inclusive and 23.
L3	Heavy and Noxious Industry	Lands on the mainland where the purpose of use or intended use is a fuel dump or storage and oil refinery, heavy or general industry, or industry which emanates offensive noise, odour and dust and includes abattoirs.	31, 35, 37
L4	Island Commercial/ Industrial	Lands on the islands where the dominant use or intended use is commercial or light industrial.	1, 4, 6, 7, 10 to 49 (excl. lands in any other category).

L5	Extractive	Lands on the mainland where the purpose of use or intended use extracts minerals or other substances from the ground or other environments including related activities.	40
L6	Other Rural	Lands where the use or intended use is non-residential rural, agricultural or farming purposes.	60 to 63, 67 to 89 and 93 to 94 (excl. 72 or. Lands in any other category).
L6A	Beef Cattle Production 1	Lands where the use or intended use is Cattle Breeding, Grazing or Fattening and the rateable valuation is less than \$1,000,001.	64 to 66
L6B	Beef Cattle Production 2	Lands where the use or intended use is Cattle Breeding, Grazing or Fattening and the rateable valuation is greater than \$1,000,000.	64 to 66
L8	Major Tourism/Accommodation Facilities	All lands where the dominant purpose for which it is used or intended for use is that of Accommodation – Tourist Facilities and:- a) The land is used or intended for use commercially for that purpose; and b) The land is greater than 5ha. in area; and c) The accommodation capacity is greater than 100 rooms.	18
L9	Residential 1 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is less than \$125,001. (excl. lands in any other category).	1, 2, 6 and 72
L10	Residential 2 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is more than \$125,000 and less than \$225,001. (excl. lands in any other category).	1, 2, 6 and 72
L11	Residential 3 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant Land, and the rateable valuation is more than \$225,000 and less than \$500,001. (excl. lands in any other category).	1, 2, 6 and 72
L12	Residential 4 - Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, Owner Occupied or Vacant and:- 1. For Owner Occupied Land – the land has a rateable valuation more than \$500,000 and less than \$750,001; and 2. For Vacant land – the land has a rateable valuation more than \$500,000 and less than \$600,001. (excl. lands in any other category).	1,2,6 and 72
L13	Residential 5 - Owner Occupied	Lands where the dominant use or intended use is residential purposes, Owner Occupied, and the rateable valuation is more than \$750,000 and less than \$1,000,001. (excl. lands in any other category).	2 and 6
L14	Residential 6 - Owner Occupied	Lands where the dominant use or intended use is residential purposes, Owner Occupied, and the rateable valuation is more than \$1,000,000. (excl. lands in any other category).	2 and 6
L9A	Residential 1 -	Lands where the dominant use or intended use is residential	2 and 6

	Non Owner Occupied	purposes, not Owner Occupied, and the rateable valuation is less than \$125,001.	
L10A	Residential 2 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$125,000 and less than \$225,001.	2 and 6
L11A	Residential 3 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$225,000 and less than \$500,001.	2 and 6
L12A	Residential 4 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$500,000 and less than \$750,001.	2 and 6
L13A	Residential 5 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$750,000 and less than \$1,000,001.	2 and 6
L14A	Residential 6 - Non Owner Occupied	Lands where the dominant use or intended use is residential purposes, not Owner Occupied, and the rateable valuation is more than \$1,000,000.	2 and 6
L15	Large Residential 1 – Owner Occupied/Vacant Land	Lands, Owner Occupied or Vacant Land, used or intended for use for residential purposes, with a rateable valuation less than \$225,001:- <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. (excl. lands in any other category) 	1,2,4,5,6,72 and 94
L16	Large Residential 2 – Owner Occupied/Vacant Land	Lands, Owner Occupied or Vacant Land, used or intended for use for residential purposes, with a rateable valuation is more than \$225,000 and less than \$500,001:- <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. (excl. lands in any other category). 	1,2,4,5,6,72 and 94
L17	Large Residential 3 – Owner Occupied/Vacant Land	Lands where the dominant use or intended use is residential purposes, and having an area of 4000m ² or greater; or having an area of less than 4000m ² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² or greater; and:- <ol style="list-style-type: none"> 1. For Owner Occupied Land – the land has a rateable valuation more than \$500,000 and less than \$1,000,001; and 2. For Vacant Land - the land has a rateable valuation more than \$500,000 and less than \$600,001. (excl. lands in any other category). 	1,2,4,5,6,72 and 94
L18	Large Residential 4 – Owner Occupied	Lands, Owner Occupied used or intended for use for residential purposes, with a rateable valuation more than \$1,000,000 and less than \$10,000,001:- <ol style="list-style-type: none"> 1. Having an area of 4000m² or greater; or 2. Having an area of less than 4000m² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m² or greater. (excl. lands in any other category). 	2,5 and 6
L19	Large Residential 5 –	Lands, Owner Occupied used or intended for use for residential purposes, with a rateable valuation more than	2,5 and 6

	Owner Occupied	\$10,000,000:- 1. Having an area of 4000m ² or greater; or 2. Having an area of less than 4000m ² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² or greater. (excl. lands in any other category)	
L15A	Large Residential 1 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation is less than \$225,001: 1. Having an area of 4000m ² or greater: or 2. Having an area of less than 4000m ² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² or greater.	2,5 and 6
L16A	Large Residential 2 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$225,000 and less than \$500,001:- 1. Having an area of 4000m ² or greater; or 2. Having an area of less than 4000m ² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² or greater.	2,5 and 6
L17A	Large Residential 3 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$500,000 and less than \$1,000,001:- 1. Having an area of 4000m ² or greater; or 2. Having an area of less than 4000m ² within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² or greater.	2,5 and 6
L18A	Large Residential 4 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use is for residential purposes, with a rateable valuation more than \$1,000,000 and less than \$10,000,001:- 1. Having an area of 4000m ² or greater; or 2. Having an area of less than 4000m ² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² or greater.	2,5 and 6
L19A	Large Residential 5 – Non Owner Occupied	Lands, Non Owner Occupied, used or intended for use for residential purposes, with a rateable valuation more than \$10,000,000:- 1. Having an area 4000m ² or greater; or 2. Having an area of less than 4000m ² but located within a Council planning scheme zone or precinct with a preferred minimum lot size of 4000m ² .	2,5 and 6
L21	Flats and Strata (residential) – Owner Occupied	Lands that are part of a community title scheme or a parcel of land for two or more self-contained dwellings (including flats, & secondary dwellings), and the dominant use or intended use is residential purposes, and dwelling/s is/are Owner Occupied. (excl. lands in any other category)	3, 8 or 9
L21A	Flats and Strata (residential) – Non Owner Occupied	Lands that are part of a community title scheme or a parcel of land for two or more self-contained dwellings (including flats, & secondary dwellings), and the dominant use or intended use is residential purposes, and dwelling/s is/are not Owner Occupied.	3, 8 or 9
L22	Strata (commercial/ industrial)	Lands that are part of a community title scheme, and the dominant use or intended use is commercial or industrial purposes.	8 or 9

L23	Strata >500sqm – Owner Occupied / Vacant Land	All land in a Community Title Scheme where the dominant use or intended use is for residential purposes, Owner Occupied or Vacant Land, and the individual lot size is not less than 500sqm.	8 or 9
L23A	Strata >500sqm - Non Owner Occupied	All land in a Community Title Scheme where the dominant use or intended use is for residential purposes, not Owner Occupied, and the individual lot size is not less than 500sqm.	8 or 9
L24	Vacant land >\$600,000	Vacant land where the valuation is greater than \$600,000.	1, 4 and 72
L26	Special uses	Lands on the mainland where the dominant use is non-commercial in nature and the land is used or intended to be used for social and community welfare, defence or education purposes.	21, 50 – 59, 92, and 96 – 100
L27	Other	All lands not included elsewhere. Including but not limited to Transformers, Stratum, and Reservoirs, Dams and Bores.	90, 91 and 95 or not elsewhere categorised.

Objections to Rate Category Classification

A landowner may object:

- a) only to the categorisation of the land; and
- b) on the sole ground that, having regard to the description decided by Livingstone Shire Council by which rateable land is categorised, the land should have been included, as at the date of issue of the relevant rate notice, in another rating category.

The objection must be made by giving notice of the objection to the Chief Executive Officer, Council's nominated Rating Decision Maker.

The official objection form is available at Council's Customer Service Centres or alternatively can be downloaded from Council's website: www.livingstone.qld.gov.au.

The notice of the objection must:

- 1) be given on the approved form within 30 days after the date of issue of the rate notice or any further period allowed by Livingstone Shire Council;
- 2) be addressed to The Chief Executive Officer, Livingstone Shire Council, PO Box 2292, Yeppoon QLD 4703;
- 3) nominate the rating category in which the owner claims the land should have been included; and
- 4) specify the facts and circumstances on which the claim is based.

On receipt of an objection the Chief Executive Officer or delegated officer will, within 60 days after the end of the period within which the objection had to be made:

- 1) consider the categorisation of the land;
- 2) consider the facts and circumstances on which the claim is based;
- 3) decide to:
 - allow the objection; or
 - disallow the objection; or
- 4) decide that the land should be included in another rating category; and
- 5) give written notice of the decision to the owner, stating the reasons for the decision.

If the owner is not satisfied with the decision an appeal may be started by filing a notice of appeal in the Land Court registry within 35 days after the owner received notice of the decision or failure, in a form approved by the Land Court.

Note that:

- the sole ground on which an owner may object is that Council has miscategorised the land with respect to the criteria for the category in which the land has been included as at the date of issue of the relevant rate notice;
- giving a notice of objection will not, in the meantime, affect the levy and recovery of rates (the rates as issued must be paid by the due date); and
- if an owner's land is included in another rating category because of the objection, an adjustment of rates will be made.

For the financial period from 1 July 2018 to 30 June 2019 the Differential General Rates and minimum general rates will be levied on the Differential General Rate categories as follows:

General Rating Categories

Category No.	Category	General Rate (cents in the Dollar of Rateable Value)	Minimum General Rate (\$)
L1	Mainland Commercial/Light Industry ≤\$400,000	1.8075	1,280
L1A	Mainland Commercial/Light Industry >\$400,000	1.9578	1,317
L2	Retail Warehouse, Business/Shopping Complex, or Outdoor Sales	2.0929	4,000
L2A	Major Shopping Centres with a floor area 0 – 10,000 sqm	2.4591	27,810
L2B	Major Shopping Centres with a floor area 10,001 – 50,000 sqm	3.1536	213,530
L3	Heavy and Noxious Industry	2.5187	2,948
L4	Island Commercial / Industrial	1.5114	2,000
L5	Extractive	6.7175	3,715
L6	Other Rural	1.2296	1,361
L6A	Beef Cattle Production 1	1.2160	1,361
L6B	Beef Cattle Production 2	1.1133	14,546
L8	Major Tourism/Accommodation Facilities	2.7832	147,289
L9	Residential 1 – Owner Occupied/Vacant Land	1.0700	669
L9A	Residential 1 - Non Owner Occupied	1.0918	682
L10	Residential 2 – Owner Occupied/Vacant Land	1.0165	1,338
L10A	Residential 2 - Non Owner Occupied	1.0373	1,365
L11	Residential 3 – Owner Occupied/Vacant Land	0.9639	2,295
L11A	Residential 3 - Non Owner Occupied	0.9823	2,341
L12	Residential 4 – Owner Occupied/Vacant Land	0.8582	4,816
L12A	Residential 4 - Non Owner Occupied	0.8757	4,914

L13	Residential 5 – Owner Occupied	0.8025	6,442
L13A	Residential 5 - Non Owner Occupied	0.8189	6,573
L14	Residential 6 – Owner Occupied	0.7501	8,026
L14A	Residential 6 - Non Owner Occupied	0.7654	8,190
L15	Large Residential 1 – Owner Occupied/Vacant Land	1.1368	731
L15A	Large Residential 1 - Non Owner Occupied	1.1760	756
L16	Large Residential 2 – Owner Occupied/Vacant Land	1.0833	2,558
L16A	Large Residential 2 - Non Owner Occupied	1.1207	2,646
L17	Large Residential 3 – Owner Occupied/Vacant Land	0.9783	5,420
L17A	Large Residential 3 - Non Owner Occupied	1.0120	5,607
L18	Large Residential 4 – Owner Occupied	0.7856	9,785
L18A	Large Residential 4 - Non Owner Occupied	0.8127	10,122
L19	Large Residential 5 – Owner Occupied	0.5499	78,561
L19A	Large Residential 5 - Non Owner Occupied	0.5688	81,270
L21	Flats and Strata (residential) – Owner Occupied	1.2139	741
L21A	Flat and Strata (residential) - Non Owner Occupied	1.2387	756
L22	Strata (commercial/industrial)	2.1081	1,280
L23	Strata >500sqm – Owner Occupied	2.6834	1,348
L23A	Strata >500sqm - Non Owner Occupied	2.7382	1,375
L24	Vacant land >\$600,000	2.3854	1,317
L26	Special uses	1.5571	2,181
L27	Other	1.9700	1,317

Minimum General Rates will not apply to land to which Sections 49-51 of the *Land Valuation Act 2010* applies.

9. Limitation on Rate Increase (Chapter 4, Part 9, Division 3 *Local Government Regulation 2012*)

Council has determined that it is not appropriate to apply limits to increases applicable to any of the Differential Categories identified in this Revenue Statement and will not be making a resolution to limit the increases in rates and charges for the current period.

10. Special Rates/Charges (s 94 *Local Government Act 2009*)

The charges are calculated on the estimated cost to Council of providing the services, Council will make and levy upon identified land pursuant to section 94 of the *Local Government Act 2009*, special charges to defray the expense it incurs in providing identified services or facilities, or engaging in identified activities because, the land or its occupiers has especially benefited, or will especially benefit from, or will have special access to the identified services, facilities or activities, or the occupier of the land or the use made or to be made of the land especially contributes to the need for the services, facility or activity. Revenue raised from these rates will only be used to fund the implementation program for the specific services, facilities or activities. Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to these charges.

Rural Fire Services Levy

Pursuant to section 128A of the *Fire and Emergency Service Act 1990* and section 94 of the *Local Government Act 2009*, Council make and levy special charge for the purpose of raising revenue for each Rural Fire Brigade as set out in the table below:

Keppel Group

Rural Fire Brigade	Levy 2018-19	Rural Fire Brigade	Levy 2018-19
Adelaide Park Road	\$40	Kunwarara	-
Barmoya	-	Marlborough	\$30
Belmont	\$80	Maryvale	\$40
Bondoola	\$45	Mt Gardiner	-
Bungundarra	\$70	Nankin	\$80
Byfield	\$25	Nerimbera	\$20
Canal Creek	-	Ogmore	-
Canoona	-	Rossmoya	-
Cawarral	\$50	Stanage Bay	\$25
Cooberrie	\$25	Stockyard Point	\$50
Coowonga	\$100	Tanby	\$50
Great Keppel Island	-	The Caves	\$100
Hidden Valley	\$60	Wattlebank	-
Jardine	\$30	Woodbury	\$60
Keppel Sands	\$50		

The rateable land to which the special charge will apply is land within the areas separately described on a map titled:

Keppel Group

'Rural Fire Brigade – Adelaide Park'	'Rural Fire Brigade – Kunwarara'
'Rural Fire Brigade – Barmoya'	'Rural Fire Brigade – Marlborough'
'Rural Fire Brigade – Belmont'	'Rural Fire Brigade – Maryvale'
'Rural Fire Brigade – Bondoola'	'Rural Fire Brigade – Mount Gardiner'
'Rural Fire Brigade – Bungundarra'	'Rural Fire Brigade – Nankin'
'Rural Fire Brigade – Byfield'	'Rural Fire Brigade – Nerimbera'
'Rural Fire Brigade – Canoona'	'Rural Fire Brigade – Ogmore'
'Rural Fire Brigade – Canal Creek'	'Rural Fire Brigade – Rossmoya'
'Rural Fire Brigade – Cawarral'	'Rural Fire Brigade – Stanage Bay'
'Rural Fire Brigade – Cooberrie'	'Rural Fire Brigade – Stockyard Point'
'Rural Fire Brigade – Coowonga'	'Rural Fire Brigade – Tanby'
'Rural Fire Brigade – Great Keppel Island'	'Rural Fire Brigade – The Caves'
'Rural Fire Brigade – Hidden Valley'	'Rural Fire Brigade – Wattlebank'
'Rural Fire Brigade – Jardine'	'Rural Fire Brigade – Woodbury'
'Rural Fire Brigade – Keppel Sands'	

Rural Fire Brigade Maps are available upon request from the Rural Fire Service, Queensland Fire and Emergency Services, Rockhampton Area Office.

The overall plan for each special charge is to fund the provision of fire prevention and firefighting services, facilities and activities by the rural fire brigades identified in the special charge table in the defined benefit areas.

The time for implementing the overall plan is twelve (12) months ending 30 June 2019. However, provision of rural firefighting services is an ongoing activity, and further special charges are expected to be made in future years.

The works and services specified in the overall plan will be carried out or provided during the financial year ending on 30 June 2019.

The estimated cost of implementing the overall plan (being the cost of planned works and replacement of capital items for the period) is \$235,285.

The special charge is intended to raise all funds necessary to carry out the overall plan.

The occupier/owner of the land to be levied with the special charge has specifically benefited, or will specifically benefit, from the implementation of the overall plan, comprising firefighting services, because the rural fire brigades are charged with firefighting and fire prevention under *the Fire and Emergency Services Act 1990* and whose services could not be provided or maintained without the imposition of the special charge.

North West Emu Park Sewerage Benefited Area – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council will make and levy a special charge for the provision of reticulated sewerage to North West Emu Park.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'North West Emu Park Sewerage Benefited Area' (see Attachment 1).

The service, facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure necessary for providing reticulated sewerage to North West Emu Park. The construction was completed during the Financial Year 2009-10, and there are no further works to be undertaken.

The cost of implementing the overall plan is \$2,377,000 (being the cost of infrastructure constructed).

The charge is to reimburse Council \$1,244,208 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the North West Emu Park Sewerage Scheme.

The funds have been raised per parcel to date:

2009-10	\$481.00
2010-11	\$478.00
2011-12	\$478.00
2012-13	\$478.00
2013-14	\$478.00
2014-15	\$478.00
2015-16	\$478.00
2016-17	\$478.00
2017-18	\$478.00

With the implementation of the North West Emu Park Sewerage Project, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the reticulation system of the Project. Other funding will include contributions by developers of land within the benefited area.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, which access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge shall apply per parcel for the duration of twenty (20) years commencing 1 July 2009. The charge being \$481 per parcel for the first year commencing 1 July 2009. The annual charge of \$478 per parcel will then apply for the remaining nineteen (19) years commencing 1 July 2010.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the North West Emu Park Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,264.03 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

Where the property is currently vacant land and there is a building application lodged or there is an application lodged to reconfigure the lot, the total amount outstanding would be required to be paid at the time of lodging the application.

All parcels within the ‘North West Emu Park Sewerage Benefited Area’ are now included within the Capricorn Coast Sewerage Service Area, and will incur, in addition to the above special charge, the Capricorn Coast Sewerage Scheme Charge.

Causeway Township Sewerage Benefited Area – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council will make and levy a special charge for the provision of reticulated sewerage to Causeway Township.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled ‘Causeway Township Sewerage Benefited Area’ (see Attachment 2).

The service, facility or activity for which the special charge is made is the construction and commissioning of sewerage infrastructure necessary for providing reticulated sewerage to Causeway Township. The works was completed during the financial year 2009-10, and there is no further works to be undertaken.

The cost of implementing the overall plan is \$850,000 (being the cost of infrastructure constructed).

The charge is expected to reimburse Council \$386,400 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Causeway Township Sewerage Scheme.

The funds have been raised per parcel to date:

2009-10	\$235.50
2010-11	\$468.00
2011-12	\$468.00
2012-13	\$468.00
2013-14	\$468.00
2014-15	\$468.00
2015-16	\$468.00
2016-17	\$468.00
2017-18	\$468.00

With the implementation of the Causeway Township Sewerage Project, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the reticulation system of the Project. Other funding will include contributions by developers of land within the benefited area.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, which access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge shall apply per parcel for the duration of twenty (20) years commencing 1 July 2009. The charge being \$235.50 per parcel for the first year commencing 1 July 2009. The

annual charge of \$468 per parcel will then apply for the remaining nineteen (19) years commencing 1 July 2010.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Causeway Township Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,492.86 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

Where the property is currently vacant land and there is a building application lodged or there is an application lodged to reconfigure the lot, the total amount outstanding would be required to be paid at the time of lodging the application.

All parcels within the 'Causeway Township Sewerage Benefited Area' are now included within the Capricorn Coast Sewerage Service Area, and will incur, in addition to the above special charge, the Capricorn Coast Sewerage Scheme Rate Charge.

Mulambin Sewerage Benefited Area – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council make and levy a special charge for the provision of reticulated sewerage to the identified part of Mulambin.

The rateable land to which the charge applies is every parcel of rateable land within the areas separately described on a map titled 'Mulambin Sewerage Benefited Area' (see Attachment 3).

The service, facility or activity for which the special charge is made is the construction and commissioning of trunk sewerage infrastructure necessary for providing reticulated sewerage to the Mulambin Sewerage Benefited Area. The works were completed during the financial year 2006-07, and there is no further works to be undertaken.

The cost of implementing the overall plan is approximately \$1,100,000 (being the cost of infrastructure constructed to the connection at Lammermoor). Contribution identified below is also apportioned towards the trunk infrastructure from Lammermoor back to the Yeppoon Sewerage Treatment Plant.

The charge is expected to reimburse Council \$145,314 of the funds expended on the project. Council funded the cost of construction of the sewerage reticulation infrastructure from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Mulambin Sewerage Scheme.

The funds have been raised per parcel to date:

2014-15	\$722.00
2015-16	\$722.00
2016-17	\$722.00
2017-18	\$722.00

With the implementation of the Mulambin Sewerage Project, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the reticulation system of the Project. Other funding will include contributions by developers of land within the benefited area.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because they will enjoy access to an efficient convenient and healthy system for the removal and treatment of sewerage, access to which would not have occurred if Council had not undertaken the project of constructing the sewerage reticulation infrastructure.

The charge shall be \$722 per annum for the balance of the ten (10) years per parcel commencing 1 July 2014.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Mulambin Sewerage Benefited Area – Special Charge on those assessments where the sum of \$3,640.29 is paid to Council by 30 August 2018 (which amount represents the 2018-19 per assessment cost to Council (excluding developer contributions and funding from other sources) of constructing and commissioning of the relevant sewerage infrastructure), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

Where the property is currently vacant land and there is a building application lodged or there is an application lodged to reconfigure the lot, the total amount outstanding would be required to be paid at the time of lodging the application.

All parcels within the 'Mulambin Sewerage Benefited Area' are now included within the Capricorn Coast Sewerage Service Area, and will incur, in addition to the above special charge, the Capricorn Coast Sewerage Scheme Rate Charge.

Muskers Beach Revetment Wall – Special Charge

Pursuant to section 94 of the *Local Government Act 2009*, Council make and levy a special charge for the provision of a Revetment Wall to protect the identified properties adjoining Muskens Beach; 22 Kennedy Street through to 48 Reef Street in Zilzie.

The rateable land to which the charge applies is every parcel of rateable land within the area separately described on a map titled 'Muskens Beach Revetment Wall Benefited Area' (see Attachment 4).

The service, facility or activity for which the special charge is made is the design and construction of a stacked sand filled geotextile container revetment wall necessary to provide protection against erosion of the properties by wave action. The works were completed during the financial year 2015-16, and there is no further work to be undertaken.

The cost of implementing the overall plan is approximately \$1,543,252 (being the cost of investigation, design and construction of the revetment wall).

The charge is expected to reimburse Council \$1,360,450 of the funds expended on the project. Council funded the cost of construction of the Muskens Beach revetment wall from its own revenue sources.

The annual implementation plan in 2018-19 comprises reimbursement to Council of part of the cost that it has incurred to construct the Muskens Beach revetment wall.

With the implementation of the Muskens Beach revetment wall, the Council has designated the area covered by the Project as a benefited area to enable the charging of a Special Charge to partially fund the costs of the construction costs of the Project.

The occupier of the land to be levied with the special charge has specially benefited, or will specially benefit, from the implementation of the overall plan, because the revetment wall construction to be funded by the special charge will provide an increased level of protection from adverse coastal processes such as storm surge and wave action. Protection which would not have occurred if Council had not undertaken the project of constructing the revetment wall infrastructure.

The charge shall vary from property to property in accordance with the length of property frontage adjacent to the wall. The annual charge per property will be applied for the balance of the fifteen (15) years per parcel from 1 July 2016 on the basis of \$192.56 per l/m of property frontage.

Council will, pursuant to section 121(a) of the *Local Government Regulation 2012*, grant a remission of the Muskens Beach Revetment Wall – Special Charge on those assessments that elect to make a lump sum payment (value available upon request on a per property basis) prior to the 30 August 2018 (the lump sum value is representative of the 2018-19 per assessment cost to Council), on the grounds that to require those ratepayers that elect to make this lump sum payment, to also pay the special charge constitutes hardship.

The combined charges for the entire Muskies Beach revetment wall benefited area shall equate to a total of \$95,305 for the financial year commencing 1 July 2018.

11. Separate Charges (s 94 *Local Government Act 2009*, Chapter 4, Part 8 *Local Government Regulation 2012*)

Council will make and levy pursuant to section 94 of the *Local Government Act 2009* separate charges to defray the expense it incurs in providing identified services or facilities or engaging in identified activities for the benefit of its local governed area. The charges are calculated on the basis of the estimated cost to Council of providing these services. Revenue raised from these charges will only be used to fund either all or part of the costs associated with the activities.

Council considers that the benefit of each service, facility or activity is shared equally by all parcels of rateable land, regardless of their value.

Road Network Separate Charge

Council will make and levy a separate charge to defray part of the cost of maintaining the road network within the region. Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Road Network Separate Charge will be \$548 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to this charge.

Natural Environment Separate Charge

Council will make and levy a separate charge to defray part of the cost of formulating and implementing initiatives for environmental protection, enhancement and conservation, including various waste management initiatives that contribute to these outcomes.

Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Natural Environment Separate Charge will be \$65 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to this charge.

Disaster Response Separate Charge

The total cost of natural disasters in Queensland is increasing at a significant rate, with this rise in cost, Local Government has a responsibility to ensure measures to mitigate, prepare, respond, recover and build community resilience are implemented. The State Governments 'Queensland Strategy for Disaster Resilience 2017' states Local Government has the responsibility for building community understanding and capability to manage risk and enhance community resilience.

Council will make and levy a separate charge that will assist in the support of the State Emergency Services including the ongoing cost of maintenance of facilities and emergency equipment so vital for our volunteers to assist the community. Secondly, provide mitigation strategies based on hazards and risks from disasters in the Livingstone Shire area as well as provide funding to recover from disaster events that impact our shire.

Council will make and levy the charge equally on all rateable land within the Livingstone Shire Council area.

The amount of the Disaster Response Separate Charge will be \$20 per annum per rateable assessment throughout the region.

Discount in accordance with section 130 of the *Local Government Regulation 2012* will not apply to this charge.

12. Utility and Service Charges (s 94 Local Government Act 2009)

Council will make and levy utility service charges, pursuant to section 94 of the *Local Government Act 2009*, for the financial year beginning 1 July 2018 on the basis of an equitable distribution of the burden on those who utilise, or stand to benefit from, the provision of the utility services.

Water

Water charges will be set to recover all of the costs associated with the provision of water services by Council in the financial year. These costs include loan interest, depreciation, the cost of ongoing maintenance and operation of the system including treatment plant operations and the provision of infrastructure. As the water and waste water functions are a Type 3 activity under the National Competition Policy requirements, the charges are also made to recover tax equivalents, return on investment and other competitive neutrality adjustments.

Subject to any express provision to the contrary Council will charge all land connected to its water supply or capable of connection to the supply, a two-part tariff for the period 1 July 2018 to 30 June 2019, comprised of:

- a graduated single tier access charge for land connected to Council's water supply, or capable of connection to the supply; and
- a multi-tiered consumption charge for residential users and a single tier charge for non-residential users.

The following additional policy is adopted in relation to access charges:

- a) The access charge for an individual residential community title lot will be the sum payable for a 20mm water meter connection, regardless of the true size of the connection to the lot itself or to the development of which it forms part;
- b) The access charge for premises that contain residential flats or more than one self-contained residential occupancies will be the sum payable for a 20mm water meter connection multiplied by the number of flats or individual self-contained residential occupancies upon the premises, regardless of the connection of a meter or the true size of the connection to the premises. This includes secondary dwellings which may or may not have an individual meter for each self-contained dwelling;
- c) To prevent doubt, a management lot in a staged residential community titles scheme is not a residential community title lot;
- d) The access charge for an individual commercial community title lot will be:
 - (i) if the size of the water meter at the boundary of the scheme land (i.e. the meter to which the property services to individual scheme lots connect) is not greater than 50mm, then the access charge per lot shall be the sum payable for a 20mm water meter connection; and
 - (ii) if the size of the water meter at the boundary of the scheme land is greater than 50mm, the standard non-residential access charges according to the meter size will apply.
- e) Combined Fire and General (Non-Firefighting) Connections - subject to an assessment by a suitably qualified hydraulic designer and evidence of such being presented to Council, the access charge for a combined fire and general connection may be reduced to the equivalent charge for the general component of the connection. For example, the general component of a warehouse with a 100mm combined fire and general connection may be that of a 20mm connection. In this instance, Council could approve an access charge based on a 20mm connection.

The following additional policy is adopted in relation to consumption charges:

- a) Where water is supplied to premises that comprise a residential flats development, the consumption volume allowed in each tier will be multiplied by the number of flats, or self contained dwellings upon the premises;

- b) Where water is supplied to premises that comprise a community titles scheme, and;
- (i) the supply to each individual lot in the scheme is not separately metered from the supply to each other lot and from the supply to the common property; or
 - (ii) the supply to each individual lot in the scheme is separately metered from the supply to each other lot but the supply to common property is not separately metered from the supplies to the lots;

Council will levy the consumption charges for the water supplied to the premises (the scheme) in a manner permitted by section 196 of the *Body Corporate and Community Management Act 1997*, namely;

- (i) Council will levy each lot-owner for a share of the supplied volume recorded by the water meter at the boundary of the scheme land, and that share will be equivalent to the ratio of the contribution schedule lot entitlement of the owner's lot to the aggregate of contribution schedule lot entitlements recorded in the community management statement for the community titles scheme; or
 - (ii) For a community titles scheme in which there is only a single schedule of lot entitlements rather than a contributions schedule and an interest schedule (i.e. a scheme that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act 1997*), Council will levy each lot-owner for a share of the supplied volume recorded by the water meter at the boundary of the scheme land, and that share will be equivalent to the ratio of the lot entitlement of the owner's lot to the aggregate of lot entitlements recorded in the building units plan or the group title plan of which the lot is part; or
 - (iii) Alternatively to levying the consumption charges on the basis of lot entitlement, Council may exercise its discretion to enter with the body corporate for a community titles scheme to which the *Body Corporate and Community Management Act 1997* applies an arrangement under which the body corporate accepts liability for the full consumption charge payable upon the supplied volume recorded on the water meter at the boundary of the scheme land, in which case Council will levy the body corporate for the full amount of the consumption charge and will make no separate levies against lots in the scheme.
- c) Where water is supplied to the common property of a community titles scheme, and that supply is metered separately from the water supplied to the individual lots in the scheme, Council will levy upon the body corporate the consumption charge for that water;
- d) Where more than one dwelling house is situated upon a single parcel of land (that is to say, the land the subject of a single valuation), Council will charge a separate two-part tariff for each dwelling house as if each were located upon a different, individually-valued parcel;
- e) Where a dwelling house is situated partly upon one parcel of land and partly upon another, Council will charge a single two-part tariff for supply to the building, and will levy the tariff against the parcel upon which the dominant portion of the house is situated. The dominant portion will be the portion of the house that has the greater floor area;
- f) The following provisions apply to premises serviced by a designated fire service:
- (i) Council will charge a separate two-part tariff for the service, in addition to the tariff/s it charges for any other water service connection/s to the land;
 - (ii) The access charge for the service will be determined upon the basis that the service connects to a 20mm water meter;
 - (iii) Standard consumption charges will apply unless Council resolves to discount the charge pursuant to this resolution;
 - (iv) The consumption charge will be, for a quarter for which the Queensland Fire and Rescue Service reports or verifies, or Council otherwise verifies, use of the service to fight a fire, either the standard consumption charge or that sum discounted by a percentage Council determines as appropriate;
 - (v) If the Queensland Fire and Rescue Service reports or verifies, or Council otherwise verifies, that the service was used during a quarter to fight a fire, and Council

determines after the end of that quarter that a discounted consumption charge was appropriate for the quarter, Council may credit against the next quarterly consumption charge the difference between the charge paid and the discounted charge determined as appropriate; and

- (vi) To prevent doubt, Council may determine that a 100% discount is or was appropriate.
- g) For non-licensed premises (ie premises for which there exists no liquor license) occupied or used by approved sporting bodies, or approved non-profit charitable organisations, Council will provide a remission in accordance with its remissions policy for access to Council's water supply, and water consumed from that supply will be charged at residential rates;
- h) Council will apply section 102 of the *Local Government Regulation 2012* to calculating water consumption charges against land or premises for which consumption charges were made and levied, so that:
 - (i) Regardless of whether the meter reading for the fourth quarter of the 2017-18 financial year occurs before the end of that calendar year or after the beginning of the 2018-19 financial year, the consumption charge for that quarter is calculated in accordance with the relevant basis of charge for the 2017-18 financial year; and
 - (ii) Regardless of whether the meter reading for the fourth quarter of the 2018-19 financial year occurs before the end of that financial year or after the beginning of the 2019-20 financial year, the consumption charge for that quarter is calculated in accordance with the relevant basis of consumption charge for the 2018-19 financial year.
- i) Council will apply section 102 of the *Local Government Regulation 2012* to the reading of water meters so that if a meter is due to be read on a particular day (e.g. the last day of a quarter) to enable Council to calculate a consumption charge to be levied, the meter will be deemed read on that particular day if it is read within 2 weeks before the day or 2 weeks after the day;
- j) The commencing water meter reading for a quarterly consumption charge cycle (i.e. a quarter plus or minus 2 weeks at the beginning and the end of the quarter) is the reading last recorded in a quarterly charge cycle, or, in the case of a new meter connection, the reading recorded on the day of connection;
- k) The minimum value of a debt required to raise a charge will be \$5.00. If the total charge on an Assessment is less than this amount, then the charges will not be raised and consequently a bill will not be issued. This charge is not raised at all and is effectively written off which will prevent the raising of small balances where the cost of administration, printing, postage and collection is greater than the revenue returned; and
- l) For the purposes of making and levying water charges the following definitions apply:
 - (i) An approved sporting body is an association of persons, incorporated or not, and whether an individual association or a member of a class of association, that Council accepts or approves by resolution as a body that benefits the community by organising and conducting a sporting activity or sporting activities and whose constitution prevents the distribution of its income and assets to its members;
 - (ii) An approved charitable organisation is an organisation incorporated or not, that Council accepts or approves by resolution as a charitable organisation, and whose constitution prevents the distribution of its income and assets to its members;
 - (iii) A community title lot is a lot in a community titles scheme;
 - (iv) A community titles scheme is a community titles scheme created under the *Body Corporate and Community Management Act 1997*, or is a development similar to such a scheme but that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act 1997* (e.g. a development created under the *Integrated Resort Development Act 1987*);
 - (v) A contribution schedule lot entitlement is an entitlement by that name, recorded in the community management statement (or analogous instrument) for a community titles scheme;

- (vi) A designated fire service is a water supply service to premises, specifically dedicated for use in fighting fires; and
- (vii) A flat is a self-contained residential unit or module that is not a community title lot; but (to prevent doubt) the expression does not include a bedroom in a boarding house.

Capricorn Coast Water Supply

For the financial period beginning 1 July 2018 a water supply charge will apply to all land in the Capricorn Coast Water Supply Area, either rateable or non-rateable, that is connected or capable of being connected whether occupied or not occupied, including residential and commercial users, and community title lots.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Capricorn Coast Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

Capricorn Coast Water Supply Scheme – Residential & Non-Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 652
25mm	\$ 1,018
32mm	\$ 1,668
40mm	\$ 2,606
50mm	\$ 4,072
65mm	\$ 6,882
75mm	\$ 9,398
80mm	\$ 10,693
100mm	\$ 16,290
150mm	\$ 36,652
200mm	\$ 65,158
Vacant Land	\$ 652

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Capricorn Coast Water Supply Area shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

Capricorn Coast Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

Capricorn Coast Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

The Caves and Marlborough Water Supply

A water supply charge will be levied for the financial period beginning 1 July 2018 upon all land within, and approved land outside, the Caves Water Supply Area and the Marlborough Water Supply Area to which water is supplied or capable of supply, whether rateable or non-rateable, occupied or not occupied.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of The Caves Water Supply Area and the Marlborough Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

The Caves & Marlborough Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 450
25mm	\$ 703
32mm	\$ 1,151
40mm	\$ 1,799
50mm	\$ 2,811
65mm	\$ 4,750
75mm	\$ 6,324
80mm	\$ 7,195
100mm	\$ 10,721
150mm	\$ 25,296
200mm	\$ 44,970
Vacant Land	\$ 450

The access charge for unoccupied land that is capable of connection to Council's water supply, will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Caves Water Supply Scheme Area shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

The Caves & Marlborough Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

The Caves & Marlborough Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

Nerimbera Water Supply

A water supply charge will be levied by Council for the financial period beginning 1 July 2018, on all land to which water is supplied or capable of supply whether rateable or non-rateable, whether occupied or not occupied in the Nerimbera Water Supply Area.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Nerimbera Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to the 30 June 2019 and will generally be levied on a half yearly basis.

Nerimbera Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 429
25mm	\$ 670
40mm	\$ 1,715
100mm	\$ 10,721
Vacant Land	\$ 429

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge detailed in the consumption charges table below will apply for all water consumed in the water period (year). This charge will apply to all properties located within the boundaries and approved properties outside the boundaries of the Nerimbera Water Supply Area. The water period (year) for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

Nerimbera Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

Nerimbera Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

Ogmore Water Supply

A water supply charge will be levied for the financial period beginning 1 July 2018 upon all land within, and approved land outside, the Ogmore Water Supply Area to which water is supplied, whether rateable or non-rateable, occupied or not occupied.

The access charge for all properties located within the boundaries, and approved properties outside the boundaries of the Ogmore Water Supply Area, will be as detailed in the water access charges table below per meter or per lot as appropriate for the period 1 July 2018 to 30 June 2019 and will generally be levied on a half yearly basis.

The Ogmore Water Supply Scheme – Non Residential & Residential Access Charges

Meter Size	Annual Charge
20mm	\$ 377.00
Vacant Land	\$ 377.00

The access charge for unoccupied land that is capable of connection to Council's water supply will be the sum payable for a 20mm residential water meter connection.

The consumption charge for all properties located within the boundaries and approved properties outside the boundaries of the Ogmore Water Supply Scheme Area shall be charged an amount per kilolitre as detailed in the consumption charges table below. The water period for the consumption charge will be for a period from 1 July 2018 to 30 June 2019 and billing will generally be in arrears on a quarterly basis.

The Ogmore Water Supply Scheme – Non Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
Single Tier	All consumption	\$1.99/kl

The Ogmore Water Supply Scheme – Residential Water Consumption Charges

Billing Tier	Kilolitres (kl) Per Meter	Charge per Kilolitre
1 st Tier	up to 75kl per quarter	\$0.87/kl
2 nd Tier	76kl to 150kl per quarter	\$1.34/kl
3 rd Tier	all usage greater than 150kl per quarter	\$2.71/kl

Sewerage

For the financial period beginning 1 July 2018 Council will make and levy a sewerage charge in respect of land within the Declared Sewerage Areas of Livingstone Shire to which the Council provides or is prepared to provide sewerage services, including areas to which such services are extended from time to time during the course of the financial year. Council will make and levy the charge whether the land is rateable or not and, whether the land is occupied or not.

The sewerage charge will be set to recover all of the costs associated with the provision of sewerage reticulation services provided by Council in the financial year. These costs include loan interest, depreciation and the cost of ongoing maintenance and operation of the system, including treatment plant operations.

For occupied land, whether rateable or not, charges for the twelve (12) months ended 30 June 2019 will be made and levied on the following basis:

- (i) Generally, a sewerage charge will be levied in respect of each water closet pedestal or urinal installed;
- (ii) However, for a single dwelling, residential unit, stables property or a property subject to a residential differential rate, only the first water closet pedestal will attract the normal sewerage pedestal charge;
 - The term single dwelling is to be given its ordinary meaning as a residential property used for ordinary domestic purposes and includes home office situations such as for example, where desk or computer work may be done, phone calls made or answered from within the premises for business purposes but where there are no more than 1 (one) non-resident employee on the premises and no significant external indicia to distinguish the premises from any other domestic residence; and
 - The term single dwelling does not include premises where a distinct externally visible business activity has been established.
- (iii) In the case of flats, the sewerage charge is calculated by multiplying the number of flats by the charge for the first water closet pedestal;
- (iv) In the case of Retirement Villages or Aged/Nursing Homes incorporating independent living accommodation, the sewerage charge will be levied on the first pedestal only in each independent living unit/cottage. Sewerage charges will be levied on a per pedestal/urinal basis for pedestals/urinals installed elsewhere at the Aged/Nursing Homes properties; and
- (v) For all other premises, the sewerage charge is calculated on the number of pedestals together with the number of urinals multiplied by the charge for the first water closet pedestal. For the purpose of this paragraph, each 1200mm of a continuous style urinal or part thereof will count as one urinal.

Where there is more than one dwelling house on a land parcel, charges shall apply as if each house were on a separate land parcel. Where there is more than one commercial or industrial building upon a land parcel, charges will apply as if each building were on a separate land parcel.

Where a building is used for more purposes than one, charges will be levied by reference to the dominant use of the building, determined by Council.

For properties within the Differential General Rating Category 6, 6(a) or 6(b) (Other Rural or Beef Production 1 or 2), the sewerage utility charge is levied on the same basis as residential properties, even though to be eligible the properties must be classified as commercial use properties.

For the purpose of these charges:

- a) A community titles lot is taken to be:
 - (i) a single dwelling if it is used wholly or predominantly as a place of residence; and
 - (ii) a non-dwelling property in any other case.
- b) A community title lot is a lot in a community titles scheme;
- c) A community titles scheme is a community titles scheme created under or by virtue of the *Body Corporate and Community Management Act 1997*, or is a development similar to such a scheme but that continues to be governed by the *Building Units and Group Titles Act 1980* rather than by the *Body Corporate and Community Management Act* (e.g. a development created under the *Integrated Resort Development Act 1987*); and
- d) A contribution schedule lot entitlement is an entitlement by that name, recorded in the community management statement (or analogous instrument) for a community titles scheme.

The sewerage charges will be those shown in the following tables:

Livingstone Shire Council Sewerage Scheme – Charges

Sewered Premises	Basis	Number of Charges
Private Dwelling/Residential Unit or Stables or property subject to rural differential rate.	Each Residence (regardless of number of pedestals)	1 Charge
Flats	Each Flat	1 Charge
Aged/Nursing Home Plus Aged/Nursing other fixtures	Each Unit/Cottage Each Pedestal/Urinal	1 Charge 1 Charge
Other Premises	Each Pedestal / 1200mm of Urinal or part thereof	1 Charge
Vacant Land	Each rateable property	1 Vacant Land Charge

For those properties in the Declared Sewerage Area, the annual charges as per the above schedule will be:

Declared Sewered Area	Amount of Charge	Amount of Vacant Land Charge
Capricorn Coast	\$ 796.00	\$ 756.00

Waste & Recycling

For the financial period beginning 1 July 2018, Council will make and levy the following utility charges:

Schedule of Waste Collection and Recycling Charges	
Service	Annual Charge
Domestic Services	
Combined Waste and Recycling Collection	\$491
Additional Collection – Waste	\$385
Additional Collection – Recycling	\$245
Ogmore - Waste Collection	\$243
Great Keppel Island - Combined Waste and Recycling Collection	\$600
Great Keppel Island - Additional Collection - Waste	\$440
Great Keppel Island - Additional Collection - Recycling	\$220
Commercial Services	
Waste Collection	\$402
Additional Collection – Waste	\$402
Recycling Collection	\$251
Additional Collection - Recycling	\$251
Ogmore - Waste Collection	\$243
Great Keppel Island - Combined Waste and Recycling Collection	\$600
Great Keppel Island - Additional Collection – Waste	\$440
Great Keppel Island - Additional Collection – Recycling	\$220

Services to be provided

- a) At its 6 February 2018 Meeting, Council adopted Designated Waste Collection Areas in which it may conduct collection services. At the same meeting, Council also adopted the following information for each Designated Waste Collection Area:
- (i) Types of general waste collection to be provided;
 - (ii) The standard general waste container (MGB) and the quantity to be provided per premises; and
 - (iii) The frequency of collection.

This information is located in the Waste Management Schedule which is appended to Council's Waste and Recycling Collection Policy.

- b) Collection services will be provided in accordance with the Waste Management Schedule.

Application of Waste Collection and Recycling Charges

- a) Waste Collection and Recycling Charges will only be applied to properties within the Designated Waste Collection Areas which have a structure that has the potential to generate general waste.
- b) If a property has one or more residential structures or units capable of separate occupation, the relevant Waste Collection and Recycling Charges (Domestic Services) will be levied for each structure or unit.

- c) Where a collection service is provided to a residence on a property within Category 6, 6(a) or 6(b) (Other Rural or Beef Production 1 or 2), the relevant Waste Collection and Recycling Charges (Domestic Services) will be levied.
- d) For newly constructed structures, the Combined Waste and Recycling Collection charge will be applied from the plumbing/building approval or delivery of the MGB, whichever occurs first.
- e) If a collection service is cancelled in accordance with 5.6 of Council's Waste and Recycling Collection Procedure, charges will not be levied.
- f) If there is more than one commercial operator on land capable of separate occupation, the owner will be charged the appropriate fee according to the quantity of collections provided.

Domestic Services Charges

<p>Combined Waste and Recycling Collection charge: provision of one waste MGB, one recycling MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Additional Collection – Waste and Additional Collection – Recycling charges: provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure. NOTE: to be provided on the same day as existing collection service</p>
<p>Ogmore - Waste Collection charge: provision of one waste MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Great Keppel Island - Combined Waste and Recycling Collection charge: provision of one waste MGB, one recycling MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Great Keppel Island – Additional Collection – Waste and Great Keppel Island – Additional Collection – Recycling charges: provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure. NOTE: to be provided on the same day as existing collection service</p>

Commercial Services Charges

<p>Waste Collection charge: provision of one waste MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Recycling Collection charge: provision of one recycling MGB and a collection service in accordance with the Waste Management Schedule.</p>
<p>Additional Collection – Waste and Additional Collection – Recycling charges: provision of additional collection services in accordance with 5.3 of Council's Waste and Recycling Collection Procedure.</p>

13. Cost Recovery Fees (s 97 Local Government Act 2009)

Section 97 states that Council may fix a cost recovery fee for any of the following:

- a) An application for, or the issue of, an approval, consent, license, permission, registration or other authority under a local government act;
- b) Recording a change of ownership of land;

- c) Giving information kept under a local government act;
- d) Seizing property or animals under a local government act; or
- e) Performing a function other than one mentioned in paragraphs (a) to (d), imposed upon Council under the *Building Act 1975* or the *Plumbing and Drainage Act 2002*.

The principles of Full Cost Pricing are applied in calculating all cost recovery fees of the Council where applicable, but the fees will not exceed the cost to Council of providing the service or taking the action for which each fee is charged.

Cost Recovery Fees are listed in Council's Register of Fees and Charges which was last adopted at Council's Meeting held on 5 June 2018.

14. Other Fees and Charges (s 262 Local Government Act 2009)

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

Business activity fees include but are not confined to the following: rents, plant hire, private works and hire of facilities.

15. Time for Payment (s 118 Local Government Regulation 2012)

Rates and utility charges referred to in this Revenue Statement shall generally be levied half yearly (billing periods beginning July/August and January/February) with the exception of water consumption which will be levied at quarterly intervals on a rolling basis. Such rates and utility charges shall be payable by the due date detailed on the rate notice.

All rates and charges issued will be due and payable within 35 days of the issue of a notice to pay.

16. Interest (s 133 Local Government Regulation 2012)

In accordance with the *Local Government Regulation 2012*, overdue rates will bear interest at the rate of seven (7) percent per annum compounded monthly, to be calculated from the end of the financial half year in which they fall due and charged at the end of each month or at such other time as required for the issuing of statutory notices.

17. Discount (s 130 Local Government Regulation 2012)

Discount at the rate of ten (10) percent will be allowed on gross Council rates and charges, excluding any charge specifically excluded from discount entitlement, provided payment of the full amount outstanding, including any overdue rates and interest to the date of payment, less any discount entitlement, is paid by the due date on original notice of the levy.

Charges excluded from discount entitlement include:

Rural Fire Levy

Emergency Services Levy

North West Emu Park Sewerage Benefited Area Special Charge

Causeway Township Sewerage Benefited Area Special Charge

Mulambin Sewerage Benefited Area Special Charge

Muskers Beach Revetment Wall – Special Charge

Water Consumption Charges

Natural Environment Separate Charge

Road Network Separate Charge

Disaster Response Separate Charge

18. Rate Concessions (s 121 *Local Government Regulation 2012*)

Council approves concessions each year prior to its budget meeting, in the form of the Rate Rebates and Remissions Policy. This will be adopted with the 2018-19 Budget. The main areas of concessions are as follows:

Pensioner Subsidy

For pensioner ratepayers of their principal place of residence, Council will offer a subsidy (upon the same terms and conditions as the Queensland Government Pensioner Rate Subsidy Scheme, a remission 20% (to a maximum of \$280) on all rates levied in respect of the property the person owns and occupies, excluding special rates/charges, water consumption charges, and rural and state fire levies/charges.

For ratepayers of their principal place of residence, a person in receipt of a Widow/ers Allowance will be entitled to a remission of twenty (20) percent (to a maximum of \$280) on all rates levied in respect of the property the person owns and occupies, excluding special rates/charges, water consumption charges, and rural and state fire levies/charges.

In both cases, the remission is offered on the basis that the ratepayers are pensioners (as defined by the *Local Government Regulation 2012*).

Permit to Occupy – Separate Charges

Council will grant a concession of all Separate Charges on those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the Separate Charges have been levied.

The concession is offered on the basis that the payment of the additional separate charge will cause the ratepayer hardship.

Permit to Occupy – General Rates

Council will grant a concession of up to \$600.00 in General Rates for properties on those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which General Rates have been levied.

The remission is offered on the basis that the payment of General Rates will cause the ratepayer hardship.

Sporting Clubs and Associations

Council will grant varied levels of concessions to charitable and other Non-Profit and Charitable Community Groups, including not-for-profit Sporting Bodies, in accordance with the provisions of the Rates Rebates and Remissions Policy.

The concessions are offered on the basis that the ratepayers are entities whose objectives do not include the making of a profit.

19. Authority

It is a requirement of the *Local Government Act 2009* that for each financial year Council adopt, by resolution, a Revenue Statement.

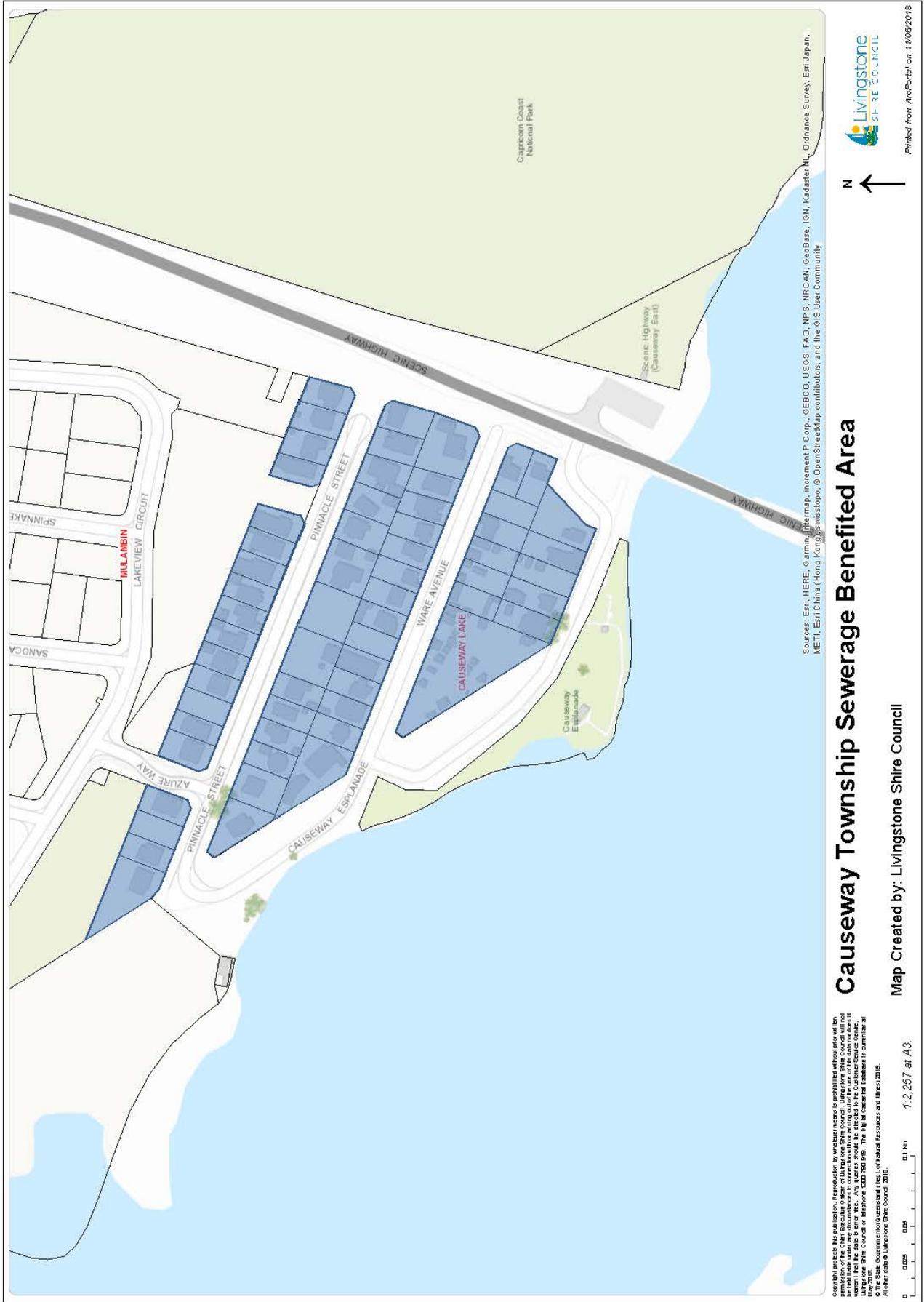
**CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER**

SCHEDULE 2 - Land Use Codes

- 01 Vacant Urban Land
- 02 Single Unit Dwelling
- 03 Multi Unit Dwelling (Flats, Bed & Breakfast)
- 04 Large Homesite – Vacant
- 05 Large Homesite – Dwelling
- 06 Outbuilding
- 07 Guest House/Private Hotel
- 08 Building Units
- 09 Group Titles
- 10 Combined Multi-dwellings/Shops
- 11 Shop-Single
- 12 Shops - Shopping Group (more than six shops)
- 13 Shops - Shopping Group - two to six shops
- 14 Shops - Main Retail (Central Business District)
- 15 Shops - Secondary Retail (Fringe Central Business District) presence of service industry
- 16 Drive in shopping centre
- 17 Restaurant
- 18 Special Tourist Attraction
- 19 Walkway
- 20 Marina
- 21 Residential Institutions (Non-medical care)
- 22 Car Parks
- 23 Retail Warehouse
- 24 Sales area outdoors (Dealers, boats, cars etc)
- 25 Professional Offices
- 26 Funeral Parlours
- 27 Hospitals, conv. Homes (Medical care) (Private)
- 28 Warehouse & Bulk Stores
- 29 Transport Terminal
- 30 Service Station
- 31 Oil depot & refinery
- 32 Wharves
- 33 Builders yards
- 34 Cold Stores - ice works
- 35 General Industry
- 36 Light Industry
- 37 Noxious/offensive industry (including Abattoir)
- 38 Advertising – Hoarding
- 39 Harbour Industries
- 40 Extractive
- 41 Child Care ex kindergarten
- 42 Hotel/Tavern
- 43 Motels
- 44 Nurseries (Plants)
- 45 Theatres cinemas
- 46 Drive-in Theatre
- 47 Licensed club
- 48 Sports clubs/facilities
- 49 Caravan Parks

50 Other Clubs (non business)
51 Religious
52 Cemeteries (incl Crematoria)
53 not allocated
54 not allocated
55 Library
56 Show Grounds/Racecourse/Airfield
57 Parks/Gardens
58 Educational incl Kindergarten
59 not allocated
60 Sheep Grazing – dry
61 Sheep breeding
62 not allocated
63 not allocated
64 Cattle Grazing – Breeding
65 Cattle breeding & fattening
66 Cattle fattening
67 Goats
68 Dairy Cattle - Milk-Quota
69 Dairy Cattle - no quota
70 Dairy Cattle – cream
71 Oil seeds
72 not allocated
73 Agriculture – Grains
74 Agriculture - Turf Farms
75 Sugar Cane
76 Tobacco
77 Cotton
78 Rice
79 Orchards
80 Tropical Fruits
81 Pineapples
82 Vineyards
83 Small Crops & Fodder – Irrigated
84 Small Crops & Fodder - non irrigated
85 Pigs
86 Horses
87 Poultry
88 Forestry & Logs
89 Animals Special
90 Stratum
91 Transformers
92 Defence Force Establishment
93 Peanuts
94 Vacant Rural Land (Excl. 1 & 4)
95 Reservoir, Dams, Bores
96 Public Hospital
97 Welfare home/institution
98 not allocated
99 Community Protection Centre

Attachment 1



Copyright notice: This publication, reproduction by whatever means is prohibited without prior written permission of the Chief Executive Officer of Livingstone Shire Council. Livingstone Shire Council will not be held liable for any errors or omissions in this publication. Any queries should be directed to the Chief Executive Officer of Livingstone Shire Council or telephone 1300 700 010. The Digital Content Database is available at www.livingstone.shire.qld.gov.au.
 © The State Government of Queensland (Dept. of Natural Resources and Mines) 2016.
 All other data Livingstone Shire Council 2016.

Scale: 0 0.025 0.05 0.1 km
 1:2,257 at A3

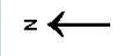
Map Created by: Livingstone Shire Council

Causeway Township Sewerage Benefited Area



Printed from ArcPortal on 11/05/2018

Sources: Esri, HERE, Garmin, DeLorme, StreetView, Microsoft, Bing, Mapbox, © OpenStreetMap contributors, and the GIS User Community



Attachment 4



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBasis, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community



Map Created by: Livingstone Shire Council

Copyright notice: This publication, reproduction by whatever means is prohibited without prior written permission. It is published under a Creative Commons Attribution-NonCommercial-ShareAlike license. For more information on this license, please visit <http://creativecommons.org/licenses/by-nc-sa/4.0/>. The map data is derived from Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBasis, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community.

1:4,514 at A3



3.3 Rates, Rebates and Remissions Policy

RATES, REBATES AND REMISSIONS POLICY (COMMUNITY POLICY)

1. Scope

The Rates, Rebates and Remissions Policy (this 'Policy') applies to any person, group or organisation seeking remissions for rates and/or utility charges.

2. Purpose

To identify target groups and establish guidelines to assess requests for rates and utility charge remissions in order to alleviate the impact of Local Government rates and charges, particularly in relation to not-for-profit/community organisations, ratepayers who are in receipt of an approved Government pension or land holders with approved Nature Refuge Agreements.

3. References (legislation/related documents)

Legislative reference

Local Government Act 2009

Local Government Regulation 2012

Related documents

Revenue Policy

Revenue Statement

4. Definitions

To assist in interpretation, the following definitions shall apply:

Council	Livingstone Shire Council.
---------	----------------------------

5. Policy Statement

Rate Remissions will be considered for the following categories of ratepayers, also noting that Council's prompt payment discount shall be calculated on gross rates prior to remission.

5.1 Approved Government Pensioners

Rate remissions/subsidies are available to approved pensioners who are in receipt of a pension for entitlements from Centrelink or the Department of Veterans' Affairs or Widow's allowance.

The Scheme is directed to the elderly, invalid or otherwise disadvantaged citizens of the community whose principal or sole source of income is a pension or allowance paid by Centrelink or the Department of Veterans' Affairs and who are the owners of property in which they reside and have responsibility for payment of Council rates and charges thereon.

5.1.1 Eligibility

Approved Pensioner, is a person who:

- a) Is and remains an eligible holder of a Queensland “Pensioner Concession Card” issued by Centrelink or the Department of Veterans’ Affairs, or a Queensland “Repatriation Health Card - For All Conditions” issued by the Department of Veterans Affairs; and
- b) Is the owner or life tenant (either solely or jointly) of the property which is his/her principal place of residence; and
- c) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property; or
- d) A person who is and remains in receipt of a Widow’s or Widower’s Allowance.

5.1.2 Close of Applications

Applications for remissions will be considered at any time during the rating period (i.e. half yearly). Applications received after the date of levy will be considered only from the commencement of the current rating period. Rebates will not be granted retrospectively without prior approval from the State Government Concessions Unit.

Applications must be made in writing using Council’s approved form and a new application will need to be submitted where a change of address occurs.

5.1.3 Amount of Remission

For an approved ratepayer, Council remissions will apply as per the Revenue Statement adopted by Council each year.

Should an applicant/person be entitled to only part of the State Subsidy, because of part ownership of the property, or other relevant reason, the Council remission would be similarly reduced.

5.2 Not-For-Profit/Charitable Organisations

Rate remissions are available to approved organisations whose objectives do not include the making of profit and who provide services to their membership and the community at large.

5.2.1 Eligibility

Not-For-Profit/Community Organisation, is an incorporated body who:

- a) Does not include the making of profit in its objectives;
- b) Does not charge a commercial fee for service;
- c) Is located within the Livingstone Shire Council area and the majority of its members reside in the Council area;
- d) Does not receive income from gaming machines and/or from the sale of alcohol in an organised manner (e.g. bar with regular hours of operation with permanent liquor license);
- e) Is the owner, lessee or life tenant of the property;
- f) The property is the incorporated body’s main grounds/base/club house or residence;
- g) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property;

- h) Is not a religious body or entity or educational institution recognised under State or Federal statute or law; and
- i) Is not a State and Federal entity whose activities are controlled or Governed by State or Federal statute or law.

Should an applicant only have part ownership of the property the Council remission would be similarly reduced.

5.2.2 Close of Applications

Eligibility for a remission will be assessed by Council on an annual basis prior to issue of the first rate notice each financial year (generally June/July). Organisations that are not automatically provided with a remission, and believe that they meet the relevant criteria, may apply for approval at any time. If an application is approved by Council, remissions will be applied from the beginning of the current rating period (remissions will not be applied retrospectively).

5.2.3 Amount of Remission

(a) Category One (1) – Surf Life Saving Organisations

- Remission Level General Rates – 100%
- Remission Level Road Network Separate Charge – 100%
- Remission Level Environment Levy Separate Charge – 100%
- Remission Level Disaster Response Levy – 0%
- Remission Level Special Rates/Charges – 0%
- Remission Level Water Access Charges – 100%
- Remission Level Water Consumption Charges – Charged at residential rates
- Remission Level Sewerage Charges – 100%
- Remission Level Waste Charges – 100%
- Cap – N/A

(b) Category Two (2) - Showground Related Organisations

- Remission Level General Rates – 100%
- Remission Level Road Network Separate Charge – 100%
- Remission Level Environment Levy Separate Charge – 100%
- Remission Level Disaster Response Levy – 0%
- Remission Level Special Rates/Charges – 0%
- Remission Level Water Access Charges – 50%
- Remission Level Water Consumption Charges – Charged at residential rates
- Remission Level Sewerage Charges – 50%
- Remission Level Waste Charges – 50%
- Cap – N/A

Identified Assessments

- 132506 65 Barmoya Road, THE CAVES
- 139271 65 Racecourse Road, BARMOYA
- 135459 26 Morris Street, YEPPOON

(c) Category Three (3) – Kindergartens

- Remission Level General Rates – 50%
- Remission Level Road Network Separate Charge – 50%
- Remission Level Special Rates/Charges – 0%

Remission Level Environment Separate Charge – 0%
Remission Level Disaster Response Levy – 0%
Remission Level Water Access Charges – 50%
Remission Level Water Consumption Charges – Charged at residential rates
Remission Level Sewerage Charges – 50%
Remission Level Waste Charges – 50%
Cap - \$ 1,000.00

(d) Category Four (4) – Charitable Organisations Benefiting the Aged/Disadvantaged

Remission Level General Rates – 100%
Remission Level Road Network Separate Charge – 100%
Remission Level Environment Levy Separate Charge – 100%
Remission Level Disaster Response Levy – 0%
Remission Level Special Rates/Charges – 0%
Remission Level Water Access Charges – 50%
Remission Level Water Consumption Charges – 0%
Remission Level Sewerage Charges – 50%
Remission Level Waste Charges – 50%
Cap - \$ 1,000.00 for Service Charges only

(e) Category Five (5) – Sporting Clubs & Associations – Without Liquor & Gaming Licenses

Remission Level General Rates – 100%
Remission Level Road Network Separate Charge – 100%
Remission Level Environment Levy Separate Charge – 100%
Remission Level Disaster Response Levy – 0%
Remission Level Special Rates/Charges – 0%
Remission Level Water Access Charges – 50%
Remission Level Water Consumption Charges – Charged at residential rates
Remission Level Sewerage Charges – 50%
Remission Level Waste Charges – 50%
Cap - \$ 2,000.00 for Service Charges only

(f) Category Six (6) – Sporting Clubs & Associations – With Liquor Licenses but No Gaming Licenses

Remission Level General Rates – 50%
Remission Level Road Network Separate Charge – 50%
Remission Level Environment Separate Charge – 0%
Remission Level Disaster Response Levy – 0%
Remission Level Special Rates/Charges – 0%
Remission Level Water Access Charges – 50%
Remission Level Water Consumption Charges – Charged at residential rates
Remission Level Sewerage Charges – 50%
Remission Level Waste Charges – 50%
Cap - \$ 2,000.00

- (g) Category Seven (7) – Not for Profit Co-operatives/Organisations providing stand-alone Aged/Disadvantaged and at risk accommodation facilities within the Livingstone Shire Council Boundaries. (Criteria 5.2.1(f) does not apply to this Category)
- Remission Level General Rates – 25%
 - Remission Level Road Network Separate Charge – 25%
 - Remission Level Environment Separate Charge – 0%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 25%
 - Remission Level Sewerage Charges – 25%
 - Remission Level Waste Charges – 25%
 - Cap – N/A
- (h) Category Eight (8) – Sporting Clubs & Associations – With Liquor & Gaming Licenses
- Remission Level General Rates – 0%
 - Remission Level Road Network Separate Charge – 100%
 - Remission Level Environment Levy Separate Charge – 100%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 0%
 - Remission Level Water Consumption Charges – 0%
 - Remission Level Sewerage Charges – 0%
 - Remission Level Waste Charges – 0%
 - Cap – N/A
- (i) Category Nine (9) - All Other Not For Profit/Charitable Organisations
- Remission Level General Rates – 100%
 - Remission Level Road Network Separate Charge – 100%
 - Remission Level Environment Levy Separate Charge – 100%
 - Remission Level Disaster Response Levy – 0%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 50%
 - Remission Level Water Consumption Charges – Charged at residential rates
 - Remission Level Sewerage Charges – 50%
 - Remission Level Waste Charges – 50%
 - Cap - \$ 2,000.00 for Service Charges only
- (j) Category Ten (10) - Rural Fire Brigade
- Remission Level General Rates – 100%
 - Remission Level Separate Rates/Charges – 100%
 - Remission Level Special Rates/Charges – 0%
 - Remission Level Water Access Charges – 100%
 - Remission Level Water Consumption Charges – 100%
 - Remission Level Sewerage Charges – 100%
 - Remission Level Waste Charges – 100%
 - Cap - N/A

- (k) Category Eleven (11) – Identified Not for Profit Integrated Retirement/Aged Care Facilities or stand-alone Aged Care Facilities within the Livingstone Shire Council area (Criteria 5.2.1(f) and 5.2.1(h) above does not apply to this Category)

Remission Level General Rates – 100%

Remission Level Road Network Separate Charge – 100%

Remission Level Environment Levy Separate Charge – 100%

Remission Level Disaster Response Levy – 0%

Remission Level Special Rates/Charges – 0%

Remission Level Sewerage Charges – 20%

Cap - N/A

Identified Assessments

141391 44 Svendsen Road, ZILZIE

135661 150 Rockhampton Road, YEPPOON

135730 26 Magpie Street, YEPPOON

135553 24 Birdwood Avenue, YEPPOON

127621 118-126 Pattison Street, EMU PARK

NOTE for all categories: Sewerage charges are not to be levied in respect of public amenities blocks that are locked and controlled by the clubs.

5.3 General Rate Remissions

In accordance with Part 10 of the *Local Government Regulation 2012*, the properties where 100% remission of general rates applies may be exempted from payment of general rates in lieu of the provision of a remission.

5.4 Permits to Occupy (Pump Sites)

Council will grant a remission on the following basis for those assessments that only contain a permit to occupy for pump sites provided the ratepayer as shown on the assessment is the owner of another property in the Council area on which the rate or charge has been levied:

(a) Separate Charges – 100% remission

(b) General Rates – Maximum remission of \$600.00.

5.5 Nature Refuge Agreements

Providing assistance for the conservation of significant natural resources in private landholdings in rural areas is an action which can be taken to address the problems of land degradation and loss of natural resources. The broader community benefits associated with natural area conservation include; improvements to overall catchment health, retention of critical habitats, reduced erosion and improved water quality.

To address these issues Council has introduced a rates rebate scheme to encourage the conservation of high value vegetation and wildlife habitat on private land.

A rate rebate recognises the landowners' commitment to maintain the nature refuge area of their land. The use of the nature refuge agreement as a condition of a rate rebate has been determined as the most appropriate method of identifying suitable properties as they offer the highest level of protection and are automatically transferred with ownership of the land. The amount of rebate is proportional to the area of land covered by the nature refuge agreement.

**Budget
2018-2019**

Part Four

4.1 Budget Principles

Council adheres to the following budget principles to underpin the development of the annual budget.

Accountability

Council will be honest and accountable in all aspects of the budget process, meeting the community's expectations of transparency and openness with a reporting framework that supports and enhances this. Councillors all own and are accountable for the budget and its implementation.

Strategic Approach

Council will maintain a strategic approach to the delivery of all Council services and capital works programmes. Council will align Council's budget with the Corporate Plan (2014-2019):

1. Community
2. Economy
3. Environment
4. Assets
5. Governance

Sustainable Financial and Asset Management Planning

A 10 year Long Term Financial Forecast and 10 year Long Term Asset Management Plans will inform the delivery and achievement of Council's long term strategic objectives in a sustainable manner. All programmes will be regularly reviewed to ensure they fit within the Council's Financial Framework. Consideration is given to the relevance of Council's financial sustainability ratios given predicted growth and the relative newness of Council's asset base. Council's asset sustainability will focus on ensuring renewals identified as part of Asset Management Plans are included in the capital program.

Realistic Budgeting and Timely Reporting

All budget figures will be realistic, and based on the best available information at the time of budget preparation. Material variances will be reported to Council and the community as they are discovered to enable Council to amend the budget and/or service delivery accordingly.

Regular updates are provided to Councillors in relation to major capital projects which are experiencing pressure to stay within budget or remain on schedule.

Quarterly budget reviews are to be presented to Council for review and consideration. The CEO meets with each portfolio three times per year to discuss operating and capital budget performance.

Meet Long Term Liabilities

Each budget will be fully funded, reconciled and prepared on an accrual basis. Adequate provisions will be made to reflect Council's long term liabilities and appropriate funding is in place for infrastructure renewal as it falls due.

Council will ensure that the internal capital reserves and provisions will be fully funded within the forecast period.

Cash Management

Cash will be maintained at three months of operating costs plus fully funded reserves within the forecast period.

Affordable Rates Increases

Rates increases will be set at an "affordable" level having regard to the Corporate Plan and its social, environmental, economic and financial objectives, balanced against the community's ability to pay.

Avoid Cost Shifting

We will resist pressure to accept cost shifting from other levels of government.

Asset Sales

The operational budget will be structured such that there is no reliance on asset sales to fund core services and net proceeds from asset sales are transferred to reserves for capital strategic purposes.

Borrowings

We will consider borrowings a financial funding last resort and only as a tool to be used in a strategic perspective to achieve the provision of services to the community.

We will commit to funding all capital renewal projects from operating cash flows and borrow only for new or upgrade capital projects, having regard to sound financial management principles and giving consideration to intergenerational equity for the funding of long term infrastructure projects.

Borrowings for infrastructure that provides a return on assets will generally take priority over borrowing for other assets.

Prior to undertaking any borrowing, Council shall assess its capacity to repay the loan, to ensure that the community is not burdened with unnecessary risk and rate/charge increases.

All borrowings will be considered in line with Council's Long Term Financial Forecast.

Financial Control

Council commits to ensuring that financial and other resources under Council's control will be used only for approved purposes and within Council's strategic framework and that all risks to Council's finances are properly managed.

Project Governance

All projects will be managed in accordance with the Project Management Framework. This framework assists in preparing evaluations concerning the acquisition, maintenance, or improvement of significant assets. This requirement results in the appropriate due diligence over costs and assessment of alternatives.

The Project Management Framework has been written to provide guidance on the common steps which apply in the methodology of project management. The aim is to establish a common framework for the management of projects, programs and the portfolio. A level of control and commonality is required for reporting and benchmarking.

Frameworks can vary in detail from organisation to organisation but critical to the success is the freedom given to the project and senior managers to adapt the phases to suit the size and complexity of the project they are managing.

4.2 Strategic Financial Parameters

Council has a responsibility to ensure that it has sufficient resources now and into the future to provide levels of service that are both affordable and at a level considered appropriate by the community. This responsibility encompasses how decisions are made regarding the allocation of ratepayer funds to Council's day to day operations as well as towards the replacement of existing assets and procurement of new assets.

Responsible ongoing financial management by Council will achieve the following objectives:

- » Council operates in an efficient and effective manner, minimising general rate increases;
- » Full cost pricing compliance for Council business activities;
- » Ongoing operating surpluses to ensure Council's equity is not degraded and future financial risk can be adequately mitigated;
- » Appropriate collection of cash funds for ongoing infrastructure and asset replacement and renewal;
- » Future trunk infrastructure financial obligations can be met;
- » Informed decisions are made on discretionary new operating or capital investment proposals (i.e. business cases including whole of life cost analysis);
- » Infrastructure and assets are maintained to required service levels;
- » Debt levels will be minimised, and returns on cash holdings maximised; and
- » Achieving all of the minimum financial sustainability benchmarks set by legislation.

The key measurement criteria for whether Council is achieving its financial sustainability objectives over the short and medium term are the three financial sustainability ratios required to be published under legislation, namely the:

1. Operating surplus ratio;
2. Net financial liabilities ratio; and
3. Asset sustainability ratio.

Council's current expected financial sustainability performance will be measured and reported against the benchmarks set by the State Government as well as by ongoing periodic sustainability assessments undertaken by the Queensland Treasury Corporation.

Council has adopted the following strategic financial parameters:

Service Delivery

Council Role - *Should we be involved and to what extent?*

Before committing to new activities and projects and when reviewing existing activities, consideration will be given to Council's appropriate role in funding and/or delivery (e.g. Council may be either an advocate for funding by a more appropriate agency, a part funder, or owner/ service deliverer), whether it is within Council's core responsibility and expertise, and the most effective use of available funds.

Target:

- » *Robust analysis of services and activities prior to commencement (e.g. via project evaluation methodology) and periodically thereafter (e.g. via service reviews).*

Program Stability - *Maintaining Council programs and services*

Council will maintain its high priority expenditure programs, both operating and capital, as well as basic service provision, while seeking efficiency improvements in line with appropriate benchmarks and/or clearly defined services and service standards.

Targets:

- » *Achieving performance measures listed in Council's Corporate Plan and Operational Plan.*
- » *Deliver services in line with defined service standards.*

Operating Performance

Financial Sustainability - *Can we afford it in the long term?*

Livingstone Shire Council will operate in accordance with a sustainable Long Term Financial Plan whereby we will seek to avoid any unplanned and substantial increases in Council rates (or, alternatively, disruptive service cuts), in order to:

- i. Continue Council's existing service delivery, spending and funding policies.
- ii. Meet likely developments in Council's revenue raising capacity.
- iii. Meet the changing demand for, and costs of, its services and infrastructure.
- iv. Absorb normal financial risks and shocks.

Targets:

- » *Achieve an operating surplus in six or more of the years within the ten year planning period, with consistent 'moderate' rate rises and no major disruptive service cuts from year to year.*
- » *Achieve a sustainable Operating Surplus Ratio (underlying operating result/total underlying operating revenue) of between 0-10%.*

Funding - *Who benefits and therefore who should pay?*

The amount of funding from available sources (including fees and charges) will be determined with regard to benefits to users, the full cost of services, market rates, fairness, social and behavioural considerations, as well as Corporate Plan objectives. Council will also seek to maximise external (grant revenue) funding opportunities where it aligns with future planned infrastructure.

Targets:

- » *Own source operating revenue coverage ratio (own source operating revenue/operating expense) of greater than 60%.*
- » *Percentage of fees and charges change (excluding growth (revenue from new*

development) for each classification of fees and charges to be no more than +/- 2% from one year to the next (all other things being equal).

Rating Stability - *Smoothing the impact on our ratepayers .*

Rating charge predictability and stability will be achieved for existing levels of service to avoid volatility and adverse future rates shocks. Methods of minimising the volatility of rate changes for individual land use categories will be pursued within legislative limits.

Target:

- » *Percentage of rate change (excluding growth (revenue from new development) for each rating category to be no more than +/- 2% from one year to the next (all other things being equal).*

Fiscal Flexibility

Borrowings and Financial Position - *When should we borrow and how much can we borrow?*

Borrowings will be used to fund assets and promote intergenerational equity in accordance with Council's Long Term Financial Forecast and Asset Management Plans. Within Council's ten year planning period, Council aims to achieve the following ratios:

Targets:

- » *Net financial asset / liabilities ratio ((total liabilities-current assets) / operating revenue) of less than 60%.*
- » *Debt service cover ratio (operating result before interest and depreciation / principal and interest) of greater than 2 times over.*
- » *Interest coverage ratio (net interest expense / total operating revenue) of greater than 2 times over.*

Intergenerational Equity – *Is there fairness between generations of ratepayers?*

Council will promote fair sharing in the distribution of Council resources and the attendant taxation between current and future ratepayers. This will be evidenced by the achievement of an operating surplus in six or more of the years within the ten year planning period.

Targets:

- » *Operating Surplus Ratio of between 0%-10% in six or more years within the ten year planning period.*
- » *Borrowing capacity (total borrowings / total operating revenue) reduces to 50% within the ten year planning period.*

Liquidity

Cash Management – *Do we have adequate cash liquidity to meet cash obligations as and when they fall due?*

Central to being financially sustainable is that Council not only has the capacity to meet, but actually meets its financial obligations as and when they fall due. Council will undertake cash flow

analysis at regular intervals to ensure Council has the necessary liquidity.

Targets:

- » *Cash expense cover of at least 3 months.*
- » *Maintain a working capital ratio of at least 2:1.*

Asset Management

Infrastructure Management - *Are we spending enough on existing assets?*

Renewal and replacement capital projects will be based on long term Asset Management Plans which consider the optimal intervention strategies for asset maintenance and renewal based on whole of life costing. Total capital project expenditure shall be managed in a way which avoids disruptive adjustments to activities, programs and revenue raising efforts.

Targets:

- » *Asset sustainability ratio (capital expenditure on replacement assets / depreciation expenditure) above 90%.*
- » *Asset renewal funding ratio (net present value of planned capital renewals over 10 years / net present value of required capital expenditure over 10 years (as per Asset Management Plans) above 75%.*

Infrastructure Management - *Are we spending too much on new assets?*

New infrastructure capital projects will be based on strategic Town Plan changes and Growth Plans which consider the future requirements for strategic infrastructure to cater for a growing population. Council will manage total capital project expenditure on new assets in a way which avoids disruptive adjustments to other activities, and will seek to fund from developer contributions and/or external funds as far as possible.

Targets:

- » *Percent spend on new versus existing assets (on average).*
- » *Extent to which new assets are funded externally.*

4.3 Significant Influences

In preparing the 2018-19 Annual Budget, a number of internal and external influences have been taken into account as they are likely to significantly impact on the cost of services delivered by Council in the budget period.

External Influences

- » Increasing need to respond to changing legislation and the associated compliance demands on Council;
- » Potential change in State Government and the consequential change in legislation (e.g. Industrial Relations Award);
- » Freezing of Financial Assistance Grants (FAG) CPI indexation for three years;
- » Reduced availability of external funding including FAG and NDRRA;
- » Prevailing economic conditions;
- » Current state of property market contributing to lower revenue from application fees and developer contributions and slower rates growth;
- » Value and timing of growth (both population and new rateable properties);
- » Shoalwater Bay Military Training Area expansion;
- » Increase in utility prices;
- » Changes in technology;
- » Changing community expectations; and
- » High standard of open spaces received from developers requiring maintenance above and beyond existing service levels.

Internal Influences

- » Increasing costs associated with current service levels;
- » Building the organisational capacity of the Council to deliver current and future services;
- » Maintenance and operation of newly constructed community infrastructure; and
- » Increasing depreciation costs due to asset intensive delivery of services.

4.4 Key Assumptions of the Long Term Financial Forecast

The Long Term Financial Forecast takes into account the 2018-19 Budget as a base and adjusts the forward years through a combination of specified organisation changes forecast as well as various assumptions throughout the life of the forecast period.

While a number of detailed assumptions are made throughout the modelling of the long term financial forecast, the below table provides a guide to some of the key assumptions used throughout the life of the forecast period.

Key Assumptions	
Revenue Item	Comment
General Rates	Changes to differential rating categories 18-19, including non-owner occupied premises, nominal CPI increment from year 2 onwards.
Utility Charges	Projected at 3.9% for the first year and then nominal CPI increases ranging from 1.9% to 2.2% over the life of the forecast.
Separate Charges	<i>Road Network Levy</i> - projected at 3.9% for the first year and then nominal CPI ranging from 1.9% to 2.2% over the life of the forecast. <i>Environment Levy</i> – projected at 8.2% for the first year and then nominal CPI ranging from 1.9% to 2.2% over the life of the forecast. <i>Disaster Response Levy</i> – introduction at \$20 per rateable assessment for the first year and then nominal CPI ranging from 1.9% to 2.2% over the life of the forecast.
Fees and Charges	Projected at 1.9% with nominal CPI increases ranging from 1.9% to 2.2% over the life of the forecast.
Sales and Recoverable Works	Projected at 1.89% (CCI) for each of the forecast, with the assumption that every second years additional works associated with Operation Talisman Sabre are undertaken.
Grants, subsidies, contributions and donations	Projected at 1.9% with nominal CPI increases ranging from 1.9% to 2.2% over the life of the forecast.
Interest income	Projected at 1.9% with nominal CPI increases ranging from 1.9% to 2.2% over the life of the forecast.
Expense Item	Comment
Staff Wages and Salaries	Projected to maintain current estimates for years 1 & 2, and between 1.9% and 2.2% for the remaining years.
Councillor Remuneration	Projected at CPI over the period of the financial forecast.
Materials and Services	Projected at 1% (growth) above CCI over the life of the forecast.
Interest expense	Calculated based on the current loan repayment schedules, and with future borrowings based on anticipated rates provided by QTC.
Depreciation expense	Projections are based on the current assets, new capital works expenditure and the revaluation of infrastructure assets over the life of the forecast.
Other Items	
CPI rate applied (CPI)	Ranging from 1.9% to 2.2% over the life of the forecast.
Council cost index (CCI)	LGAQ Council Cost Index 2018 is a composite index collated to represent the average cost increases experienced by councils over the previous 12 months (Dec to Dec quarters). The LGAQ CCI 2018 is 1.89%.
Revaluation of Assets	Asset values increased by 5% every 5 years.

4.5 Financial Statements

STATEMENT OF FINANCIAL POSITION 2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28

	BUDGET 2018-19	FORECAST 2019-20	FORECAST 2020-21	FORECAST 2021-22	FORECAST 2022-23	FORECAST 2023-24	FORECAST 2024-25	FORECAST 2025-26	FORECAST 2026-27	FORECAST 2027-28
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets										
Current Assets										
Cash and cash equivalents	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637	13,443
Trade and other receivables	8,069	8,101	8,286	8,707	8,945	8,970	9,290	9,787	10,112	10,227
Inventories	8,222	7,546	6,595	5,253	5,253	5,253	5,253	5,253	5,253	5,253
Other current assets	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374
Total Current Assets	32,609	33,517	37,447	38,040	33,041	30,325	26,801	27,468	28,376	30,298
Non-Current Assets										
Land held for development or sale	256	256	256	256	256	256	256	256	256	256
Property, plant & equipment	1,026,380	1,028,673	1,026,593	1,044,681	1,078,983	1,084,132	1,090,617	1,099,357	1,125,080	1,159,393
Other non-current assets	458	87	-	-	-	-	-	-	-	-
Total Non-Current Assets	1,027,094	1,029,016	1,026,849	1,044,937	1,079,239	1,084,388	1,090,873	1,099,613	1,125,336	1,159,649
Total Assets	1,059,703	1,062,533	1,064,296	1,082,978	1,112,281	1,114,713	1,117,673	1,127,081	1,153,712	1,189,946
Liabilities										
Current Liabilities										
Trade and other payables	4,070	3,930	4,016	4,104	4,222	4,332	4,482	4,624	4,771	4,903
Borrowings	4,989	5,261	5,537	5,827	6,126	6,455	6,864	7,224	7,601	8,005
Provisions	3,020	4,789	5,614	5,982	3,160	3,163	3,166	3,169	3,172	3,170
Other current liabilities	46	46	46	46	46	46	46	46	46	46
Total Current Liabilities	12,126	14,026	15,213	15,959	13,554	13,996	14,558	15,064	15,590	16,124
Non-Current Liabilities										
Trade and other payables	-	-	-	-	-	-	-	-	-	-
Borrowings	75,527	70,266	64,730	58,903	52,777	46,322	41,419	34,194	26,593	18,588
Provisions	12,044	10,571	8,266	5,606	5,781	5,966	6,161	6,366	6,581	6,798
Other non-current liabilities	351	351	351	351	351	351	351	351	351	351
Total Non-Current Liabilities	87,922	81,188	73,347	64,860	58,909	52,639	47,931	40,911	33,525	25,737
Total Liabilities	100,048	95,215	88,560	80,819	72,463	66,635	62,488	55,975	49,116	41,861
NET COMMUNITY ASSETS	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085
Community Equity										
Retained surplus	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349	992,037
Asset revaluation surplus	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247	156,048
TOTAL COMMUNITY EQUITY	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085

4.5.1 Statement of Income and Expenditure

STATEMENT OF INCOME AND EXPENDITURE										
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28										
BUDGET	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Income										
Gross rates and utility charges	77,763	79,407	81,108	83,549	86,063	88,654	91,864	95,190	98,733	102,408
Less discounts & remissions	(6,264)	(6,617)	(6,992)	(7,358)	(7,771)	(8,211)	(8,722)	(9,270)	(9,854)	(10,475)
Net rates and utility charges	71,498	72,789	74,116	76,191	78,293	80,443	83,142	85,920	88,879	91,933
Fees and charges	3,714	4,832	5,032	5,212	5,433	5,664	5,910	6,167	6,414	6,699
Rental Income	339	397	450	469	479	488	499	509	520	532
Interest revenue	1,347	1,254	1,401	1,497	1,478	1,396	1,364	1,364	1,403	1,467
Sales revenue	2,448	602	240	2,871	2,220	220	224	2,224	2,266	266
Operational grants and subsidies	6,009	6,105	6,202	6,306	6,412	6,520	6,636	6,754	6,881	7,010
Other income	408	419	429	440	451	462	474	486	498	510
Total Operating Income	85,764	86,397	87,869	92,986	94,765	95,193	98,220	103,424	106,861	108,417
Capital Income										
Contributions from developers	1,823	1,932	2,048	2,171	2,301	2,440	2,586	2,741	2,906	3,080
Capital grants and subsidies	10,335	5,524	1,464	600	1,214	2,305	-	1,142	-	-
Other capital income	(37)	-	-	-	-	-	-	-	-	-
Total Capital Income	12,121	7,456	3,512	2,771	3,515	4,745	2,586	3,883	2,906	3,080
Total Income	97,885	93,853	91,381	95,757	98,281	99,938	100,806	107,307	109,766	111,497
Operating expenses										
Employee benefits	31,729	30,485	30,632	31,028	31,954	32,905	33,891	34,903	35,947	36,889
Materials and services	27,075	26,308	27,103	27,878	28,676	29,497	30,489	31,516	32,578	33,676
Depreciation and amortisation	22,777	23,920	24,225	24,685	25,791	24,791	25,077	25,758	26,576	27,923
Finance Costs	165	170	176	181	187	193	199	206	212	219
External Loan interest expense	4,109	3,871	3,599	3,323	3,033	2,734	2,451	2,142	1,781	1,405
Other operating expenses	1,266	1,290	1,315	1,344	1,372	1,399	1,430	1,463	1,497	1,531
Total Operating Expenses	87,120	86,043	87,050	88,439	91,013	91,520	93,538	95,988	98,591	101,643
Capital Expenses										
Restoration and rehabilitation provision	143	146	149	152	155	158	161	164	167	167
Total Capital Expenses	143	146	149	152	155	158	161	164	167	167
Net Result	10,622	7,664	4,182	7,166	7,113	8,260	7,107	11,156	11,008	9,688
Operating Result	(1,356)	353	818	4,546	3,752	3,673	4,682	7,436	8,269	6,775

4.5.2 Statement of Financial Position

STATEMENT OF FINANCIAL POSITION												
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28												
	BUDGET	FORECAST	FORECAST	FORECAST								
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets												
Current Assets												
Cash and cash equivalents	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637	13,443		
Trade and other receivables	8,069	8,101	8,286	8,707	8,945	8,970	9,290	9,787	10,112	10,227		
Inventories	8,222	7,546	6,595	5,253	5,253	5,253	5,253	5,253	5,253	5,253		
Other current assets	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374	1,374		
Total Current Assets	32,609	33,517	37,447	38,040	33,041	30,325	26,801	27,468	28,376	30,298		
Non-Current Assets												
Land held for development or sale	256	256	256	256	256	256	256	256	256	256		
Property, plant & equipment	1,026,380	1,028,673	1,026,593	1,044,681	1,078,983	1,084,132	1,090,617	1,099,357	1,125,080	1,159,393		
Other non-current assets	458	87	-	-	-	-	-	-	-	-		
Total Non-Current Assets	1,027,094	1,029,016	1,026,849	1,044,937	1,079,239	1,084,388	1,090,873	1,099,613	1,125,336	1,159,649		
Total Assets	1,059,703	1,062,533	1,064,296	1,082,978	1,112,281	1,114,713	1,117,673	1,127,081	1,153,712	1,189,946		
Liabilities												
Current Liabilities												
Trade and other payables	4,070	3,930	4,016	4,104	4,222	4,332	4,482	4,624	4,771	4,903		
Borrowings	4,989	5,261	5,537	5,827	6,126	6,455	6,864	7,224	7,601	8,005		
Provisions	3,020	4,789	5,614	5,982	3,160	3,163	3,166	3,169	3,172	3,170		
Other current liabilities	46	46	46	46	46	46	46	46	46	46		
Total Current Liabilities	12,126	14,026	15,213	15,959	13,554	13,996	14,558	15,064	15,590	16,124		
Non-Current Liabilities												
Trade and other payables	-	-	-	-	-	-	-	-	-	-		
Borrowings	75,527	70,266	64,730	58,903	52,777	46,322	41,419	34,194	26,593	18,588		
Provisions	12,044	10,571	8,266	5,606	5,781	5,966	6,161	6,366	6,581	6,798		
Other non-current liabilities	351	351	351	351	351	351	351	351	351	351		
Total Non-Current Liabilities	87,922	81,188	73,347	64,860	58,909	52,639	47,931	40,911	33,525	25,737		
Total Liabilities	100,048	95,215	88,560	80,819	72,463	66,635	62,488	55,975	49,116	41,861		
NET COMMUNITY ASSETS	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085		
Community Equity												
Retained surplus	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349	992,037		
Asset revaluation surplus	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247	156,048		
TOTAL COMMUNITY EQUITY	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085		

4.5.3 Statement of Cash Flows

STATEMENT OF CASH FLOWS											
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28											
	BUDGET	FORECAST									
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities											
Receipts from customers	78,053	78,545	79,988	84,034	86,600	87,214	89,891	94,769	98,210	99,781	
Payment to suppliers and employees	(59,951)	(58,200)	(58,937)	(60,128)	(61,843)	(63,647)	(65,611)	(67,683)	(69,813)	(71,908)	
Payments for land held as inventory	(1,860)	-	-	-	-	-	-	-	-	-	
Proceeds from sale of land held as inventory	7,824	1,102	1,012	2,034	-	-	-	-	-	-	
Interest received	1,347	1,254	1,401	1,497	1,478	1,396	1,336	1,364	1,403	1,467	
Borrowing costs	(4,109)	(3,871)	(3,599)	(3,323)	(3,033)	(2,734)	(2,451)	(2,142)	(1,781)	(1,405)	
Non-capital grants and contributions	6,006	6,097	6,191	6,296	6,401	6,511	6,623	6,743	6,869	6,999	
Payment of provision	-	-	(1,789)	(2,614)	(2,982)	(160)	(163)	(166)	(169)	(172)	
Cash inflow (outflow) from Operating Activities	27,311	24,926	24,267	27,796	26,621	28,580	29,625	32,885	34,718	34,762	
Cash Flows from Investing Activities											
Payments for property, plant and equipment	(46,410)	(25,842)	(17,822)	(23,516)	(29,548)	(29,940)	(31,561)	(29,734)	(29,816)	(28,435)	
Grants and contributions received	12,158	7,456	3,512	2,771	3,515	4,745	2,586	3,883	2,906	3,080	
Proceeds from the sale of assets	233	-	-	-	-	-	-	-	-	-	
Other investing activities	(191)	-	-	-	-	-	-	-	-	-	
Cash inflow (outflow) from Investing Activities	(34,210)	(18,386)	(14,309)	(20,745)	(26,032)	(25,195)	(28,975)	(25,850)	(26,911)	(25,355)	
Cash Flows from Financing Activities											
Proceeds from borrowings	-	-	-	-	-	-	2,000	-	-	-	
Repayment of borrowings	(4,751)	(4,989)	(5,261)	(5,537)	(5,827)	(6,126)	(6,495)	(6,864)	(7,224)	(7,601)	
Cash inflow (outflow) from Financing Activities	(4,751)	(4,989)	(5,261)	(5,537)	(5,827)	(6,126)	(4,495)	(6,864)	(7,224)	(7,601)	
Net (decrease) / increase in Cash Held	(11,650)	1,551	4,697	1,514	(5,238)	(2,741)	(3,844)	171	582	1,807	
Cash at the beginning of the financial year	26,595	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637	
Cash at the end of the financial year	14,945	16,496	21,192	22,707	17,469	14,728	10,883	11,054	11,637	13,443	

4.5.4 Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY											
2018-19 BUDGET AND LONG TERM FINANCIAL FORECAST 2018-19 TO 2027-28											
	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Retained Surplus											
Opening balance	908,073	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349	982,349
Net Result	10,622	7,664	4,182	7,166	7,113	8,260	7,107	11,156	11,008	9,688	9,688
Closing Balance	918,695	926,359	930,540	937,706	944,818	953,078	960,185	971,341	982,349	992,037	
Asset Revaluation Surplus											
Opening balance	40,960	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247	122,247
Change in asset revaluation surplus	-	-	4,236	19,257	30,546	-	-	4,765	22,483	33,801	33,801
Closing Balance	40,960	40,960	45,196	64,453	94,999	94,999	94,999	99,765	122,247	156,048	
Total Community Equity	959,655	967,319	975,736	1,002,159	1,039,818	1,048,077	1,055,185	1,071,106	1,104,596	1,148,085	

4.5.5 Measures of Financial Sustainability

In accordance with section 169 of the *Local Government Regulation 2012*, the Council is required to disclose in the budget certain measures of financial sustainability.

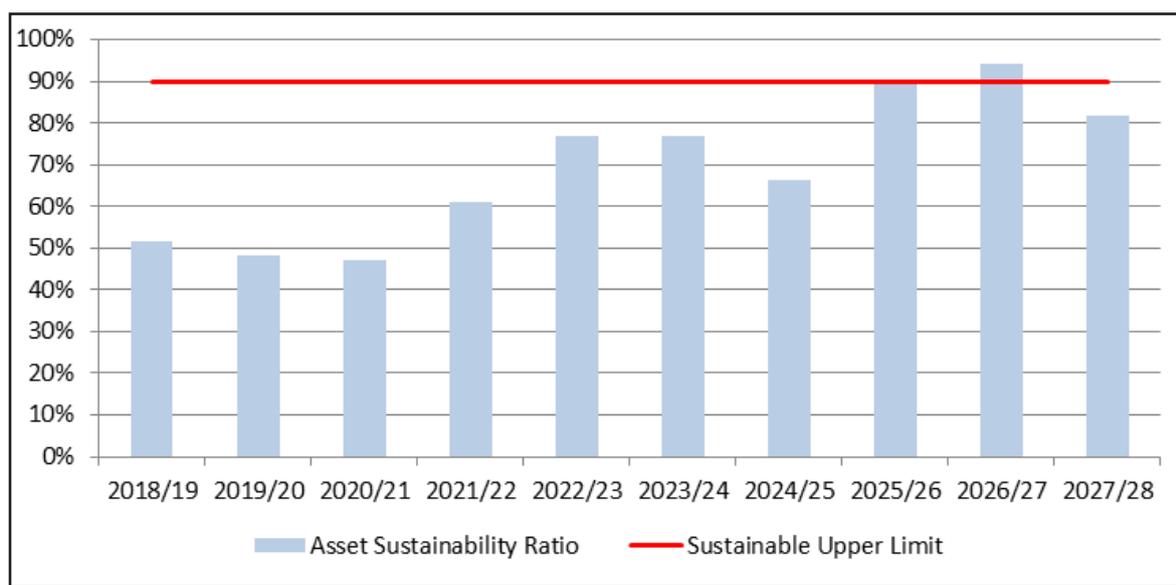
The Queensland Government defines a sustainable local government as being 'able to maintain its financial capital and infrastructure capital over the long term' (*Local Government Act 2009*, section 104(2)).

To ensure the Council continues along the path of financial sustainability into the future, key long term strategic plans are developed and integrated, demonstrating a strategy is in place to manage the financial implications of its long term planning.

The three financial sustainability measures cover the period of the annual budget plus the next nine financial years (10 years in total).

The target indicated in each graph are sourced from the 'Financial Management (sustainability) Guideline 2013' which is available from the website of The Department of Local Government, Racing and Multicultural Affairs.

Asset Sustainability Ratio

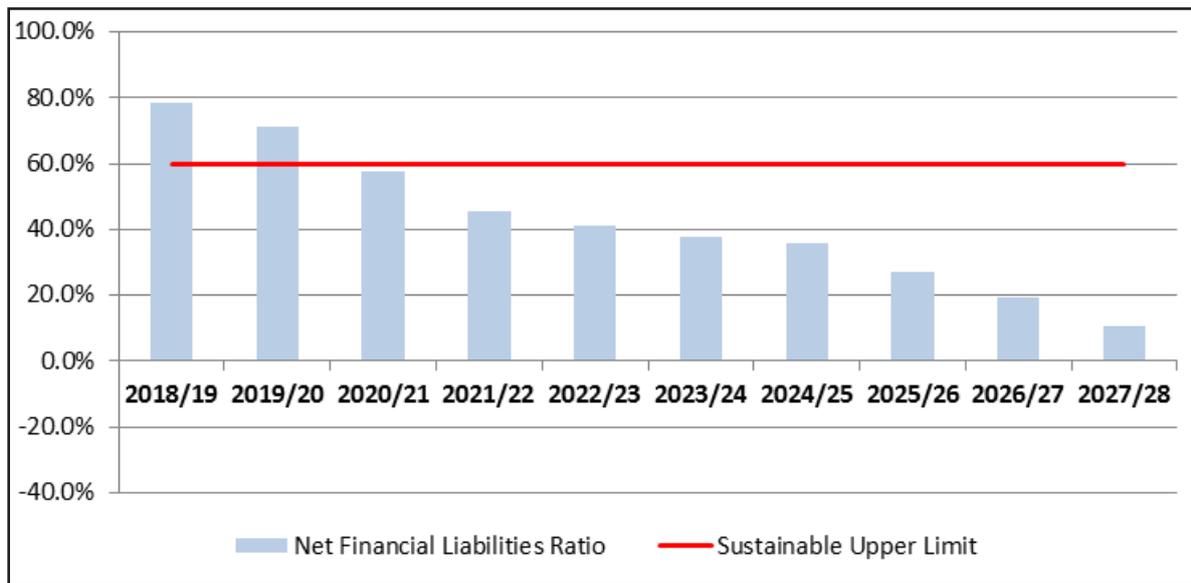


Description	Measure	Target
Demonstrates the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.	Capital Expenditure on Replacement Assets Depreciation Expense.	Greater than 90% (on average over the long term).

Commentary

Capital expenditure can broadly be classified as New (building something entirely new) or Renewal (replacing an old asset with a new one). This ratio measures how much capital expenditure goes toward replacing existing assets each year when divided by depreciation expense. As the ten year forecast indicates Council's ratio is below the target of 90% or better improves significantly which reflects Council's commitment in investing in existing assets over new assets.

Net Financial Liabilities Ratio

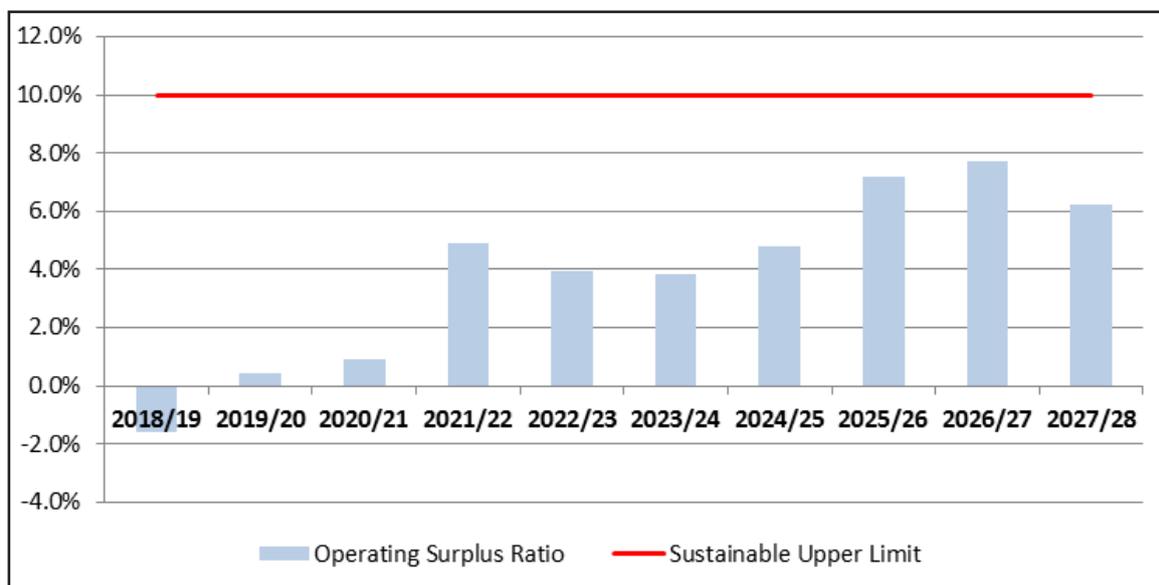


Description	Measure	Target
Demonstrates the extent to which the net financial liabilities of Council can be serviced by its operating revenues	$\frac{\text{Total Liabilities less Current Assets}}{\text{Operating Revenue}}$	Not greater than 60% (on average over the long term)

Commentary

Council is forecasting high (greater than 60%) for the first two (2) years in the ten year forecast period. This is indicative of the significant reduction in planning borrowings that Council had previously forecast and a transition towards using its own cash to fund capital projects.

Operating Surplus Ratio



Description	Measure	Target
Demonstrates the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.	$\frac{\text{Net Operating Surplus/(Deficit)}}{\text{Operating Revenue}}$	Between 0% and 10% (on average over the long term).

Commentary

Council is forecasting a positive (greater than 0%) operating surplus ratio in nine out of the ten years. A positive ratio indicates that recurring operating revenue exceeds recurring operating expenses and this assists in funding capital expenditure. This can result in less reliance on borrowing money to fund capital expenditure and thus reduces Council debt. The positive operating surplus ratio of Council for the majority of the ten year period is a good indicator of long term sustainability.

Percentage of Change in Rates Levied from 2017-18

In accordance with section 169 of the *Local Government Regulation 2012*, the Council is required to report the total value of the change, expressed as a percentage in the rates and utility charges levied for the financial year (2018-19) compared with the rates and utility charges levied in the previous budgets (2017-18). Council has also included the total value of change based on the estimated position for 2017-18. The calculation of this percentage for a financial year excludes rebates and discounts applicable on rates and utility charges.

	2017-18 Original Budget	2017-18 Forecast Budget	2018-19 Proposed Budget	2017-18 Original vs 2018-19 Proposed Budget		2017-18 Forecast vs 2018-19 Proposed Budget	
	\$000	\$000	\$000	Variance \$000	Variance %	Variance \$000	Variance %
General Rates	32,176	31,081	31,772	(404)	(1.3%)	690	2.2%
Separate Charges	10,430	10,430	11,292	862	8.3%	862	8.3%
Special Charges	162	162	151	(12)	(7.2%)	(12)	(7.2%)
Water Utility & Consumption Charges	15,518	16,868	17,102	1,584	10.2%	234	1.4%
Waste Charges	6,288	6,288	6,644	357	5.7%	357	5.7%
Sewerage Charges	10,291	10,291	10,802	511	5.0%	511	5.0%
Total Rates & Charges Levied	74,864	75,120	77,763	2,898	3.9%	2,642	3.5%

4.6 Asset Management

Council has moved to establish discipline around capital expenditure that makes it very clear as to the costs and benefits of making the investment into long term assets. Council is working towards embedding a Project Management Governance Framework to establish clear processes that are strategically selected, categorised, scaled and successfully managed. The critical steps to successful project management are gated with decision points and the choices made will often determine the relative merits of the project implementation. However, the most critical decision is the one to proceed with the project in the first instance.

In the adoption of the annual budget Council is informed of the prioritised capital program proposed for the coming three years, at the broad levels of capital expenditure for the future years and the long view contained in the long term financial forecast. An allied process is the Asset Management Plan and the understandings that it provides to the Council.

Consideration of the additional operational costs and depreciation expense that will result from proposed new capital expenditure is fundamental to the development of the Long Term Financial Plan. Therefore prior to inclusion within Council's budget an understanding of the ongoing additional resources requirements that will have to be funded are required. The local association which such an investment is usually the attendant growth in population that supports the additional operational costs. The community's willingness to pay more for a better service would also be a part of this consideration. An example of this may be where a customer would prefer to pay for a sewerage connection rather than continue with a septic tank.

Asset Management decisions are invariably complicated because in the final analysis the Council has limited resources and competing priorities.

Best efforts have been used to arrive at the mix of spending that is reflected in the Budget 2018-19. The Corporate Plan contains Council's key priorities, desired outcomes and strategies to achieve current and long term plans of the Council. The following sections outline Council's approach to Asset Management.

1. Asset Management Policy

In December 2016 Council endorsed the Project Management Framework. Further work has since been undertaken to adapt the framework to provide clearer guidance on project management, portfolio management and program management. As yet, it is early days for the organisation in regard to the implementation and understanding of the Project Management Framework.

On 3 July 2018 Council adopted the Asset Management Policy. The policy provides guiding principles and a framework to strategically manage infrastructure services and physical assets owned or under the control of Council. The aim of the policy is to ensure that a holistic asset management system is in place which supports the management of physical assets and delivery of infrastructure services

2. Asset Management Plans

Infrastructure Asset Management Plans are about providing a level of service from the Shire's assets that the community expects and is prepared to pay for. The purpose of the plan is to predict asset consumption, renewal needs and to consider asset needs to meet future community service expectations.

Livingstone Shire Council has put considerable effort in to ensuring that it has robust data regarding all of the Shire's assets, their location, condition and remaining useful life required to develop robust Asset Management Plans.

Council this year has undertaken full condition assessment and valuations of its Land, Road and Drainage, and Bridge assets. Council has developed Shire specific long term asset management plans for Roads & Drainage, Water and Sewerage , Facilities and Fleet. The long term infrastructure asset management plans will be updated to reflect the full condition assessments undertaken over the past two years.

Council will shortly be in a position to determine, based on accurate and up to date information, the required investment and intervention strategies to ensure the Shire's assets continue to achieve the adopted service levels at the most economical whole of life cost.

In the interim, Council has developed a Capital Works Program that includes both renewal and upgrade of existing assets and the proposed capital project expenditure on new assets for the next 10 years by class of asset and project. Refer Section 4.6.1 for further information.

4.6.1 Capital Works Program - Summary by Asset Class

LIVINGSTONE SHIRE COUNCIL CAPITAL BUDGET 2018-19 SUMMARY BY ASSET CLASS

2018-19

Asset Class	New	Renewal	Total Capital Expenditure	Total External Funding	Net Capital Expense
Land	\$ 100,000	\$ -	\$ 100,000	-	\$ 100,000
Buildings	\$ 183,750	\$ 593,000	\$ 776,750	-	\$ 776,750
Plant & Equipment	\$ 80,000	\$ 2,057,000	\$ 2,137,000	-	\$ 2,137,000
Road & Drainage	\$ 11,198,699	\$ 6,770,100	\$ 17,968,799	9,136,771	\$ 8,832,028
Bridges	\$ 940,300	\$ 108,000	\$ 1,048,300	425,150	\$ 623,150
Water	\$ 428,500	\$ 1,671,000	\$ 2,099,500	-	\$ 2,099,500
Sewerage	\$ 14,176,000	\$ 204,000	\$ 14,380,000	3,000,000	\$ 11,380,000
Site Improvements	\$ 7,775,000	\$ 125,000	\$ 7,900,000	2,122,000	\$ 5,778,000
Total	\$ 34,882,249	\$11,528,100	\$46,410,349	14,683,921	\$31,726,428
Land Development	\$ 1,860,000	\$ -	\$ 1,860,000	-	\$ 1,860,000
TOTAL With Land Development Costs	\$ 36,742,249	\$ 11,528,100	\$ 48,270,349	\$ 14,683,921	\$ 33,586,428

LIVINGSTONE SHIRE COUNCIL CAPITAL BUDGET 2019-20 SUMMARY BY ASSET CLASS

2019-20

Asset Class	New	Renewal	Total Capital Expenditure	Total External Funding	Net Capital Expense
Land	\$ 100,000	\$ -	\$ 100,000	-	\$ 100,000
Buildings	\$ 400,000	\$ 375,000	\$ 775,000	250,000	\$ 525,000
Plant & Equipment	\$ 1,000,000	\$ 1,793,000	\$ 2,793,000	-	\$ 2,793,000
Road & Drainage	\$ 6,406,179	\$ 5,848,083	\$ 12,254,262	3,251,546	\$ 9,002,716
Bridges	\$ -	\$ -	\$ -	-	\$ -
Water	\$ 2,260,000	\$ 766,231	\$ 3,026,231	-	\$ 3,026,231
Sewerage	\$ 3,360,500	\$ 1,144,500	\$ 4,505,000	1,086,400	\$ 3,418,600
Site Improvements	\$ 1,000,000	\$ 1,389,000	\$ 2,389,000	1,200,000	\$ 1,189,000
Total	\$ 14,526,679	\$11,315,814	\$25,842,493	\$5,787,946	\$20,054,547
Land Development	\$ -	\$ -	\$ -	-	\$ -
TOTAL With Land Development Costs	\$ 14,526,679	\$ 11,315,814	\$ 25,842,493	\$ 5,787,946	\$ 20,054,547

LIVINGSTONE SHIRE COUNCIL CAPITAL BUDGET 2020-21 SUMMARY BY ASSET CLASS

2020-21

Asset Class	New	Renewal	Total Capital Expenditure	Total External Funding	Net Capital Expense
Land	\$ 100,000	\$ -	\$ 100,000	-	\$ 100,000
Buildings	\$ 780,000	\$ 303,000	\$ 1,083,000	600,000	\$ 483,000
Plant & Equipment	\$ -	\$ 2,042,500	\$ 2,042,500	-	\$ 2,042,500
Road & Drainage	\$ 5,167,313	\$ 6,486,000	\$ 11,653,313	600,000	\$ 11,053,313
Bridges	\$ -	\$ -	\$ -	-	\$ -
Water	\$ 70,000	\$ 1,562,862	\$ 1,632,862	-	\$ 1,632,862
Sewerage	\$ 275,500	\$ 795,500	\$ 1,071,000	-	\$ 1,071,000
Site Improvements	\$ 45,000	\$ 194,000	\$ 239,000	-	\$ 239,000
Total	\$ 6,437,813	\$11,383,862	\$17,821,675	\$1,200,000	\$16,621,675
Land Development	\$ -	\$ -	\$ -	-	\$ -
TOTAL With Land Development Costs	\$ 6,437,813	\$ 11,383,862	\$ 17,821,675	\$ 1,200,000	\$ 16,621,675

4.6.2 Capital Works - Source of Capital Funds

Livingstone Shire Council
Capital Expenditure by Asset Class and Source of Funds
2018-19 to 2027-28

Asset Class	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Land	\$100,000	\$100,000	\$100,000	\$150,000	\$150,000	\$250,000	\$150,000	\$150,000	\$150,000	\$150,000	\$1,450,000
New	\$100,000	\$100,000	\$100,000	\$150,000	\$150,000	\$250,000	\$150,000	\$150,000	\$150,000	\$150,000	\$1,450,000
Renewal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Source of Funds	\$100,000	\$100,000	\$100,000	\$150,000	\$150,000	\$250,000	\$150,000	\$150,000	\$150,000	\$150,000	\$1,450,000
General Fund	\$100,000	\$100,000	\$100,000	\$150,000	\$150,000	\$250,000	\$150,000	\$150,000	\$150,000	\$150,000	\$1,450,000
Contributions from Developers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Tentative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Buildings	\$776,750	\$775,000	\$1,083,000	\$250,000	\$650,000	\$550,000	\$400,000	\$950,000	\$1,300,000	\$1,280,000	\$8,014,750
New	\$183,750	\$400,000	\$780,000	\$0	\$0	\$200,000	\$0	\$0	\$150,000	\$30,000	\$1,743,750
Renewal	\$593,000	\$375,000	\$303,000	\$250,000	\$650,000	\$350,000	\$400,000	\$950,000	\$1,150,000	\$1,250,000	\$6,271,000
Source of Funds	\$776,750	\$775,000	\$1,083,000	\$250,000	\$650,000	\$550,000	\$400,000	\$950,000	\$1,300,000	\$1,280,000	\$8,014,750
General Fund	\$776,750	\$525,000	\$483,000	\$250,000	\$650,000	\$550,000	\$400,000	\$950,000	\$1,300,000	\$1,280,000	\$7,164,750
Contributions from Developers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Tentative	\$0	\$250,000	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$850,000
Plant & Equipment	\$2,137,000	\$2,793,000	\$2,042,500	\$2,682,500	\$3,138,500	\$3,017,500	\$2,545,000	\$3,200,000	\$3,400,000	\$3,500,000	\$28,456,000
New	\$80,000	\$1,000,000	\$0	\$56,000	\$147,500	\$77,000	\$45,000	\$0	\$0	\$0	\$1,405,500
Renewal	\$2,057,000	\$1,793,000	\$2,042,500	\$2,626,500	\$2,991,000	\$2,940,500	\$2,500,000	\$3,200,000	\$3,400,000	\$3,500,000	\$27,050,500
Source of Funds	\$2,137,000	\$2,793,000	\$2,042,500	\$2,682,500	\$3,138,500	\$3,017,500	\$2,545,000	\$3,200,000	\$3,400,000	\$3,500,000	\$28,456,000
General Fund	\$2,137,000	\$2,793,000	\$2,042,500	\$2,682,500	\$3,138,500	\$3,017,500	\$2,545,000	\$3,200,000	\$3,400,000	\$3,500,000	\$28,456,000
Contributions from Developers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Tentative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Road & Drainage	\$17,968,799	\$12,254,262	\$11,653,313	\$9,451,441	\$14,674,250	\$15,272,250	\$15,148,000	\$16,583,593	\$15,512,500	\$18,211,848	\$146,730,255
New	\$11,198,699	\$6,406,179	\$5,167,313	\$3,901,000	\$7,033,850	\$7,814,450	\$8,731,200	\$6,527,593	\$4,537,500	\$5,384,041	\$66,701,823
Renewal	\$6,770,100	\$5,848,083	\$6,486,000	\$5,550,441	\$7,640,400	\$7,457,800	\$6,416,800	\$10,056,000	\$10,975,000	\$12,827,807	\$80,028,431
Source of Funds	\$17,968,799	\$12,254,262	\$11,653,313	\$9,451,441	\$14,674,250	\$15,272,250	\$15,148,000	\$16,583,593	\$15,512,500	\$18,211,848	\$146,730,255
General Fund	\$11,947,183	\$9,266,716	\$10,241,813	\$8,482,441	\$12,046,509	\$11,634,050	\$11,106,300	\$14,845,313	\$15,512,500	\$17,758,098	\$122,840,922
Contributions from Developers	\$419,500	\$0	\$547,500	\$369,000	\$1,414,000	\$3,038,200	\$4,041,700	\$596,000	\$0	\$453,750	\$10,879,850
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$4,657,596	\$648,046	\$0	\$0	\$356,598	\$0	\$0	\$0	\$0	\$0	\$5,662,240
Subsidies - Tentative	\$944,520	\$2,339,500	\$864,000	\$600,000	\$857,143	\$600,000	\$0	\$1,142,280	\$0	\$0	\$7,347,443

\$0

Livingstone Shire Council
Capital Expenditure by Asset Class and Source of Funds

Asset Class	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Bridges	\$1,048,300	\$0	\$1,048,300								
New	\$940,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$940,300
Renewal	\$108,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$108,000
Source of Funds	\$1,048,300	\$0	\$1,048,300								
General Fund	\$623,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$623,150
Contributions from Developers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$425,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$425,150
Subsidies - Tentative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water	\$2,099,500	\$3,026,231	\$1,632,862	\$6,725,000	\$6,004,792	\$6,706,000	\$6,097,159	\$5,000,000	\$5,003,727	\$500,000	\$42,795,271
New	\$428,500	\$2,260,000	\$70,000	\$1,725,000	\$240,500	\$1,706,000	\$990,000	\$0	\$0	\$0	\$7,420,000
Renewal	\$1,671,000	\$766,231	\$1,562,862	\$5,000,000	\$5,764,292	\$5,000,000	\$5,107,159	\$5,000,000	\$5,003,727	\$500,000	\$35,375,271
Source of Funds	\$2,099,500	\$3,026,231	\$1,632,862	\$6,725,000	\$6,004,792	\$6,706,000	\$6,097,159	\$5,000,000	\$5,003,727	\$500,000	\$42,795,271
Water Fund	\$1,776,500	\$766,231	\$1,562,862	\$5,270,000	\$5,523,792	\$5,000,000	\$5,107,159	\$5,000,000	\$5,003,727	\$500,000	\$35,510,271
Contributions from Developers	\$323,000	\$2,260,000	\$70,000	\$1,455,000	\$481,000	\$1,706,000	\$990,000	\$0	\$0	\$0	\$7,285,000
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Tentative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sewerage	\$14,380,000	\$4,505,000	\$1,071,000	\$4,048,000	\$4,265,000	\$2,289,000	\$2,421,000	\$3,580,000	\$4,180,000	\$4,523,000	\$45,262,000
New	\$14,176,000	\$3,360,500	\$275,500	\$2,606,500	\$1,986,700	\$647,200	\$470,500	\$0	\$0	\$43,000	\$23,565,900
Renewal	\$204,000	\$1,144,500	\$795,500	\$1,441,500	\$2,278,300	\$1,641,800	\$1,950,500	\$3,580,000	\$4,180,000	\$4,480,000	\$21,696,100
Source of Funds	\$14,380,000	\$4,505,000	\$1,071,000	\$4,048,000	\$4,265,000	\$2,289,000	\$2,421,000	\$3,580,000	\$4,180,000	\$4,523,000	\$45,262,000
Sewerage Fund	\$11,350,000	\$1,204,500	\$795,500	\$1,701,500	\$2,459,300	\$1,641,800	\$1,950,500	\$3,580,000	\$4,180,000	\$4,480,000	\$33,343,100
Contributions from Developers	\$30,000	\$2,214,100	\$275,500	\$2,346,500	\$1,805,700	\$647,200	\$470,500	\$0	\$0	\$43,000	\$7,832,500
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
Subsidies - Tentative	\$0	\$1,086,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,086,400
Site Improvements	\$7,900,000	\$2,389,000	\$239,000	\$209,000	\$665,000	\$1,855,097	\$4,800,000	\$270,000	\$270,000	\$270,000	\$18,867,097
New	\$7,775,000	\$1,000,000	\$45,000	\$0	\$175,000	\$1,705,097	\$4,530,000	\$0	\$0	\$0	\$15,230,097
Renewal	\$125,000	\$1,389,000	\$194,000	\$209,000	\$490,000	\$150,000	\$270,000	\$270,000	\$270,000	\$270,000	\$3,637,000
Source of Funds	\$7,900,000	\$2,389,000	\$239,000	\$209,000	\$665,000	\$1,855,097	\$4,800,000	\$270,000	\$270,000	\$270,000	\$18,867,097
General Fund	\$6,167,100	\$1,899,000	\$239,000	\$209,000	\$605,000	\$150,000	\$300,000	\$270,000	\$270,000	\$270,000	\$8,669,100
Waste Reserve	\$300,000	\$1,000,000	\$0	\$0	\$60,000	\$0	\$2,500,000	\$0	\$0	\$0	\$3,860,000
Contributions from Developers	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000
Subsidies - Confirmed	\$1,307,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,307,900
Subsidies - Tentative	\$0	\$1,200,000	\$0	\$0	\$0	\$1,705,097	\$0	\$0	\$0	\$0	\$2,905,097

Livingstone Shire Council
Capital Expenditure by Asset Class and Source of Funds

Asset Class	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Land Development	\$1,860,000	\$0	\$1,860,000								
New	\$1,860,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,860,000
Renewal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Source of Funds	\$1,860,000	\$0	\$1,860,000								
Capital Initiatives Fund	\$1,860,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,860,000
Contributions from Developers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Confirmed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subsidies - Tentative	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$48,270,349	\$25,842,493	\$17,821,675	\$23,515,941	\$29,547,542	\$29,939,847	\$31,561,159	\$29,733,593	\$29,816,227	\$28,434,848	\$294,483,673
New	\$36,742,249	\$14,526,679	\$6,437,813	\$8,438,500	\$9,733,550	\$12,399,747	\$14,916,700	\$6,677,593	\$4,837,500	\$5,607,041	\$120,317,370
Renewal	\$11,528,100	\$11,315,814	\$11,383,862	\$15,077,441	\$19,813,992	\$17,540,100	\$16,644,459	\$23,056,000	\$24,978,727	\$22,827,807	\$174,166,302
Source of Funds	\$48,270,349	\$25,842,493	\$17,821,675	\$23,515,941	\$29,547,542	\$29,939,847	\$31,561,159	\$29,733,593	\$29,816,227	\$28,434,848	\$294,483,673
General Fund	\$21,751,183	\$12,873,716	\$13,106,313	\$11,773,941	\$16,590,009	\$15,601,550	\$14,501,300	\$19,415,313	\$20,632,500	\$22,958,098	\$169,203,922
Capital Initiatives Fund	\$1,860,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,860,000
Water Fund	\$1,776,500	\$766,231	\$1,562,862	\$5,270,000	\$5,523,792	\$5,000,000	\$5,107,159	\$5,000,000	\$5,003,727	\$500,000	\$35,510,271
Sewerage Fund	\$11,350,000	\$1,204,500	\$795,500	\$1,701,500	\$2,459,300	\$1,641,800	\$1,950,500	\$3,580,000	\$4,180,000	\$4,480,000	\$33,343,100
Waste Fund	\$300,000	\$1,000,000	\$0	\$0	\$60,000	\$0	\$2,500,000	\$0	\$0	\$0	\$3,860,000
Contributions from Developers	\$897,500	\$4,474,100	\$893,000	\$4,170,500	\$3,700,700	\$5,391,400	\$5,502,200	\$596,000	\$0	\$496,750	\$26,122,150
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000
Subsidies - Confirmed	\$9,390,646	\$648,046	\$0	\$0	\$356,598	\$0	\$0	\$0	\$0	\$0	\$10,395,290
Subsidies - Tentative	\$944,520	\$4,875,900	\$1,464,000	\$600,000	\$857,143	\$2,305,097	\$0	\$1,142,280	\$0	\$0	\$12,188,940

4.6.3 Long Term Capital Works Program

LIVINGSTONE SHIRE COUNCIL 3YR CAPITAL PROGRAM 2018-19 TO 2020-21

Budget Year	Asset Class	Location	Proposed Works	Est_Amount	Total External Funding	Council Funding	Total Cost by Type	
							New	Renewal
2018/19	Bridges	Bungundarra Road	Replace and widen one lane bridge at Daly Creek on Bungundarra Road with a two lane concrete culvert increasing the load limit from 10T to 50T	\$850,300	\$425,150	\$425,150	\$850,300	\$0
2018/19	Bridges	Joskeleigh Rd - Pumpkin Ck	Replace the existing corroded culverts with a precast bridge.	\$120,000	\$0	\$120,000	\$90,000	\$30,000
2018/19	Bridges	Appleton Dve - Bridge	Repair piles on Pier 2.	\$78,000	\$0	\$78,000	\$0	\$78,000
2018/19	Buildings	Yeppoon Town Hall	Rust rectification works to the exterior of the building.	\$300,000	\$0	\$300,000	\$0	\$300,000
2018/19	Buildings	Cooee Bay Pool	Cooee Bay Pool - Heated Pool Roof Structure.	\$100,000	\$0	\$100,000	\$0	\$100,000
2018/19	Buildings	Cordingley St Depot	Replacement of air conditioning units at Cordingley St Depot	\$100,000	\$0	\$100,000	\$0	\$100,000
2018/19	Buildings	Stange Bay Septic Upgrade	CARRY OVER - Stange Bay Septic Upgrade	\$93,750	\$0	\$93,750	\$93,750	\$0
2018/19	Buildings	Various	Amenities Renewal Program	\$75,000	\$0	\$75,000	\$0	\$75,000
2018/19	Buildings	Yeppoon SES	Boatshed slab & construction.	\$30,000	\$0	\$30,000	\$30,000	\$0
2018/19	Buildings	Yeppoon SES	Supply & install Sprinkler System	\$30,000	\$0	\$30,000	\$30,000	\$0
2018/19	Buildings	Thwaite Park Playground (Zilzie)	Installation of shade sail structure over the new playground.	\$30,000	\$0	\$30,000	\$30,000	\$0
2018/19	Buildings	Community Development Centre - Yeppoon	Repaint exterior of Community Development Centre including required timber repairs.	\$18,000	\$0	\$18,000	\$0	\$18,000
2018/19	Land	Various	Nominal amount for minor land acquisitions	\$100,000	\$0	\$100,000	\$100,000	\$0
2018/19	Land Development	Cordingley St - Depot	Completion of Homemaker centre - subdivision works (Intersection and stub road).	\$1,860,000	\$0	\$1,860,000	\$1,860,000	\$0
2018/19	Plant & Equipment	Fleet Replacement Program	Fleet Renewal Program based on Asset Management Plan	\$1,900,000	\$0	\$1,900,000	\$0	\$1,900,000
2018/19	Plant & Equipment	Software	Active Directory - software to enable single logon user access	\$120,000	\$0	\$120,000	\$0	\$120,000
2018/19	Plant & Equipment	Software	Water Price Modelling Software	\$80,000	\$0	\$80,000	\$80,000	\$0
2018/19	Plant & Equipment	Hardware	Site recovery manager Project Tape drive for DR	\$25,000	\$0	\$25,000	\$0	\$25,000
2018/19	Plant & Equipment	Hardware	Computer Server - replacements and expansions	\$12,000	\$0	\$12,000	\$0	\$12,000
2018/19	Road & Drainage	Scenic Hwy	Design & construction of 2.9km of 2.5m wide off road shared pathway along Scenic Hwy in Rosslyn from Mulambin Rd to Wildin Way (at Bluff St) and along Vin E Jones Memorial Drive from Scenic Highway to Breakwater Drive	\$2,286,700	\$1,153,350	\$1,133,350	\$2,286,700	\$0
2018/19	Road & Drainage	Old Rockhampton Rd - Barmyree Rd - Condon Dve	Completion of roundabout construction	\$1,630,000	\$648,046	\$981,954	\$1,304,000	\$326,000
2018/19	Road & Drainage	Svensden Rd	Upgrade 2.1km of unsealed road to sealed standard 6.5m wide.	\$1,600,000	\$1,600,000	\$0	\$1,120,000	\$480,000
2018/19	Road & Drainage	St Christophers Chapel Road	Upgrade parking facilities and road in conjunction with TMR planned upgrading of boat ramp. Nerimbera Boat Ramp.	\$1,200,000	\$1,100,000	\$100,000	\$1,200,000	\$0
2018/19	Road & Drainage	Taranganba Road	Design and construct signalised intersection	\$1,200,000	\$1,200,000	\$0	\$960,000	\$240,000

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

Budget year	Asset Class	Location	Proposed_Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2018/19	Road & Drainage	Various - Program A	Renewal of unsealed gravel running surface.	\$1,100,000	\$0	\$1,100,000	\$0	\$1,100,000
2018/19	Road & Drainage	St Christopher Chapel Rd	CARRY OVER - Upgrade road to 8m wide to suit Type 1 Road Trains	\$1,000,000	\$1,000,000	\$0	\$700,000	\$300,000
2018/19	Road & Drainage	Various	Sealed Pavement Renewal program	\$1,000,000	\$0	\$1,000,000	\$0	\$1,000,000
2018/19	Road & Drainage	Various	Annual reseal program - Urban roads	\$1,000,000	\$0	\$1,000,000	\$0	\$1,000,000
2018/19	Road & Drainage	Yeppoon Creek Outlets	Flood Mitigation Project 7 - Yeppoon Creek outlets.	\$773,000	\$463,000	\$310,000	\$618,400	\$154,600
2018/19	Road & Drainage	Morris Street	Reconstruction (450mx8.0m) - Stage 1.	\$625,000	\$0	\$625,000	\$0	\$625,000
2018/19	Road & Drainage	Scenic Hwy	CARRY OVER - Statute Bay Reconstruction	\$620,000	\$330,000	\$290,000	\$496,000	\$124,000
2018/19	Road & Drainage	Various	Annual reseal program - Rural	\$600,000	\$0	\$600,000	\$0	\$600,000
2018/19	Road & Drainage	Various	Floodway upgrades approved under W4Q 2017-19 Funding	\$590,000	\$590,000	\$0	\$590,000	\$0
2018/19	Road & Drainage	Gus Moore St	CARRYOVER - IMP-Gus Moore St Retaining Wall Stabilisation	\$500,000	\$460,000	\$40,000	\$500,000	\$0
2018/19	Road & Drainage	Farnborough Rd	Repair landslip	\$500,000	\$0	\$500,000	\$350,000	\$150,000
2018/19	Road & Drainage	Scenic Hwy - Statue Bay	750m of shared path to complete pathway links.	\$335,000	\$167,500	\$167,500	\$335,000	\$0
2018/19	Road & Drainage	Farnborough Rd	Replace guardrail/barrier along centre median of start of Farnborough Rd.	\$200,000	\$0	\$200,000	\$0	\$200,000
2018/19	Road & Drainage	Various	The Pre- Project Planning and Design program	\$150,000	\$0	\$150,000	\$150,000	\$0
2018/19	Road & Drainage	Various	Bus Shelter Program	\$145,000	\$72,500	\$72,500	\$0	\$145,000
2018/19	Road & Drainage	Hill St, Yeppoon Bus Stop	Upgrade Hill St, Yeppoon Bus Stop interchange to meet DDA requirements.	\$100,000	\$50,000	\$50,000	\$0	\$100,000
2018/19	Road & Drainage	Milman Road	90m x 6.5m Asphalt overlay to existing floodway.	\$100,000	\$0	\$100,000	\$30,000	\$70,000
2018/19	Road & Drainage	Arnold Dve	BETTERMENT - New Concrete Floodway - Arnold Dve (20m * 4.2m) - EXTERNALLY FUNDED	\$92,123	\$88,565	\$3,558	\$92,123	\$0
2018/19	Road & Drainage	Bondoola Rd	BETTERMENT - New Concrete Floodway - Bondoola Rd (30m * 6.5m) - EXTERNALLY FUNDED	\$92,121	\$82,955	\$9,166	\$92,121	\$0
2018/19	Road & Drainage	Various Urban	Streetlighting Program (new lights).	\$75,000	\$0	\$75,000	\$75,000	\$0
2018/19	Road & Drainage	Scenic Highway	CARRYOVER - Complete the path on Eastern Side of the Scenic Highway 1220m.	\$60,855	\$60,855	\$0	\$60,855	\$0
2018/19	Road & Drainage	Wreck Point	CARRYOVER - Construction of viewing platform and access trail at Wreck Point	\$50,000	\$50,000	\$0	\$50,000	\$0
2018/19	Road & Drainage	Various	Annual Road Safety Minor Works Program	\$50,000	\$0	\$50,000	\$50,000	\$0
2018/19	Road & Drainage	Various	Guardrail and safety Fencing Replacements	\$50,000	\$0	\$50,000	\$0	\$50,000
2018/19	Road & Drainage	Pacific Heights	CARRY OVER - Acquire a Q100 Drainage Easement for the natural flow to achieve and protect a connected flowpath that is generally a Water Act Drainage Feature.	\$45,000	\$0	\$45,000	\$45,000	\$0
2018/19	Road & Drainage	Glenlee Park	Renewal to part of access into Glenlee Park	\$42,000	\$0	\$42,000	\$0	\$42,000
2018/19	Road & Drainage	Various	Replace inefficient inlets	\$35,000	\$0	\$35,000	\$0	\$35,000

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

Budget year	Asset Class	Location	Proposed_Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2018/19	Road & Drainage	Tanby Rd & Park St	Install a UPS on Tanby Rd/ Charles ST traffic signals and modify Park St pedestrian signals with radars to reduce the impact on vehicle traffic.	\$30,000	\$0	\$30,000	\$21,000	\$9,000
2018/19	Road & Drainage	Todd Ave Drain - tidal watercourse	CARRY OVER - Todd Ave tidal watercourse - Smith St to Kean St.	\$24,000	\$0	\$24,000	\$24,000	\$0
2018/19	Road & Drainage	Paddy Swamp Rd	Stage 1 - Design - Upgrade Paddy Swamp Rd to B-Double Standard between Evans Rd and Ingrey Rd	\$20,000	\$20,000	\$0	\$10,000	\$10,000
2018/19	Road & Drainage	Coxwold Place	CARRY OVER - Reinstate overland flow path, temporary and permanent improvements to gully pits	\$19,000	\$0	\$19,000	\$9,500	\$9,500
2018/19	Road & Drainage	Yeppoon Creek Tributary (A)	CARRY OVER - Acquire a Q100 Drainage Easement for the natural flow to achieve and protect a connected flowpath that is generally a Water Act Drainage Feature.	\$18,000	\$0	\$18,000	\$18,000	\$0
2018/19	Road & Drainage	Adelaide Park Road	Construct 40m long x 1.2m wide footpath.	\$11,000	\$0	\$11,000	\$11,000	\$0
2018/19	Sewerage	Yeppoon STP	CARRY OVER - Yeppoon Sewage Treatment Plant Augmentation	\$14,136,000	\$3,000,000	\$11,136,000	\$14,136,000	\$0
2018/19	Sewerage	Emu Park Road SPS	CARRYOVER - Replace risers and elbows in wet well, pipework through to valve pit, valve pit pipework, isolation valves, non-returns and other pumps/fittings as required.	\$59,000	\$0	\$59,000	\$0	\$59,000
2018/19	Sewerage	Shaw Ave SPS	Pump renewal	\$50,000	\$0	\$50,000	\$0	\$50,000
2018/19	Sewerage	Emu Park STP	CARRY OVER - Replace effluent switch board.	\$40,000	\$0	\$40,000	\$20,000	\$20,000
2018/19	Sewerage	Various	Annual provision for emergency replacement of sewer pumps	\$25,000	\$0	\$25,000	\$0	\$25,000
2018/19	Sewerage	Emu Park STP	Asset renewals identified by Asset Management Plan - Emu Park STP Sludge tank platform	\$20,000	\$0	\$20,000	\$0	\$20,000
2018/19	Sewerage	Charles Street, Sewer Pump Station	CARRY OVER - Safety Upgrade.	\$20,000	\$0	\$20,000	\$10,000	\$10,000
2018/19	Sewerage	Farnborough Rd SPS	CARRY OVER - Electrical upgrade	\$20,000	\$0	\$20,000	\$10,000	\$10,000
2018/19	Sewerage	Various	Sewer Jump up refurbishment program	\$10,000	\$0	\$10,000	\$0	\$10,000
2018/19	Site Improvements	Emu park	CARRY OVER - Stage 2 - Emu Park Village & Foreshore Revitalisation	\$2,950,000	\$1,000,000	\$1,950,000	\$2,950,000	\$0
2018/19	Site Improvements	Capricorn Coast	CARRY OVER - Capricorn Cemetery - Stage 2 Internal construction work	\$2,900,000	\$625,000	\$2,275,000	\$2,900,000	\$0
2018/19	Site Improvements	Tanby Road	CARRY OVER - Construction of Tanby Rd intersection and road to Capricorn Coast Cemetery	\$500,000	\$0	\$500,000	\$500,000	\$0
2018/19	Site Improvements	Normanby & James Streets	CARRYOVER - Yeppoon Town Centre Smart Lighting project	\$495,000	\$297,000	\$198,000	\$495,000	\$0
2018/19	Site Improvements	Normanby & James Streets	CARRY OVER - Yeppoon Town Centre Smart Precinct project.	\$400,000	\$200,000	\$200,000	\$400,000	\$0
2018/19	Site Improvements	Yeppoon Landfill	Landfill entry works - weighbridge	\$250,000	\$0	\$250,000	\$250,000	\$0
2018/19	Site Improvements	Yeppoon Lagoon	Minor facility enhancements	\$150,000	\$0	\$150,000	\$150,000	\$0
2018/19	Site Improvements	Various	Playground - Equipment Renewal Program.	\$60,000	\$0	\$60,000	\$0	\$60,000
2018/19	Site Improvements	Various Waste transfer stations	CARRY OVER - Building Repairs and safety improvements	\$50,000	\$0	\$50,000	\$50,000	\$0

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

Budget year	Asset Class	Location	Proposed_Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2018/19	Site Improvements	Yeppoon	Preliminary investigations for new administration centre	\$50,000	\$0	\$50,000	\$50,000	\$0
2018/19	Site Improvements	Yeppoon to Rosslyn	CARRY OVER - Coastal Walk - Design/development	\$30,000	\$0	\$30,000	\$30,000	\$0
2018/19	Site Improvements	Shire wide	Bin surround replacements	\$20,000	\$0	\$20,000	\$0	\$20,000
2018/19	Site Improvements	Various	Park Furniture & Fixtures Replacements	\$20,000	\$0	\$20,000	\$0	\$20,000
2018/19	Site Improvements	Regional	BBQ renewals.	\$15,000	\$0	\$15,000	\$0	\$15,000
2018/19	Site Improvements	Marlborough Helipad	Upgrade helipad lighting and site linemarking.	\$10,000	\$0	\$10,000	\$0	\$10,000
2018/19	Water	Various	W-Main Replacement Reticulation.	\$830,000	\$0	\$830,000	\$0	\$830,000
2018/19	Water	Various	CARRY OVER - Replacement of water reticulation main.	\$400,000	\$0	\$400,000	\$0	\$400,000
2018/19	Water	Various	Property Service Replacements.	\$150,000	\$0	\$150,000	\$0	\$150,000
2018/19	Water	Various	Water Meter Replacement Program	\$100,000	\$0	\$100,000	\$0	\$100,000
2018/19	Water	Kelly's Dam	Repairs to seepage from spillway tunnel.	\$100,000	\$0	\$100,000	\$100,000	\$0
2018/19	Water	Yeppoon West, Adelaide Park Rd	Yeppoon West Booster Upgrade and installation of Gen set	\$100,000	\$0	\$100,000	\$100,000	\$0
2018/19	Water	Caves/Glenlee	CARRY OVER - Stage 3 - Mount Charlton Steel Main refurbishment.	\$90,000	\$0	\$90,000	\$0	\$90,000
2018/19	Water	Pacific heights Reservoir	Pacific Heights Reservoir Chlorination- installation of Chlorination equipment	\$80,000	\$0	\$80,000	\$80,000	\$0
2018/19	Water	Various	Valve & Hydrant Replacement Program	\$72,000	\$0	\$72,000	\$0	\$72,000
2018/19	Water	Woodbury Water Pump Station	Pump 1 recommission	\$60,000	\$0	\$60,000	\$60,000	\$0
2018/19	Water	Mt Barmoya & Cordingley St	Installation of digital network for future systems	\$51,500	\$0	\$51,500	\$51,500	\$0
2018/19	Water	Meikleville WPS	CARRY OVER - Replace switchboard, pumps, genset and pipe works	\$40,000	\$0	\$40,000	\$28,000	\$12,000
2018/19	Water	Kelly's Offstream Storage Water Pump Station	Building improvements	\$20,000	\$0	\$20,000	\$6,000	\$14,000
2018/19	Water	Keppel Sands Reservoir	CARRYOVER - Reconfigure pipework.	\$6,000	\$0	\$6,000	\$3,000	\$3,000
2019/20	Buildings	Mill Gallery Yeppoon	Includes construction of new small gallery and upgrades to existing facility.	\$500,000	\$250,000	\$250,000	\$400,000	\$100,000
2019/20	Buildings	Lagoon Place	Administration centre - main air conditioning unit replacement	\$100,000	\$0	\$100,000	\$0	\$100,000
2019/20	Buildings	Various	Building Asset Renewal Program	\$100,000	\$0	\$100,000	\$0	\$100,000
2019/20	Buildings	Various	Amenities Renewal Program	\$75,000	\$0	\$75,000	\$0	\$75,000
2019/20	Land	Various	Nominal amount for minor land acquisitions	\$100,000	\$0	\$100,000	\$100,000	\$0
2019/20	Plant & Equipment	Fleet Replacement Program	Fleet Renewal Program based	\$1,700,000	\$0	\$1,700,000	\$0	\$1,700,000
2019/20	Plant & Equipment	Software	Asset management system renewal/major upgrade.	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

Budget year	Asset Class	Location	Proposed_Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2019/20	Plant & Equipment	Civil Design	Replace Total station	\$53,000	\$0	\$53,000	\$0	\$53,000
2019/20	Plant & Equipment	Hardware	Site recovery manager Project Tape drive for DR	\$25,000	\$0	\$25,000	\$0	\$25,000
2019/20	Plant & Equipment	Network	Firewalls, Links Upgrades & backup Links	\$15,000	\$0	\$15,000	\$0	\$15,000
2019/20	Road & Drainage	Matthew Flinders Drive	Stage 1 - Full reconstruction of Matthew Flinders Drive from Wattle Grove to Melaleuca Street.	\$1,500,000	\$0	\$1,500,000	\$300,000	\$1,200,000
2019/20	Road & Drainage	Various - Program A	Renewal of unsealed gravel running surface.	\$1,300,000	\$0	\$1,300,000	\$0	\$1,300,000
2019/20	Road & Drainage	Adelaide Park Road	Stage 1 - Upgrade approximately 0.5km to standard of recent strategic link from CBD to Northern suburbs including major drainage under road	\$1,300,000	\$648,046	\$651,954	\$910,000	\$390,000
2019/20	Road & Drainage	Various	Sealed Pavement Renewals.	\$1,000,000	\$0	\$1,000,000	\$0	\$1,000,000
2019/20	Road & Drainage	Frangipani Dve	CARRY OVER - Design and construction for proposed bus set down.	\$920,000	\$920,000	\$0	\$920,000	\$0
2019/20	Road & Drainage	Barmarjee Rd	2,400m shared path from Oak Tree Retirement Village to Barmarjee Multi-sports precinct.	\$880,000	\$440,000	\$440,000	\$880,000	\$0
2019/20	Road & Drainage	Whitman Street	Reconstruction (210mx8.0m)	\$800,000	\$0	\$800,000	\$0	\$800,000
2019/20	Road & Drainage	Greenlake Rd	Stage 1 - Upgrade to Sealed Standard - Lake Mary Rd intersection.	\$560,000	\$600,000	-\$40,000	\$392,000	\$168,000
2019/20	Road & Drainage	Paddy Swamp Rd	Stage 2 - Construction - Upgrade Paddy Swamp Rd to B-Double Standard between Evans Rd and Ingrey Rd	\$500,000	\$240,000	\$260,000	\$250,000	\$250,000
2019/20	Road & Drainage	Fig Tree Creek Drainage System - watercourse	Construct bank protection at rear of 8 Fig Tree Street	\$480,000	\$0	\$480,000	\$480,000	\$0
2019/20	Road & Drainage	Old Byfield Rd	Upgrade to sealed standard 6.5m wide, and 50m up Lake Mary Rd.	\$440,000	\$0	\$440,000	\$308,000	\$132,000
2019/20	Road & Drainage	Coowonga Rd	Coowonga Road Culvert Upgrade CH 4.03km	\$360,000	\$0	\$360,000	\$360,000	\$0
2019/20	Road & Drainage	Hill Street	Construct footpath on northern side of road.	\$360,000	\$180,000	\$180,000	\$360,000	\$0
2019/20	Road & Drainage	Lake Mary Road	Stage 3-Construct 6 km (ch15 to 18km) to Gravel Road Standard, Form and Gravel the Previously Unconstructed Section.	\$350,000	\$0	\$350,000	\$245,000	\$105,000
2019/20	Road & Drainage	Lake Mary Road	Stage 2-Construct 6 km (ch12 to 15km to Gravel Road Standard, Form and Gravel the Previously Unconstructed Section.	\$350,000	\$0	\$350,000	\$245,000	\$105,000
2019/20	Road & Drainage	Tanby Rd	Construct 770m of shared path to complete missing links.	\$310,000	\$155,000	\$155,000	\$310,000	\$0
2019/20	Road & Drainage	Various	Pre planning and design of projects.	\$200,000	\$0	\$200,000	\$200,000	\$0
2019/20	Road & Drainage	Stevenson St	CARRY OVER - Stormwater overflow works from kerb at Cnr Stevenson and Barnes St.	\$137,262	\$0	\$137,262	\$41,179	\$96,083
2019/20	Road & Drainage	Anzac Pde	Correct low spots in pavement, relay K&C, install pram ramp and drainage	\$90,000	\$0	\$90,000	\$18,000	\$72,000
2019/20	Road & Drainage	Farnborough Rd	Shared path at intersection of Farnborough Road and Little Lane.	\$70,000	\$35,000	\$35,000	\$70,000	\$0
2019/20	Road & Drainage	Taranganba Road	160m extension of shared path on southern side of Taranganba Road.	\$67,000	\$33,500	\$33,500	\$67,000	\$0

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

Budget year	Asset Class	Location	Proposed_ Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2019/20	Road & Drainage	Various Urban	Street Lighting - Fitting Replacement (incl. Lamp and Control Gear) - Biennial Program	\$50,000	\$0	\$50,000	\$0	\$50,000
2019/20	Road & Drainage	Various	Bus Shelter Program	\$50,000	\$0	\$50,000	\$0	\$50,000
2019/20	Road & Drainage	Various	Annual Road Safety Minor Works Program	\$50,000	\$0	\$50,000	\$50,000	\$0
2019/20	Road & Drainage	Various	Guardrail and safety Fencing Replacements	\$45,000	\$0	\$45,000	\$0	\$45,000
2019/20	Road & Drainage	Various	Replace inefficient inlets (annual program)	\$35,000	\$0	\$35,000	\$0	\$35,000
2019/20	Road & Drainage	Glenparie Rd	Overlay existing concrete floodway	\$30,000	\$0	\$30,000	\$0	\$30,000
2019/20	Road & Drainage	Glenora Rd	Overlay existing concrete floodway - 20m x 4.2m	\$20,000	\$0	\$20,000	\$0	\$20,000
2019/20	Sewerage	Yeppoon STP	Water Recycling System Augmentation.	\$2,716,000	\$1,086,400	\$1,629,600	\$2,716,000	\$0
2019/20	Sewerage	Arthur St	Arthur St 300 GM, upgrade, CCSY Yeppoon Central, WWF design, 390m	\$700,000	\$0	\$700,000	\$350,000	\$350,000
2019/20	Sewerage	Various	Sewer Main Relining	\$300,000	\$0	\$300,000	\$0	\$300,000
2019/20	Sewerage	Various	Asset renewals identified by Asset Management Plan	\$300,000	\$0	\$300,000	\$0	\$300,000
2019/20	Sewerage	Arthur St	Arthur St 375 GM, upgrade, CCSY Yeppoon Central, WWF design, 175m	\$219,000	\$0	\$219,000	\$109,500	\$109,500
2019/20	Sewerage	Woodbury WTP, Emu Park STP, Yeppoon STP, Emu Park Golf Course	Plant security upgrade	\$130,000	\$0	\$130,000	\$65,000	\$65,000
2019/20	Sewerage	Various	Irrigation Hydraulic Upgrade	\$120,000	\$0	\$120,000	\$120,000	\$0
2019/20	Sewerage	Various	Sewer jump up refurbishment program	\$20,000	\$0	\$20,000	\$0	\$20,000
2019/20	Site Improvements	Cooee Bay Pool	Cooee Bay Pool - Renewal of pools, amenities and filtration system.	\$1,200,000	\$1,200,000	\$0	\$0	\$1,200,000
2019/20	Site Improvements	Yeppoon Landfill	Landfill entry works Stage 2. Construction of recovery area.	\$1,000,000	\$0	\$1,000,000	\$1,000,000	\$0
2019/20	Site Improvements	Various	Upgrade of existing beach accesses	\$75,000	\$0	\$75,000	\$0	\$75,000
2019/20	Site Improvements	Various	Playground Equipment Renewal Program	\$40,000	\$0	\$40,000	\$0	\$40,000
2019/20	Site Improvements	Regional	Irrigation Renewal Program	\$24,000	\$0	\$24,000	\$0	\$24,000
2019/20	Site Improvements	Various	Park Furniture & Fixtures Replacements	\$20,000	\$0	\$20,000	\$0	\$20,000
2019/20	Site Improvements	Regional	BBQ renewals.	\$15,000	\$0	\$15,000	\$0	\$15,000
2019/20	Site Improvements	Various	Fencing/Gates/Bollards Renewal Program	\$15,000	\$0	\$15,000	\$0	\$15,000
2019/20	Water	West Emu Park	Reservoir West Emu Park LZ, 4ML, New, MD design	\$2,200,000	\$0	\$2,200,000	\$2,200,000	\$0
2019/20	Water	Mt Charlton	CA-W-Mt Charlton Pipework and Valves	\$332,886	\$0	\$332,886	\$0	\$332,886
2019/20	Water	Various	Asset renewals identified by Asset Management Plan (Passive - includes Meters, Mains, Valves & Hydrants, Property Services)	\$142,651	\$0	\$142,651	\$0	\$142,651
2019/20	Water	Ogmore	O-W-Main Reticulation Renewal Galvanised & Poly Pipe Final stage of replacement project.	\$120,000	\$0	\$120,000	\$0	\$120,000

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

Budget year	Asset Class	Location	Proposed_Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2019/20	Water	Ogmore	CARRY OVER - Water Main (Rising) Renewal Galvanised & Poly Pipe	\$100,000	\$0	\$100,000	\$0	\$100,000
2019/20	Water	Emu Park - Hawke Street	Emu Park HZ Booster PS, upgrade, new building, pumps, pipes, elec, generator, MH design.	\$100,000	\$0	\$100,000	\$50,000	\$50,000
2019/20	Water	Various	Asset renewals identified by Asset Management Plan (Active)	\$20,694	\$0	\$20,694	\$0	\$20,694
2019/20	Water	St Faiths Res	Stage 1 - Design Only - Inverness Booster Pump Station - New, buildings, pumps, pipes, elec, generator, rechlor, MH design	\$10,000	\$0	\$10,000	\$10,000	\$0
2020/21	Buildings	Emu Park - Art Gallery	Construct new Art Gallery - Emu Park Cultural Centre, Hill St, Emu Park.	\$600,000	\$600,000	\$0	\$600,000	\$0
2020/21	Buildings	Various	Building Asset Renewal Program	\$150,000	\$0	\$150,000	\$0	\$150,000
2020/21	Buildings	Lammermoor Beach	New toilet block at Williamson Ck picnic area.	\$150,000	\$0	\$150,000	\$150,000	\$0
2020/21	Buildings	Various	Amenities Renewal Program	\$100,000	\$0	\$100,000	\$0	\$100,000
2020/21	Buildings	Mill Gallery Yeppoon	Repaint exterior of Mill Gallery including required timber repairs.	\$53,000	\$0	\$53,000	\$0	\$53,000
2020/21	Buildings	Widdowson Park	Installation of shade sail structure over the new playground.	\$30,000	\$0	\$30,000	\$30,000	\$0
2020/21	Land	Various	Nominal amount for minor land acquisitions	\$100,000	\$0	\$100,000	\$100,000	\$0
2020/21	Plant & Equipment	Fleet Replacement Program	Fleet Renewal Program based on Asset Management Plan	\$2,000,000	\$0	\$2,000,000	\$0	\$2,000,000
2020/21	Plant & Equipment	Hardware	Site recovery manager Project Tape drive for DR	\$30,000	\$0	\$30,000	\$0	\$30,000
2020/21	Plant & Equipment	Network	Firewalls, Links Upgrades & backup Links	\$12,500	\$0	\$12,500	\$0	\$12,500
2020/21	Road & Drainage	Queen Street	Upgrade Queen Street from Arthur St to Mary St to urban sub-arterial SRN 8 - stage1.	\$1,950,000	\$0	\$1,950,000	\$1,365,000	\$585,000
2020/21	Road & Drainage	Matthew Flinders Drive	Stage 2 - Full reconstruction for Matthew Flinders Drive (Wattle Grove - Melaleuca Street)	\$1,530,000	\$0	\$1,530,000	\$306,000	\$1,224,000
2020/21	Road & Drainage	Greenlake Rd	Stage 2 - Upgrade to minimum sealed standard, re-align Greenlake Road and Lake Mary Road to form new intersection with improved flood immunity.	\$1,440,000	\$600,000	\$840,000	\$1,008,000	\$432,000
2020/21	Road & Drainage	Adelaide Park Road	Upgrade approximately 0.5km to standard of recent strategic link from CBD to Northern suburbs.	\$1,300,000	\$0	\$1,300,000	\$910,000	\$390,000
2020/21	Road & Drainage	Various - Program A	Renewal of unsealed gravel running surface.	\$1,100,000	\$0	\$1,100,000	\$0	\$1,100,000
2020/21	Road & Drainage	Various	Annual reseal program - Urban	\$1,000,000	\$0	\$1,000,000	\$0	\$1,000,000
2020/21	Road & Drainage	Various	Annual reseal program - Rural	\$800,000	\$0	\$800,000	\$0	\$800,000
2020/21	Road & Drainage	Various	Rehabilitate existing sealed pavement	\$800,000	\$0	\$800,000	\$0	\$800,000
2020/21	Road & Drainage	Adelaide Park Road	Concrete 690m of shared paths on Normanby St / Adelaide Park Road.	\$515,000	\$0	\$515,000	\$515,000	\$0
2020/21	Road & Drainage	Various	Nominal annual amount for future projects	\$200,000	\$0	\$200,000	\$200,000	\$0
2020/21	Road & Drainage	Pacific Heights Road	430m long 2.5m wide concrete offroad.	\$190,000	\$0	\$190,000	\$190,000	\$0

**LIVINGSTONE SHIRE COUNCIL
3YR CAPITAL PROGRAM 2018-19 TO 2020-21**

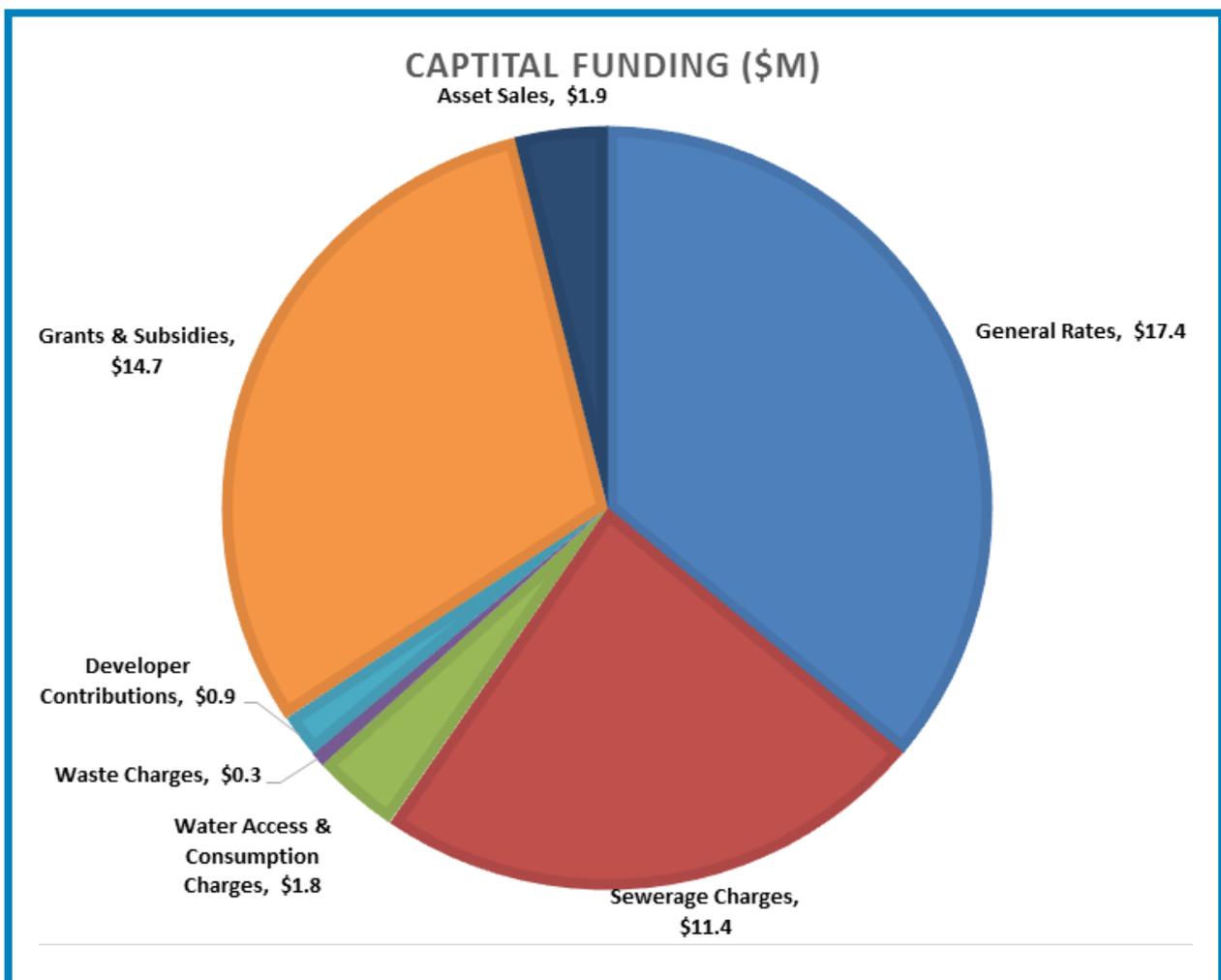
Budget year	Asset Class	Location	Proposed_Works	Est_Amount	Total External Funding	Council Funding	New	Renewal
2020/21	Road & Drainage	Fig Tree Creek Drainage System-watercourse	1200m Q100 Drainage Easement for the natural flow to achieve and protect a connected flowpath that is generally a Water Act Drainage Feature.	\$120,000	\$0	\$120,000	\$120,000	\$0
2020/21	Road & Drainage	Lamberton St	110m of new 600dia RCP	\$113,000	\$0	\$113,000	\$113,000	\$0
2020/21	Road & Drainage	Fountain Street	Extend footpath Network on Eastern Side 325m	\$101,563	\$0	\$101,563	\$101,563	\$0
2020/21	Road & Drainage	Various Urban	Streetlighting Program (new lights)	\$75,000	\$0	\$75,000	\$75,000	\$0
2020/21	Road & Drainage	Various	Bus Shelter Program	\$75,000	\$0	\$75,000	\$0	\$75,000
2020/21	Road & Drainage	Clay St, Emu Park	Concrete invert and pipe under Clay St, including rock lined channel upstream & downstream	\$70,000	\$0	\$70,000	\$70,000	\$0
2020/21	Road & Drainage	Normanby Street	Construct 340m of 1.2m wide footpath	\$63,750	\$0	\$63,750	\$63,750	\$0
2020/21	Road & Drainage	Mt Bison Rd No. 2	Sidetrack Mamelon Creek	\$55,000	\$0	\$55,000	\$55,000	\$0
2020/21	Road & Drainage	Various	Annual Road Safety Minor Works Program	\$50,000	\$0	\$50,000	\$50,000	\$0
2020/21	Road & Drainage	Various	Replace inefficient inlets	\$40,000	\$0	\$40,000	\$0	\$40,000
2020/21	Road & Drainage	Various	Guardrail and safety Fencing Replacements	\$40,000	\$0	\$40,000	\$0	\$40,000
2020/21	Road & Drainage	Sleipner Rd	New Concrete Floodway - 20m x 6.5m	\$25,000	\$0	\$25,000	\$25,000	\$0
2020/21	Sewerage	Arthur St	Arthur St 600 GM, upgrade, CCSY Yeppoon Central, WWF design, 440m	\$551,000	\$0	\$551,000	\$275,500	\$275,500
2020/21	Sewerage	Various	Asset renewals identified by Asset Management Plan	\$500,000	\$0	\$500,000	\$0	\$500,000
2020/21	Sewerage	Various	Sewer Jump up refurbishment program	\$20,000	\$0	\$20,000	\$0	\$20,000
2020/21	Site Improvements	Various	Upgrade of existing beach accesses	\$75,000	\$0	\$75,000	\$0	\$75,000
2020/21	Site Improvements	Rotary Park	Install Irrigation to Car AA park.	\$45,000	\$0	\$45,000	\$45,000	\$0
2020/21	Site Improvements	Various	Playground Equipment Renewal Program	\$40,000	\$0	\$40,000	\$0	\$40,000
2020/21	Site Improvements	Various	Park Furniture & Fixtures Replacements	\$25,000	\$0	\$25,000	\$0	\$25,000
2020/21	Site Improvements	Regional	Irrigation Renewal Program	\$24,000	\$0	\$24,000	\$0	\$24,000
2020/21	Site Improvements	Various	Fencing/Gates/Bollards Renewal Program	\$15,000	\$0	\$15,000	\$0	\$15,000
2020/21	Site Improvements	Regional	BBQ renewals	\$15,000	\$0	\$15,000	\$0	\$15,000
2020/21	Water	Various	Asset renewals identified by Asset Management Plan (Passive - includes Meters, Mains, Valves & Hydrants, Property Services)	\$778,272	\$0	\$778,272	\$0	\$778,272
2020/21	Water	Various	Asset renewals identified by Asset Management Plan (Active)	\$634,590	\$0	\$634,590	\$0	\$634,590
2020/21	Water	Break Water Dve	150mm dia Watermain - design & easement acquisition	\$150,000	\$0	\$150,000	\$0	\$150,000
2020/21	Water	Keppel Sands	Keppel Sands Booster pump station	\$70,000	\$0	\$70,000	\$70,000	\$0

4.7 Financing the Capital Works Program

Council's Capital Works Program for 2018-19 is \$48.270 million. Council will utilise a combination of revenue, developer contributions, capital grants and loans to fund the Capital Works Program.

The main source of capital finance is generated from general rates, levies and utility charges. Council also seeks grant funding from the State and/or Federal Government to assist with the delivery of its planned capital works program. There are no planned borrowings for 2018-19.

The following table shows the capital funding sources that will be used over the next ten years to finance Council's Capital Works Program.



**Financial
Management
Policies
2018-2019**

Part Five

5.1 Debt Policy

DEBT POLICY (STATUTORY POLICY)

1. Scope

The Debt Policy (this 'Policy') applies to the use of loan borrowings to fund infrastructure and other important capital projects.

2. Purpose

This Policy provides Council with a contemporary Debt Policy for responsible financial management on the loan funding of infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties.

3. Related Documents

Local Government Act 2009
Local Government Regulation 2012
Statutory Bodies Financial Arrangements Act 1982

4. Definitions

To assist in interpretation, the following definitions shall apply:

CEO	Chief Executive Officer A person who holds an appointment under section 194 of the <i>Local Government Act 2009</i> . This includes a person acting in this position.
Council	Livingstone Shire Council.
The Act	<i>Local Government Act 2009</i> .
The Regulation	<i>Local Government Regulation 2012</i> .
SBFAA	<i>Statutory Bodies Financial Arrangements Act 1982</i> .

5. Policy Statement

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

Council will restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority and which cannot be funded from revenue, as identified by the adopted budget. Under no circumstances should Council use long-term debt to finance operating activities or recurrent expenditure. A working capital facility or overdraft may be utilised to assist in funding short term cash flow requirements that may arise.

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

- Borrowings are considered to be a financial funding last resort and only as a tool to be used in a strategic perspective to achieve the provision of services to the community;
- Borrowings for infrastructure that provides a return on assets will take priority over borrowing for other assets. Where a capital project for a service that is funded by utility or user charges e.g. water, sewer, waste, is determined to be funded by way of loans, the user charge should reflect the cost of providing the service including the loan servicing costs.
- Other specific capital projects, not funded by user charges, should only be considered for loan funding where the project is considered by Council to be of long term benefit to the majority of ratepayers.
- Prior to undertaking any borrowing, Council shall assess its capacity to repay the loan, to ensure that the community is not burdened with unnecessary risk and rate/charge increases.
- The term of any loan should not exceed the expected life of the asset being funded.
- All borrowings will be considered in line with Council's long term financial forecast.

TEN YEAR LOAN PROGRAMME FORECAST

Council utilises loan borrowings to fund major capital and infrastructure works. Repayments are spread over a long period of up to twenty years (20) as the Capital Works Projects funded all have long useful lives. This Policy includes the following information:

- 1) New borrowings for the current and the next nine (9) financial years; and
- 2) Repayment schedule for new and existing borrowings.

The following ten (10) year program is proposed by Council, although allocations in future years are revised on an annual basis in conjunction with the review of its short and long term budgets:

**TABLE (1)
TEN YEAR BORROWING AND REPAYMENT SCHEDULE**

Financial year	New borrowing amount (\$)	Loan redemption amount (\$)	Repayment period (years)
2018-19	-	4,751,000	-
2019-20	-	4,989,000	-
2020-21	-	5,261,000	-
2021-22	-	5,537,000	-
2022-23	-	5,827,000	-
2023-24	-	6,126,000	-
2024-25	2,000,000	6,495,000	20
2025-26	-	6,864,000	-
2026-27	-	7,224,000	-
2027-28	-	7,601,000	-

REPAYMENT SCHEDULE

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation. The Queensland Treasury Corporation maintains Council debt as the Book Debt plus a market provision, to market value the total liability outstanding. The provision is principally a result of past movements in the market value of the liabilities within each debt pool. If the Council was to liquidate this debt it would be required to pay the market value of the loan portfolio.

Council intends maintaining a repayment schedule consistent with an interest and principal repayment calculation so that the exposure to interest rate fluctuations are minimised. The budgeted loan portfolio of Council for 2018-19 is as follows:

**TABLE (2)
BUDGETED INTEREST AND REDEMPTION
FOR THE PERIOD TO 30 JUNE 2019**

	A	B	C	D	E
					(A – C + D)
FUNCTION DESCRIPTION	EST BALANCE 01-07-2018	ADMIN & INTEREST	REDEMPTION	NEW ADVANCES	EST BOOK DEBT BALANCE 30-06-2019
Water and Sewerage	27,728,295	1,325,881	1,479,810	0	26,248,485
Waste	11,213,970	620,283	734,748	0	10,479,222
Other Infrastructure	46,325,710	2,162,836	2,536,442	0	43,789,268
TOTAL	85,267,975	4,109,000	4,751,000	0	80,516,975

6. Changes to this Policy

This Policy will be reviewed when any of the following occur:

1. As required by legislation - this Policy is to be reviewed at least annually in conjunction with the budget;
2. The related information is amended or replaced; or
3. Other circumstances as determined from time to time by the Council.

7. Repeals

This Policy repeals the former Livingstone Shire Council Policy titled 'Debt Policy' adopted 27 June 2017.

CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER

5.2 Investment Policy

INVESTMENT POLICY (STATUTORY POLICY)

1. Scope

The Investment Policy (this 'Policy') applies to the investment of investable funds in accordance with Category One (1) investment power under Part 6 of the *Statutory Bodies Financial Arrangement Act 1982* (SBFAA) and the *Statutory Bodies Financial Arrangement Regulations 2007* (SBFAR).

2. Purpose

As per s 191 of the *Local Government Regulation 2012*, Council is required to prepare and adopt an investment policy.

To provide Council with a contemporary investment policy based on an assessment of risk within the legislative framework of the SBFAA and SBFAR. This includes:

- ensuring the preservation of Council's capital;
- investing Council funds not immediately required for financial commitments;
- maximising earnings from authorised investments of investable funds in accordance with s 47(1) of the SBFAA;
- consideration of council's net debt position when determining the use of investable funds; and
- ensuring that appropriate procedures and adequate internal controls are established and records are kept.

3. Reference (e.g. Legislation, related documents)

Local Government Act 2009

Local Government Regulation 2012

Statutory Bodies Financial Arrangements Act 1982

Statutory Bodies Financial Arrangement Regulation 2007

Public Sector Ethics Act 1994

4. Definitions

To assist in interpretation, the following definitions shall apply:

At-call	For an investment by a statutory body, means the body may, without penalty, obtain all amounts under the investment – (a) Immediately it gives written or oral notice to the person with whom the investment is made; or (b) Within 30 days after written or oral notice is given to the person with whom the investment is made.
Authorised investments	Investments allowed by the SBFAA & SBFAR and authorised for investment purposes by Council and/or Council's Chief

	Executive Officer.
Financial Institution	Those organisations listed on the Register of Approved Deposit Institutions (ADIs) on the Australian Prudential Regulation Authority website.
Investable funds	Funds not required in the short term (30 days) to meet the cash flow requirements of Council and available for investment.
Investment portfolio	The term portfolio refers to any combination of financial risk such as stocks, bonds or cash. It is a generally accepted principle that a portfolio is designed according to the investor's risk tolerance, time frame and investment objectives. The monetary value of each asset may influence the risk/reward ratio of the portfolio and is referred to as the asset allocation of the portfolio.
Investment arrangement	Means securities, investments and other similar arrangements, including, for example, bills of exchange, bonds, certificates of deposit and promissory notes.
Liquidity	A measure of the extent to which a person or organisation has cash to meet immediate and short-term obligations, or assets that can be quickly converted to do this.
Market average rate of return	An index of money market cash investment rates available to Council as per the SBFAA and SBFAR that is averaged over the same investment period as Council's investment portfolio to provide a comparison to Council's investment portfolio performance.
Net debt position	Council's net debt position is the difference between Council's Debt and Cash holdings.
Prohibited investments	Investments not allowed by the SBFAA & SBFAR and not authorised for investment purposes by Council and/or Council's Chief Executive Officer.
Prudent investment principles	<p>Generally, any use of financial assets that is suitable for the risk and return profile and the time horizon of a given investor (Council). Investment officers who are entrusted with making prudent investments should also ensure that an investment is one that makes sense within the investor's overall portfolio and whose fees will not detract significantly from the investment's returns.</p> <p>The prudent investor rule only holds that persons must make sound money management decisions for their clients based on the information available. The outcome of their investment decision, whether good or bad, is not a factor in whether the investment is considered prudent.</p>
Recognised local financial institutions	Those financial institutions identified by Council that have a local branch, provide retail banking services to the public, show evidence of supporting the community through donations or event support and provide a range of term deposits suitable for Council's investment requirements.
SBFAA	<i>Statutory Bodies Financial Arrangements Act 1982.</i>
SBFAR	<i>Statutory Bodies Financial Regulation 2007.</i>
Segregation of duties	Segregation of duties are specific internal controls implemented to ensure no one officer has so much control over an activity

	that mistakes could go undetected or that the officer could be placed in a situation where they could be tempted by an inappropriate activity. The emphasis is the segregation of functional responsibilities and to create a system of checks and balances, so that a duty performed by one officer would be checked by another officer in the ordinary course of work.
Speculation	Speculation is the practice of engaging in risky financial transactions in an attempt to profit from fluctuations in the market value of a tradable good such as a financial instrument, rather than attempting to profit from the underlying financial attributes embodied in the instrument such as capital gains, interest, or dividends.
The Act	<i>Local Government Act 2009.</i>
The Regulation	<i>Local Government Regulation 2012.</i>

5. Policy Statement

5.1 Investment approach

Council has adopted a passive investment approach. The objective of a passive investment approach is to ensure the return of capital and at the same time generate a return commensurate with the risk taken. This will be achieved primarily through investing in fixed interest rate term deposits that will be held to maturity and at-call investments.

5.2 Authority for Investment

The investment of Council's investable funds are to be in accordance with the relevant power of investment under the SBFAA and SBFAR and their subsequent amendments and regulations.

5.3 Ethics and conflict of Interest

- a) A standard of prudence is to be used by investment officers when managing the overall portfolio. Investments will be managed with the care, diligence and skill that a prudent person would exercise in managing the affairs of themselves or other persons.
- b) Investment officers are to manage the investment portfolios not for speculation, but for investment in accordance with the spirit of this Policy.
- c) This Policy requires that employees and investment officers disclose to the Chief Executive Officer any conflict of interest or any investment positions that could be related to the investment portfolio.

5.4 Risk Management

- a) Council's risk management approach to managing its investable funds includes:
 - embedding risk management in the requirements of this Policy;
 - meeting the requirements of the SBFAA and SBFAR;
 - reviewing credit ratings of the financial institution and investment arrangements;
 - investing only in authorised investments in accordance with s 44(1) of the SBFAA.; and

- b) Council's loss appetite is zero for loss of the investment capital with the loss of investment income low. Investment income loss is controlled by investing in appropriately credit rated institutions with fixed interest term and at-call deposits.

5.5 Investment Objectives

Council's primary objectives in order of investment activities are to:

- preserve capital;
- maintain an appropriate level of liquidity; and
- maximise returns while investing in accordance with s 47(1) of the SBFAA.

5.5.1 Preservation of Capital

Preservation of capital is the principle objective of the investment portfolio. Investments are to be made in a manner that seeks to ensure security of the principle.

5.5.2 Maintenance of Liquidity

The investment portfolio will maintain sufficient liquidity to meet all reasonably anticipated operating cash flow requirements of Council, as and when they fall due, without incurring significant transaction costs due to making an early withdrawal request on any of Council's investments.

5.5.3 Return on Investments

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

5.6 Authorised Investments

- a) Council will only invest investable funds within the constraints of s 44(1) of the SBFAA.
- b) The maturity structure of the portfolio will be in accordance with s 44(2) of the SBFAA.

5.7 Prohibited Investments

- a) This Policy prohibits any investment carried out for speculative purposes. Prohibited investments include:
- Derivative type investments (excluding floating rates notices);
 - Principal only investments or securities that provide potentially nil or negative cash flow;
 - Stand alone securities issued that have underlying futures, options, forward contracts and swaps of any kind; and
 - Securities issued in non-Australian dollars.
- b) Council will approve dealings with all recognised local financial institutions that are listed on the Australian Prudential Regulation Authority website.

5.8 Limitation of Investment Power

As per s 43 of the SBFAA Council is limited to investments that are:

- in Australian Dollars; and

- undertaken in Australia.

5.9 Procedures and Internal Controls

The Chief Financial Officer shall establish processes and internal controls that will ensure investment objectives are met and that the investment portfolios are protected from loss, theft or inappropriate use. The established processes will include:

- a list of authorised and prohibited investments;
- a list or reference to approved financial Institutions;
- methods for obtaining quotes and investing funds;
- reconciliation and reporting requirements;
- compliance and oversight of investment parameters;
- maintenance and safekeeping of investment records, and
- segregation of duties and delegations.

5.10 Breaches

Any breach of this Policy is to be reported to the Chief Financial Officer and rectified within seven (7) days of the breach occurring. Breaches that result in a material or reportable loss as defined in the Regulation must be reported and actioned as per s 307A of the Regulation.

5.11 Delegation of Authority

- a) Authority for implementation of this Policy is delegated by Council to the Chief Executive Officer in accordance with s 257(1) of the Act.
- b) Authority for the day to day management of Council's Investment Portfolio is delegated by the Chief Executive Officer to the Chief Financial Officer, as per s 259 (1) of the Act.

5.12 Availability of Investment Policy

- a) This Investment Policy will be available for public access and inspection at any of Council's public offices and on Council's website as required of s 199 of the Regulation.
- b) Council will provide the ability for the public to purchase a copy of this Investment Policy as per s 199 of the Regulation.

6. Changes to this Policy

This Policy is reviewed when any of the following occur:

1. The related information is amended or replaced; or
2. Other circumstances as determined from time to time by the Council.

Notwithstanding the above, this Policy is to be regularly reviewed as required by s 104 (6) of the Act. These reviews will be at intervals of no more than one year.

7. Repeals

This Policy repeals the former Livingstone Shire Council Policy titled 'Investment Policy' adopted 27 June 2017.

**CHRIS MURDOCH
CHIEF EXECUTIVE OFFICER**

**Commercial Business
Unit Activities
2018-2019**

Part Six

6.1 Commentary on Commercial Business Activities

Pursuant to Sections 45 and 47 of the *Local Government Act 2009*, each financial year Council is required to identify those activities that are business activities and determine whether competition reform needs to be applied to assist in removing anti-competitive conduct, encourage greater transparency in the operation of Council's business activities and improve the allocation of Council's limited resources. Activities of Council will be identified as business activities if they trade in goods and services to clients and could potentially be delivered by a private sector firm for the purposes of earning profits in the absence of Council's involvement. They do not include activities of Council considered non-competitive.

Each year Council is required to determine whether competition reform needs to be applied to assist in removing anti-competitive conduct, encourage greater transparency in the operation of such activities and improve the allocation of Council's limited resources.

Each financial year Council is required to decide by resolution whether the Code of Competitive Conduct is to apply to each of its business activities which are prescribed under the *Local Government Regulation 2012* (a prescribed business activity). Council may also voluntarily elect to apply the Code of Competitive Conduct to business activities that are not prescribed business activities in accordance with Section 47(9) of the *Local Government Act 2009*.

Council has reviewed its operations and Council will apply the Code of Competitive Conduct during the 2018-19 financial year to the following four (4) Business Activities:

1. Water and Sewerage Operations
2. Building Certification
3. Waste Operations
4. Caravan Parks

Pursuant to Section 47(3) of the *Local Government Act 2009*, the Code of Competitive Conduct will mandatorily apply to the Business Certification activities of Council.

In accordance with Section 34 of the *Local Government Regulation 2012*, the estimated activity statements for each of these four business activities are presented as part of the documentation for the Annual Budget 2018-19.

6.2 Commercial Business Activities Estimated Activity Statement

2018-19 ESTIMATED ACTIVITY STATEMENTS

Council has decided by resolution that the Code of Competitive Conduct is to be applied to the following Business Activities for the 2018-19 Financial Year:

	SIGNIFICANT BUSINESS ACTIVITY	OTHER BUSINESS ACTIVITIES			
		Water & Sewerage Operations \$	Waste Operations \$	Building Certification \$	Caravan Parks \$
Budget Report					
	Operational Revenues for services provided to Council	\$16,000	\$350,000	\$0	\$0
	Operational Revenues for services provided to External Clients	\$26,557,694	\$7,034,724	\$205,000	\$277,310
	Community Service Obligations	\$0	\$294,500	\$0	\$0
	Total Operational Revenue	\$26,573,694	\$7,679,224	\$205,000	\$277,310
	Less: Operational Expenditure	\$23,123,599	\$6,814,843	\$129,302	\$324,551
	Estimated Operational Surplus before Dividend	\$3,450,095	\$864,381	\$75,698	-\$47,241
	List of Community Service Obligations (CSO)				
	Charity Waste and Green Waste Disposal Vouchers	\$0	\$294,500	\$0	\$0
	Total	\$0	\$294,500	\$0	\$0

The CSO value is determined by Council and represents an activity's costs which would not be incurred if the activity's primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council. The 2018-19 Budget provides \$294,500 of CSO's by Council to the Waste Operations Business Activity comprised as follows:

Disposal of unwanted materials by approved charities at Council's waste facilities	\$20,000
Green waste disposal vouchers provided to residential ratepayers for disposal of eligible green waste materials at Council's waste facilities	\$274,500
	\$294,500

Appendices

Part Seven

7.1 Estimated Financial Position as at 30 June 2018

LIVINGSTONE SHIRE COUNCIL STATEMENT OF ESTIMATED INCOME AND EXPENDITURE FOR THE YEAR ENDING 30 JUNE 2018				
	2017-18 Quarter 2 Revised Budget \$'000	2017-18 Estimated Actuals \$'000	Variance Estimated Actual vs Revised Budget \$'000	Variance Estimated Actual vs Revised Budget %
Operating Revenue				
Rates and utility charges	68,355	69,159	804	1.2%
Fees and charges	4,216	4,505	289	6.9%
Rental income	276	339	63	22.8%
Interest Revenue	1,389	1,201	(188)	-13.5%
Sales revenue	4,251	2,280	(1,971)	-46.4%
Operational grants and subsidies	6,286	6,676	390	6.2%
Other revenues	428	575	147	34.3%
Total Operating Revenue	85,201	84,735	(466)	-0.5%
Operating Expenses				
Employee benefits	32,695	31,176	(1,519)	-4.6%
Materials and services	26,976	25,572	(1,404)	-5.2%
Finance costs	4,127	4,126	(1)	0.0%
Depreciation and amortisation	23,567	22,923	(644)	-2.7%
Other expenses	1,498	1,668	170	11.3%
Total Operating Expenditure	88,863	85,465	(3,398)	-3.8%
Operating Surplus/(Deficit)	(3,662)	(730)	2,932	-80.1%
Underlying Operating Surplus/(Deficit)	(4,704)	(1,902)	2,932	-59.6%
Capital Revenue and Expenses				
Infrastructure Cash Contributions	2,852	1,720	(1,132)	-39.7%
Capital grants and subsidies	47,032	44,879	(2,153)	-4.6%
Other capital income	200	-	(200)	-100.0%
Other capital expenditure	140	988	848	605.7%
Total Capital Revenue and Expenses	49,944	45,611	(4,333)	-8.7%
Net Result	46,282	44,881	(1,401)	-3.0%

LIVINGSTONE SHIRE COUNCIL
STATEMENT OF ESTIMATED FINANCIAL POSITION
 FOR THE YEAR ENDING 30 JUNE 2018

	2017-18 Quarter 2 Revised Budget \$'000	2017-18 Estimated Actuals \$'000	Variance Estimated Actual vs Revised Budget \$'000	Variance Estimated Actual vs Revised Budget %
Assets				
Current Assets				
Cash and cash equivalents	34,330	26,595	(7,735)	-22.5%
Trade and other receivables	7,503	8,025	522	7.0%
Inventories	9,029	8,540	(489)	-5.4%
Other Current Assets	1,374	1,374	-	0.0%
Total Current Assets	52,236	44,534	(7,702)	-14.7%
Non Current Assets				
Inventories	6,699	6,699	-	0.0%
Property, Plant and Equipment	983,437	974,674	(8,763)	-0.9%
Other Non-Current Assets	686	829	143	20.8%
Total Non Current Assets	990,822	982,202	(8,620)	-0.9%
Total Assets	1,043,058	1,026,736	(16,322)	-1.6%
Liabilities				
Current Liabilities				
Trade and other payables	8,522	3,968	(4,554)	-53.4%
Borrowings	5,117	4,766	(351)	-6.9%
Provisions	3,627	3,627	-	0.0%
Other Current Liabilities	345	345	-	0.0%
Total Current Liabilities	17,611	12,706	(4,905)	-27.9%
Non Current Liabilities				
Borrowings	90,151	80,501	(9,650)	-10.7%
Provisions	11,489	11,154	(335)	-2.9%
Other Current Liabilities	521	521	-	0.0%
Total Non Current Liabilities	102,161	92,176	(9,985)	-9.8%
Total Liabilities	119,772	104,882	(14,890)	-12.4%
Net Community Assets	923,286	921,854	(1,432)	-0.2%
Community Equity				
Asset revaluation surplus	40,990	40,960	(30)	-0.1%
Retained surplus	882,296	880,894	(1,402)	-0.2%
Total Community Equity	923,286	921,854	(1,432)	-0.2%

LIVINGSTONE SHIRE COUNCIL
STATEMENT OF ESTIMATED CASH FLOWS
 FOR THE YEAR ENDING 30 JUNE 2018

	2017-18 Quarter 2 Revised Budget \$'000	2017-18 Estimated Actuals \$'000	Variance Estimated Actual vs Revised Budget \$'000	Variance Estimated Actual vs Revised Budget %
Cash Flows from Operating Activities				
Receipts from customers	78,466	78,218	(248)	-0.3%
Payments to suppliers and employees	(66,169)	(68,305)	(2,136)	3.2%
Payments for land held as inventory	(6,922)	(5,922)	1,000	-14.4%
Proceeds from sale of land held as inventory	2,828	1,346	(1,482)	-52.4%
Interest received	1,389	1,201	(188)	-13.5%
Rental income	284	346	62	21.8%
Non-capital grants and contributions	6,457	6,814	357	5.5%
Borrowing costs	(3,962)	(3,961)	1	0.0%
Net Cash Inflow from Operating Activities	12,371	9,738	(2,633)	-21.3%
Cash Flows from Investing Activities				
Payments for property, plant and equipment	(88,043)	(80,326)	7,717	-8.8%
Proceeds from sale of property, plant and equipment	300	767	467	155.8%
Grants, subsidies, contributions and donations	49,884	46,599	(3,285)	-6.6%
Other cash flows from investing activities	16	16	-	0.0%
Net Cash Outflow from Investing Activities	(37,843)	(32,944)	4,899	-12.9%
Cash Flows from Financing Activities				
Proceeds from borrowings	20,000	10,000	(10,000)	-50.0%
Repayment of borrowings	(4,190)	(4,191)	(1)	0.0%
Net Cash Inflow from Financing Activities	15,810	5,809	(10,001)	-63.3%
Total Cash Flows				
Net decrease in cash and cash equivalents held	(9,662)	(17,397)	(7,735)	80.1%
Opening cash and cash equivalents	43,992	43,992	-	0.0%
Closing cash and cash equivalents	34,330	26,595	(7,735)	-22.5%

7.2 Glossary

Amortisation

The systematic allocation of the cost of an asset obtained under finance leases and computer software purchases over its estimated useful life.

Asset Revaluation Surplus

The net revaluation increments and decrements arising from the revaluation of property, plant and equipment. Increases and decreases on revaluation are offset within a class of assets.

Asset Sustainability Ratio

Asset Sustainability Ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital project expenditure on renewal and replacement of assets relative to the level of depreciation.

Estimated 2017-18 Budget

The likely end of year result for 2017-18 used as a comparison for the 2018-19 budget figures.

Budget

The financial plan to allocate the Shire's resources.

Budget period

The current financial year.

Capitalised Expenses

Capitalisation of expenses is the process of including those expenses incurred in the creation of assets in the value of the asset. Capitalised expenses are deducted from the income statement and are included in the cost of property, plant and equipment or capital work in progress.

Cash and Cash Equivalents

The value of cash on hand, at bank and all liquid investments that are readily convertible to cash on hand.

Contributions

Transfers made to Council by external parties. These are predominantly contributions from developers of infrastructure charges and other assets arising from property developments.

Corporate Plan

A statement of Council's strategic direction and objectives for the medium term.

Current Financial Year

1 July 2018 up to and including 30 June 2019.

Depreciation

The systematic allocation of the cost of an asset over its estimated useful life.

Donated Assets

Generally, those assets such as roads, footpaths, drains and open space or parkland which a developer is required to provide and are passed to Council.

Equity

Equal to the net assets employed in the operations of Council. It is the surplus of assets over liabilities and represents the net wealth of Council.

Expenses

Operating expenditure net of internal recoveries.

Fees and charges

Charges levied for services provided by Council.

Finance Costs

Includes bank charges, interest on borrowings and interest on leases.

Financing Activities

Those activities that relate to changing the size and/or financial structure of Council. They include inflows and outflows associated with loan borrowings and finance leases.

Financial Assets

Financial Assets include cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses. Also, inventories and land held for resale are not regarded as financial assets.

Financial Sustainability

Financial Sustainability is where planned long term service and infrastructure levels and standards are met without unplanned and disruptive increases in rates or cuts to services.

Forecasts

Estimates of expenses, capital and revenue for the three financial years following the budget period. These estimates are indicative for planning purposes and signify an intention to allocate resources. They imply neither a commitment nor an obligation. Similarly, any item, which subsequently may be allotted a higher priority, may be funded even though currently not included.

Gain/Loss on Disposal of Assets

When assets of Council are sold or otherwise disposed of, a gain or loss on disposal may eventuate. This gain or loss is calculated as the difference between the proceeds received and the written down value of the asset at the time of disposal.

Interest Cover Ratio

The interest cover ratio expresses the annual net interest expense (interest expense less interest revenue) to total operating revenue (excluding profit on disposal of assets).

Investing Activities

Those activities that relate to the acquisition and disposal of non-current assets, including property, plant and equipment and investments.

Land Use Codes

Indicates the predominant use for which the property is utilised or adapted to be utilised by virtue of its structure, fixtures and fittings or particular improvements and is an indicator of the property's specific rating criteria.

Loan Borrowings

Monies borrowed for the funding of asset acquisition or construction, subject to approval by the Department of Local Government, Racing and Multicultural Affairs through the Queensland Treasury Corporation.

Net Financial Liabilities

Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, investments, loans to community groups, receivables and prepayments, but excludes equity held in Council businesses, inventories and land held for resale.

Net Financial Liabilities Ratio

Net Financial Liabilities Ratio expresses Net Financial Liabilities as a percentage of total operating revenue. The ratio allows interested parties to readily equate the outstanding level of Council's accumulated financial obligations against the level of one-year's operating revenue. Where the ratio is falling over time, it generally indicates that the Council's capacity to meet its financial obligations is strengthening.

Net Lending/ (Borrowing)

Net Lending/ (Borrowing) equals Operating Surplus / (Deficit), less net outlays on non-financial assets. The Net Lending / (Borrowing) result is a measure of Council's overall (i.e. Operating and Capital) budget on an accrual basis. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that Council has met all of its expenditure (both operating and capital) from the current year's revenues.

Non-current Assets classified as held for sale

Includes the carrying amount of non-current assets that will be recovered principally through a sale transaction rather than through continuing use.

Non-financial or Physical Assets

Net Lending/ (Borrowing) equals Operating Surplus / (Deficit), less net outlays on non-financial assets. The Net Lending / (Borrowing) result is a measure of Council's overall (i.e. Operating and Capital) budget on an accrual basis. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that Council has met all of its expenditure (both operating and capital) from the current year's revenues.

Operating Budget

Expenditure and revenue in a service for "business as usual" activities. This excludes expense and revenue allocated for projects.

Operating Deficit

Operating Deficit is where operating revenues less operating expenses is negative and operating income is therefore not sufficient to cover all operating expenses.

Operating Expenses

Operating Expenses are operating expenses including depreciation but excluding losses on disposal or revaluation of non-financial assets.

Operating Revenues

Operating Revenues are operating revenues shown in the Income Statement but exclude profit on disposal of non-financial assets and amounts received specifically for new/upgraded assets. For ratios calculated where the denominator specified is total operating revenue or rate revenue, Natural Resource Management (NRM) levy revenue is excluded.

Operating Surplus

Operating Surplus is where operating revenues less operating expenses is positive and operating revenue is therefore sufficient to cover all operating expenses.

Operating Surplus Ratio

Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates.

Operational Plan

A statement of the outcomes Council seeks to achieve and the services and projects budgeted for to achieve those outcomes and progress the achievement of the Corporate Plan.

Other Assets

Includes amounts paid in advance by Council, usually insurance premiums or registrations paid annually.

Other Liabilities

Includes amounts received in advance by Council, such as unearned revenue and lease premiums being progressively recognised as revenue over the term of the lease agreements.

Other Revenue

Refers to general sundry revenues that are not of such individual significance as to warrant separate disclosure.

Project

An activity within a function that builds, enhances and maintains Council assets or enhances Council services in order to achieve a desired outcome.

Property, plant and equipment

Council's physical assets base, including parkland, vacant land, roads, bridges, buildings, vehicles, computer equipment and infrastructure assets.

Provisions

Includes amounts owing to employees of Council in relation to employee benefits (including sick leave and long service leave) calculated in accordance with current award rates and known leave entitlements.

Rates and Utility Charges

Includes the general rates, water access, sewerage, separate charges, and waste management charges. Rates represent a charge on land. By resolution, the general and separate rates are based on the Unimproved Capital Value of the land as valued on an annual basis by the Valuer-General of Queensland.

Revenue

An increase in assets and/ or a decrease in liabilities during the budget period from providing services and other activities constituting Council's ongoing operations.

Revenue Policy

Council's Strategic Policy used as the basis for the development of rates and charges. It specifically outlines Council's principles in the making of rates and charges, the granting of rebates and concessions for rates and charges and the recovery of unpaid rates and charges. The policy is included in the Budget and Operational Plan document.

Revenue Statement

The Revenue Statement has been prepared using the principles approved in Council's Revenue Policy. It provides broader information on the categories of rates and charges, rebates and concessions and the recovery of unpaid rates and charges. The statement is included in the Budget and Operational Plan document.

Separate Charge

Levied equally across all rateable properties for the Road Network Levy, Environmental Levy and Disaster Response Levy.

Subsidies and Grants

Grants and subsidies received, or receivable, from the Queensland and Commonwealth Governments to assist in the conduct of certain Council activities. Included, but not limited to, are Financial Assistance Grants, Roads to Recovery and Blackspot funding, Natural Disaster Relief and Recovery Arrangements and Library subsidies.

Trade and Other Payables

Includes trade creditors and accrued employee benefits (including annual leave and leave in lieu).

Underlying Result

Underlying Result is where the operating surplus is adjusted for non-recurring or capital related items. Council adjusts the operating surplus by removing the impact of declared weather events and profit from sale of land assets.

Utility Charges

A charge for the supply by Council of cleansing services to any land, building or structure in the city.

Whole of Life Costing

Whole of Life Costing refers to the systematic consideration of all relevant costs and revenues associated with the acquisition and ownership of an asset.

Working Capital Ratio

Working Capital Ratio is the relative proportion of Council's current assets to current liabilities and is intended to show the ability of Council to pay for its current liabilities with its current assets. A working capital ratio of greater than 1:1 indicates that Council has enough capital to run its day-to-day operations.

Zero Based Budgeting

A budget process in which every budget line item is analysed to determine the appropriate financial resources required. An alternative approach to 'historic budgeting' approach which uses incremental budgets based upon CPI increases.