



FINAL MINUTES

27 June 2018

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Declaration of Potential Conflict of Interest

Nil.

SPECIAL BUDGET MEETING **MINUTES**

1. ATTENDANCE:

His Worship the Mayor, Cr G R Williamson (Chairperson), Crs, A J Camm, M J Bella, L G Bonaventura, K J Casey, J F Englert, R C Gee, F A Mann, K L May, A R Paton and R D Walker were in attendance at the commencement of the meeting. Also present was Mr C Doyle (Chief Executive Officer) and Mrs R Pakowski (Minute Secretary).

Cr Williamson acknowledged the Yuwibara people, the traditional owners of the land on which we meet and paid his respects to their Elders past and present.

The meeting commenced at 12.30 pm.

2. ABSENT ON COUNCIL BUSINESS:

Nil

3. APOLOGIES:

Nil

Cr Bonaventura raised a Perceived Conflict of Interest. Section 175 (g) Section 2 of the *Local Government Act*, requires any Councillors that knows or even suspects that another Councillor has an undisclosed conflict of interest or material personal interest in a matter before the Council to report it to the person who is presiding over the meeting. With this in mind, Cr Bonaventura raised Cr Paton may have a conflict.

Contravention of Subsection 2, is misconduct that could result in disciplinary action being taken against a Councillor. This means it is an offence not to raise the suspected conflict of interest and I and any other Councillor would be subjected to penalty under Section 176 (3d) and 180. In Section 175 (d) gives the meaning of a conflict of interest, as follows '*a) conflict of interest is a conflict that: i) is between a councillors personal interest and ii) a public interest; and b) might lead to a decision that might be contrary to the public interest. However, a Councillors does not have a conflict of interest in the matter, b) if the councillor has no greater personal interest in the matter than any other persons in the local government area.*

Clearly Cr Paton has a much greater personal interest matter, than that of other persons in the local government area than other Councillors. Cr Paton instigated legal action against Mackay Regional Council related to the introduction of the non-Private Place of Residence (non-PPR) category. Cr Paton has a conflict of interest in relation to the non-PPR rate being reduced in this budget, and ultimately eliminated, which was the aim of the Court action. Disclosure return in the Greg

Williamson Alliance indicates that Cr Paton has \$1,500 contribution from investor contributions. Further, if any other Councillors present contributed to the Court action, then he believes that they too will be in the same position. Cr Bonaventura asks, does Cr Paton have a personal interest within the meaning of the Act. Under Section 175 (e) a Councillor conflict of interest at a meeting, Subsection 6, the other Councillors must decide whether the Councillor has a real conflict of interest or a perceived conflict of interest in the matter, and if they decide the Councillor has a real conflict of interest or a perceived conflict of interest in the matter, whether the Councillors: 1) must leave the place at which the meeting is being held, including any areas set aside of the public and stay away from that place while the matter is discussed and voted on. Or 2) may participate in the meeting in relation to the matter, including by voting on the matter. He asked that Council seeks determination on the matter before continuing.

The Mayor sought advice from the CEO who deferred to the Executive Officer (EO) David McKendry who was present, who advised that as a rating issue the matter would be considered to be an "ordinary business" matter, as per Schedule 4 of the Act, which lists a number of items as being exempt related to conflict. In particular, noting an item listed as the *Making or levying of rates and charges, or the fixing of a cost recovery fee, by the Local Government*. EO also noted the Act Commentary, *Matters relating to rates and charges, contractual charges for good or services in the adoption of budget are excluded, as they effect Councillors in the same way as a resident and likewise for payment of matters that aren't for specific parcels of land*. In the EO's view, it was deemed to be a rating matter in accordance with a "ordinary business" matter of Council, which is include in Schedule 4 as an exemption from conflicts.

Cr Williamson accepted that advice from the EO. In accordance with the new provisions sought a Resolution to allow Cr Paton to participate in the voting on this agenda.

Procedural Motion

THAT the Council resolved that Cr Paton be permitted to vote in Budget considerations.

Moved Cr Camm

Seconded Cr Englert

CARRIED

Crs Walker, Bella, Casey and Bonaventura recorded their votes against the motion.

Cr Camm requested further clarification on conflict of interest. For clarity and on public record, those Councillors who will also make determination around rating categories who own multiple properties within the rural zone, are also covered under the Act as not having a conflict of interest.

EO responded that that also falls under the definition of "ordinary business", which covers that very example of owning properties which by very nature, if everyone sitting around the table were required to excuse themselves because they owned property, the practicality means that Council wouldn't be able to hold meetings. That is why there are a number of items including general rating and planning are included in Schedule 4.

4. CONSIDERATION OF COMMITTEE REPORTS & RECOMMENDATIONS:

4.1 STATEMENT OF ESTIMATED FINANCIAL POSITION 2017/18

File No Budget 2018/19
Author Chief Executive Officer

Purpose

To present a statement of estimated financial position for 2017/18 in accordance with section 205 of the *Local Government Regulation 2012*.

Background/Discussion

In accordance with the *Local Government Regulation 2012*, the Chief Executive Officer must present the local government's annual budget meeting with a statement of estimated financial position for the current financial year.

The statement of estimated financial position provides a comparison between the original budget, amended budget and the estimated actual results. The attached Statement of Estimated Financial Position 2017/18 provides an estimation of Council's financial position as at 30 June 2018.

The original budget was adopted by Council on 28 June 2017. During the year, three major budget reviews and other ad hoc budget reviews were undertaken to allow Council to revise the budget to address significant issues which arose during the year. The result of these revisions becomes the revised budget. The major differences between the original budget and the revised budget relates to changes to the capital program as well as improved operating results due to the improved economic position and tight cost control.

Operating Revenue

The original budget forecast operating revenue to be \$255M. Revisions to the budget during the year saw this amount increase to \$265M. A large portion of this increase was in relation to grant revenue with NDRRA grants associated with Tropical Cyclone Debbie accounting for \$6.2M of the increase in budgeted revenue. Other increases included increase in interest earned on our investments as a result of high cash balances and improving interest rates. Fees and charges revenue was also higher than originally anticipated.

Overall estimated actuals for revenue are forecast to be \$262M which is lower than the revised budget prediction. This is largely the result of grant revenue being lower than anticipated. Due to the unpredictable nature of the timing of grant revenue and in some instances payments being tied to works being completed, it is unlikely that all the budgeted grant revenue will be received this financial year. For projects such as NDRRA, this will have an impact on operating expenses also being under budget. Offsetting this, fees and charges revenue is forecast to be ~\$1M higher than budgeted due to an increase in user pays fees mainly in the areas of development fees, sewerage recoverable works, water sales, laboratory fees and waste disposal fees. Rental income and other revenue are forecast to be slightly less than budget.

Operating Expenses

The original budget forecast operating expenses to be \$256M. Revisions to the budget during the year saw this amount increase to \$264M. A large portion of this relates to an increase in expenditure associated with the additional grant revenue as mentioned above. A reduction in budgeted wages expense was also noted.

Overall estimated actuals are forecast to be less than the revised budget prediction mainly in the area of materials and services. Some expenditure associated with NDRRA works will not be completed this financial year as forecast, noting a corresponding adjustment in revenue. Other savings in contract fees, contractors, and consultants will also be realised. Depreciation is also anticipated to be less than forecast by ~\$500K. Wages are predicted to be overbudget, noting Council forecast wages in 2017/18 with a vacancy factor of 6%.

The operating result for 2017/18 was originally predicted to be a \$1.1M deficit. Through budget revisions the result changed to be a \$917K operating surplus. Based on estimated actuals, we are anticipating the final result will be around a \$4M surplus as a result of improved revenue and savings in expenditure.

Capital Revenue and Expenses

All capital revenue predictions are tracking close to budget or above budget. Grants and subsidies, developer contributions and donated assets are all above revised budget predictions. Some adjustments for capital expenses including write offs of assets that have been replaced and accounting for changes in remediation provisions is forecast to reduce the previously anticipated net result of council as these were not originally budgeted for.

The originally budgeted capital works program of \$109M was revised during the year to be \$98M. Actuals at the end of May amounted to \$72M which is 74% completion of the revised budget figure. Expenditure to the end of the financial year is predicted to be \$87M which equates to 89% of the budget.

Impact on Current and Future Budgets

The operating result for 2017/18 was originally predicted to be a \$1.1M operating deficit. Through budget revisions the result changed to be a \$917K operating surplus. Based on estimated actuals, we are confident that an operating result of around \$4M will be achieved. This result is subject to end of year adjustments which may affect the outcome.

The estimated result is an estimate based on known information at a point in time. The final 2017/18 result is subject to end of year adjustments through completion of the 2017/18 financial statements which will be completed by October 2018. The final audited results for 2017/18 will be factored into the first budget review after receipt of the audit report.

Consistent with previous practice and based on the above being an estimate only, the 2018/19 budget has been established based on the revised budget being the starting point for opening balances.

Consultation and Communication

The estimated actuals have been prepared through discussions with Program Managers and Directors in order to predict the final result. Unforeseen situations may arise which will affect this result.

Resource Implications

Council's future budget predictions are based on achieving the revised budget result. Any variation to this result will impact future years budgets, noting an improved result will result in Council being in a better financial position.

Risk Management Implications

Once the result for 2017/18 is known, any significant variations will be brought to account through a budget review to model the impact on future budget predictions.

Conclusion

The Statement of Estimated Financial Position has been based on actual results to the end of May 2018 with predictions made to the end of June 2018. Once the final result is known any variations will be brought to account through a budget review and the impacts on future budgets will be included.

Council is confident it will achieve an operating surplus better than the current revised budget of ~\$1M with predictions of ~ \$4M expected at this stage.

Officer's Recommendation

THAT the Statement of Estimated Financial Position 2017/18 be received.

The Chief Executive Officer (CEO) spoke to the report and gave an overview of the Statement of Estimated Financial Position 2017/2018.

Cr Bonaventura noted that the operating revenue was forecasted at \$255M, and increased to \$265M in the year, which was a positive in assisting Council in eliminating the deficit. On a disappointing note, the Regional Capital Works budget was \$109M, revised to \$98M and further revised down to \$87M which equates to 89% of the budget.

Council Resolution

THAT the Officer's Recommendation be adopted.

Moved Cr Camm

Seconded Cr May

Cr Camm congratulated the CEO and staff on delivering a surplus of nearly \$4M. She disagreed with Cr Bonaventura's observation, to come in nearly 11% short of delivery on such

a large capital programme, which is such a wide spread across community from the north, outer west regions and south, where there has been an amazing delivery of projects through the Works for Queensland, under the normal capital works programme and additionally to the special projects that received federal government funding as well. Cr Camm noted she is very excited about the restructure of a new Capital Works Directorate, which will only deliver and enhance better value for money for ratepayers and ensure that we exceed that target next year. To achieve, to achieve from a deficit to a substantial and significant surplus, which will be reinvested back into the Community over the course of the next financial forecast, to ensure that future generations are not burdened, is a fantastic achievement and outcome. Cr Camm noted that the region has come through a tough time and as we are at the end of the recovery, it is great to see everyone across the organisation played a role in ensuring, not just a balanced budget but a surplus as well.

Cr May added to Cr Camm's comments in relation to the capital programme. The capital programme was a major focus of this Council going forwards, striving to improve the percentage of the delivery of the delivery of the capital programme over the last 12 months and look forward to the final figures, where we will be able to clearly see that we have improved on the previous year. And also, the turn-around of the \$1.1M deficit, into being a positive \$4M surplus, we will certainly be welcomed by ratepayers and as representatives of the ratepayers. For this Council to be able to deliver that sort of result in a 12 month period is a credit to the staff and CEO.

The Mayor concurred with the comments made by the Councillors. He stated that this is a fantastic outcome and gave his personal thanks to the CEO, and through the CEO to the Directors and Management Team. Everyone has stepped up to the plate to and delivered a great outcome as a Council for the 2017/2018.

CARRIED

4.2 REVENUE POLICY

File No Budget 2018/19
Author Director Organisational Services

Purpose

To adopt council's Revenue Policy for the 2018/19 financial year.

Background/Discussion

The *Local Government Act 2009* (the Act) requires a Local Government to adopt a Revenue Policy for each financial year.

The requirements of the policy under the Act and *Local Government Regulation 2012* (the Regulation) are:

- (a) to set out the principles intended to be used by council for the 2018/19 financial year for:
- levying rates and charges; and
 - granting concessions for rates and charges; and
 - recovering overdue rates and charges; and
 - 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.

The intention is that the Revenue Policy forms the basis of the revenue measures adopted by the council at the budget meeting and throughout the financial year it relates to. It is a strategic document, which clearly establishes the principle used in exercising the revenue powers available to council.

Consultation and Communication

The Mayor, Councillors, Chief Executive Officer, Directors and Manager Financial Services.

Resource Implications

The Revenue Policy establishes the principles used in exercising the revenue powers of council and outlines the framework for the revenue measures to be adopted as part of the budget.

Risk Management Implications

This policy has been reviewed to ensure compliance with the Act and Regulation.

Conclusion

The Revenue Policy forms the basis of the revenue measures adopted by the council for the financial year it relates to. It is a strategic document, which clearly establishes the principles used in exercising the revenue powers available to council.

Officer's Recommendation

THAT in accordance with the provisions of section 104 of the *Local Government Act 2009* and section 193 of the *Local Government Regulation 2012*, the attached Revenue Policy be adopted for the 2018/19 financial year

Council Resolution

THAT the Officer's Recommendation be adopted.

Moved Cr Camm

Seconded Cr Walker

CARRIED

4.3 REVENUE MEASURES REPORT

File No Budget 2018/19
Author Director Organisational Services

Purpose

To adopt Council's Revenue Statement and rating resolutions for the 2018/19 financial year.

Background/Discussion

In accordance with the Revenue Policy, the Revenue Statement must conform to the provisions of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Legislative requirements:

The *Local Government Act 2009*, s104 and the *Local Government Regulation 2012*, s169 require every local government to adopt a revenue statement for each financial year.

The Regulation, s169 and s170 state:

- (1) A local government must prepare a revenue statement each financial year.
- (2) The budget (including the revenue statement) must be adopted -
 - (a) after 31 May in the year before the financial year; and
 - (b) before -
 - (i) 1 August in the financial year; or
 - (ii) a later day decided by the Minister.
- (3) The local government may, by resolution, amend the budget at any time before the financial year ends.
- (4) However, the revenue statement cannot be amended to change the rates and charges decided at the budget meeting for the financial year.

The revenue statement is required, under the Regulation s172, to state:

- (a) if the local government levies differential general rates:

- (i) the rating categories for rateable land in the local government area; and
 - (ii) a description of each rating category; and
- (b) if the local government levies special rates or charges for a joint government activity - a summary of the terms of the joint government activity; and
- (c) if the local government fixes a cost-recovery fee - the criteria used to decide the amount of the cost-recovery fee; and
- (d) if the local government conducts a business activity on a commercial basis - the fees the local government receives for the activity.

The revenue statement must include:

- (a) an outline and explanation of the measures that the local government has adopted for raising revenue, including an outline and explanation of:
- (i) the rates and charges to be levied in the financial year; and
 - (ii) the concessions for rates and charges to be granted in the financial year
- (b) whether the local government has made a resolution limiting an increase of rates and charges.

The revenue measures adopted are determined at the budget meeting and are based on the Council's Revenue Policy.

Changes have been made to the relevant documents attached to reflect the new budget and improve drafting.

Consultation and Communication

The Mayor, Councillors, Chief Executive Officer, Directors and Management Team.

Resource Implications

The Revenue Statement and rating resolutions set out the mechanisms by which Council will collect its revenue for the financial year, in particular its rates and charges and other fees including any concessions that it may grant.

Risk Management Implications

Failure to meet the statutory obligations regarding the Revenue Statement and rating resolutions would place the revenue raising requirements of Council in severe jeopardy.

Conclusion

The Revenue Statement and rating resolutions required to comply with the relevant legislation are submitted for Council consideration.

Officer's Recommendation

THAT Council: -

- Adopt the attached Revenue Statement and maps for the 2018/19 financial year prepared in accordance with s104 of the *Local Government Act 2009*, s169 of the *Local Government Regulation 2012*; and
- Make the following rating resolutions:

DIFFERENTIAL GENERAL RATES

- a) Pursuant to s81 of the *Local Government Regulation 2012*, the categories into which rateable land is categorised, the description by which the land is categorised and, pursuant to s81(4) and s81(5) of the *Local Government Regulation 2012*, the method by which land is to be identified and included in its appropriate category is as follows:

Category	Description	Identification
1.1 – PPR & Vacant Land Residential Band 1	Land which is used for residential purposes as the owner's principal place of residence, or land zoned for residential use that does not have any structural improvements, with a rateable value up to and including \$175,000 and which is not included in categories 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N	Land having a residential, primary land use and meets the criteria in the description
1.1N – Non-PPR Residential Band 1	Land which is used, or intended to be used for residential purposes, with a rateable value up to and including \$175,000 and which is not included in categories 1.1, 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N	Land having a residential, primary land use and meets the criteria in the description
1.2 – PPR & Vacant Land Residential Band 2	Land which is used for residential purposes as the owner's principal place of residence, or land zoned for residential use that does not have any structural improvements, with a rateable value above \$175,000 and up to and including \$345,000 and which is not included in categories 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N	Land having a residential, primary land use and meets the criteria in the description
1.2N – Non-PPR Residential Band 2	Land which is used, or intended to be used for residential purposes, with a rateable value above \$175,000 and up to and including \$345,000 and which is not included in categories 1.2, 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N	Land having a residential, primary land use and meets the criteria in the description

Category	Description	Identification
1.3 – PPR & Vacant Land Residential Band 3	Land which is used for residential purposes as the owner's principal place of residence, or land zoned for residential use that does not have any structural improvements, with a rateable value above \$345,000 and up to and including \$575,000 and which is not included in categories 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N.	Land having a residential, primary land use and meets the criteria in the description.
1.3N – Non-PPR Residential Band 3	Land which is used, or intended to be used for residential purposes, with a rateable value above \$345,000 and up to and including \$575,000 and which is not included in categories 1.3, 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N.	Land having a residential, primary land use and meets the criteria in the description.
1.4 – PPR & Vacant Land Residential Band 4	Land which is used for residential purposes as the owner's principal place of residence, or land zoned for residential use that does not have any structural improvements, with a rateable value above \$575,000 and which is not included in categories 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N.	Land having a residential, primary land use and meets the criteria in the description.
1.4N – Non-PPR Residential Band 4	Land which is used, or intended to be used for residential purposes, with a rateable value above \$575,000 and which is not included in categories 1.4, 1.51, 1.51N, 1.53, 1.53N, 2.1, 2.1N, 2.2 or 2.2N	Land having a residential, primary land use and meets the criteria in the description.
1.51 – PPR Residential – Multi-Unit	Land which is used for residential purposes and has more than one habitable structure, dwelling house, flat or unit constructed on the rating assessment and the structures, houses, flats or units are: (i) not part of a body corporate (ii) all occupied by an owner(s) of the land as their principal place of residence	Land having a residential, primary land use and meets the criteria in the description.
1.51N – Non-PPR Residential – Multi-Unit	Land which is used for residential purposes and has more than one habitable structure, dwelling house, flat or unit constructed on the rating assessment and the structures, houses, flats or units are: (i) not part of a body corporate (ii) is not included in Category 1.51	Land having a residential, primary land use and which meet the criteria in the description.

Category	Description	Identification
1.53 – PPR Residential – Home-based Business	<p>The land is used for a combined residential and a commercial or industrial purpose, where:</p> <ul style="list-style-type: none"> (i) the area occupied by the non-residential use (including storage areas) does not exceed thirty percent of the total floor area of the dwelling house and ten percent of the lot on which the dwelling house is located, with a maximum area of eighty square metres occupied by the non-residential use (ii) is an owner(s) principal place of residence 	Land having a residential, primary land use and meets the criteria in the description.
1.53N – Non-PPR Residential – Home-based Business	<p>The land is used for a combined residential and a commercial or industrial purpose, where:</p> <ul style="list-style-type: none"> (i) the area occupied by the non-residential use (including storage areas) does not exceed thirty percent of the total floor area of the dwelling house and ten percent of the lot on which the dwelling house is located, with a maximum area of eighty square metres occupied by the non-residential use (ii) is not included in Category 1.53 	Land having a residential, primary land use and meets the criteria in the description.
2.1 – PPR Special Residential Strata - Horizontal	<p>Land used, or intended to be used, for residential purposes as the owner's principal place of residence, or land zoned for residential use that does not have any structural improvements, which is part of a body corporate where:</p> <ul style="list-style-type: none"> (i) none of the buildings comprising the body corporate exceed three (3) stories in height; and (ii) all of the lots in the body corporate have a common rateable valuation of \$1,250,000 or more; and (iii) there are 8 (eight) or more lots in the body corporate; and (iv) the property is not included in categories 2.2 or 2.2N 	Land having a residential, primary land use and meets the criteria in the description.

Category	Description	Identification
2.1N – Non-PPR Special Residential Strata – Horizontal	<p>Land used, or intended to be used, for residential purposes which is a unit which is part of a body corporate where:</p> <ul style="list-style-type: none"> (i) none of the buildings comprising the body corporate exceed three (3) stories in height; and (ii) all of the lots in the body corporate have a common rateable valuation of \$1,250,000 or more; and (iii) there are 8 (eight) or more lots in the body corporate; and (iv) the property is not included in categories 2.1, 2.2 or 2.2N 	Land having a residential, primary land use and which meet the criteria in the description.
2.2 – Special Residential Strata - Vertical	Land used for residential purposes as the owner's principal place of residence, which is a unit and is part of a body corporate in a building with more than three (3) stories.	Land having a residential, primary land use and meets the criteria in the description.
2.2N – Non-PPR Special Residential Strata – Vertical	Land used for residential purposes, which is a unit and is part of a body corporate in a building with more than three (3) stories and the land is not included in Category 2.2.	Land having a residential, primary land use and meets the criteria in the description.
3.10 – Canefarming A	Land used for the growing of, or associated with the growing of, sugar cane with a rateable value up to and including \$175,000.	Land having a primary land use code of 75 or 94 and meets the criteria in the description.
3.11 – Canefarming B	Land used for the growing of, or associated with the growing of, sugar cane with a rateable value above \$175,000 and up to and including \$345,000.	Land having a primary land use code of 75 or 94 and meets the criteria in the description.
3.12 – Canefarming C	Land used for the growing of, or associated with the growing of, sugar cane with a rateable value above \$345,000 and up to and including \$575,000.	Land having a primary land use code of 75 or 94 and meets the criteria in the description.

Category	Description	Identification
3.13 – Canefarming D	Land used for the growing of, or associated with the growing of, sugar cane with a rateable value above \$575,000.	Land having a primary land use code of 75 or 94 and meets the criteria in the description.
4.10 – Other Rural A	Land used, or in the case of vacant land, zoned and intended for use, for rural purposes other than properties contained within Categories 3.10, 3.11, 3.12 and 3.13, with a rateable value up to and including \$175,000.	Land having a primary land use code of 60 to 74, 76 to 89 and 93 to 94 and meets the criteria in the description.
4.11 – Other Rural B	Land used, or in the case of vacant land, zoned and intended for use, for rural purposes other than properties contained within Categories 3.10, 3.11, 3.12 and 3.13, with a rateable value above \$175,000 and up to and including \$345,000.	Land having a primary land use code of 60 to 74, 76 to 89 and 93 to 94 and meets the criteria in the description.
4.12 – Other Rural C	Land used, or in the case of vacant land, zoned and intended for use, for rural purposes other than properties contained within Categories 3.10, 3.11, 3.12 and 3.13, with a rateable value above \$345,000 and up to and including \$575,000.	Land having a primary land use code of 60 to 74, 76 to 89 and 93 to 94 and meets the criteria in the description.
4.13 – Other Rural D	Land used, or in the case of vacant land, zoned and intended for use, for rural purposes other than properties contained within Categories 3.10, 3.11, 3.12 and 3.13, with a rateable value above \$575,000.	Land having a primary land use code of 60 to 74, 76 to 89 and 93 to 94 and meets the criteria in the description.

Category	Description	Identification
5 - Large Shopping Centre	<p>Land which is used for commercial retail purposes and has:</p> <ul style="list-style-type: none"> (i) an area greater than five (5) hectares; and (ii) a gross floor area greater than 30,000 square metres; and (iii) contains more than 60 commercial tenancies; and (iv) is located within the City Centre Management Benefited area as defined in Map 2019/1 as attached. <p>The term "commercial retail purposes" means anything used for commercial retail purposes including, but not limited to, a shopping centre, other retail complex or single or multiple shops.</p>	Land having a primary land use code of 16 and meets the criteria in the description.
6 - Medium Shopping Centre	<p>Land which is used for commercial retail purposes and has:</p> <ul style="list-style-type: none"> (i) an area greater than five (5) hectares; and (ii) a gross floor area greater than 20,000 square metres; and (iii) contains more than 30 commercial tenancies; and (iv) is not included in Category 5. <p>The term "commercial retail purposes" means anything used for commercial retail purposes including, but not limited to, a shopping centre, other retail complex or single or multiple shops.</p>	Land having a primary land use code of 16 and meets the criteria in the description.
7 - Shopping Complex	<p>Land which is used for commercial retail purposes and has:</p> <ul style="list-style-type: none"> (i) a gross floor area of greater than 1,500 square metres; and (ii) more than 40 car parking spaces; and (iii) is not included in Category 5 or 6 <p>The term "commercial retail purposes" means anything used for commercial retail purposes including, but not limited to, a shopping centre, other retail complex or single or multiple shops.</p>	Land having a commercial retail primary land use code and meets the criteria in the description.

Category	Description	Identification
8.11 – Other Commercial / Industrial (Mackay)	<p>Land, located in the Mackay urban area but outside the gazetted locality of Paget as defined in the Urban Commercial Area (Map No. 2019/2) which is:</p> <ul style="list-style-type: none"> (i) used, or intended to be used, for commercial or industrial purposes irrespective of the zoning of the land under the applicable planning scheme; or (ii) vacant land and zoned for commercial or industrial purposes under the applicable planning scheme. 	Land having a commercial or industrial primary land use code and meets the criteria in the description.
8.21 – Other Commercial / Industrial (Regional)	<p>Land, located outside the Mackay urban area as defined in the Urban Commercial Area (Map No. 2019/2) which is:</p> <ul style="list-style-type: none"> (i) used, or intended to be used, for commercial or industrial purposes irrespective of the zoning of the land under the applicable planning scheme; or (ii) vacant land and zoned for commercial or industrial purposes under the applicable planning scheme. 	Land having a commercial or industrial primary land use code and meets the criteria in the description.
8.31 – Other Commercial / Industrial (Paget)	<p>Land, located in the Mackay urban area within the gazetted locality of Paget as defined in the Urban Commercial Area (Map No. 2019/2) which is:</p> <ul style="list-style-type: none"> (i) used, or intended to be used, for commercial or industrial purposes irrespective of the zoning of the land under the applicable planning scheme; or (ii) vacant land and zoned for commercial or industrial purposes under the applicable planning scheme. 	Land having a commercial or industrial primary land use code and meets the criteria in the description.
9 - Major Port Industry	<p>Land, located in the Hay Point or Dalrymple Bay complexes which are:</p> <ul style="list-style-type: none"> (i) used for major port industry; and (ii) has Port / Industry or Strategic Port Land designations and is used for the storage, processing or loading of mineral products. 	Land having a commercial or industrial primary land use code and meets the criteria in the description.

Category	Description	Identification
10 - Sugar Mill or Sugar Refinery	Land which is used, or designed for use, as a sugar mill or sugar refinery.	Land having a commercial or industrial primary land use code and meets the criteria in the description.
11 – Other Significant Industry (1)	Land which is used for: <ul style="list-style-type: none"> (i) the manufacture of alcohol or alcohol related products; or (ii) any commercial or industrial purpose which is associated or connected with, or which supports railway operations and/or logistics; or (iii) any commercial or industrial purpose where the land has a Port/Industry or Strategic Port Land designation and is not included within Category 9 Major Port Industry and is located within, or supports or augments the operations of, the Hay Point or Dalrymple Bay complexes 	Land having a commercial or industrial primary land use code and meets the criteria in the description.
12 – Other Significant Industry (2)	Land which is located within the Mackay Port precinct and is used for: <ul style="list-style-type: none"> (i) the storage, processing or loading of agricultural, mineral, gas or oil products in raw, processed or refined states; or (ii) activities associated, related or connected with the provision and operation of a port or harbour facility. 	Land having a commercial or industrial primary land use code and meets the criteria in the description.
13 – Other Significant Industry (3)	Land which is located within the Mackay Airport precinct and is used for activities associated, related or connected with the provision, management and operation of an airport facility.	Land having a commercial or industrial primary land use code and meets the criteria in the description.
14 – Resorts and Island Commercial Operations	Land which is located within a resort facility or on an offshore island: <ul style="list-style-type: none"> (i) used, or able to be used, for a commercial or industrial activity; or (ii) vacant land zoned for commercial or industrial purposes under the applicable planning scheme. 	Land that meets the criteria in the description.

Category	Description	Identification
15 – Not-for-Profit Organisation	Land which is: (i) used by not for profit organisations (ii) is not otherwise included in any other category	Land that meets the criteria in the description.
16 - Non-resident Workforce Accommodation	Land used, in whole or in part, for providing intensive accommodation for non-resident workers (including provision of recreational and entertainment facilities for the exclusive use of workers) but not including accommodation made available to the ordinary travelling public. Such facilities are commonly known as "worker accommodation", "single person's quarters", "worker camps", "accommodation villages" and "worker barracks".	Land that meets the criteria in the description.
17 - Other (Not elsewhere classified)	The property is not elsewhere categorised.	Land that meets the criteria in the description.

- b) Council delegates to the Chief Executive Officer the power, pursuant to s81(4) and s81(5) of the *Local Government Regulation 2012*, to identify the rating category to which each parcel of rateable land belongs.
- c) Pursuant to s94 of the *Local Government Act 2009* and s80 of the *Local Government Regulation 2012*, the differential general rate to be made and levied for each differential rate category for the 2018/19 financial year, and pursuant to s77 of the *Local Government Regulation 2012*, the minimum differential general rate to be made and levied for each differential general rate category for the 2018/19 financial year, is as follows:

Category	Rate in the Dollar	Minimum Differential General Rate
1.1 – PPR & Vacant Land Residential Band 1	1.0502	\$1,110
1.1N – Non-PPR Residential Band 1	1.1027	\$1,166
1.2 – PPR & Vacant Land Residential Band 2	1.0147	\$1,838
1.2N – Non-PPR Residential Band 2	1.0654	\$1,930
1.3 – PPR & Vacant Land Residential Band 3	0.8964	\$3,501

Category	Rate in the Dollar	Minimum Differential General Rate
1.3N – Non-PPR Residential Band 3	0.9412	\$3,676
1.4 – PPR & Vacant Land Residential Band 4	0.8754	\$5,155
1.4N – Non-PPR Residential Band 4	0.9192	\$5,413
1.51 – PPR Residential – Multi-Unit	1.4320	\$1,276
1.51N – Non-PPR Residential – Multi-Unit	1.5036	\$1,340
1.53 – PPR Residential – Home-based Business	1.2863	\$1,276
1.53N – Non-PPR Residential – Home-based Business	1.3506	\$1,340
2.1 – PPR Special Residential Strata - Horizontal	1.8227	\$1,622
2.1N – Non-PPR Special Residential Strata – Horizontal	1.9138	\$1,703
2.2 – Special Residential Strata - Vertical	2.6170	\$1,713
2.2N – Non-PPR Special Residential Strata – Vertical	2.7479	\$1,799
3.10 – Canefarming A	3.2294	\$1,861
3.11 – Canefarming B	3.1962	\$5,652
3.12 – Canefarming C	3.1629	\$11,027
3.13 – Canefarming D	3.0630	\$18,187
4.10 – Other Rural A	1.4925	\$1,223
4.11 – Other Rural B	1.4772	\$2,612
4.12 – Other Rural C	1.4618	\$5,097
4.13 – Other Rural D	1.4156	\$8,406
5 - Large Shopping Centre	13.2412	\$2,495,000
6 - Medium Shopping Centre	4.7050	\$807,738
7 - Shopping Complex	2.4646	\$4,702

Category	Rate in the Dollar	Minimum Differential General Rate
8.11 – Other Commercial / Industrial (Mackay)	2.2296	\$2,370
8.21 – Other Commercial / Industrial (Regional)	1.6346	\$1,489
8.31 – Other Commercial / Industrial (Paget)	3.5160	\$2,811
9 - Major Port Industry	24.2803	\$1,325,000
10 - Sugar Mill or Sugar Refinery	14.3813	\$173,612
11 – Other Significant Industry (1)	19.4777	\$8,929
12 – Other Significant Industry (2)	6.8193	\$11,027
13 – Other Significant Industry (3)	12.9626	\$8,977
14 – Resorts and Island Commercial Operations	3.7521	\$2,370
15 – Not-for-Profit Organisation	1.3770	\$1,276
16 - Non-resident Workforce Accommodation	7.0906	\$5,928
17 - Other (not elsewhere classified)	1.4077	\$1,475
Minimum General Rates will not apply to land to which s49-51 of the Land Valuation Act 2010 applies, nor to Permits to Occupy that have an area of one hundred (100) square metres or less, are separately valued from other valued land and have a rateable valuation of less than \$2,500.		

- d) Pursuant to s116 of the *Local Government Regulation 2012*, the amount of the differential general rate to be levied for the 2018/19 financial year on the categories of land identified in Column 1 of the table below, be limited to an amount no more than an amount equal to the amount of general rate levied on that land in the previous financial year increased by the percentage identified in column 2 of the table below:

Category	Percentage Increase (Cap)
5 - Large Shopping Centre	0%

SPECIAL RATES & CHARGES

City Centre Management Special Rate

- (a) Pursuant to s94 of the *Local Government Act 2009* and s94 of the *Local Government Regulation 2012*, Council makes and will levy a special rate for the 2018/19 financial year, (to be known as the “City Centre Management Special Rate”) on all rateable land to which the overall plan applies to fund the promotion and advancement of trading and economic development of the business being conducted in the City Centre as follows:
- (i) for the areas coloured pink on the Benefitted Area Map, a special rate of 0.8823 cents in the dollar will apply;
 - (ii) for the areas coloured blue on the Benefitted Area Map, a special rate of 0.5502 cents in the dollar will apply;
 - (iii) for the areas coloured yellow on the Benefitted Area Map, a special rate of 0.3635 cents in the dollar will apply;
 - (iv) for the areas coloured light green on the Benefitted Area Map, a special rate of 0.5394 cents in the dollar will apply.
- (b) The overall plan for the activities to be funded by the special rate is as follows:
- (i) The service, facility, or activity for which the plan is made is for Council to fund the following activities:
 - a) supervising, promoting and advancing the trading and economic development of the businesses being conducted on the rateable land
 - b) promoting and attracting commerce and tourism to the businesses being conducted on the rateable land
 - c) improving the public areas surrounding the rateable land
 - d) conducting and organising promotional programmes, publicity, special events, entertainment programs and decorations in the public areas adjoining the rateable land
 - e) improving access to and around the rateable land for pedestrians, vehicles, public transport and cyclists, including adequate on and off-street parking
 - (ii) The rateable land to which the plan applies is the rateable land situated within the Benefitted Area (as shown by the coloured areas on the Benefitted Area Map Numbered 2019/1) other than properties which are used solely for residential purposes
 - (iii) The estimated cost of implementing the overall plan is \$1,057,631
 - (iv) The estimated time for implementing the overall plan is one year commencing 1 July 2018 and ending on 30 June 2019
- (c) The land, and the occupier of such land, upon which the special rate will be levied, specially benefits, to varying extents, from these activities because the activities to be funded by the special rate will assist in promoting the businesses being conducted upon

the rateable land, thereby assisting retention of existing business, as well as attracting new business.

The Council has formed the opinion that different parts of the City Centre specially benefit from the service, facility or activity to different extents. As such, in accordance with s94(12) of the Regulation, the Council has determined that, for the 2018/19 financial year, four differential special rates will apply to the benefitted area.

Rural Fire Services – 1 Special Charge

- (a) Pursuant to s94 of the *Local Government Act 2009* and s94 of the *Local Government Regulation 2012*, Council makes and will levy a special charge for the 2018/19 financial year, (to be known as the “Rural Fire Services – 1 Special Charge”) of \$44.60 on all rateable land to which the overall plan applies to fund the purchase and maintenance of equipment for each Rural Fire Brigade.
- (b) The overall plan for the service, facility, or activity to be funded by the special rate is as follows:
- (i) The service, facility, or activity for which the plan is made is for Council to:
- a) fund rural fire brigades in the area to purchase and maintain equipment
 - b) administer the distribution of funds to rural fire brigades
- (ii) The rateable land to which the plan applies is the rateable land situated on the maps as detailed:
- a) Habana Rural Fire Brigade Area [Map No. 2019/3]
 - b) Dumbleton Rural Fire Brigade Area [Map No. 2019/4]
 - c) Victoria Plains Rural Fire Brigade Area [Map No. 2019/5]
 - d) Ball Bay Rural Fire Brigade Area [Map No. 2019/6]
 - e) Sunnyside Rural Fire Brigade Area [Map No. 2019/7]
 - f) Mt Blackwood Rural Fire Brigade Area [Map No. 2019/8]
 - g) Calen/Cameron's Pocket Rural Fire Brigade Area [Map No. 2019/9]
 - h) Seaforth Town Rural Fire Brigade Area [Map No. 2019/10]
 - i) Midge Point Rural Fire Brigade Area [Map No. 2019/11]
 - j) Seaforth District Rural Fire Brigade Area [Map No. 2019/12]
- (iii) The estimated cost of implementing the overall plan is \$194,857 for 2018/19
- (iv) The estimated time for implementing the overall plan is 1 year commencing 1 July 2018 and ending 30 June 2019
- (c) The rateable land proposed to be levied with the special charge specially benefits from these service, facilities, or activities because the service, facilities or activities to be funded by the special rate will assist rural fire brigades servicing the rateable land.

Rural Fire Services – 2 Special Charge

- (a) Pursuant to s94 of the *Local Government Act 2009* and s94 of the *Local Government Regulation 2012*, Council makes and will levy a special charge for the 2018/19 financial year, (to be known as the “Rural Fire Services – 2 Special

Charge”) of \$25.00 on all rateable land to which the overall plan applies to fund the purchase and maintenance of equipment for each Rural Fire Brigade.

- (b) The overall plan for the service, facility, or activity to be funded by the special rate is as follows:
- (i) The service, facility, or activity for which the plan is made is for Council to:
 - a) fund rural fire brigades in the area to purchase and maintain equipment
 - b) administer the distribution of funds to rural fire brigades
 - (ii) The rateable land to which the plan applies is the rateable land situated on the maps as detailed:
 - a) Armstrong Beach Rural Fire Brigade Area [Map No. 2019/13]
 - b) Plane Creek Rural Fire Brigade Area [Map No. 2019/14]
 - (iii) The estimated cost of implementing the overall plan is \$27,750 for 2018/19
 - (iv) The estimated time for implementing the overall plan is one year commencing 1 July 2018 and ending 30 June 2019
- (c) The rateable land proposed to be levied with the special charge specially benefits from these service, facilities, or activities because the service, facilities or activities to be funded by the special rate will assist rural fire brigades servicing the rateable land.

Rural Fire Services – 3 Special Charge

- (a) Pursuant to s94 of the *Local Government Act 2009* and s94 of the *Local Government Regulation 2012*, Council makes and will levy a special charge for the 2018/19 financial year, (to be known as the “Rural Fire Services – 3 Special Charge”) of \$34.40 on all rateable land to which the overall plan applies to fund the purchase and maintenance of equipment for each Rural Fire Brigade.
- (b) The overall plan for the service, facility, or activity to be funded by the special rate is as follows:
- (i) The service, facility, or activity for which the plan is made is for Council to:
 - a) fund rural fire brigades in the area to purchase and maintain equipment
 - b) administer the distribution of funds to rural fire brigades
 - (ii) The rateable land to which the plan applies is the rateable land situated on the maps as detailed:
 - a) Mirani Combined Rural Fire Brigade Area [Map No. 2019/15]
 - b) Hay Point Rural Fire Brigade Area [Map No. 2019/16]
 - (iii) The estimated cost of implementing the overall plan is \$174,202 for 2018/19.
 - (iv) The estimated time for implementing the overall plan is one year commencing 1 July 2018 and ending 30 June 2019.

- (c) The rateable land proposed to be levied with the special charge specially benefits from these service, facilities, or activities because the service, facilities or activities to be funded by the special rate will assist rural fire brigades servicing the rateable land.

Slade Point Seawall Special Charge

- (a) **Pursuant to s94 of the *Local Government Act 2009* and s94 of the *Local Government Regulation 2012*, Council makes and will levy a special charge for the 2018/19 financial year, (to be known as the “Slade Point Seawall Special Charge”) on all rateable land to which the overall plan applies to fund part of the cost of construction of a seawall to protect the properties as follows:**
 - (i) for the areas coloured yellow (Area A) on the Benefitted Area Map, a special charge of \$1,000 will apply;
 - (ii) for the areas coloured blue (Area B) on the Benefitted Area Map, a special charge of \$1,300 will apply;
- (b) The overall plan for the activities to be funded by the special charge is, as per Council’s decision first made at its 2012/2013 budget meeting, as follows:
 - (i) The service, facility, or activity for which the plan is made is for Council to partially fund the construction of a seawall.
 - (ii) The rateable land to which the plan applies is the rateable land situated within the Benefitted Area (as shown by the areas coloured yellow or blue on the Benefitted Area Map numbered 2019/17).
 - (iii) The estimated cost of implementing the overall plan is \$429,000, being fifty percent (50%) of the originally budgeted cost of carrying out the works for construction of the seawall.
 - (iv) The estimated time for implementing the overall plan is 10 years commencing 1 July 2012 and ending on 30 June 2022.
- (c) The rateable land proposed to be levied with the special charge, specially benefits, to varying extents, from this project because the seawall construction to be funded by the special charge will provide an increased level of protection from events such as storm-surge. Because different parts of the benefitted area specially benefit from the service, facility or activity to different extents, Council has determined, in accordance with section 94(12) of the Regulation, that two differential special charges will apply to the benefitted area.
- (d) The annual implementation plan for the Slade Point Seawall Special Charge for the 2018/19 financial year is to recover part of the cost of carrying out the overall plan, being \$41,400.

SEPARATE CHARGES

Natural Environment Separate Charge

Pursuant to s94 of the *Local Government Act 2009* and s103 of the *Local Government Regulation 2012*, Council makes and will levy a separate charge for the 2018/19 financial year, (to be known as the “Natural Environment Separate Charge”) in the sum of \$26.50 per rateable assessment to be levied equally on all rateable land in the region.

The separate charge will fund part of the cost of a service, facility or activity identified as:

- a) promoting and supporting the preservation and enhancement of the natural environment
- b) encouraging environmental awareness by promoting activities and practices that support preservation of the region’s natural environment
- c) supporting sustainable management of areas of environmental significance to maintain biodiversity
- d) encouraging improved efficiency and use of energy through greenhouse gas reduction and renewable clean energy sources
- e) provide a range of types and styles of projects including appropriate sustainability projects and can include pilot projects

Roads Improvement Separate Charge

Pursuant to s94 of the *Local Government Act 2009* and s103 of the *Local Government Regulation 2012*, Council makes and will levy a separate charge for the 2018/19 financial year (to be known as the “Roads Improvement Separate Charge”) in the sum of \$20.40 per rateable assessment to be levied equally on all rateable land in the region.

The separate charge will fund part of the costs of a service, facility or activity identified as:

- a) upgrading the existing urban street network to incorporate kerb to kerb treatments and to improve drainage where practicable
- b) providing traffic calming initiatives within identified roads and streets
- c) contributing to the safety of pedestrian and bicycle traffic by improving walkways and cycleways within and around road reserves
- d) contributing to the implementation of a roads treatment program to extend the life of the road network

Disaster Response Separate Charge

Pursuant to s94 of the *Local Government Act* and s103 of the *Local Government Regulation 2012*, Council makes and will levy a separate charge for the 2018/19 financial year (to be known as the “Disaster Response Separate Charge”) in the sum of \$13.10 per rateable assessment, to be levied equally on all rateable land in the region.

The separate charge will be called the Disaster Response Charge and will fund part of the costs of a service, facility or activity identified as:

- a) upgrading facilities utilised during times of natural disaster
- b) contributing to the cost of the SES and Emergency Service Management Team and the development and implementation of Emergency Risk Plans for the area

SEWERAGE UTILITY CHARGES

Pursuant to s94 of the *Local Government Act 2009* and s99 of the *Local Government Regulation 2012*, Council:

1. makes and will levy sewerage utility charges for the 2018/19 financial year, for the supply of sewerage services by Council, as follows:

Mackay Sewerage Area [Map No. 2019/18(a)], Sarina Sewerage Area [Map No. 2019/18(b)] and Mirani Sewerage Area [Map No. 2019/18(c)]

Factor Charge per Assessment	\$880.80
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For all properties connected to the North Eton Biocycle system

Factor charge per assessment	\$749.60
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2. Will apply the levying of these charges in accordance with its 2018/19 Revenue Statement.

TRADE WASTE UTILITY CHARGES

Pursuant to s94 of the *Local Government Act 2009* and s99 of the *Local Government Regulation 2012*, Council:

1. makes and will levy trade waste utility charges for the 2018/19 financial year, for the supply of trade waste services by Council, as follows:

VTWUC = Volumetric Trade Waste Discharge Unit Cost \$2.50/kl)

Trade Waste Conveyance and Treatment Charge

n₁ – Total Suspended Solids = \$1.00/kg

n₂ - Chemical Oxygen Demand = \$0.56/kg

n₃ - Oil and Grease or Total Hydrocarbons = \$1.83/kg

n₄ – Total Kjeldahl Nitrogen = \$3.10/kg

n₅ - Total Phosphorous = \$5.33/kg

Additional Penalty Conveyance and Treatment Charge

n₁₁ – Total Suspended Solids = \$1.61/kg

n₁₂ - Chemical Oxygen Demand = \$1.61/kg

n₁₃ - Oil and Grease or Total Hydrocarbons = \$1.61/kg

n₁₄- Total Kjeldahl Nitrogen = \$1.618/kg

n₁₅ - Total Phosphorous = \$1.61/kg

2. Will apply the levying of these charges in accordance with its 2018/19 Revenue Statement.

WASTE MANAGEMENT UTILITY CHARGES

Pursuant to s94 of the *Local Government Act 2009* and s99 of the *Local Government Regulation 2012*, Council:

1. makes and will levy waste management utility charges for the 2018/19 financial year, for the supply of waste management services by Council, as follows:

Refuse Service Factor Charges for 2018/19:

- a) Rubbish and Recycling Service (Residential) \$268.50
- b) Rubbish and Recycling Service (Other) \$268.50
- c) Additional Recycling Service (Residential) \$104.60

2. Will apply the levying of these charges in accordance with its 2018/2019 Revenue Statement.
3. makes and will levy a utility charge for the 2018/19 financial year (to be known as the “Waste Facilities Operations Utility Charge”) in the sum of \$153.30 per rateable assessment to be levied equally on all rateable land in the region.

This utility charge will fund:

- i. The residual cost of waste facilities and services which are not met from the refuse removal and disposal utility charges and other fees and charges collected on a user pays basis; and
- ii. Meeting public expectations in matters of disposal of refuse that affect public health and the visual amenity of the area.

WATER UTILITY CHARGES

- a) Pursuant to s94 of the *Local Government Act 2009* and s99 of the *Local Government Regulation 2012*, Council

- i. makes and will levy water utility charges for the 2018/19 financial year, for the supply of water services by Council, as follows:

Water Charges (per factor) are:

- a) Factor Charge – Commercial/Industrial \$364.20
- b) Factor Charge – Residential \$364.20

Consumption Charges (per kilolitre) are:

- a) Tariff \$1.79
- b) Tariff 2 \$2.67
- c) Laguna Quays Resort \$1.79
- d) Bulk purchases \$3.35
- e) Untreated water supplied \$1.00
- f) Community sporting facilities (as defined) \$1.79

- ii. Will apply the levying of these charges in accordance with its 2018/19 Revenue Statement.
- a) Pursuant to s94 of the *Local Government Act 2009* and s99(3) of the *Local Government Regulation 2012*, consumption charges shall apply as from the last reading date in the preceding financial year until otherwise amended by Council.
- b) Pursuant to s102(2) of the *Local Government Regulation 2012*, a water meter is taken to have been read during the period that starts 2 weeks before, and ends 2 weeks after, the day on which the meter is actually read.

LEVY AND PAYMENT

- a) Pursuant to s107 of the *Local Government Regulation 2012* and s114 of the *Fire and Emergency Services Act 1990*, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy be levied:
 - For the half year 1 July 2018 to 31 December 2018 – in August / September 2018 and for Water Consumption Utility Charges – in November 2018; and
 - For the half year 1 January 2019 to 30 June 2019 – in February / March 2019 and for Water Consumption Utility Charges – in May 2019
- b) Pursuant to s118 of the *Local Government Regulation 2012*, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 30 clear days of the date of the issue of the rate notice.

INTEREST

- a) Pursuant to s133 of the *Local Government Regulation 2012*, Council will charge interest on overdue rates at the rate of eleven percent (11%) per annum compounded monthly, calculated after the end of the financial half year in which the rates fall due, and charged at the end of each month, on the overdue balance on that day.
- b) Pursuant to s125 (c) of the *Local Government Regulation 2012*, where Council enters a deferral of liability to pay rates and charges by way of a payment schedule or any other arrangement, the arrangement will include a premium equal to the amount of interest that would have been charged if the arrangement had not been agreed to. The premium will be charged in the same manner as interest.

DISCOUNT

Pursuant to s130 of the *Local Government Regulation 2012*, the differential general rates and utility charges (excluding water consumption utility charges) made and levied shall be subject to a discount of 10% if paid within the discount period of 30 clear days of the date of issue of the rate notice provided that:

- a) all of the aforementioned rates and charges are paid within 30 days of the issue date of the rate notice
- b) all other overdue rates and charges relating to the rateable assessment are paid within 30 days of the date of issue of the rate notice.

RATES CONCESSIONS

Pursuant to s120, 121 and 122 of the *Local Government Regulation 2012*, a rebate of the differential general rate of 25% of the amount levied to a maximum amount of \$400 per annum be granted to all ratepayers who are pensioners and who are eligible for the State Government pensioner remission.

In addition, eligible pensioners will be granted a further concession by extending the time for payment and discount date to a date to be set within two weeks before the last working day of the rating period in which the levy is raised.

RELATED POLICIES

AND FURTHER THAT Council adopt the associated policies as contained in the following attachments:

- (a) Rating Remission for Non-Profit Organisations Policy
- (b) Conservation Remission Policy
- (c) Discount on Late Rates Payment Policy
- (d) Rates Relief Policy
- (e) Debt Recovery Policy
- (f) Concession for Concealed Leaks Policy
- (g) Exceptional Circumstances Policy

Council Resolution

THAT the Officer's Recommendation be adopted.

Moved Cr Bonaventura

Seconded Cr Casey

Cr Gee spoke against the Revenue Statement, noting that if Council believes it can afford a reduction in revenue than it must be shared by all its ratepayers.

Cr May spoke against the Revenue Statement. Noting her 15 years in local government, she has supported all Revenue Statements brought forward with the Budget, but unfortunately finds this one unpalatable. Cr May stated her concern is that this Council is not delivering an equality in distribution of burden of rates in the coming budget year. Cr May stated that she prides herself on representing all members of the community and therefore finds it totally unacceptable that this Council would consider adopting a revenue measures report that doesn't deliver rate equity across the regional council area. Cr May urged Councillors to take this very important matter into considerations when they are casting their vote and to vote against this inequitable Measures report.

Cr Bella spoke for the report. He stated that it was a very good Revenue Statement and pleased to see, contrary to Cr May's comments, that we have adopted a banding strategy for rural areas in our region, which is something urban centres have had for quite a while. Especially since the region has gone through the downturn, there are any number of strategies to improve the economy in certain areas. Cr Bella stated that we don't have any particular strategies that improves money going into the pockets of the people who are struggling in regional and rural areas. This however, in some way, goes to covering that inequity and he believes that this is the equivalent of putting money into someone's pocket.

LOST

Crs Camm, Mann, Gee, Englert, Paton and May recorded their votes against.

The Mayor citing that as the policy underpinning the remaining Budget items within the agenda had been lost meant that these items couldn't continue, therefore declared the meeting closed.

5. MEETING CLOSURE:

The meeting closed at 12:47pm.

Confirmed on Wednesday 11 July 2018

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MAYOR

APPENDIX / ATTACHMENTS

**MACKAY REGIONAL COUNCIL
STATEMENT OF INCOME AND EXPENSES
For the year ending 30 June 2018**

	Original budget \$000	Revised budget \$000	Estimated Actuals \$000
Operating Revenue			
Rates and utilities charges	231,202	231,936	231,982
Discounts	(17,266)	(17,265)	(17,408)
Remissions	(2,239)	(2,239)	(2,215)
Net Rates and utilities charges	211,697	212,432	212,359
Fees and charges	13,366	14,227	15,181
Rental income	1,433	1,225	845
Sales - contracts and recoverable works	6,502	6,559	6,493
Grants and subsidies	10,973	19,577	16,327
Interest earned	5,142	5,958	5,764
Other operating revenue	6,036	5,126	5,103
Total operating revenue	\$ 255,149	\$ 265,104	\$ 262,072
Operating Expenses			
Employee costs	79,213	77,957	79,135
Materials and services	89,264	98,216	91,705
Finance costs	11,166	11,373	11,156
Depreciation	76,641	76,641	76,155
Total operating expenses	\$ 256,284	\$ 264,187	\$ 258,151
Operating result	\$ (1,135)	\$ 917	\$ 3,921
Capital Revenue and Expenses			
Grants and subsidies	16,969	16,955	17,300
Contributions from Developers	1,500	1,900	2,147
Donated assets	4,000	4,000	5,722
Other capital income	202	1,943	1,943
Proceeds on disposal of assets	2,725	2,422	2,437
Capital expenses	-	-	(12,980)
Total capital revenue and expenses	\$ 25,396	\$ 27,220	\$ 16,569
Net result	\$ 24,261	\$ 28,137	\$ 20,490

MACKAY REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
For the year ending 30 June 2018

	Original budget \$000	Revised budget \$000	Estimated Actuals \$000
Current Assets			
Cash and cash equivalents	159,660	173,046	166,763
Trade and other receivables	20,528	21,566	21,356
Inventories	2,455	2,645	2,645
	182,643	197,257	190,764
Non-current assets held for sale	1,181	1,358	1,358
	\$ 183,824	\$ 198,615	\$ 192,122
Non-Current Assets			
Trade and other receivables	-	1,450	1,450
Investments	4,088	3,897	3,897
Property, plant and equipment	3,249,902	3,256,946	3,257,426
Intangible Assets	3,259	3,485	3,485
	\$ 3,257,249	\$ 3,265,778	\$ 3,266,258
TOTAL ASSETS	\$ 3,441,073	\$ 3,464,393	\$ 3,458,380
Current Liabilities			
Trade and other payables	23,906	24,604	26,238
Borrowings	13,404	13,406	13,406
Provisions	37,009	39,528	39,528
Other liabilities	1,395	1,255	1,255
	\$ 75,714	\$ 78,793	\$ 80,427
Non-Current Liabilities			
Borrowings	147,106	147,073	147,073
Provisions	12,326	14,103	14,103
	\$ 159,432	\$ 161,176	\$ 161,176
TOTAL LIABILITIES	\$ 235,146	\$ 239,969	\$ 241,603
NET COMMUNITY ASSETS	\$ 3,205,927	\$ 3,224,424	\$ 3,216,777
Community Equity			
Retained surplus	1,973,667	1,976,598	1,997,202
Asset revaluation reserve	1,232,260	1,247,826	1,219,575
TOTAL COMMUNITY EQUITY	\$ 3,205,927	\$ 3,224,424	\$ 3,216,777

	COUNCIL POLICY	
	Revenue Policy 2018/19	
	POLICY NO	008
	DEPARTMENT	ORGANISATIONAL SERVICES
	PROGRAM	FINANCIAL SERVICES
ENDORSED	BY COUNCIL [DATE & MINUTE NUMBER]	

1.0 Scope

Provisions of the *Local Government Act 2009* and *Local Government Regulation 2012*, require council to prepare and adopt its Revenue Policy each financial year.

The policy contains principles that will be used for the development of the 2018/19 budget for Mackay Regional Council.

The 2018/19 budget will be available for inspection on council's website at:

www.mackay.qld.gov.au/about_council/budget_2018/19

2.0 Purpose

In accordance with the *Local Government Regulation 2012, section 193*, this policy will identify the principles Council intends to apply for:

- levying rates and charges
- granting concessions for rates and charges
- recovering rates and charges
- setting of cost recovery fees

This policy also addresses:

- The purpose for concessions; and
- The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

3.0 Reference

- Local Government Act 2009
- Local Government Regulation 2012
- Land Valuation Act 2010
- Sustainable Planning Act 2009
- State Planning Regulatory Provision 2012 (adopted charges)

4.0 Definitions

To assist in interpretation the following definitions shall apply:

Act shall mean *the Local Government Act 2009*

Council shall mean *Mackay Regional Council*

Regulation shall mean *the Local Government Regulation 2012*

5.0 Background

When determining principles to be applied for the levying of rates and charges, Council must act consistently with the local government principles, namely:

- transparent and effective processes and decision-making in the public interest
- sustainable development and management of assets and infrastructure, and delivery of effective services
- democratic representation, social inclusion and meaningful community engagement
- good governance of, and by, local government
- ethical and legal behavior of councillors and local government employees

6.0 Policy Statement

6.1 Principles applied in levying rates and charges

Making rates and charges

It is Council's policy to identify certain services where the consumer of the service will be expected to meet all or the greater part of the total cost of providing the specific service. In such cases, the cost of providing the service will include the cost of acquiring the commodity or service, the cost of providing the infrastructure or organisation to process and/or deliver the commodity or service and any overheads associated with these cost components.

It is acknowledged that individual consumers of a commodity or service cannot always be separately identified. For this reason, there is a need for specific user charges to be supplemented by other general revenue sources.

The relevant components of Council's rates and charges are based on a combination of specific user charges, separate charges, special charges and a differential general rating system based on the value of land to provide the most equitable and rational basis for raising revenue.

Rates and charges are determined after due consideration of the following:

- (i) Council's legislative obligations
- (ii) The needs and expectations of the general community
- (iii) The cost of maintaining existing facilities and necessary services
- (iv) The need for additional facilities and services
- (v) Equity by ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes

Council will also have regard to the principles of:

- Transparency of process
- Simplicity and efficient administration
- Flexibility to take account of changes in the local economy

Levying rates and charges

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

- Making clear what is the Council's and each ratepayer's responsibility in relation to the rating system
- Making the levying process, granting discount and any refund of rates and charges as simple and efficient to administer as possible
- Timing the levy of rates notices to take into account the financial cycle to which the ratepayers are accustomed or may adapt to

6.2 Principles applied in granting concessions for rates and charges

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

- reducing the financial burden of rates and charges payable by pensioners
- transparency by making clear the requirements necessary to receive concessions
- support not-for-profit organisations whose objectives do not include making a profit
- equality by providing the same treatment for ratepayers with similar circumstances

In circumstances where a ratepayer incurs responsibility for a rating debt that is beyond their financial capacity to pay immediately, Council may consider avenues to assist with the payment of the liability.

Certain activities benefit the community and the cost of meeting their obligations may impact on the provision of these activities. Council should assist in such circumstances.

The purpose for the concessions is to provide support to identified classes of ratepayers in meeting their obligations under Council's rating regime within the available provisions of the *Local Government Act 2009* and *Local Government Regulation 2012*

6.3 Principles applied to the recovery of overdue rates and charges

Under the provisions in Part 12 of Chapter 4 of the *Local Government Regulation 2012*, Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers by:

- transparency in making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations
- making the processes used to recover outstanding rates and utility charges clear, simple to administer and cost effective
- equality by providing the same treatment for ratepayers with similar circumstances
- equity by having regard to capacity to pay in determining appropriate arrangements for different sectors of the community

Council requires payment of rates and charges within a specified period and will pursue the collection of overdue rates and charges diligently. The non-payment of rates and charges by some ratepayers places an unfair burden on other ratepayers who meet their legal obligations in full.

When pursuing the collection of overdue rates and charges Council will have due concern for any financial hardship faced by ratepayers.

Council's Debt Recovery Policy and Rates Relief Policy provide guidance in the collection of overdue rates and charges.

6.4 Payments in Advance

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

6.5 Cost recovery fees and other fees

Council makes cost recovery fees and other fees and charges. Generally, Council will set these fees and charges at a level which reflects the underlying costs and charges, including allocated overheads and administration costs.

For cost recovery fees the expected revenue from fees and other sources for each cost recovery scheme will not exceed the costs of the scheme.

For other fees and charges, where they relate to an operation which has private sector competitors, the fees will reflect the full cost including costs which a private sector competitor would face but which Council, because it is a public-sector entity, does not incur.

Council may apply community service obligations to its business activities and exclude the cost of those obligations in fixing prices for the activity. Council each year adopts a Code of Competitive Conduct Statement which provides the framework for identification of community service obligations enforced on its identified business units.

6.6 Physical and social infrastructure cost funding

Council raises some of its community infrastructure funding through grants and subsidies provided by the Queensland State Government and the Commonwealth Government of Australia.

The cost of providing community infrastructure is offset through the imposition of infrastructure charges on new development pursuant to the provisions of the *Planning Act 2016*.

The amount Council can collect in infrastructure charges is limited by section 52 and Schedule 16 of the *Planning Regulation 2017*.

To the extent that there is a shortfall between cost of providing infrastructure and amounts generated through the imposition of infrastructure charges, Council may rely on other sources of revenue.

7.0 **Review of Policy**

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

1. The related documents are amended or replaced;
2. Other circumstances as determined from time to time by a resolution of Council

Notwithstanding the above, this policy is to be reviewed annually.

Version Control:

Version	Reason / Trigger	Change	Endorsed	Date	Folio
	Annual Review		By Council	05.08.08	855
	Annual Review		By Council	17.06.09	6337
	Annual Review		By Council	16.06.10	11370
	Annual Review		By Council	15.06.11	16001
	Annual Review		By Council	20.06.12	21885
	Annual Review		By Council	26.06.13	28326
	Annual Review		By Council	18.06.14	33569
	Annual Review		By Council	10.06.15	38100
	Annual Review		By Council	22.06.16	38074
	Annual Review		By Council	28.06.17	44583
	Annual Review		By Council		