



Richmond Shire Council

Annual Budget 2021 - 2022



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Richmond Shire Council Annual Budget 2021-2022
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Mayor's Budget Summary Report

I now propose the following Budget Report presented to Council at the Budget Council Meeting on the 26th July 2021. All items referred to in this Budget have been based on historical data from previous years or have been identified in Council's planning processes. This year's Budget will see the Council consolidate its financial position and begin planning for future developments outline in this plan. Improvements to existing road, water and sewerage will continue to take priority as Council prepares for future investment opportunities.

RATES AND CHARGES

Council has elected to adopt a 3.00% rise on the General Rate, Water, Sewerage and Cleansing for all properties in the Shire. All commercial charges and regulatory fees has also increased by 3% for most items. This equates to a \$15 increase to a standard household rate notice per quarter.

ROAD WORKS

Council has secured betterment funding of \$4.1M to replace the Burleigh Crossing Causeway with a bridge. Council has also secured funding to seal the rest of Pattel Drive. Works are continuing on the Croydon Road that will see only 4 kilometres of unsealed road left to the boundary. This unsealed section will be sealed after July next year and will be a great achievement for Council. Council is continuing work on the Winton Road with over \$10 million to be spent on the road this financial year. Council is aiming to have the Winton Road widened and sealed to the boundary over the next 3 years. Council has recently completed a kerb to kerb seal in Harris Street as part of its ongoing plan to fully seal the town streets. Over the next couple of year Council will look to do sections of MacGoffin, Tolano, Cramb, Clayton, Moulder Streets that need kerb to kerb seal plus the cemetery road.

FINANCIAL STATUS

Council's revenue in the Budget for the 2021/22 will be \$34M. A large proportion of this is due to Main Road's contracts and ongoing flood damage work. Expenditure after depreciation has been estimated at \$27M.

CAPITAL WORKS

Council has allocated \$14M for capital work, of that \$8M is for road works. \$497K has been allocated to the airport which includes a refuelling station and work on the runway (\$247k is grant funded). A new full deck weigh facility at the Saleyards has been allocated along with a catwalk beside the double decker loading ramp to make it safer to load and unload cattle. Plant purchase will make up a further \$1.9M.

Water infrastructure upgrades continue with water treatment plant filtration \$445K (fully grant funded) and the water metering system \$130K.

Other community infrastructure include:

- Upgrade of lighting at the Rodeo Arena - \$165K (fully grant funded)
- Caravan park upgrade - \$300K (fully grant funded)
- Pool upgrade - \$450K (80% grant funded)
- Upgrade of the commercial kitchen at Moonrock Café - \$100K
- Proposed development of Stage 3 at Kronosaurus Korner for \$2.8M

RICHMOND SHIRE COUNCIL
Budgeted Statement of Comprehensive Income

Income	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Revenue										
Rates, levies and charges	1,799,400	1,853,382	1,908,983	1,966,253	2,025,241	2,085,998	2,148,578	2,213,035	2,279,426	2,347,809
Fees and charges	1,075,950	1,108,229	1,141,475	1,175,720	1,210,991	1,247,321	1,284,741	1,323,283	1,362,981	1,403,871
Sales Revenue	15,961,550	16,280,781	16,606,397	16,938,525	17,277,295	17,622,841	17,975,298	18,334,804	18,701,500	19,075,530
Grants, subsidies, contributions and donations	5,950,000	6,128,500	6,312,355	6,501,726	6,696,777	6,897,681	7,104,611	7,317,749	7,537,282	7,763,400
	24,786,900	25,370,892	25,969,210	26,582,223	27,210,304	27,853,840	28,513,227	29,188,871	29,881,189	30,590,610
Capital Revenue										
Capital Grants	8,939,742	9,207,934	9,484,172	9,768,697	10,061,758	10,363,611	10,674,519	10,994,755	11,324,597	11,664,335
Rental Income	174,500	183,225	192,386	202,006	212,106	222,711	233,847	245,539	257,816	270,707
Interest Received	70,000	70,700	71,407	72,121	72,842	73,571	74,306	75,049	75,800	76,558
Other Income	96,850	98,787	100,763	102,778	104,834	106,930	109,069	111,250	113,475	115,745
	341,350	352,712	364,556	376,905	389,782	403,212	417,222	431,839	447,091	463,009
Total Income	34,067,992	34,931,537	35,817,938	36,727,825	37,661,844	38,620,663	39,604,968	40,615,464	41,652,878	42,717,954
Expenses										
Employee Benefits	-6,445,480	-8,574,390	-6,705,877	-6,839,995	-6,976,795	-7,116,331	-7,258,657	-7,403,830	-7,551,907	-7,702,945
Materials and Services	-15,975,825	-16,455,100	-16,948,753	-17,457,215	-17,980,932	-18,520,360	-19,075,971	-19,648,250	-20,237,697	-20,844,828
Finance Costs	-107,500	-107,715	-100,000	-95,000	-85,000	-10,000	-10,020	-10,040	-10,060	-10,080
Depreciation	-5,020,000	-5,120,400	-5,222,808	-5,327,264	-5,433,809	-5,542,486	-5,653,335	-5,766,402	-5,881,730	-5,999,365
	-27,548,805	-30,257,604	-28,977,438	-29,719,474	-30,476,536	-31,189,176	-31,997,983	-32,828,522	-33,681,394	-34,557,218
Capital Expenses										
Profit on disposal of assets	150,000	153,750	-200,000	157,594	161,534	-210,000	165,572	169,711	173,954	178,303
Total Expenses	-27,398,805	-30,103,854	-29,177,438	-29,561,881	-30,315,002	-31,399,176	-31,832,411	-32,658,811	-33,507,440	-34,378,915
Net result attributable to Council	6,669,187	4,827,683	6,640,500	7,165,944	7,346,841	7,221,487	7,772,557	7,956,653	8,145,437	8,339,039

RICHMOND SHIRE COUNCIL
Budgeted Statement of Financial Position

	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>
Current Assets										
Cash and cash equivalents	9,741,376	8,870,734	8,014,600	7,112,058	6,147,172	5,323,217	4,969,491	4,539,754	4,103,524	3,650,307
Trade and other receivables	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Inventories	346,929	350,398	353,902	357,441	361,016	364,626	368,272	371,955	375,674	379,431
Land for resale	1,025,000	950,000	850,000	950,000	850,000	1,000,000	900,000	950,000	700,000	300,000
Contract assets	0	0	0	0	0	0	0	0	0	0
Other assets	95,000	97,000	98,000	98,000	97,000	97,000	98,000	97,000	95,000	96,000
Total current assets	12,708,305	11,268,133	10,316,502	9,517,499	8,455,188	7,784,843	7,335,764	6,958,709	6,274,198	5,425,738
Non-Current Assets										
Intangible Assets	124,446	124,446	124,446	124,446	124,446	124,446	124,446	124,446	124,446	124,446
Property, Plant and Equipment	212,864,328	218,682,043	226,393,065	234,100,805	241,809,947	253,585,213	261,431,352	270,769,781	280,630,401	288,523,764
Total non-current assets	212,988,774	218,806,489	226,517,511	234,225,251	241,934,393	253,709,659	261,555,798	270,894,227	280,754,847	288,648,210
Total Assets	225,697,079	230,074,621	236,834,013	243,742,750	250,389,580	261,494,502	268,891,562	277,852,936	287,029,045	294,073,948
Current Liabilities										
Trade and other payables	1,500,000	2,000,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Contract liabilities	0	0	0	0	0	0	0	0	0	0
Borrowings	1,236,801	1,224,433	1,212,189	1,200,067	1,188,066	1,176,186	1,164,424	1,152,779	1,141,252	1,129,839
Provisions	544,046	560,245	576,926	594,107	611,798	470,774	0	0	0	0
Total current liabilities	3,280,847	3,784,678	4,289,115	4,294,174	4,299,864	4,146,960	3,664,424	3,652,779	3,641,252	3,629,839
Non-Current Liabilities										
Contract liabilities										
Provisions	211,353	214,523	217,741	221,007	224,322	227,687	231,102	234,569	238,087	241,659
Borrowings	1,639,808	1,693,363	1,099,754	488,465	0	0	0	0	0	0
Total non-current liabilities	1,851,161	1,907,886	1,317,495	709,473	224,322	227,687	231,102	234,569	238,087	241,659
Total liabilities	5,132,008	5,692,564	5,606,610	5,003,646	4,524,186	4,374,647	3,895,526	3,887,348	3,879,339	3,871,498
Net Community Assets	220,565,071	224,382,057	231,227,404	238,739,103	245,865,394	257,119,855	264,996,036	273,965,587	283,149,706	290,202,450
Community Equity										
Asset Revaluation Reserve	105,565,071	104,554,374	104,759,220	105,104,977	104,884,425	108,917,400	109,021,023	110,033,922	111,072,603	109,786,308
Retained Surplus	115,000,000	119,827,683	126,468,183	133,634,127	140,980,969	148,202,456	155,975,013	163,931,666	172,077,103	180,416,142
Total Community Equity	220,565,071	224,382,057	231,227,404	238,739,104	245,865,394	257,119,855	264,996,035	273,965,588	283,149,706	290,202,450

RICHMOND SHIRE COUNCIL
Budgeted Statement of Cash Flows

	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>
Cash Flows From Operating Activities										
Receipts from Customers	22,809,878	23,037,977	23,268,357	23,501,040	23,736,051	23,973,411	24,213,145	24,455,277	24,699,829	24,946,828
Payments to Suppliers	-25,242,932	-25,747,791	-26,262,746	-26,788,001	-27,323,761	-27,870,237	-28,427,641	-28,996,194	-29,576,118	-30,167,640
	-2,433,054	-2,709,814	-2,994,390	-3,286,961	-3,587,711	-3,896,826	-4,214,496	-4,540,918	-4,876,289	-5,220,813
Interest Received	70,000	70,700	71,407	72,121	72,842	73,571	74,306	75,049	75,800	76,558
Rental Income	174,500	183,225	192,386	202,006	212,106	222,711	233,847	245,539	257,816	270,707
Grants and Contributions	5,950,000	6,128,500	6,312,355	6,501,726	6,696,777	6,897,681	7,104,611	7,317,749	7,537,282	7,763,400
Borrowing Costs	-107,500	-107,715	-100,000	-95,000	-85,000	-10,000	-10,020	-10,040	-10,060	-10,080
Net cash inflow (outflow) from operating activities	6,087,000	6,274,710	6,476,148	6,680,852	6,896,726	7,183,963	7,402,744	7,628,298	7,860,838	8,100,585
Cash Flows From Investing Activities										
Payments for PP&E	-11,854,320	-9,668,331	-9,958,381	-10,257,132	-10,564,846	-10,881,791	-11,208,245	-11,544,492	-11,890,827	-12,247,552
Net Movement on Loans & Advances	0	0	0	0	0	0	0	0	0	0
Proceeds on Sale PPE	200,000	150,000	195,000	180,000	150,000	165,000	180,000	120,000	130,000	130,000
Grants, subsidies - capital	8,939,742	9,207,934	9,484,172	9,768,697	10,061,758	10,363,611	10,674,519	10,994,755	11,324,597	11,664,335
Net cash inflow (outflow) from investing activities	-2,714,578	-310,397	-279,209	-308,435	-353,088	-353,181	-353,726	-429,738	-436,230	-453,217
Cash Flows From Financing Activities										
Proceeds from Borrowings	0	0	0	0	0	0	0	0	0	0
Repayment of Borrowings	-544,046	-560,245	-576,926	-594,107	-611,798	-470,774	0	0	0	0
Net cash inflow (outflow) from financing activities	-544,046	-560,245	-576,926	-594,107	-611,798	-470,774	0	0	0	0
Net increase in cash and cash equivalent held	-3,258,624	-870,642	-856,135	-902,542	-964,886	-823,955	-353,726	-429,738	-436,230	-453,217
Cash and cash equivalents at the beginning of the financial year	13,000,000	9,741,376	8,870,734	8,014,600	7,112,058	6,147,172	5,323,217	4,969,491	4,539,754	4,103,524
Cash and cash equivalents at end of the financial year	9,741,376	8,870,734	8,014,600	7,112,058	6,147,172	5,323,217	4,969,491	4,539,754	4,103,524	3,650,307

RICHMOND SHIRE COUNCIL
Budgeted Statement of Changes in Equity

	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>
Retained Surplus										
Opening balance	108,330,813	115,000,000	119,827,683	126,468,183	133,634,127	140,980,968	148,202,455	155,975,012	163,931,666	172,077,103
Net result	6,669,187	4,827,683	6,640,500	7,165,944	7,346,841	7,221,487	7,772,557	7,956,653	8,145,437	8,339,039
Closing Balance	115,000,000	119,827,683	126,468,183	133,634,127	140,980,968	148,202,455	155,975,012	163,931,666	172,077,103	180,416,142
Asset Revaluation surplus										
Opening balance	103,194,811	105,565,071	104,554,374	104,759,220	105,104,977	104,884,425	108,917,400	109,021,023	110,033,922	111,072,603
Increase in asset revaluation surplus	2,370,260	-1,010,697	204,846	345,756	-220,551	4,032,975	103,623	1,012,899	1,038,681	-1,286,295
Closing Balance	105,565,071	104,554,374	104,759,220	105,104,977	104,884,425	108,917,400	109,021,023	110,033,922	111,072,603	109,786,308
Total										
Opening balance	211,525,624	220,565,071	224,382,057	231,227,403	238,739,103	245,865,393	257,119,855	264,996,035	273,965,587	283,149,706
Net result	6,669,187	4,827,683	6,640,500	7,165,944	7,346,841	7,221,487	7,772,557	7,956,653	8,145,437	8,339,039
Increase in asset revaluation surplus	2,370,260	-1,010,697	204,846	345,756	-220,551	4,032,975	103,623	1,012,899	1,038,681	-1,286,295
Closing Balance	220,565,071	224,382,057	231,227,403	238,739,103	245,865,393	257,119,855	264,996,035	273,965,587	283,149,706	290,202,450

RICHMOND SHIRE COUNCIL Financial Sustainability Ratios

	TARGET	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>
Operating Surplus	0 - 15%	-0.13%	-0.23%	-0.25%	-0.27%	-0.30%	-0.33%	-0.35%	-0.37%	-0.38%	-0.40%
<i>An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.</i>											
Net Financial Liabilities	< 60%	-22.24%	-15.96%	-13.15%	-12.29%	-10.44%	-8.83%	-8.69%	-7.56%	-5.75%	-3.64%
<i>An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.</i>											
Asset Sustainability	> 90%	165.30%	132.17%	133.47%	134.78%	136.10%	137.43%	138.78%	140.14%	141.52%	142.90%
<i>An approximation of the extent to which the infrastructure assets are being replaced as these reach the end of their useful lives.</i>											

Under Section 169 the relevant measures of financial sustainability are as follows and shown above:

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

Under Section 171 of the Local Government Regulations 2012, Council must include in its budgeted statements the long term financial forecast covering a period of at least 10 years.

Revenue Statement Contents

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- Frequency of rates:10**

Legislation

This Revenue Statement is a requirement of the *Local Government Act 2009, s104 (5) (a)* and *Local Government Regulation 2012 s169 (2) (b) and 172*. The Revenue Statement's purpose is:

- To enunciate the methods used to achieve Council's objectives set out in the **Revenue Policy**;
- To explain material matters that guide the development and implementation of revenue practices within the Council; and
- To comply in all respects with legislative requirements.

Minimum Differential General Rates

Minimum general rates are applied to each category to recognise that there is a base level of services applicable to each rateable parcel of land within each category.

In determining if a minimum differential general rate is to be applied, the applicable rate in the dollar for the category is to be applied to the Unimproved Capital Valuation (UCV) of the rateable property and the result of the calculation is to be compared to the applicable minimum rate for that category. The effective rate charged will be the higher of the two amounts.

Differential General Rates Categories

Specific details and the rate in the dollar to apply for each of the categories are as follows:-

Differential Category/Description		Identification
1	Vacant Land <1.0 Ha	Urban land which is vacant which has an area of less than 1.0 Ha.
3	Residential <0.4 Ha	Land used for residential purposes which has an area of less than 0.40 Ha.
5	Residential >0.4 Ha	Land used for residential purposes which has an area of greater than 0.40 Ha.
7	Rural grazing >1.0 Ha	Land used for rural grazing purposes which is more than 1 hectares in area.
8	Rural Agriculture >1.0Ha	Land used for agriculture purposes which is more than 1 hectares in area.
9	Cattle Feedlot >1,000 SCU	Land used for a cattle feedlot, licenced to carrying 1000 SCU or more.
10	Commercial	Land used for commercial, including licensed premises without accommodation.
11	Short Term Accommodation	Land used for the purposes of accommodation units or ensuite sites for members of the travelling public including hotels (with accommodation), motels and caravan parks.
12	Industrial	Land used for industrial purposes, including trucking businesses.
13	Transformer Sites	Land used for the purposes of a transformer.
14	Clubs	Land used for the purposes of a club, sporting club or religious institution.

Differential Category/Description		Identification
20	Mining lease <15 persons	Land used for the purposes of mining, with an average of between 0 and 15 people engaged on site per annum and/or accessing the site for associated business activities, other than land included in category 60 to 68.
21	Mining Lease 15-100 persons	Land used for the purposes of mining, with an average of between 15 and 100 people engaged on site per annum and/or accessing the site for associated business activities, other than land included in category 60 to 68.
22	Mining Lease 101-300 persons	Land used for the purposes of mining, with an average of between 101 and 300 people on site per annum and/or accessing the site for associated business activities, other than land included in category 60 to 68.
22	Mining Lease 301-500 persons	Land used for the purposes of mining, with an average of between 301 and 500 people on site per annum and/or accessing the site for associated business activities, other than land included in category 60 to 68.
24	Mining Lease >500 persons	Land used for the purposes of mining, with an average of over 500 people engaged on site per annum and/or accessing the site for associated business activities, other than land included in category 60 to 68.
30	Intensive Accommodation 15 – 50 persons	Land used or intended to be used, in whole or in part, for providing intensive accommodation for between 15 and 50 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
31	Intensive Accommodation 51 – 100 persons	Land used or intended to be used, in whole or in part, for providing intensive accommodation for between 51 and 100 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
32	Intensive Accommodation 101 – 200 persons	Land used or intended to be used, in whole or in part, for providing intensive accommodation for between 101 and 200 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
33	Intensive Accommodation 201 – 300 persons	Land used or intended to be used, in whole or in part, for providing intensive accommodation for between 201 and 300 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
34	Intensive Accommodation 301 – 400 persons	Land used or intended to be used, in whole or in part, for providing intensive accommodation for between 301 and 400 people (other than the ordinary travelling public) in rooms, suites,

Differential Category/Description		Identification
		or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
35	Intensive Accommodation 401 – 500 persons	Land used or intended to be used, in whole or in part, for providing intensive accommodation for between 401 and 500 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
36	Intensive Accommodation 500+	Land used or intended to be used, in whole or in part, for providing intensive accommodation for more than 500 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single person's quarters", "work camps", "accommodation village" or "barracks".
40	Extractive (less than 5,000 tonnes)	Land used, or capable of being used, for licensed extractive industry purposes, where the quantity of material capable of being extracted is less than 5,000 tonnes per annum.
41	Extractive (5,000 tonnes to 100,000 tonnes)	Land used, or capable of being used, for licensed extractive industry purposes, where the quantity of material capable of being extracted is between 5,000 and 100,000 tonnes per annum.
42	Extractive (greater than 100,000 tonnes)	Land used, or capable of being used, for licensed extractive industry purposes, where the quantity of material capable of being extracted is greater than 100,000 tonnes per annum.
50	Power Station <10 MW	Land used, or intended to be used, for the generation and transmission of electricity from a power station with an output capacity of less than 10 MW, including land used for any purpose associated with these uses.
51	Power Station 10 – 100 MW	Land used, or intended to be used, for the generation and transmission of electricity from a power station with an output capacity of more than 10 MW but less than 1000 MW, including land used for any purpose associated with these uses.
52	Power Station >100 MW	Land used, or intended to be used, for the generation and transmission of electricity from a power station with an output capacity of more than 100 MW, including land used for any purpose associated with these uses.
53	Major Transmission Site	Land used, or intended to be used, for an electricity substation with a land area greater than 5 ha.
60	Petroleum Lease – Gas < 1,000 ha	Petroleum Leases for the extraction of gas with an area of less than 1,000 hectares.
61	Petroleum Lease – Gas 1,000 ha to 10,000 ha	Petroleum Leases for the extraction of gas with an area of 1,000 hectares or more but less than 10,000 hectares.
62	Petroleum Lease – Gas 10,000 ha to 30,000 ha	Petroleum Leases for the extraction of gas with an area of 10,000 hectares or more but less than 30,000 hectares.
63	Petroleum Lease- Gas 30,000 + ha	Petroleum Leases for the extraction of gas with an area of 30,000 hectares or more.

Differential Category/Description		Identification
64	Petroleum Lease –Oil < 10 wells	Petroleum Leases for the extraction of shale oil that have less than 10 wells.
65	Petroleum Lease –Oil 10 – 29 wells	Petroleum Leases for the extraction of shale oil that have 10 wells or more but less than 30 wells.
66	Petroleum Lease- Oil 30+ Wells	Petroleum Leases for the extraction of shale oil that have 30 wells or more.
67	Petroleum Other <400ha	Land used or intended to be used, in whole or in part, primarily for gas and/or oil extraction and/or processing and/or transportation (or for purposes ancillary or associated with gas and/or oil extraction /processing and/or transportation such as for example water storages, compressor stations, block valves or transportation by pipelines), excluding petroleum leases, with an area of less than 400 hectares.
68	Petroleum Other 400 + ha	Land used or intended to be used, in whole or in part, primarily for gas and/or oil extraction and/or processing and or transportation (or for purposes ancillary or associated with gas and/or oil extraction/ processing and/or transportation such as for example water storages, compressor stations, block valves or transportation by pipelines), excluding petroleum leases, with an area of 400 hectares or more.

Levy of Differential Rates

In accordance with Section 92 and 94 of the *Local Government Act 2009* and Section 172(1) of the *Local Government Regulation 2012*, Richmond Shire Council will make and levy differential rates on rateable land. Further, Council considers that there should be a minimum charge for all rate categories. The following general rates will be made and levied for the categories as listed:-

Category	Description	Cents in Dollar	Minimum Rate
1	Vacant Land <1.0 Ha	1.0959	\$175.00
3	Residential <0.4 Ha	1.3231	\$175.00
5	Residential >0.4 Ha	1.0594	\$175.00
7	Rural Grazing >1 Ha	0.4544	\$294.00
8	Rural Agriculture >1Ha	0.5727	\$310.00
9	Cattle Feedlot >1,000 SCU	0.5727	\$3,900.00
10	Commercial	1.7304	\$237.00
11	Short Term Accommodation	1.091	\$237.00
12	Industrial	1.062	\$237.00
13	Transformer Sites	0.4803	\$237.00
14	Clubs	1.5386	\$234.00
20	Mining lease <15 persons	1.0182	\$314.00
21	Mining Lease 15-100 persons	1.6841	\$11,753.00
22	Mining Lease 101-300 persons	1.6841	\$80,134.00
23	Mining Lease 301-500 persons	1.6841	\$233,001.00
24	Mining Lease >500 persons	1.6841	\$389,988.00
30	Intensive Accommodation 15 – 50 persons	1.6841	\$8,548.00
31	Intensive Accommodation 51 – 100 persons	1.6841	\$29,383.00
32	Intensive Accommodation 101 – 200 persons	1.6841	\$58,766.00
33	Intensive Accommodation 201 – 300 persons	1.6841	\$117,530.00
34	Intensive Accommodation 301 – 400 persons	1.6841	\$176,296.00
35	Intensive Accommodation 401 – 500 persons	1.6841	\$235,061.00
36	Intensive Accommodation 500+	1.6841	\$293,827.00
40	Extractive (less than 5,000 tonnes)	1.6841	\$4,273.00
41	Extractive (5,000 tonnes to 100,000 tonnes)	1.6841	\$10,684.00

42	Extractive (greater than 100,000 tonnes)	1.6841	\$26,712.00
50	Power Station <10 MW	1.6841	\$5,343.00
51	Power Station 10 – 100 MW	1.6841	\$10,684.00
52	Power Station >100 MW	1.6841	\$106,846.00
53	Major Transmission Site	1.6841	\$5,343.00
60	Petroleum Lease – Gas < 1,000 ha	1.6841	\$5,343.00
61	Petroleum Lease – Gas 1,000 ha to 10,000 ha	1.6841	\$10,684.00
62	Petroleum Lease – Gas 10,000 ha to 20,000 ha	1.6841	\$42,739.00
63	Petroleum Lease- Gas 20,000 + ha	1.6841	\$85,477.00
64	Petroleum Lease –Oil < 10 wells	1.6841	\$5,343.00
65	Petroleum Lease –Oil 10 – 29 wells	1.6841	\$10,684.00
66	Petroleum Lease- Oil 30+ Wells	1.6841	\$32,054.00
67	Petroleum Other <400ha	1.6841	\$2,672.00
68	Petroleum Other 400 + ha	1.6841	\$5,343.00

Utility Charges:

Council operates the following undertakings, which will be funded by a utility charge for each service provided:

- Cleansing Service
- Water Supply Schemes
- Sewerage Schemes

Refuse Charges:

An annual charge of \$239.80 is levied on all premises in Richmond where Council is prepared to provide a single 240 litre refuse collection service. Additional charges are levied in respect of additional special services. Charges are generally based on a cost recovery basis. The charges are intended to cover the cost of collection and disposal of refuse.

Water Charges:

In accordance with Section 101 of the Local Government Regulation 2012 Richmond Shire makes water charges for the year ending 30 June 2022 as per the schedule of rates and charges 2021/22.

Maxwelton Water	\$36.80
Richmond Town Water	\$69.80

The aim of the water charges is to provide residents with details of their water usage so that they can look to save water and reduce consumption. The water metres will be read monthly and quarterly usage notices will be sent out.

Council must comply with the Water Supply (Safety and Reliability) Act 2008 (the Act), which commenced on 1 July 2008. It is a requirement under Section 138 of the Act that a rate notice or account issued by Council comply with the Guidelines for issuing a rate notice or account for the supply of water to residential premises. The purposes of the guidelines and rate notice is to assist customers in determining whether their water usage is excessive and provide guidance on what they can do to save water.

Sewerage Charges:

Council provides a sewerage network in Richmond. All properties connected to Council's sewage disposal or CED networks will be levied a charge consistent with the level of effluent produced. Charges are generally based on a cost recovery basis.

In the case of land not connected to the Council's sewerage network but capable of being connected, a vacant sewerage charge of \$397.80 is applied to contribute toward the cost of the sewage disposal infrastructure.

Connection and Pedestal charges for the sewerage network in 2021/22 will be:

- A Connection Charge of \$675.70 will apply to:
 - Each single unit residential dwelling connected to the sewerage network.
 - Each religious, sports club or like facility.
- A Commercial Pedestal Charge of \$893.60 will apply to:
 - each commercial pedestal connected to the sewerage network and
 - The first pedestal within a short-term accommodation facility.
- Additional short-term Accommodation Pedestal Charge of \$223.40 will apply to
 - Each additional pedestal in a short-term accommodation facility.

Special Rates:

Council has a special rate for the financial year under S 94 of the Local Government Regulation 2012 for 1080 Baiting. Council has an annual implementation program for a 1080 Baiting program for the eradication of dingos and feral pigs as part of its overall Pest Management Plan.

Council has no intention of introducing other special rates or levies under this section.

The 1080 Baiting special rate for 2021/22 will be calculated on the size of the property at a rate of \$0.02/Ha. This special rate will apply to rural rated properties located in the Northern and Southern parts of the Shire. It will be rateable in the first quarter of the financial year.

Regulatory Fees:

All regulatory fees made by Council have been determined using the Cost Recovery principle, and where possible Council has reduced expenditure rather than increase fees to keep the principle fair and equitable.

Revenue Measures:

Richmond Shire Council revenue is raised from rates, charges, licenses, permit, rents, fees, grants, donations contract/private works and realisation of assets. No resolution is made for the current financial year limiting the increases in rates and charges.

Discount:

Council does not offer any discount for payment of rates or utility charges.

Interest Rate:

Unpaid rates will bear an interest charge of 8% plus 0.03% (the maximum allowable as prescribed by the Reserve Bank Bond Rate as at 31 March of each year, which for 31 March 2021 was 0.03%). This is compounded daily if outstanding sixty (60) days after each levy date in accordance with Section 133 of the Local Government Regulation 2012.

Rebate of Rates to Pensioners:

In accordance with the Administrative Guidelines for the Queensland Government's Pensioner Rate Subsidy Scheme, approved pensioners within Richmond Shire will be eligible for 45% subsidy on current rates and charges, being: -

- State Government 20% and Council 25%; or
- That portion thereof to which they are entitled under the said Guidelines.

However, if any Aged Pensioner is not entitled to the full 20% State Subsidy, Council will further subsidise the shortfall, in order that all Aged Pensioners receive the maximum 45% subsidy. The maximum subsidy amount that will apply in any one (1) financial year is \$260.00 from Council and \$200.00 from the State Government.

Payment of Overdue Rate by Instalments:

The Richmond Shire Council will accept payment by instalments by arrangement with the Rates Officer.

Concessions from General Rates:

Council will upon written application, consider the remission of whole or part of the general rate levied upon entities or organisations who meet the criteria detailed in Section 120 of the *Local Government Regulation 2012*. Further details are included in Council's Grants to Community Organisations Policy.

Exempt Land:

(S73 Local Government Regulation 2012) Each year Council at its Budget Meeting will pass a resolution listing properties which will receive an exemption from rates and/or charges for the year.

Frequency of rates:

Council will rate four times in any given year.



COUNCIL POLICY

POLICY TITLE:	REVENUE POLICY
POLICY NUMBER:	019
INFOXPRT REF:	73233
DATE OF ADOPTION:	16/03/2010
TIME PERIOD OF REVIEW:	1 Year
DATE OF NEXT REVIEW:	July 2022

EXPLANATORY NOTE:

Council is required to review and adopt its Revenue Policy prior to the end of each financial year. The Revenue Policy is intended to be a strategic document, its adoption, in advance of setting the budget, allows Council to set out the principles that it will use to set its budget and to identify in broad terms the general strategy to be used for raising revenue. This Revenue Policy will be of interest to ratepayers, federal and state government, community groups and other interested parties seeking to understand the revenue policies and practices of Council.

OBJECTIVES:

The purpose of this revenue policy is to set out the principles used by Council in:

- The making and levying of rates and charges
- The recovery of unpaid rates and charges
- The granting of rebates and concessions

RELEVANT LEGISLATION:

Local Government Act 2009 S104(5)(a)(iii)
Local Government Regulation 2012 S193

REFER ALSO TO:

Richmond Shire Council's Revenue Statement

Richmond Shire Council's Corporate Plan

Richmond Shire Council's Operational Plan

PRINCIPLES:

A Principles used for the **making and levying** of rates and charges

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

Council will also have regard to the principles of:

- transparency in the making of rates and charges;
- having in place a rating regime that is simple and inexpensive to administer;
- equity by taking account of the different levels of capacity to pay within the local community; and
- flexibility to take account of changes in the local economy.

In levying rates Council will apply the principles of:

- making clear what is the Council's and each ratepayers' responsibility to the rating system;
- making the levying system simple and inexpensive to administer;
- timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy; and
- equity through flexible payment arrangements for ratepayers with a lower capacity to pay.

B Principles used for the **recovery of unpaid** rates and charges

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

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

similar circumstances; and

- flexibility by responding where necessary to changes in the local economy.

C Granting of Rebates and Concessions

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

- equity by having regard to the different levels of capacity to pay within the local community,
- the same treatment for ratepayers with similar circumstances;
- transparency by making clear the requirements necessary to receive concessions, and
- flexibility to allow Council to respond to local economic issues.

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

D: Setting of Miscellaneous fees and charges

In setting miscellaneous fees and charges, Council will apply the following guidelines:

- Fees associated with regulatory services will be set at no more than the full cost of providing the service or taking the action for which the fee is charged. Council may choose to subsidise the fee from other sources (eg. General rate revenue)
- Charges for commercial services will generally be set to recover the full cost of providing the service and, if provided by a Business of Council, may include a component for return on Council's investment. Council may choose to subsidise commercial fees that are not provided by a Business of Council from other sources (eg. General rate revenue)

Reviewed and adopted at the Budget Council Meeting held on 26th July 2021.