

# Operational Plan 2011-2012

including annual budget and  
fees and charges





## *What is the Operational Plan*

Council's Operational Plan has been developed to clearly show our financial position for the 2011/12 financial year. The Operational Plan should be viewed in conjunction with the tables shown in the Resourcing Strategy, and in particular the annual actions, performance measures and responsible officer shown for 2011/12. It is these actions that will be funded from the budget presented here.

The development of an Operational Plan is a fundamental requirement of the Integrated Planning and Reporting legislation. The legislation requires Council to show the projects, programs and activities we will undertake in the financial years; allocate responsibility; and show a detailed budget.

It is also a requirement that we show our Revenue Policy, which includes our rating structure, as well as fees and charges.

# Budget Summary

## BUDGET ALLOCATION BY THEME

It has been challenging for Council to develop a balanced budget position and prevent cuts to services. Challenges that have had to be faced in this budget include a range of substantial increases to State Government fees and charges, as shown on the following pages.

Council's overall predicted budget position in the draft operational plan is a cash surplus of approximately \$17,000.

For 2011/12, Council's budget will be allocated across our theme areas as follows:

Themes	Cash Payments \$'000	Cash Revenue \$'000	Net Result \$'000
Proud place, great lifestyle	20,366	11,536	(8,830)
Our places & spaces	24,334	5,274	(19,060)
Our natural environment	12,279	12,132	(147)
A prosperous & vibrant city	2,095	859	(1,236)
Connected & collaborative community leaders	14,203	43,493	29,290
Total cash result per draft budget 2011/12	73,277	73,294	17

Details on the actions to be undertaken under each theme, and the management area responsible, can be seen in the Resourcing Strategy.

## SIGNIFICANT BUDGET CHANGES

The following tables show the significant changes to our income and expenditure for 2011/12

### Income

Rates (including SRV proposal)	\$3,134,000 increase
Tipping fees	\$85,000 increase
Development services revenue	\$188,000 increase
Interest revenue – general fund	\$180,000 increase
Financial assistance grant	\$260,000 increase
Section 94 revenue	\$250,000 increase
SRV revenue (subject to approval)	\$2,100,000 increase

### Expenditure

Street lighting costs	\$706,000 increase
Salaries and wages	\$617,000 increase
Superannuation	\$275,000 decrease
State Government waste levy	\$585,000 increase
Loan repayments	\$30,000 increase
Contribution to NSW Fire Brigade	\$100,000 increase

Overall, in 2011/2012 our expenditure includes:

### Payments to State Government agencies

Street lighting	\$1,722,000
NSW Fire Brigade contribution	\$536,000
NSW Rural Fire Service contribution	\$130,000
Waste levy	\$5,146,000
Valuer General	\$135,000
<b>Total</b>	<b>\$7,669,000</b>

## PROJECTED INCOME STATEMENT 2011/12 TO 2014/15

	Notes	Adopted 2011/12 (\$'000)	Estimated 2012/13 (\$'000)	Estimated 2013/14 (\$'000)	Estimated 2014/15 (\$'000)
<b>Income from continuing operations</b>					
Rates and annual charges		40,505	45,151	47,213	49,341
User charges and fees		6,958	7,682	8,428	9,128
Interest and investment revenue		1,917	2,215	1,783	1,712
Other revenues		2,353	2,423	2,494	2,568
Grants and contributions - operating		7,709	7,939	8,178	8,423
Grants and contributions - capital		11,481	11,945	12,011	12,078
<b>Total income from continuing operations</b>		<b>70,923</b>	<b>77,355</b>	<b>80,107</b>	<b>83,250</b>
<b>Expenses from continuing operations</b>					
Employee benefits and on-costs		25,730	27,266	28,881	30,650
Borrowing costs		868	901	837	763
Materials and contracts		12,225	15,595	16,302	16,805
Depreciation and amortisation		9,738	10,031	10,332	10,642
Other expenses		10,804	12,373	13,670	14,915
<b>Total expenses from continuing operations</b>		<b>59,365</b>	<b>66,166</b>	<b>70,022</b>	<b>73,775</b>
<b>Operating result</b>		<b>11,558</b>	<b>11,189</b>	<b>10,085</b>	<b>9,475</b>
<b>Less: Transfers to Reserves &amp; Balance sheet Items</b>					
Transfers to Internal reserves	1	(895)	(2,152)	(2,289)	(2,288)
Transfers to S.94 reserves		(9,390)	(10,675)	(10,653)	(10,593)
Capital expenditure		(12,728)	(19,222)	(21,162)	(19,740)
Principal repayments - Loans		(1,781)	(1,817)	(1,858)	(1,830)
Principal repayments - Hire purchase		(527)	(618)	(620)	(677)
		(25,321)	(34,484)	(36,582)	(35,128)
<b>Total funds required</b>		<b>(13,763)</b>	<b>(23,295)</b>	<b>(26,497)</b>	<b>(25,653)</b>
<b>Funded by:</b>					
Loan drawdowns		1,000	1,000	1,000	1,000
Hire purchase drawdowns		750	380	0	0
Non cash funding - depreciation		9,738	10,031	10,332	10,642
Transfers from Internal reserves	2	1,068	1,225	2,882	1,225
Transfers from S.94 reserves		1,224	2,305	2,308	2,311
		13,780	14,941	16,522	15,178
<b>Surplus (Deficit) per Operational Plan</b>		<b>17</b>	<b>(8,354)</b>	<b>(9,975)</b>	<b>(10,475)</b>
<b>Notes</b>					
<b>1. Transfers to internal reserves</b>					
Computer reserve		300	400	400	200
Waste depot construction reserve		0	1,000	1,000	1,000
Waste depot rehabilitation reserve		310	423	497	593
Transfer station construction reserve		285	329	392	495
		895	2,152	2,289	2,288
<b>2. Transfers from internal reserves</b>					
Computer reserve		250	200	1,857	200
Compensatory habitat reserve		25	25	25	25
Waste depot construction reserve		0	1,000	1,000	1,000
General purpose reserve		793	0	0	0
		<b>1,068</b>	<b>1,225</b>	<b>2,882</b>	<b>1,225</b>

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**MAITLAND CITY COUNCIL  
OVERALL SUMMARY (Page 1 of 2)  
GENERAL MANAGER - DAVID EVANS**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>OPERATING REVENUE</b>						
General Management	800	300	<b>300</b>	309	318	328
Finance & Administration	36,993,623	38,408,926	<b>42,745,556</b>	45,948,578	47,071,946	48,611,125
Service Planning & Regulation	13,211,545	14,362,681	<b>15,807,052</b>	17,728,920	19,240,217	20,724,230
Asset & Infrastructure Planning	527,720	510,707	<b>610,423</b>	628,737	647,602	667,030
City Works & Services	924,236	900,380	<b>1,044,750</b>	1,076,093	1,108,375	1,141,626
Human Resources	39,090	39,090	<b>0</b>	0	0	0
<b>TOTAL</b>	<b>51,697,014</b>	<b>54,222,084</b>	<b>60,208,081</b>	<b>65,382,637</b>	<b>68,068,458</b>	<b>71,144,339</b>
<b>OPERATING EXPENDITURE</b>						
General Management	525,014	467,800	<b>585,452</b>	603,744	622,609	642,842
Finance & Administration	12,270,733	13,197,145	<b>13,675,092</b>	15,769,044	16,785,273	17,853,478
Service Planning & Regulation	15,998,801	17,910,737	<b>19,602,676</b>	21,343,965	22,687,917	24,030,897
Asset & Infrastructure Planning	9,335,398	9,589,282	<b>11,057,867</b>	14,125,258	14,944,020	15,591,756
City Works & Services	2,978,011	3,349,924	<b>3,338,174</b>	2,922,566	3,116,018	3,320,888
Human Resources	1,010,539	1,074,911	<b>1,084,893</b>	1,375,053	1,410,226	1,448,778
<b>TOTAL</b>	<b>42,118,496</b>	<b>45,589,799</b>	<b>49,344,154</b>	<b>56,139,630</b>	<b>59,566,063</b>	<b>62,888,639</b>
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>\$9,578,518</b>	<b>\$8,632,285</b>	<b>\$10,863,927</b>	<b>\$9,243,007</b>	<b>\$8,502,395</b>	<b>\$8,255,700</b>

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**MAITLAND CITY COUNCIL  
OVERALL SUMMARY (Page 2 of 2)  
GENERAL MANAGER - DAVID EVANS**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>CAPITAL REVENUE</b>						
General Management	0	0	0	0	0	0
Finance & Administration	4,487,023	9,921,023	10,171,923	13,196,923	14,853,923	13,196,923
Service Planning & Regulation	0	0	0	0	0	0
Asset & Infrastructure Planning	2,143,205	2,208,862	2,313,760	2,383,173	2,454,667	2,528,307
City Works & Services	17,500	12,500	600,000	0	0	0
Human Resources	0	0	0	0	0	0
<b>TOTAL</b>	<b>6,647,728</b>	<b>12,142,385</b>	<b>13,085,683</b>	<b>15,580,096</b>	<b>17,308,590</b>	<b>15,725,230</b>
<b>CAPITAL EXPENDITURE:</b>						
General Management	5,000	5,000	5,000	5,000	5,000	5,000
Finance & Administration	3,609,397	9,344,864	9,922,618	10,590,830	12,720,008	10,891,487
Service Planning & Regulation	1,708,292	1,082,744	1,009,050	3,126,972	3,275,221	3,485,808
Asset & Infrastructure Planning	9,259,105	8,922,526	11,009,520	17,652,751	18,319,979	18,564,179
City Works & Services	1,637,187	1,415,688	1,986,799	1,802,050	1,465,302	1,509,791
Human Resources	0	0	0	0	0	0
<b>TOTAL</b>	<b>16,218,981</b>	<b>20,770,822</b>	<b>23,932,987</b>	<b>33,177,603</b>	<b>35,785,510</b>	<b>34,456,265</b>
<b>NET CAPITAL SURPLUS/(DEFICIT)</b>	<b>(\$9,571,253)</b>	<b>(\$8,628,437)</b>	<b>(\$10,847,304)</b>	<b>(\$17,597,507)</b>	<b>(\$18,476,920)</b>	<b>(\$18,731,035)</b>
<b>NET PROGRAMME SURPLUS/(DEFICIT)</b>	<b>\$7,265</b>	<b>\$3,848</b>	<b>\$16,623</b>	<b>(\$8,354,500)</b>	<b>(\$9,974,525)</b>	<b>(\$10,475,335)</b>

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**GENERAL MANAGEMENT  
SUMMARY  
GENERAL MANAGER - DAVID EVANS**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
OPERATING REVENUE						
General Management Executive Support	800	300	<b>300</b>	309	318	328
<b>TOTAL</b>	<b>800</b>	<b>300</b>	<b>300</b>	<b>309</b>	<b>318</b>	<b>328</b>
OPERATING EXPENDITURE						
General Management Executive Support	525,014	467,800	<b>585,452</b>	603,744	622,609	642,842
<b>TOTAL</b>	<b>525,014</b>	<b>467,800</b>	<b>585,452</b>	<b>603,744</b>	<b>622,609</b>	<b>642,842</b>
NET OPERATING SURPLUS/(DEFICIT)	(\$524,214)	(\$467,500)	<b>(\$585,152)</b>	(\$603,435)	(\$622,291)	(\$642,514)
CAPITAL REVENUE						
General Management Executive Support	0	0	<b>0</b>	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
CAPITAL EXPENDITURE:						
General Management Executive Support	5,000	5,000	<b>5,000</b>	5,000	5,000	5,000
<b>TOTAL</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
NET CAPITAL SURPLUS/(DEFICIT)	(\$5,000)	(\$5,000)	<b>(\$5,000)</b>	(\$5,000)	(\$5,000)	(\$5,000)
NET PROGRAMME SURPLUS/(DEFICIT)	(\$529,214)	(\$472,500)	<b>(\$590,152)</b>	(\$608,435)	(\$627,291)	(\$647,514)

THIS BUDGET AREA CONTRIBUTES TO ALL OF COUNCIL'S SERVICES

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**HUMAN RESOURCES  
SUMMARY  
EXECUTIVE MANAGER HUMAN RESOURCES - CLARE DUNNICLIFF**

		<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Draft Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>OPERATING REVENUE</b>							
Human Resources		39,090	39,090	0	0	0	0
	<b>TOTAL</b>	<b>39,090</b>	<b>39,090</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OPERATING EXPENDITURE</b>							
Human Resources		1,010,539	1,074,911	<b>1,084,893</b>	1,375,053	1,410,226	1,448,778
	<b>TOTAL</b>	<b>1,010,539</b>	<b>1,074,911</b>	<b>1,084,893</b>	<b>1,375,053</b>	<b>1,410,226</b>	<b>1,448,778</b>
<b>NET OPERATING SURPLUS/(DEFICIT)</b>							
		(\$971,449)	(\$1,035,821)	<b>(\$1,084,893)</b>	(\$1,375,053)	(\$1,410,226)	(\$1,448,778)
<b>CAPITAL REVENUE</b>							
Human Resources		0	0	0	0	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL EXPENDITURE</b>							
Human Resources		0	0	0	0	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CAPITAL SURPLUS/(DEFICIT)</b>							
		\$0	\$0	<b>\$0</b>	\$0	\$0	\$0
<b>NET PROGRAMME SURPLUS/(DEFICIT)</b>							
		(\$971,449)	(\$1,035,821)	<b>(\$1,084,893)</b>	(\$1,375,053)	(\$1,410,226)	(\$1,448,778)

THIS BUDGET AREA CONTRIBUTES TO THE FOLLOWING SERVICES  
City Leadership

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**FINANCE & ADMINISTRATION  
SUMMARY (Page 1 of 2)  
GROUP MANAGER FINANCE & ADMINISTRATION - GRAEME TOLHURST**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>OPERATING REVENUE</b>						
Executive Support & Civic Events	0	0	0	0	0	0
Corporate Planning	0	0	0	0	0	0
Marketing & Communications	1,090,750	1,043,770	<b>1,133,970</b>	1,167,992	1,203,040	1,239,131
Accounting Services	36,102,185	37,549,784	<b>41,887,079</b>	44,867,252	45,958,050	47,463,691
Administration & IT	(252,212)	(241,588)	<b>(331,453)</b>	(144,305)	(148,513)	(152,848)
Customer & Civic Services	52,900	56,960	<b>55,960</b>	57,639	59,369	61,151
<b>TOTAL</b>	<b>36,993,623</b>	<b>38,408,926</b>	<b>42,745,556</b>	<b>45,948,578</b>	<b>47,071,946</b>	<b>48,611,125</b>
<b>OPERATING EXPENDITURE</b>						
Executive Support & Civic Events	378,514	404,459	<b>409,485</b>	422,480	435,887	450,478
Corporate Planning	197,458	268,627	<b>422,123</b>	437,007	452,449	469,025
Marketing & Communications	2,288,975	2,318,991	<b>2,467,223</b>	2,543,574	2,622,289	2,705,929
Accounting Services	5,322,265	5,762,933	<b>5,840,369</b>	6,177,756	6,883,701	7,623,346
Administration & IT	3,305,245	3,688,375	<b>3,685,136</b>	5,310,381	5,485,148	5,668,378
Customer & Civic Services	778,276	753,760	<b>850,756</b>	877,846	905,799	936,322
<b>TOTAL</b>	<b>12,270,733</b>	<b>13,197,145</b>	<b>13,675,092</b>	<b>15,769,044</b>	<b>16,785,273</b>	<b>17,853,478</b>
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>\$24,722,890</b>	<b>\$25,211,781</b>	<b>\$29,070,464</b>	<b>\$30,179,534</b>	<b>\$30,286,673</b>	<b>\$30,757,647</b>

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**FINANCE & ADMINISTRATION  
SUMMARY (Page 2 of 2)  
GROUP MANAGER FINANCE & ADMINISTRATION - GRAEME TOLHURST**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>CAPITAL REVENUE</b>						
Executive Support & Civic Events	0	0	0	0	0	0
Corporate Planning	0	0	0	0	0	0
Marketing & Communications	0	0	0	0	0	0
Accounting Services	4,487,023	9,921,023	<b>10,171,923</b>	13,196,923	14,853,923	13,196,923
Administration & IT	0	0	0	0	0	0
Customer & Civic Services	0	0	0	0	0	0
<b>TOTAL</b>	<b>4,487,023</b>	<b>9,921,023</b>	<b>10,171,923</b>	<b>13,196,923</b>	<b>14,853,923</b>	<b>13,196,923</b>
<b>CAPITAL EXPENDITURE</b>						
Executive Support & Civic Events	5,000	5,000	<b>5,000</b>	5,000	5,000	5,000
Corporate Planning	0	0	0	0	0	0
Marketing & Communications	10,000	10,000	<b>4,000</b>	4,000	4,000	4,000
Accounting Services	3,344,397	9,129,864	<b>9,360,618</b>	9,978,740	10,450,825	10,479,209
Administration & IT	250,000	200,000	<b>553,000</b>	603,090	2,260,183	403,278
Customer & Civic Services	0	0	0	0	0	0
<b>TOTAL</b>	<b>3,609,397</b>	<b>9,344,864</b>	<b>9,922,618</b>	<b>10,590,830</b>	<b>12,720,008</b>	<b>10,891,487</b>
<b>NET CAPITAL SURPLUS/(DEFICIT)</b>	<b>\$877,626</b>	<b>\$576,159</b>	<b>\$249,305</b>	<b>\$2,606,093</b>	<b>\$2,133,915</b>	<b>\$2,305,436</b>
<b>NET PROGRAMME SURPLUS/(DEFICIT)</b>	<b>\$25,600,516</b>	<b>\$25,787,940</b>	<b>\$29,319,769</b>	<b>\$32,785,627</b>	<b>\$32,420,588</b>	<b>\$33,063,083</b>

THIS BUDGET AREA CONTRIBUTES TO THE FOLLOWING SERVICES  
City Appearance, City Leadership, Economic Development and Marketing

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**SERVICE PLANNING & REGULATION  
SUMMARY (Page 1 of 2)  
GROUP MANAGER SERVICE PLANNING & REGULATION**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>OPERATING REVENUE</b>						
Group Manager & Executive Support	0	0	0	0	0	0
City Strategy	100,400	100,100	100,000	103,000	106,090	109,273
Development Services	1,668,750	1,953,050	2,179,000	2,244,370	2,311,703	2,381,054
Environmental Programs	16,000	16,200	15,000	15,450	15,914	16,391
Waste Summary	10,062,941	10,970,917	12,095,713	13,906,238	15,302,848	16,668,736
Community Services	763,937	703,045	722,507	744,183	766,511	789,507
Cultural Services	277,620	285,705	347,884	358,323	369,073	380,146
Recreation Planning	321,897	333,664	346,948	357,356	368,078	379,123
<b>TOTAL</b>	<b>13,211,545</b>	<b>14,362,681</b>	<b>15,807,052</b>	<b>17,728,920</b>	<b>19,240,217</b>	<b>20,724,230</b>
<b>OPERATING EXPENDITURE</b>						
Group Manager & Executive Support	404,358	419,149	450,461	464,592	479,169	494,859
City Strategy	642,275	744,971	599,023	618,156	637,902	659,518
Development Services	1,915,083	1,953,128	2,096,874	2,163,890	2,233,049	2,308,797
Environmental Programs	844,539	864,797	883,358	912,138	941,911	974,473
Waste Summary	7,175,933	8,705,808	10,052,790	11,496,895	12,534,353	13,550,520
Community Services	1,447,747	1,542,560	1,556,801	1,605,086	1,654,860	1,707,868
Cultural Services	2,287,653	2,422,395	2,597,259	2,676,111	2,757,357	2,842,063
Recreation Planning	1,281,213	1,257,929	1,366,110	1,407,097	1,449,316	1,492,799
<b>TOTAL</b>	<b>15,998,801</b>	<b>17,910,737</b>	<b>19,602,676</b>	<b>21,343,965</b>	<b>22,687,917</b>	<b>24,030,897</b>
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>(\$2,787,256)</b>	<b>(\$3,548,056)</b>	<b>(\$3,795,624)</b>	<b>(\$3,615,045)</b>	<b>(\$3,447,700)</b>	<b>(\$3,306,667)</b>

**THIS BUDGET AREA CONTRIBUTES TO THE FOLLOWING SERVICES**

City Appearance, Community Services, Cultural and Education Services, Environmental Management, Health and Safety, Planning and Development, Recreation and Leisure, Waste Management and Recycling

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**SERVICE PLANNING & REGULATION  
SUMMARY (Page 2 of 2)  
GROUP MANAGER SERVICE PLANNING & REGULATION**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>CAPITAL REVENUE</b>						
Group Manager & Executive Support	0	0	0	0	0	0
City Strategy	0	0	0	0	0	0
Development Services	0	0	0	0	0	0
Environmental Programs	0	0	0	0	0	0
Waste Summary	0	0	0	0	0	0
Community Services	0	0	0	0	0	0
Cultural Services	0	0	0	0	0	0
Recreation Planning	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL EXPENDITURE</b>						
Group Manager & Executive Support	0	0	0	0	0	0
City Strategy	0	0	0	0	0	0
Development Services	0	0	0	0	0	0
Environmental Programs	0	0	0	0	0	0
Waste Summary	1,426,500	794,000	713,000	2,873,540	3,014,186	3,216,942
Community Services	50,000	50,000	50,000	0	0	0
Cultural Services	231,792	238,744	246,050	253,432	261,035	268,866
Recreation Planning	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,708,292</b>	<b>1,082,744</b>	<b>1,009,050</b>	<b>3,126,972</b>	<b>3,275,221</b>	<b>3,485,808</b>
<b>NET CAPITAL SURPLUS/(DEFICIT)</b>	<b>(\$1,708,292)</b>	<b>(\$1,082,744)</b>	<b>(\$1,009,050)</b>	<b>(\$3,126,972)</b>	<b>(\$3,275,221)</b>	<b>(\$3,485,808)</b>
<b>NET PROGRAMME SURPLUS/(DEFICIT)</b>	<b>(\$4,495,548)</b>	<b>(\$4,630,800)</b>	<b>(\$4,804,674)</b>	<b>(\$6,742,017)</b>	<b>(\$6,722,921)</b>	<b>(\$6,792,475)</b>

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**ASSET & INFRASTRUCTURE PLANNING  
SUMMARY (1 of 2)  
GROUP MANAGER ASSET & INFRASTRUCTURE PLANNING – CHRIS JAMES**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>OPERATING REVENUE</b>						
Executive Support	0	0	0	0	0	0
Assets	84,848	1,698	0	0	0	0
Design & Technical Support	60,389	62,201	<b>89,000</b>	91,670	94,421	97,254
Works Maintenance Program	182,983	197,573	<b>177,432</b>	182,756	188,239	193,886
Infrastructure Planning	199,500	249,235	<b>343,991</b>	354,311	364,942	375,890
<b>TOTAL</b>	<b>527,720</b>	<b>510,707</b>	<b>610,423</b>	<b>628,737</b>	<b>647,602</b>	<b>667,030</b>
<b>OPERATING EXPENDITURE</b>						
Executive Support	272,827	291,010	<b>301,468</b>	311,112	321,065	331,974
Assets	680,904	777,661	<b>810,216</b>	836,103	862,819	892,072
Design & Technical Support	769,451	803,807	<b>812,288</b>	838,530	865,620	895,579
Works Maintenance Program	5,704,573	6,068,074	<b>6,761,103</b>	9,529,395	10,067,679	10,406,566
Infrastructure Planning	1,907,643	1,648,730	<b>2,372,792</b>	2,610,118	2,826,837	3,065,565
<b>TOTAL</b>	<b>9,335,398</b>	<b>9,589,282</b>	<b>11,057,867</b>	<b>14,125,258</b>	<b>14,944,020</b>	<b>15,591,756</b>
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>(\$8,807,678)</b>	<b>(\$9,078,575)</b>	<b>(\$10,447,444)</b>	<b>(\$13,496,521)</b>	<b>(\$14,296,418)</b>	<b>(\$14,924,726)</b>

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**ASSET & INFRASTRUCTURE PLANNING  
SUMMARY (2 of 2)**

**GROUP MANAGER ASSET & INFRASTRUCTURE PLANNING – CHRIS JAMES**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
<b>CAPITAL REVENUE</b>						
Executive Support	0	0	0	0	0	0
Assets	0	0	0	0	0	0
Design & Technical Support	0	0	0	0	0	0
Works Capital Program	2,143,205	2,208,862	2,313,760	2,383,173	2,454,667	2,528,307
Infrastructure Planning	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,143,205</b>	<b>2,208,862</b>	<b>2,313,760</b>	<b>2,383,173</b>	<b>2,454,667</b>	<b>2,528,307</b>
<b>CAPITAL EXPENDITURE:</b>						
Executive Support	0	0	0	0	0	0
Assets	0	0	0	0	0	0
Design & Technical Support	0	0	15,000	15,000	15,000	15,000
Works Capital Program	9,259,105	8,922,526	10,994,520	17,637,751	18,304,979	18,549,179
Infrastructure Planning	0	0	0	0	0	0
<b>TOTAL</b>	<b>9,259,105</b>	<b>8,922,526</b>	<b>11,009,520</b>	<b>17,652,751</b>	<b>18,319,979</b>	<b>18,564,179</b>
<b>NET CAPITAL SURPLUS/(DEFICIT)</b>	<b>(\$7,115,900)</b>	<b>(\$6,713,664)</b>	<b>(\$8,695,760)</b>	<b>(\$15,269,578)</b>	<b>(\$15,865,312)</b>	<b>(\$16,035,872)</b>
<b>NET PROGRAMME SURPLUS/(DEFICIT)</b>	<b>(\$15,923,578)</b>	<b>(\$15,792,239)</b>	<b>(\$19,143,204)</b>	<b>(\$28,766,099)</b>	<b>(\$30,161,730)</b>	<b>(\$30,960,598)</b>

**THIS BUDGET AREA CONTRIBUTES TO THE FOLLOWING SERVICES**

Assets Construction and Maintenance, City Appearance, Roads and Transport

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**CITY WORKS & SERVICES  
SUMMARY (1 of 2)  
GROUP MANAGER CITY WORKS & SERVICES - WAYNE CONE**

	Original Budget 2009-10	Original Budget 2010-11	Adopted Budget 2011-12	Estimated Budget 2012-13	Estimated Budget 2013-14	Estimated Budget 2014-15
OPERATING REVENUE	0	0	0	0	0	0
Group Manager	1,700	500	500	515	530	546
Administration Support	39,995	41,080	67,485	69,510	71,595	73,743
Emergency Planning and Management	383,810	343,490	355,490	366,155	377,140	388,454
Fleet & Depot Services	0	0	0	0	0	0
Projects	498,731	515,310	621,275	639,913	659,110	678,883
Civil & Recreation Works	924,236	900,380	1,044,750	1,076,093	1,108,375	1,141,626
<b>TOTAL</b>						
OPERATING EXPENDITURE	187,890	198,800	206,342	212,996	219,864	227,448
Group Manager	26,636	26,450	26,810	27,615	28,443	29,296
Administration Support	674,617	699,240	860,645	886,464	913,058	940,451
Emergency Planning and Management	(458,545)	(242,769)	(569,208)	(485,548)	(399,379)	(310,386)
Fleet & Depot Services	809,119	834,541	826,501	853,203	880,767	911,257
Projects	1,738,294	1,833,662	1,987,084	1,427,836	1,473,265	1,522,822
Civil & Recreation Works	2,978,011	3,349,924	3,338,174	2,922,566	3,116,018	3,320,888
<b>TOTAL</b>						
NET OPERATING SURPLUS/(DEFICIT)	(\$2,053,775)	(\$2,449,544)	(\$2,293,424)	(\$1,846,473)	(\$2,007,643)	(\$2,179,262)

**BUSINESS PROGRAMME:  
BUDGET CENTRE:  
RESPONSIBILITY:**

**CITY WORKS & SERVICES  
SUMMARY (2 of 2)  
GROUP MANAGER CITY WORKS & SERVICES - WAYNE CONE**

	<b>Original Budget 2009-10</b>	<b>Original Budget 2010-11</b>	<b>Adopted Budget 2011-12</b>	<b>Estimated Budget 2012-13</b>	<b>Estimated Budget 2013-14</b>	<b>Estimated Budget 2014-15</b>
CAPITAL REVENUE	0	0	0	0	0	0
Group Manager	0	0	0	0	0	0
Administration Support	17,500	12,500	600,000	0	0	0
Emergency Planning and Management	0	0	0	0	0	0
Fleet & Depot Services	0	0	0	0	0	0
Projects	0	0	0	0	0	0
Civil & Recreation Works	0	0	0	0	0	0
<b>TOTAL</b>	<b>17,500</b>	<b>12,500</b>	<b>600,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
CAPITAL EXPENDITURE:						
Group Manager	0	0	0	0	0	0
Administration Support	0	0	0	0	0	0
Emergency Planning and Management	35,000	25,000	600,000	0	0	0
Fleet & Depot Services	1,548,187	1,335,000	1,335,000	1,755,050	1,416,302	1,458,791
Projects	15,100	15,400	15,400	9,000	9,000	9,000
Civil & Recreation Works	38,900	40,288	36,399	38,000	40,000	42,000
<b>TOTAL</b>	<b>1,637,187</b>	<b>1,415,688</b>	<b>1,986,799</b>	<b>1,802,050</b>	<b>1,465,302</b>	<b>1,509,791</b>
NET CAPITAL SURPLUS/(DEFICIT)	<b>(\$1,619,687)</b>	<b>(\$1,403,188)</b>	<b>(\$1,386,799)</b>	<b>(\$1,802,050)</b>	<b>(\$1,465,302)</b>	<b>(\$1,509,791)</b>
NET PROGRAMME SURPLUS/(DEFICIT)	<b>(\$3,673,462)</b>	<b>(\$3,852,732)</b>	<b>(\$3,680,223)</b>	<b>(\$3,648,523)</b>	<b>(\$3,472,945)</b>	<b>(\$3,689,053)</b>

**THIS BUDGET AREA CONTRIBUTES TO THE FOLLOWING SERVICES**

Assets Construction and Maintenance, City Appearance, Roads and Transport, Waste Management and Recycling

## COUNCIL'S REVENUE POLICY

Our Revenue Policy is prepared annually in accordance with Section 404 of the Local Government Act 1993. The Revenue Policy includes the following statements for the year 2011/2012:

- A statement of Council's pricing policy with respect to the goods and services provided.
- A statement with respect to each ordinary rate and each special rate proposed to be levied.
- A statement with respect to each charge proposed to be levied.
- A statement of the types of fees proposed to be charged by the Council and the amounts of each such fee.
- A statement of the amounts or rates proposed to be charged for carrying out by the Council of work on private land.
- A statement of the amounts of any proposed borrowings, the sources from which they are proposed to be borrowed and the means by which they are proposed to be secured.
- A statement containing a detailed estimate of the Council's income and expenditure.

## FACTORS INFLUENCING REVENUE AND PRICING POLICY

The following factors will influence the Council's proposed revenue and pricing policy with respect to the provision of goods, services and facilities.

### Community service obligations

The Council's community service obligation is a fundamental consideration when determining a pricing policy for community services and facilities. The Council's community service obligation is reflected in the proposed pricing structure for the hire and use of services and facilities such as the Maitland Town Hall, community centres, Maitland Visitor's Centre, public swimming pools, libraries, Art Gallery, parks, gardens, sporting and recreation fields and facilities.

### Full Cost Recovery

The principle of full cost recovery is the recovery of all direct and indirect costs involved in the provision of a service.

### User-Pays

The User-Pays principle involves pricing the [provision](#) of goods, services and facilities, which require the user/consumer to pay the actual cost of the service provided.

Full, partial or zero cost recovery describes how the aggregate level of revenue derived from a service relates to its fully absorbed or 'true cost'.

The pricing policy applied to a particular service is guided by Council's motivation for being involved in the service. The following table notes each circumstance by which Council is involved in a service and describes the policy principle or basis.



Motive	Pricing Principle
Public Goods and the Exclusion Principle	Council services may be provided free of charge in those circumstances where it is impossible or impractical to exclude users who for various reasons do not have the ability to pay.
Externalities	Fees may be discounted to a level below the cost of a service where the production or consumption of the service generates external benefits to the community (hence creating a community service obligation); provided the cost of the discount does not exceed the estimated benefit.
Merit Goods	Fees may be discounted to a level below the cost of a service if full cost recovery would prevent or discourage its consumption and the service is regarded as having particular merit to the welfare and well-being of the community (hence creating a community service obligation); provided the cost of the discount does not exceed the estimated benefit.
Natural Monopoly	Where Council has a monopoly over the production of a good or service, prices should be set at a level to fully recover costs unless there are explicit community service obligations or equity objectives.

## STATEMENT OF RATING STRUCTURE

The current rating structure contains the four primary categories of ordinary rate, being:

- Farmland
- Residential
- Mining
- Business

The **Farmland category** has two (2) sub-categories, being:

- Farmland High Intensity
- Farmland Low Intensity

The rating structure for each of the Farmland sub-categories is based on a combination of a base amount and an ad valorem (amount in the dollar) component. The level of the base amount has been set to achieve 10% of total rate income of each Farmland sub-category, with the ad valorem component raising 90% of the total income from each sub-category.

The **Residential category** has two (2) sub-categories, being:

- Residential Non Urban
- Residential Urban

The rating structure for each of the Residential sub-categories is based on a combination of a base amount and an ad valorem component. The level of the base amount for the Residential Non Urban sub-category has been set to achieve 10% of total rate income of that sub-category, with the ad valorem component raising 90% of the total income from that sub-category. The level of the base amount for the Residential Urban sub-category has been set to achieve 35% of total rate income of that sub-category, with the ad valorem component raising 65% of the total income from that sub-category.

The **Mining category** has no sub-categories. The rating structure for the Mining category is based wholly on an ad valorem component.

The **Business category** has five (5) sub-categories, being:

- Business Ordinary
- Business Thornton
- Business Rutherford
- Business Metford / East Maitland
- Business Green St, Telarah

The rating structure for each of the Business sub-categories is based wholly on an ad valorem component.

Land has been categorised for rating purposes in accordance with Sections 515 to 519 of the Local Government Act 1993.

## STATEMENT OF RATING FOR 2011/12

Council has made formal application to the Independent Pricing and Regulatory Tribunal for approval of a special rate variation. (SRV) It is Council's intention to utilise the SRV to increase its total rate revenue by 9.8% in 2011/2012 and 10% in 2012/2013, inclusive in both cases of the IPART determined rate peg increase. The purpose of the SRV is to provide additional revenue to Council as a first step towards improving the standard and condition of the City's infrastructure, and reviewing and revitalizing the overall appearance and presentation of the City. If approved, the SRV will generate an additional \$16 million over the four years of the delivery program.

The specific works / projects to be undertaken with this additional revenue have been separately identified in Council's four year works program presented as part of the Delivery Program 2011-15 and Operational Plan 2011/12.

Under Council's preferred position of 9.8%, rates in 2011/12 would be as follows:

Rate Type	Category	Sub-Category	Ad Valorem Cents in \$	Base Amount \$	% of Rate Payable	Estimated Rate Yield \$
Ordinary	Farmland	High Intensity	0.2957	241.44	10%	1,233,674
Ordinary	Farmland	Low Intensity	0.3808	197.12	10%	373,200
Ordinary	Residential	Non Urban	0.4379	143.21	10%	1,330,361
Ordinary	Residential	Urban	0.3869	314.17	35%	22,010,694
Ordinary	Mining	N/a	9.3778	0.00	0%	254,326
Ordinary	Business	Ordinary	1.5683	0.00	0%	3,813,570
Ordinary	Business	Thornton	1.4049	0.00	0%	1,245,049
Ordinary	Business	Rutherford Metford / East	1.4049	0.00	0%	2,304,241
Ordinary	Business	Maitland Green St,	1.4049	0.00	0%	158,613
Ordinary	Business	Telarah	1.4049	0.00	0%	59,455
Special	Mall	See Note 1	1.9864	0.00	0%	212,066
Special	CBD	See Note 2	0.8058	0.00	0%	298,360

### Notes

1. The Mall Rate is levied for the purpose of promoting and managing the High Street Heritage Mall.
2. The CBD Rate is levied for the purpose of promoting the Maitland City Centre.

## HUNTER CENTRAL RIVERS CATCHMENT MANAGEMENT AUTHORITY

Council includes on its rate notice a catchment contribution collected on behalf of the Hunter Central Rivers Catchment Management Authority. The Authority sets the rate in the dollar in June each year after receiving Ministerial approval. Catchment contributions are collected under the Catchment Management Authorities Act 2003, and are all passed on to the Authority. All rateable land with a land value exceeding \$300 within the defined catchment area is subject to the contribution.

In the year ahead, the Council will investigate potential new or expanded revenue streams to fund or part fund its long term asset and environmental management responsibilities, including a review of the level of Council's general rate revenue.

## CHARGES

### Domestic Waste Management Service

- Council provide a weekly domestic waste management service and bi-weekly recycling collection service.
- Council make an annual charge for that total service under Section 496 of the Local Government Act, (1993).
- The amount of that charge during the year commencing 1st July 2011 to the 30th June 2012 for each parcel of rateable land for which the service is available be:
  - Vacant Land - \$20.00 (Estimated yield = \$31,620) Occupied Land - \$283.30 for each dwelling on that land. (Estimated yield = \$7,259,846)
- Under Section 543(3) of the Local Government Act 1993 the charge be named the "Domestic Waste Management Service Charge".

### Commercial Waste Management Service

- Council provide a weekly commercial waste management service to all occupied rateable properties categorised as Business and who have not entered into a contractual agreement for a trade waste collection service from a private contractor.
- Council make an annual charge for the use of that service under Section 502 of the Local Government Act 1993.
- The amount of that charge during the year commencing 1st July 2011 to the 30th June 2012 be \$61.60 (GST Inc) per bin per month for that year. (Estimated yield = \$1,034,880 GST inc)
- Under Section 543(3) of the Local Government Act 1993 the charge be named the "Commercial Waste Management Service"

### Interest on Overdue Rates and Charges

That Council make a charge for interest on overdue rates and charges at an amount of to be announced by the Minister of Local Government in accordance with Section 566 of the Local Government Act 1993. The interest rate for 2010/2011 was 9%.

### Stormwater Management Services Charge

- Council make an annual charge for stormwater management services under Section 496A of the Local Government Act 1993 and clauses 125A and 125AA of the Local Government (General) Regulation 2005.
- The amount of that charge during the year commencing 1st July 2011 to the 30th June 2012 for eligible properties be as follows:

Category	Area Range (M <sup>2</sup> )	Charge
Residential	N/A	\$25.00
Residential Strata Unit	N/A	\$12.50
Business	0 – 700	\$25.00
Business	701 – 2,000	\$75.00
Business	2,001 – 10,000	\$100.00
Business	10,001 – 50,000	\$200.00
Business	Over 50,000 m <sup>2</sup>	\$250.00
Business Strata Unit	0 – 700	\$25.00
Business Strata Unit	701 – 2,000	\$75.00
Business Strata Unit	2,001 – 10,000	\$100.00
Business Strata Unit	Over 10,000 m <sup>2</sup>	\$200.00

(Estimated yield = \$629,113)

- Under Section 543(3) of the Local Government Act 1993 the charge be named the “Stormwater Management Services Charge”

## FEES FOR SERVICE

### Approved Fees for Service

Section 608 of the Local Government Act 1993 provides that the Council may charge and recover an approved fee for any service it provides, other than a service provided, or proposed to be provided on an annual basis for which it is authorised or required to make an annual charge under Section 496 or 501 of the Act.

Section 609 of the Act provides that when determining the approved fee, the Council must take into account the following factors:

- The cost of the Council providing the service
- The price suggested for that service by any relevant industry body or in any schedule of charges published, from time to time, by the Department of Local Government.
- The importance of service to the community
- Any factors specified in the regulations under the Act.

A schedule of proposed “Fees and Charges” has been prepared by Council, which identifies the type and amount of fee approved by the Council for services provided in the 2010/2011 financial year. Copies of the Fees and Charges policy statement is available upon request from the Council.

A Goods and Services Tax (GST) has been applied against the fees and charges that are subject to the GST.

## PRIVATE WORKS

The Council will from time to time carry out, by agreement with the owner or occupier of private land, any kind of work that may be lawfully carried out on the land in accordance with Section 67 of the Act.

Private work carried out on the basis of a charge representing full cost recovery of the work carried out plus a margin for profit. The profit margin is dependant on and subject to market forces applying at the time.

## EXTERNAL BORROWINGS

The following amounts are proposed to be borrowed from an approved financial institution in 2011/2012 for the purposes nominated. Amounts borrowed will be secured by mortgage over the income of the Council.

Proposed project	Amount proposed to be borrowed
Construction of Local Roads	660,000
Construction of Drainage	290,000
Construction of Access Improvements	50,000
<b>Total</b>	<b>1,000,000</b>