



A message from the Mayor...

In delivering this year's budget, council's number one priority has been to limit the financial burden being felt at the kitchen table. In 2011/12, the average annual net rates increase for owner-occupied households is below CPI.

Council has looked at all of the factors that impact on the family budget and that's why in 2011/12, council will continue to provide its full water subsidy to eligible Unitywater customers.

Queensland has been hit hard by recent natural disasters. Our region was no exception. Many homes, roads and bridges were damaged by the floods. Reconstruction and repair remains a key theme for this budget.

The 2011/12 budget will also help build new roads, while maintaining and improving our existing road network. Construction will conclude on iconic local projects like the Caboolture Hub while

work continues on vital sporting infrastructure like the Burpengary Regional Sports Park's AFL Precinct as well as Samford and South Pine sporting facilities. Funding will also continue to deliver council infrastructure including the Moreton Bay Rail Link.

This budget also places a high priority on protecting the natural beauty of our region with important erosion protection and revegetation projects, vital wildlife conversation partnerships and environmental monitoring to boost the health of our waterways.

This is a strong budget which delivers the efficiency savings locals expect with the enhancement to local services and facilities that make a real difference to the lives of local residents.

**Mayor Allan Sutherland
Moreton Bay Regional Council**

Budget highlights

\$55.3m on new roads, upgrades and emergency road works following flood events.

\$34.5m in operational savings per annum. In excess of \$100m in operational savings for the four year council term.

\$47m water subsidy over two years.

\$16.5m over 3 years (\$2m in 2011/12) for council infrastructure associated with Moreton Bay Rail Link.

\$11.7m for maintaining the region's road network.

\$10.5m associated with council infrastructure including:
- \$8.4m for new Caboolture Library @ The Hub; and
- \$2.1m for new North Lakes Library, The Corso.

\$13.3m for Regional Sports Park's including the AFL Precinct at Burpengary (\$8.2m in 2011/12).

\$8.1m to complete the Redcliffe Seaside Village Rejuvenation.

\$16.8m on Dakabin Gympie Road to North Lakes Link Road construction (\$5m in 2011/12).

\$1.1m investment in bus stops and shelters.

\$905,000 over two years for construction of the netball building and carpark for the South Pine Sporting Complex at Brendale.

\$1m for the Samford Parklands Soccer Facilities Development in 2011/12.

Council continues water relief for residents

Moreton Bay Regional Council will provide its full water subsidy plus a CPI increase to eligible Unitywater customers again in 2011/12.

This unique subsidy represents a \$47 million investment over two years.

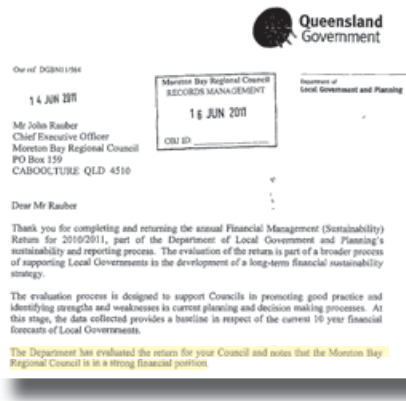
Moreton Bay Regional Council is the only council in Queensland providing such a subsidy to the community.

Financial responsibility

All financial sustainability indicators set by the State Government have been achieved.

Moreton Bay Regional Council has been recognised by the State Government in a letter from the Director-General of the Department of Local Government and Planning for being in a strong financial position.

The Department wrote in June 2011 acknowledging council's financial performance:



"The Department has evaluated the return for your Council and notes that the Moreton Bay Regional Council is in a strong financial position."

Strong financial management



Budget in surplus

Council has delivered an operating surplus of \$17.9 million in 2011/12. This surplus is a key financial achievement for council since amalgamation. For the first time council will fund its loan commitments from general revenue in the 2011/12 budget.



Low borrowings and low debt

Council's prudent financial management will result in only 19% of the 2011/12 \$160.5m capital expenditure program being funded by borrowings.

Council is only borrowing to build the future of our region. In 2011/12 council's net debt per person will be \$430.



More than \$100 million in savings

Council has delivered on its commitment to drive real savings and reduce waste without compromising service delivery.

In excess of \$100 million in savings will be achieved over the four year council term through a reduction in bureaucracy, corporate overheads and streamlining of processes.

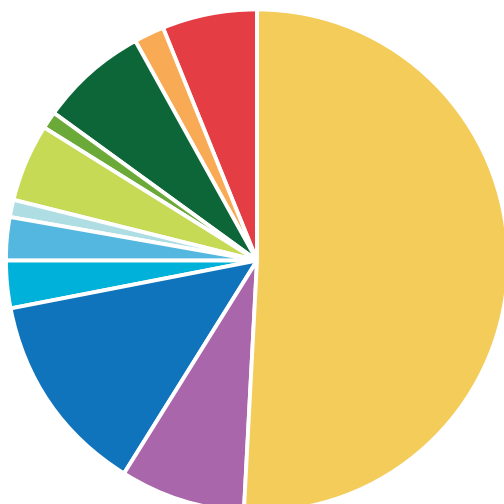


Strong balance sheet

Council has achieved a 39% or \$1.3 billion increase in the value of net community assets since amalgamation which include the facilities local residents use such as roads, stormwater, swimming pools, sporting facilities and community centres.

Capital Expenditure

2011/12 Capital Expenditure - \$160.5m



- Roads and Drainage
- Sport and Recreation
- Strategic Land Acquisitions and Planning
- Waste Management
- Buildings and Facilities
- Community Facilities
- Fleet Services
- Information Technology
- Libraries
- Maritime Facilities
- Parks, Gardens and Reserves

Budget overview

Total Budget: \$569m.

Rates: Average annual increase to owner-occupied households:

- 3.26% per annum
- 71cents per week
- \$37.16 per annum

Rates Cap: 6% general rates for all residential properties.

Average Valuation: 7.19% average property valuation increase (owner-occupied households).

Water Subsidy: Will be provided again in 2011/12 plus a CPI increase to eligible Unitywater customers.

Pensioner Rebates: \$200.

Key financial highlights

Total operating revenue of \$371m.

Total operating expenses of \$353m.

\$34.5m in operational savings per annum. In excess of \$100m in operational savings for the four year council term.

Operating surplus achieved in 2011/12 as forecast in 2010/11 budget. Surplus for 2011/12 is \$17.9m.

Capital expenditure of \$160.5m.

Forecast loan borrowings of \$30.9m.

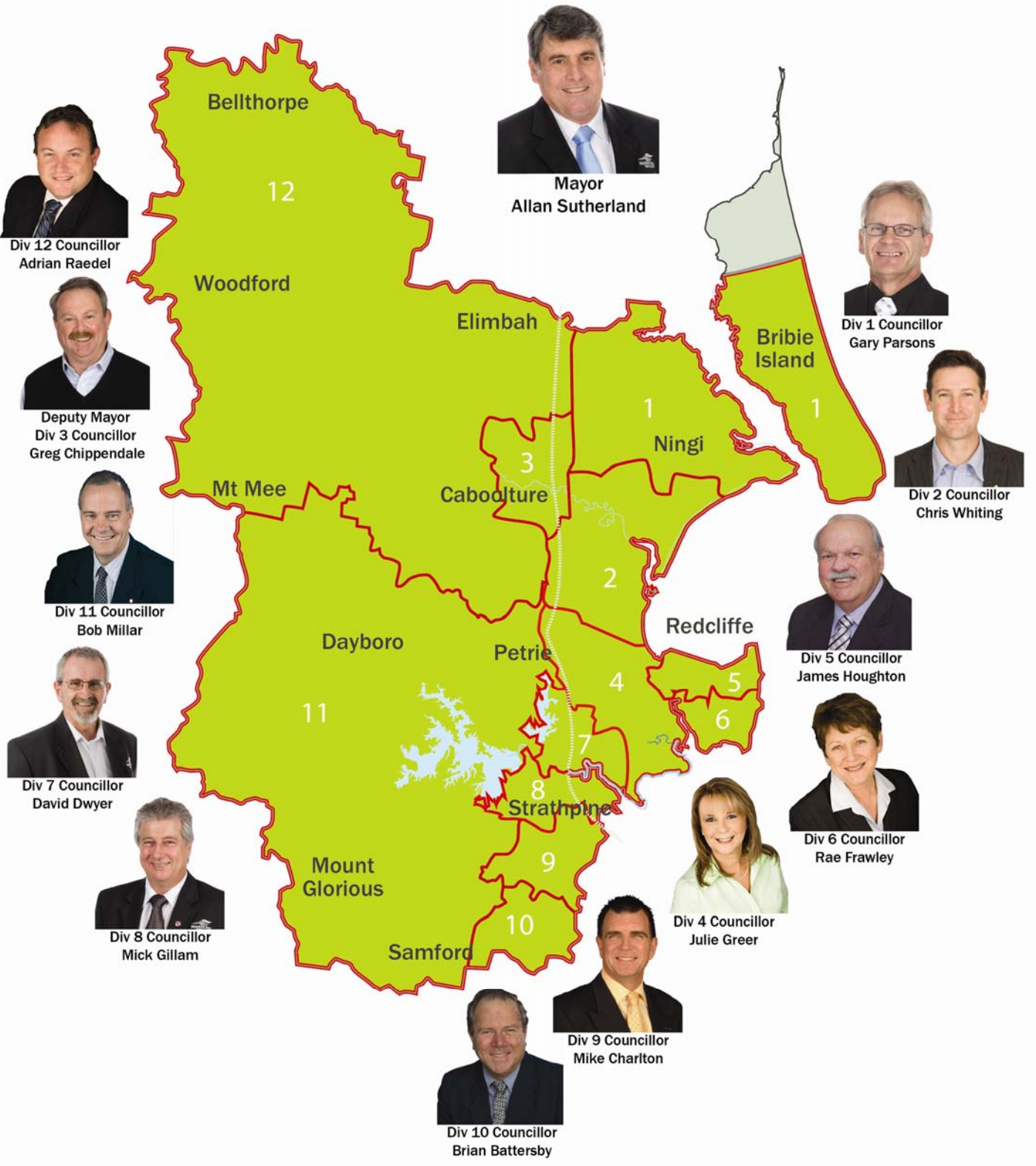
Employee expenses, materials and services and operational projects represent \$265.4m.

Cash holdings of \$195m.

Reserves of \$167.8m.

Total debt of \$366m.

Moreton Bay Regional Council - Divisional Map



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Moreton Bay Regional Council

Budget and Operational Plan 2011/12

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