

# Annual Plan and Budget

# 2023-24

Including forward estimates

2024-25 to 2026-27

Presented and submitted to the Council on

Wednesday 14 June 2023 by the Right Honourable the Lord Mayor of Brisbane (Councillor Adrian Schrinner)

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Glossary

The definitions and explanations below provide further guidance in understanding the terminologies including those used in the Budgeted Financial Statements.

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| Accumulated Surplus | This represents accumulated net wealth of Council excluding the revaluation of assets and equity reserves. |
| Amortisation | The systematic allocation of the cost of an asset obtained under finance leases and computer software purchases over its estimated useful life. |
| Annual Operational Plan | A statement of the outcomes Council seeks to achieve, and the services and projects budgeted for to achieve those outcomes and progress the achievement of the Corporate Plan. |
| Annual Implementation Plans | Sets out the actions or processes that are to be carried out in the financial year for a service, facility or activity to which a special rates or charge applies. |
| Anticipated 2022-23 Budget | The forecast end of year result for 2022-23 used as a comparison for the 2023-24 budget figures. |
| Asset Revaluation Surplus | The net revaluation increments and decrements arising from the revaluation of property, plant and equipment. Increases and decreases on revaluation are offset within a class of asset. |
| Budget | The financial plan to allocate the city’s resources. |
| Budget Period | The current financial year. |
| Businesses | Major operations or activities in Council’s Program and Business structure including City Standards, Transport for Brisbane and City Projects Office. |
| Capitalised Expenses | Capitalisation of expenses is the process of including those expenses incurred in the creation of assets in the value of the asset. Capitalised expenses are deducted from the statement of income and expenditure and are included in the cost of property, plant and equipment or capital work in progress. |
| Cash and Cash Equivalents | The value of cash on hand, at bank and all liquid investments that are readily convertible to cash. |
| Cash Flow and Cost of Hedging Reserves | Accounting reserve recognised from Council’s financial hedging activities as required by AASB 9 *Financial Instruments.* |
| Community Equity | Equal to the net assets employed in the operations of Council. It is the surplus of assets over liabilities and represents the net wealth of Council. |
| Corporate Plan | A guide for how Council will deliver services and activities for the next five years. |
| Council Providers | Businesses within Council that deliver products and services at a best value price. |
| Current Assets - Other | The balance of income earned but not yet received at the end of each financial year such as accrued participation returns and revenue, and prepaid expenses. |
| Current Financial Year | 1 July 2023 up to and including 30 June 2024. |
| Depreciation | The systematic allocation of the cost of an asset over its estimated useful life. |
| Developer Contributions | Transfers made to Council by external parties. These are predominantly infrastructure charges and contributed assets from developers for road, parks, stormwater and public transport, arising from property developments. |
| Discount and rebates | Concessions for rates and charges provided to pensioners and eligible individuals and organisations as set out in the Resolution of Rates and Charges or in accordance with any additional concessions for rates or charges granted by Council during the financial year. |
| Expenses | Operating expenditure net of capitalised expenses. |
| Fees and Charges | Income from licences and permits, parking, infringements, building applications and related services, refuse fees and other charges levied for services provided by Council. |
| Finance Costs | Includes interest on borrowings and lease liabilities. |
| Financing Activities | Include inflows and outflows associated with loan borrowings and leases. |
| Forward Estimates | Estimates of expenses, capital and revenue for the three financial years following the budget period. These estimates are indicative for planning purposes and signify an intention to allocate resources. They imply neither a commitment nor an obligation. Similarly, any item, which subsequently may be allotted a higher priority, may be funded even though currently not included. |
| Grants and Subsidies | Grants and subsidies received, or receivable, from the Queensland and Australian Governments to assist in the delivery of certain Council activities. Included, but not limited to, are Financial Assistance Grants, Roads to Recovery, Blackspot, Local Roads and Community Infrastructure program. Natural Disaster Relief and Recovery Arrangements and Library subsidies. |
| Increase (Decrease) in Operating Capability | The difference between total income and total expenses, as disclosed in the statement of income and expenditure, giving rise to either an increase or decrease in operating capability. |
| Investing Activities | Those activities that relate to the acquisition and disposal of non-current assets, including property, plant and equipment and intangibles. |
| Investment in associate | Council’s investment in Urban Utilities. |
| Land Use Codes | Indicates the predominant use for which the property is utilised or adapted to be utilised by virtue of its structure, fixtures and fittings or particular improvements and is an indicator of the property’s specific rating criteria. |
| Lease Liabilities | Council’s financial obligation for payments under a lease contract discounted at present value in accordance with AASB 16 *Leases.* |
| Lease Right of Use Assets | Council’s right to use an asset under a lease contract, initially measured at the present value of future lease payments and subsequently amortised over the estimated term of the lease as required by AASB 16 *Leases*. |
| Loan Borrowings | Monies borrowed for the funding of asset acquisition or construction, within the global limit of borrowing authorised by the Department of State Development, Infrastructure, Local Government and Planning. |
| Lord Mayor's Budget Speech | One of the documents presented as part of the budget package and is the transcript of the Lord Mayor's budget speech delivered in Council. |
| Loss on Disposal of Property, Plant and Equipment and Intangibles | When assets of Council are sold or otherwise disposed of, a gain or loss on disposal may eventuate. This gain or loss is calculated as the difference between the proceeds received and the written down value of the asset at the time of disposal. |
| Operating | Expenditure and revenue in a service for "business as usual" activities. This excludes expense and revenue allocated for projects that are capital in nature. |
| Other Financial Liabilities | The balance of Council’s borrowings from Queensland Treasury Corporation. |
| Other Investments | Investments in Council’s controlled entities and Queensland Investment Corporation. |
| Other Liabilities | Includes amounts received in advance by Council, such as unearned revenue and lease premiums from lessees being progressively recognised as revenue over the term of the lease agreements. |
| Other Revenue | Includes dividends and participation returns from investments, tax equivalent returns from Urban Utilities, service concession revenue, reimbursements and various revenue from contracts with customers. |
| Outcome | A broad statement of the desired results for the community of a particular strategy (or group of strategies). |
| Overall Plans | Details the supply of provision of services, facilities or activities for each benefitted area to which a special rates or charges applies as set out in the Resolution of Rates and Charges. |
| Payables | Amounts owing to suppliers, accrual of employee costs and annual leave and prepaid rates and utility charges. |
| Program | A group of related activities performed by one or more organisational units for the purpose of accomplishing a function for which Council is responsible. The budget of Council organises financial estimates into program categories. The legal level at which budgeted disbursements are controlled is the program level. |
| Program Budgeting | The system used by Council which focuses on program outcomes rather than inputs. |
| Project | An activity within a service that builds, enhances and maintains Council assets or enhances Council services in order to achieve a desired outcome. |
| Project Estimate | The project estimate is based on the scope of the project. Standard item prices are used for the routine type of rehabilitation undertaken on Council's infrastructure and resource-based estimates are used for the major and one-off type works such as major road works, new bridges, major drainage, etc. At the time of budget planning, project estimates may be based on either concept estimates, design estimates or construction estimates depending on the project development stage. |
| Property, Plant and Equipment | Council's physical assets base, including parklands, vacant land, roads, bridges, buildings, vehicles, computer equipment and infrastructure assets. |
| Provisions | Liabilities of uncertain timing or amount and include long service leave, land restoration and land resumption. |
| Public Transport Revenue | Revenue from public transport activities based on contractual arrangements with Translink as a division of the Queensland Government's Department of Transport and Main Roads. |
| Rates and Charges | Includes the general rates, separate rates, special rates and charges, and utility charges for waste management services. Rates represent a charge on land. By resolution, the general and separate rates are based on a three-year average of the value of the land as determined by the Valuer-General of Queensland.  |
| Resolution of Rates and Charges | A formal resolution that sets out the various rates and charges levied by Council. This is contained in the Annual Plan and Budget document and has been prepared using the principles approved in Council's Revenue Policy. |

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| Revenue Policy | Council’s strategic policy used as the basis for the development of rates and charges. It specifically outlines Council’s principles in the making of rates and charges, the granting of rebates and concessions for rates and charges and the recovery of unpaid rates and charges. The policy is included in the Annual Plan and Budget document. |
| Revenue Statement | The Revenue Statement has been prepared using the principles approved in Council's Revenue Policy. It provides broader information on the categories of rates and charges, rebates and concessions and the recovery of unpaid rates and charges. The Statement is included in the Annual Plan and Budget document. |
| Schedule of Fees and Charges | A separate budget document detailing the fees and charges to apply to the various products and services provided by Council. |
| Separate Rates | Levied for Bushland Preservation and Environmental management and compliance. |
| Service | A readily identifiable service or product delivered by Council to the community in order to achieve a particular outcome. |
| Service Concessions Liabilities | Arrangements accounted for under AASB 1059 *Service Concession* *Arrangements: Grantors*. The liabilities are determined at the start of the service concession arrangements and amortised through the recognition of revenue over the term of the service concession arrangements. The related service concession assets are included as part of infrastructure assets in property, plant and equipment. |
| Special Charges | Levied for Rural Fire Services. |
| Special Rates | Levied for Queen Street and Valley Malls, various beautification schemes, town, business and suburban centre schemes, improvement projects and the Living Village Developments Levy. |
| Strategies | A level at which resources are allocated to deliver the outcomes of the program. |
| Suburban Works Program | A supporting schedule that provides further detail on individual activities that are planned to be funded from the Annual Plan and Budget 2023-24 project allocations, with indicative cost estimates. |
| Superannuation Defined Benefit Plan | The net surplus or deficit of defined benefit funds where Council contributes to the defined benefit plan. |

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